

United States (HTS) heading 9902.51.11); and (2) for worsted wool fabric with average fiber diameters of 18.5 microns or less (HTS heading 9902.51.12).

On August 6, 2002, President Bush signed into law the Trade Act of 2002, which includes several amendments to Title V of the TDA 2000. These include the extension of the program through 2005; the reduction of the in-quota duty rate on HTS 9902.51.12 (average fiber diameter 18.5 microns or less) from 6 percent to zero, effective for goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2002; and an increase in the 2003 through 2005 TRQ levels to 3,500,000 square meters for HTS 9902.51.12 and to 4,500,000 square meters for HTS 9902.51.11. Both of these limitations may be modified by the President, not to exceed 1,000,000 square meters per year for each tariff rate quota.

The TDA 2000 requires the annual consideration of requests by U.S. manufacturers of men's or boys' worsted wool suits, suit-type jackets and trousers for modification of the limitation on the quantity of fabric that may be imported under the tariff rate quotas, and grants the President the authority to proclaim modifications to the limitations. In determining whether to modify the limitations, specified U.S. market conditions with respect to worsted wool fabric and worsted wool apparel must be considered. On January 22, 2001, the Department published regulations establishing procedures for considering requests for modification of the limitations. 15 CFR 340.

On September 26, 2003, the Department published a notice in the Federal Register soliciting requests for modification of the 2004 tariff rate quota limitations. The Department received one such request, from Hartmarx Corporation. The request is for the maximum increase (1,000,000 square meters) in each of the two tariff rate quota limitations (HTS 9902.51.11 and HTS 9902.51.12). The request is reproduced below.

Comments may be submitted by any interested person, including U.S. manufacturers of worsted wool fabric, wool yarn, wool top and wool fiber. Comments must comply with the requirements of 15 CFR 340. If the person submitting comments is a domestic producer of worsted wool fabric, comments should include, to the extent available, the following information for each limitation with respect to which comments are being made: (1) A list of domestic manufacturers of worsted wool suits, suit-type jackets, or trousers for whom

orders were filled during the period July 1, 2002 to June 30, 2003, the date of such orders, the total quantity ordered and supplied in square meters of domestically produced worsted wool fabric and of imported worsted wool fabric, and the average price received per square meter of domestically produced worsted wool fabric and of imported worsted wool fabric for such orders; 2) A list of all requests to purchase worsted wool fabric during the period July 1, 2002 to June 30, 2003 that were rejected by the person submitting the comments, indicating the dates of the requests, the quantity requested, the price quoted, and the reasons why the request was rejected; 3) Data indicating the increase or decrease in production and sales for the period January 1, 2003 to June 30, 2003 and the comparable six month period in the previous year of domestically-produced worsted wool fabrics used in the production of worsted wool suits, suit-type jackets and trousers; 4) Evidence of lost sales due to the temporary duty reductions on certain worsted wool fabric under the tariff rate quotas; and 5) Other evidence of the ability of domestic producers of worsted wool fabric to meet the needs of the manufacturers of worsted wool suits, suit-type jackets and trousers in terms of quantity, variety, and other relevant factors.

Comments must be accompanied by a statement by the person submitting the request (if a natural person), or an employee, officer or agent of the legal entity submitting the request, with personal knowledge of the matters set forth therein, certifying that the information is complete and accurate, signed and sworn before a Notary Public, and acknowledging that false representations to a federal agency may result in criminal penalties under federal law. Any business confidential information provided that is marked confidential and protected from disclosure to the full extent permitted by law. To the extent business confidential information is provided, a non-confidential submission should also be provided, in which business confidential information is summarized or, if necessary, deleted.

Dated: October 29, 2003.

D. Michael Hutchinson,
*Acting Deputy Assistant Secretary for
Textiles, Apparel and Consumer Goods
Industries*

October 14, 2003

Industry Assessment Division
Office of Textiles and Apparel
Room 3100
United States Department of Commerce

Washington, DC 20230

RE: Request for Modification of Tariff Rate
Quotas on the Import of Certain Worsted
Wool Fabrics

To Whom It May Concern: As President and Chief Executive Officer of Hartmarx Corporation and on behalf of Hartmarx Corporation and its wholly-owned subsidiaries ("the Companies"), manufacturers of men's and boys' worsted wool suits, suit-type jackets and trousers¹, I am submitting this request in response to the Department of Commerce's "Notice of Solicitation of Requests for Modification of Tariff Rate Quotas on the Import of Certain Worsted Wool Fabrics". This modification request is consistent with the procedures established for considering requests for modifications of the tariff rate quotas under Title V or the Trade and Development Act of 2000 (the Act) and the regulations published by the Department.

Hartmarx Corporation has its principal executive and administrative offices in Chicago, Illinois. The Companies have manufacturing facilities in Alabama, New York, Missouri, Illinois, Pennsylvania and Arkansas. The Company was established in 1872, and we believe we are the largest manufacturer and marketer of men's suits, sport coats, and slacks in the United States. Substantially all of the company's products are sold to a wide variety of retail channels under established brand names or the private labels of major retailers. For example, the Company owns the Hart Schaffner & Marx and Hickey-Freeman labels and also offers its products under a variety of brand names it owns or under exclusive licensing agreements.

As domestic manufacturers of men's and boys' worsted wool suits, suit-type jackets and trousers, the Companies are eligible to request a modification of the limitation on the quantity of imported worsted wool fabrics under headings 9902.51.11 and 9902.51.12 of the harmonized Tariff Schedule of the United States (HTS). This request seeks an increase in the limitations for imports entering on or after January 1, 2004 of 1 million square meters for HTS heading 9902.51.11 and an increase of 1 million square meters for HTS heading 9902.51.12².

For the twelve months July 1, 2002 to June 30, 2003, our companies imported a substantial quantity of worsted wool fabric despite the difficult economic conditions in the men's tailored clothing business. As conditions in the men's tailored clothing business improve, the companies, along with other companies in the industry, would expect to import more worsted wool fabric to meet the anticipated demand from our customers. This is especially true given the quantity of fabric imports of other domestic manufacturers of men's and boys' worsted wool tailored clothing who are seeking allocations of the tariff rate quota. In addition, domestic fabric production has experienced significant and rapid declines in the last few years. The following information is summarized from the Hartmarx Form 10—

¹ As required by 15 CFR 340.3(b)(2).

² As required by 15 CFR 340.3(b)(3).