



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-39-2020)

Foreign-Trade Zone (FTZ) 82 – Mobile, Alabama
Notification of Proposed Production Activity
MH Wirth, Inc.
(Offshore Drilling Riser Systems)
Theodore, Alabama

The City of Mobile, Alabama, grantee of FTZ 82, submitted a notification of proposed production activity to the FTZ Board on behalf of MH Wirth, Inc. (MH Wirth), located in Theodore, Alabama. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on June 16, 2020.

MH Wirth already has authority to produce and repair offshore drilling riser systems within FTZ 82. The current request would add 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 described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt MH Wirth from customs duty payments on the foreign-status materials/components used in export production (all of expanded production). On its domestic sales, for the foreign-status materials/components noted below MH Wirth would be able to choose the duty rate during customs entry procedures that applies to offshore drilling riser systems (risers, telescopic joints, test equipment and tools) (duty free). MH Wirth would be able to avoid

duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include welded carbon/seamless carbon/stainless steel drilling riser pipe (duty free). The request indicates that welded carbon steel riser pipe is subject to an antidumping/countervailing duty (AD/CVD) order if imported from certain countries. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to the zone in privileged foreign status (19 CFR 146.41). The request also indicates that certain materials/components are subject to duties under Section 232 of the Trade Expansion Act of 1962 (Section 232) or Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 232 and Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. 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 in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: June 22, 2020.

Andrew McGilvray,
Executive Secretary.

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