TaylorMade Golf Company

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The Honorable Dave Camp
Chairman
Committee on Ways & Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Sander Levin
Ranking Member
Committee on Ways & Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin Brady
Chairman, Trade Subcommittee
Committee on Ways & Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Jim McDermott
Ranking Member, Trade Subcommittee
Committee on Ways & Means
U.S. House of Representatives
Washington, DC 20515

Dear Chairmen Camp and Brady, and Ranking Members Levin and McDermott:

I am writing on behalf of TaylorMade-adidas Golf Company to support H.R.5551 – To reduce temporarily the duty on golf club driver heads – and request its inclusion in the 2012 Miscellaneous Tariff Bill (MTB) package. This legislation introduced by Congressman Brian Bilbray and co-sponsored by Congressman Richard Neal will reduce import duties on golf club components used in our manufacturing operations in Carlsbad, California.

Current trade laws discourage domestic production of golf clubs. Golf club heads – including driver heads – that are imported and used to make finished golf clubs are currently subject to a 4.9 percent duty under the Harmonized Tariff Code (HTS), subheading 9506.39.00. The duty on imported finished golf clubs is only 4.4 percent under HTS subheading 9506.31.00. This creates an "inverse tariff," which encourages foreign rather than domestic production. This legislation will allow us to reduce the import duties on these components, which will aid in the competitiveness of the entire golf club industry, thereby supporting thousands of jobs in the United States.

It should be noted that the benefits derived from this legislation are not exclusive to TaylorMade; the legislation will benefit our customers. Because retail prices for golf equipment are highly sensitive and responsive to changes in cost, the legislation will help buffet rising materials costs, and thereby help us avoid increases in costs ultimately charged to consumers for our products; and it will do so without negatively impacting domestic firms.

We hope you will include this legislation in the 2012 MTB package.

Sincerely,

Amit Kumar
Vice President, Legal and Business Affairs

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