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June 13, 2012

The Honorable Dave Camp
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Sander Levin
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Camp and Ranking Member Levin:

On behalf of Special Materials Company (SMC), I write to show support for H.R. 5205, as part of the Miscellaneous Tariff Bill (MTB) process. H.R. 5205 will grant a temporary duty suspension to certain *halogenated derivatives of hydrocarbons (PCBTF) with antioxidant*, which is an import not produced in the US but used in the manufacturing of US products. PCBTF is used to replace many solvents that are hazardous air pollutants and do not comply with US federal and state regulations. The temporary duty exemptions we are supporting will help our company supply other US companies with the imports they need to meet state and Federal law.

For example, PCBTF (p-Chlorobenzotrifluoride, Parachlorobenzotrifluoride, p-Chloro- α,α,α -trifluorotoluene, CAS Number 98-56-6) is exempt from the definition of Volatile Organic Compounds (VOC). Federal, State and local regulations limit the amount of VOCs in many consumer and commercial products. Federal regulations can be found in CFR Part 59 - National Volatile Organic Compound Emission Standards for Consumer and Commercial Products. This regulation controls the amount of VOCs in Automobile Refinish Coatings, Consumer Products, Architectural Coatings and Aerosol Coatings. SMC supplies its products to each of these industries. Many States also have regulations that limit the VOCs in consumer and commercial products. PCBTF has become a critical compound for paint and coating companies to replace many solvents that are VOCs and/or hazardous air pollutants in order to comply with regulations. In addition, PCBTF is one of the few exempt solvent options that will not support combustion thus helping improve worker and production fire safety.

In order for paint and coating products used in the US to comply with Federal mandates, they must use imported chemicals that are VOC exempt. Enacting this bill will help us provide the products needed by US companies to meet federal and state regulations. PCBTF previously



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was afforded temporary duty suspension until 2009 when it was inadvertently allowed to expire. Subsequent MTB difficulties in Congressional passage of MTBs prevented its extension.

SMC is a global producer and marketer of specialty chemicals headquartered in New York City and with operations in New Jersey and South Carolina. Furthermore, it is the largest supplier of green solvents in North America. SMC products serve many important U.S. industries, including oil & gas, paper, pharmaceutical, textile, electronics, chemical intermediates, agriculture, resins, adhesives, paint & coatings and photo imaging.

Successful passage of this MTB will allow SMC to pass duty savings downstream to U.S. industry and other end-users, ensuring that prices continue to remain competitive. We recognize that the MTB process is ongoing and ask for your resolve in helping U.S. companies by passing this important legislation before the end of the year.

Best Regards,

A handwritten signature in black ink, appearing to read "A. Feldman", with a long horizontal flourish extending to the right.

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