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**A. *Component that Determines Classification for FTAs May Include Trims***

U.S. Customs and Border Protection (CBP) is proposing to modify New York Ruling Letter N024671, dated March 19, 2008, relating to the eligibility for preferential duty treatment of certain women’s pullover garments under the U.S.-Singapore Free Trade Agreement. The proposal highlights CBP’s current thinking regarding the application of the concept of “component that determines classification” to the tariff shift rules of origin for apparel under the Singapore FTA and other U.S. FTAs, including the NAFTA and the DR-CAFTA.

CBP’s assertion is that if it is not necessary to determine the “component that determines classification” or “essential character” of the garment for the purpose of classification because all of the parts are made of the same chief weight fiber and construction, then the “component that determines the classification” for the purpose of the tariff shift rule is the entire garment. There is no separate analysis of “component that determines classification” for the purpose of determining which parts of the garment must meet the tariff shift rule.



U.S. FTAs generally include a provision that states that the applicable tariff shift rules of origin for apparel, which typically require the use of yarns and fabrics made in the U.S. and/or the relevant U.S. FTA partner, only apply to the “component that determines classification of the good.” This provision is included in the agreement as a chapter note to the chapters for knit apparel, woven apparel and, in most cases, textile made-ups (e.g., rule 2 to Chapter 61, rule 3 to Chapter 62 and rule 1 to Chapter 63, in the case of the NAFTA). Apparel producers have taken advantage of this flexibility in the past to use non-originating inputs that are otherwise not allowed under the applicable tariff shift rule, in instances where those inputs are thought not to determine the tariff classification of the finished apparel.

In NY Ruling Letter N02467, CBP originally determined that a woman’s 100 percent cotton knit pullover classified under HTS subheading 6110.20.2079, cut and sewn in Singapore from fabric knit in Singapore of U.S. yarns and featuring a patch pocket of fabric knit in China of Chinese yarns, was eligible for preferential duty treatment under the Singapore FTA. CBP based its decision on rule 2 to Chapter 61 of the Singapore FTA, which limits the application of the yarn-forward tariff-shift rule for the subject pullovers to the component that determines the tariff classification. CBP determined that the fabric for the body of the pullover was the component that determined the classification of the garment and therefore ignored the Chinese pocket patch fabric.

Upon further review, CBP now contends that its previous decision was issued in error because all of the cotton knit fabric is the component that determines the classification and no

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distinction can be made between the cotton knit fabric of the body of the garment and the cotton knit pocket patch fabric. CBP notes that it is not required to make an “essential character” determination in this instance because classification of the subject garment is accomplished by application of General Rule of Interpretation 1, without making a distinction between the cotton knit fabrics. Since it is not required to make an “essential character” determination for the purpose of classification, it does not make such a determination for application of the tariff shift rule. As a result, both cotton knit fabrics must comply with the applicable tariff shift rule in order for the finished garment to qualify for preferential duty treatment.

In other words, CBP believes that if a garment contains multiple fabrics but they are all of the same construction (e.g., all knit or all woven) and all have the same majority weight fiber, then they all have to meet the applicable tariff shift rule. It appears that the subject pullover would have qualified for preferential duty treatment under this reasoning if it had incorporated, for example, (1) Chinese woven patch pocket fabric or (2) Chinese knit patch pocket fabric of a chief weight fiber other than cotton.

Interested parties have the opportunity to comment on this proposed ruling modification by September 19. If you wish to submit comments on this matter or require any additional information, please contact Elise Shibles in our San Francisco office at (415) 986-1088 or [eshibles@strtrade.com](mailto:eshibles@strtrade.com).

***B. Importers of Holiday-Themed Goods Should Act to Preserve Rights to Duty-Free Claims***

Importers of holiday-themed articles should act now to preserve their right to duty-free treatment for those goods in light of revised guidance from CBP. Prior to February 3, 2007, these goods were classifiable under HTS heading 9505, a duty-free provision for festive articles. For entries on or after this date, however, utilitarian articles with a holiday theme (including apparel, textile goods, etc.) may not be classified under this heading.



In guidelines issued in December 2008 and updated August 18, 2009, CBP stated that it will classify holiday-themed utilitarian articles entered on or after February 3, 2007, according to their constituent material and not as festive articles. However, CBP’s guidelines and discussions with CBP officials confirm that a provision will be created in Chapter 98 to ensure that these articles are afforded duty-free treatment provided that they are (a) closely associated with a festive occasion and (b) used or displayed during that festive occasion such that use or display at any other time would be aberrant. The HTS currently includes two such provisions, subheadings 9817.95.01 and 9817.95.05, but these are limited to articles used for a specific religious or

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cultural holiday or occasion and those in the form of a 3-D representation of a festive symbol or motif.

In light of this guidance, importers of holiday-themed articles should take the following action to preserve their right to duty-free treatment for those goods.

- For each relevant port, file a written request to extend the liquidation of all entries of potentially covered articles, including reasons for the request.
- Monitor extension requests, which cannot last more than one year, and request additional extensions, as necessary, prior to the expiration of an extension.
- For entries where it is not possible to request extension (e.g., where the entry has already liquidated), timely file administrative protests.

