



## DEPARTMENT OF COMMERCE

### Foreign-Trade Zones Board

(B-42-2013)

Foreign-Trade Zone (FTZ) 134 – Chattanooga, Tennessee  
Notification of Proposed Production Activity  
Komatsu America Corporation  
(Construction and Forestry Equipment Production)  
Chattanooga, Tennessee

The Chattanooga Area Chamber of Commerce, grantee of FTZ 134, submitted a notification of proposed production activity to the FTZ Board on behalf of Komatsu America Corporation (Komatsu), for its facility located in Chattanooga, Tennessee. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on May 6, 2013.

The Komatsu facility is located within Site 14 of FTZ 134 (S-38-2013, 4-2-2013). The facility is used for the production of construction and forestry equipment. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products listed in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Komatsu from customs duty payments on the foreign status components used in export production (an estimated five percent of production). On its domestic sales, Komatsu would be able to choose the duty rates during customs entry procedures that apply to hydraulic excavators; bulldozers; wheel loaders; dump trucks; forklifts; forestry harvesters, feller bunchers and forwarders; and, parts of excavators and forestry equipment (duty rates range from duty-free to 25%) for the foreign status inputs noted below. Customs duties also could possibly be deferred or reduced on foreign status production equipment.

The components and materials sourced from abroad include: cleaning agents; glues; adhesives; adhesive plates; O-rings; rubber bolts/rods; hoses/tubes (including reinforced); floor mats; gaskets/washers/seals; rubber caps; glass; mirrors; insulating covers; tubes/pipes; elbows; nipples; fuel tanks; joints; nuts; washers; rivets; cotter pins; indicators; springs; supports; clamps; pipes; brackets; engines; engine blocks; engine plugs; engine cylinders; motors; pump assemblies; parts of pumps; fan parts; bands; filter assemblies; air cleaner assemblies; connectors; arm assemblies; plastic shrouds; accumulators; accumulator parts; valves; breathers; ball bearings; bearings; bearing flanges; bushings; swing circles; pulleys; idlers and parts; gaskets; washers; alternators; cameras; monitors; horns; fuses; electrical connectors; switch sensors; lamps; wiring harnesses; electrical cables; bumpers and parts; supports; exhaust tubes; steering wheels; guides; sensors; plugs; and timer switches (duty rate ranges from duty-free to 8.6%). The request indicates that certain bearings and bearing flanges may be subject to antidumping/countervailing duty (AD/CVD) orders. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD actions be admitted to the zone in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is ***[insert date 40 days from date of publication]***.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz).

For further information, contact Diane Finver at [Diane.Finver@trade.gov](mailto:Diane.Finver@trade.gov) (202) 482-1367.

Dated: May 7, 2013.

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Andrew McGilvray  
Executive Secretary

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