



DEPARTMENT OF COMMERCE  
Foreign-Trade Zones Board  
[B-1-2017]

Foreign-Trade Zone (FTZ) 221 – Mesa, Arizona;  
Notification of Proposed Production Activity  
Apple Inc.  
(Data Server Cabinets)  
Mesa, Arizona

The City of Mesa Office of Economic Development, grantee of FTZ 221, submitted a notification of proposed production activity to the FTZ Board on behalf of Apple Inc. (Apple), located in Mesa, Arizona. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on December 27, 2016.

Apple already has authority to produce certain components for consumer electronics within Subzone 221A. The current request would add finished products and foreign status materials/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/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 Apple from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, Apple would be able to choose the duty rate during customs entry procedures that applies to finished server assembly cabinets (duty-free) for the foreign-status materials/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/components sourced from abroad include: tape; plastic boxes; polyethylene bags; plastic bags; plastic packing; plastic washers; rubber washers; rubber spacers; steel screw hooks; steel

screws; steel nuts; steel standoff; steel spring washers; steel washers, not spring/lock type; steel rivets; steel cotter pins; steel springs; steel springs, of wire; steel baffles; copper washers; copper boss; copper nuts; nickel fasteners; aluminum screws; aluminum hooks; metal hinges; metal brackets; fans; fan blades, fan unit housings; servers; input/output units; storage units; smart cables; card readers; server housing/enclosures; printed circuit board assemblies; electric motors; transformers; static converters; inductors; magnets; lithium batteries; lithium polymer batteries; routers and network switches; microphones; CDs, software; solid state drives; semiconductor media; monitors; capacitors; fuses; circuit breakers; power strips; relays; switches; electrical connectors; optical fiber cable connectors; terminals; power strips with rack mounts; diodes; transistors; thyristors; LEDs; electronic integrated circuits; infrared LED strips; data server cables; copper and power cables; cables; optical fiber cables; metal furniture; and, server rack rails (duty rate ranges from duty-free to 8.6%).

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 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 Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz).

For further information, contact Elizabeth Whiteman at [Elizabeth.Whiteman@trade.gov](mailto:Elizabeth.Whiteman@trade.gov) or (202) 482-0473.

Dated: January 3, 2017

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Andrew McGilvray  
Executive Secretary

