



U.S. DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-54-2015)

Notification of Proposed Production Activity
Mercedes-Benz U.S. International, Inc.
Subzone 98A
(Passenger Motor Vehicles)
Vance, Alabama

Mercedes-Benz U.S. International, Inc. (MBUSI), operator of Subzone 98A, submitted a notification of proposed production activity to the FTZ Board for its facility in Vance, Alabama. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on July 22, 2015.

MBUSI already has authority to produce multipurpose/sport utility passenger motor vehicles. The current request would add a new finished product (passenger vehicle bodies) and foreign-status materials and components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt MBUSI from customs duty payments on the foreign status materials and components used in export production. On its domestic sales, MBUSI would be able to choose the duty rate during customs entry procedures that applies to passenger motor vehicles and related bodies (duty rate 2.5%) for the foreign status materials and components noted below and in the existing scope of authority. Customs duties also could possibly be deferred or reduced on foreign status production equipment.

The materials and components sourced from abroad include: first-aid kits; adhesives; putties; caulks; lubricating oils; cleaning agents/polishing compounds; plastic protective sheets;

paper shapes with adhesive backing; felt shapes; tufted floor coverings; adhesive cotton tape; steel tacks; aluminum fasteners (rivets, washers, nuts); wrenches (lug, socket); iron/steel rivets; windshield washer assemblies and related parts; electromechanical hydraulic units/appliances; power supplies; magnets; engine heaters; block heaters; telematics/media/GPS assemblies; microphone assemblies; speaker/amplifier assemblies; parts of speakers and microphones; radio/television transmission apparatus; cameras; radar devices; radio navigation equipment; radio remote controls; video monitors; vehicle angle modules; control modules; carrier plates; wheel speed sensors; radio interference filters; flat panel displays; checking instruments; electrical instruments; and, felt strips (HTSUS Subheading 5602.10) (duty rate ranges from free to 12%). Inputs included in textile category 223 (classified within HTSUS Subheading 5602.10) will be admitted to Subzone 98A under privileged foreign status (19 CFR 146.41), thereby precluding inverted tariff benefits on such items.

Public comment is invited from interested parties. Submissions shall be addressed to the FTZ Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

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 FTZ Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Pierre Duy at Pierre.Duy@trade.gov or (202) 482-1378.

Dated: August 6, 2015

Andrew McGilvray
Executive Secretary