



**DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-13-2021)**

Foreign-Trade Zone (FTZ) 72 – Indianapolis, Indiana
Notification of Proposed Production Activity
XPO Logistics
(Wearable Electronic Communication/Data Device Kitting)
Clayton, Indiana

XPO Logistics (XPO) submitted a notification of proposed production activity to the FTZ Board for its facility in Clayton, Indiana. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on February 18, 2021.

The XPO facility is located within FTZ 72. The facility is used for the kitting of wearable electronic communication/data devices with watch bands of various materials. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished product described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt XPO from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status materials/components noted below, XPO would be able to choose the duty rate during customs entry procedures that applies to wearable electronic communication/data devices (duty-free). XPO 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 components and materials sourced from abroad include wearable electronic communication/data devices and watch bands of leather, steel, silicon and woven nylon textile material (duty rate ranges from duty-free to 11.2%). The request indicates that

certain materials/components are subject to duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs 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 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.

Dated: February 24, 2021.

Andrew McGilvray,
Executive Secretary.

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