

1201 West Lathrop Avenue
Gate A, Tech 2
Savannah, GA 31415



July 10, 2012

Kim Copperthite
United States International Trade Administration
500 E Street SW
Washington, DC 20436

RE: Dry Adhesive Copolyamide Pellets Duty Suspension

Dear Ms. Copperthite:

Attached is the Arizona Chemical rebuttal of the Arkema proposal, HR 4688, sponsored by Representative Jim Gerlach (Republican) of Pennsylvania.

- Arizona Chemical is a domestic producer of polyamide (3908.90.7000 Polyamides in primary forms: Other: Other), which competes with equivalent imported materials on small margin differences. Though Arizona Chemical uses proprietary CAS numbers, our domestic products directly compete against the materials listed in this proposed bill. Accordingly, we object to a continued duty suspension for polyamides under 9902-40-63 of the Harmonized Tariff Schedule of the United States. The duty suspension will likely serve to increase trade imbalances.
- Arizona Chemical produces over 10,000 metric tons of polyamides domestically, primarily utilizing US biomass materials. As a producer of bio-based chemicals which does not receive bio-energy subsidies, we believe that additional assistance to our competitors is not warranted.
- We also believe that without the duty suspension in place, the US would receive revenue in excess of \$500,000 annually. Passage of HR 4688, therefore, would result in a loss to the US of more than \$1.5 million in duties over the life of the proposed suspension. Information from the PIERS database was used to make this estimate.
- There is no known benefit to Arizona Chemical if the duty suspension is granted. To the contrary, we believe that it would damage Arizona Chemical, who manufactures competitive polyamide in Dover, Ohio.
- Arizona Chemical has no formal affiliation with Arkema, though we sell materials to them domestically and in Europe.

If you have any questions please call me at (912) 238-7455.

Sincerely,

Mike Husain
Sustainability Director
ARIZONA CHEMICAL COMPANY