For information on whether your products may be covered by the Chapter 98 provision currently under consideration, or for guidance on how to preserve your right to duty-free treatment, please contact Beth C. Ring at (212) 883-1300 or [bring@strtrade.com](mailto:bring@strtrade.com), or Larry T. Ordet (305) 267-9200 or [lordet@strtrade.com](mailto:lordet@strtrade.com). ST&R plans to hold a one-hour Webinar on this issue on September 9 at 2:00 p.m. EST.

***C. Imports of Narrow Woven Ribbons with Woven Selvedge Preliminarily Found to Injure U.S. Industry***

The International Trade Commission (ITC) has issued a preliminary affirmative injury determination in its antidumping (AD) and countervailing (CV) investigation of Chinese narrow woven ribbons with woven selvedge classified under HTS 5806.31.00, 5806.32.1020, 5806.32.1030, 5806.32.1050, 5806.32.1060, 5806.32.1080, 5806.32.20, 5806.39.20, 5806.39.30, 5808.90.00, 5810.91.00, 5810.99.90, 5903.90.10, 5810.92.9080, 5903.90.25, 5903.90.3090, 5907.00.60, 5907.00.80 and 6307.90.9889. As a result, the Department of Commerce's International Trade Administration (ITA) will continue its AD and CV duty investigations of imports of subject merchandise. The ITA is scheduled to issue its preliminary CV determination on October 2 and its preliminary AD determination on December 16.

***D. New OTEXA Chief Takes Office***

Kim Glas, former legislative director for Rep. Michael Michaud (D-ME), recently assumed her new post as deputy assistant secretary for textiles and apparel at the Department of Commerce. Glas will head the ITA's Office of Textiles and Apparel (OTEXA) and hold the chairmanship of the Committee for the Implementation of Textile Agreements (CITA). These two positions are the highest ranking positions with direct impact on textile and apparel trade.

***E. GAO Recommends Several Actions to Improve Consumer Product Safety***



As required by the Consumer Product Safety Improvement Act of 2008 (CPSIA), the Government Accountability Office (GAO) has submitted a report to the Senate Commerce, Science and Transportation Committee examining the effectiveness of the Consumer Product Safety Commission's authorities over imported products. The objectives of the report were to (1) determine what it is known about the effectiveness of the CPSC in using these authorities, (2) compare the CPSC's authorities with those of selected U.S. agencies and international entities, and (3) evaluate CPSC plans to prevent the entry of unsafe consumer products.

GAO found that while CPSC's authorities over imported products have the potential to be effective the agency's ability to implement these authorities has been constrained by competing priorities and limited resources, as well as by delays in implementing key CPSIA provisions. The report also notes that the CPSC's presence at U.S. ports is limited and, in order to identify potentially unsafe products, it must work closely with CBP, which already faces considerable pressure to quickly move shipments into commerce. The CPSC does not have access to key CBP import data it could use to target incoming shipments for inspection and has not updated its agreements with CBP to clarify each agency's roles and responsibilities.

GAO believes that the CPSC's activities at U.S. ports could be strengthened by better targeting incoming shipments for inspection and improving coordination with CBP. The report states that both the Department of Agriculture and the Food and Drug Administration have more robust border surveillance activities than the CPSC because they obtain more data on incoming shipments, have more staff working at U.S. ports, use more developed programs to target risks, and use information technology systems that are integrated with other agency-based and CBP systems to effectively leverage their enforcement priorities with CBP. In addition, while the CPSC has increased its efforts to coordinate with foreign governments and multilateral organizations, particularly China, it still lacks a comprehensive plan for international engagement.

In light of these issues, GAO is recommending that the CPSC (1) ensure expeditious implementation of key CPSIA provisions (including establishing a substantial product hazard list, implementing the testing and certification requirements that are subject to stay of enforcement until February 10, 2010, and completing all rulemaking requirements required under the CPSIA); (2) take several actions to strengthen its ability to target shipments of unsafe consumer products, such as resolving issues with CBP for obtaining more data on incoming shipments; and (3) develop a long-term plan for ensuring the safety of consumer products entering the United States, including long-term plans for international engagement. GAO notes

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that the CPSC has agreed with these recommendations.

**F. DR-CAFTA Short Supply Petition Filed for Certain Raschel Knit Fabric**

CITA recently received a DR-CAFTA short supply petitions filed by ST&R on behalf of Hansae Co. Ltd. for certain raschel knit open work crepe fabric classified under HTS 6005.22.00 and 6005.24.00, of the specifications detailed below. CITA is expected to issue a determination in this review by October 5.

Separately, CITA has decided to extend the deadline to submit responses with offers to supply and rebuttal comments in its ongoing DR-CAFTA short supply reviews of certain cotton/polyester three thread circular knit fleece fabric classified under HTS 6001.21. The deadline to submit responses with offers to supply was extended from August 21 to August 24 and the deadline to submit rebuttal comments has been extended from August 27 to August 28. CITA is expected to issue determinations in these reviews by September 21.

Description	Status
Certain Cotton/Nylon/Spandex Raschel Knit Open Work Crepe Fabric HTSUS: 6005.22.00, 6005.24.00 Fabric type: Raschel knit, open work crepe fabric Fiber content: 59-63% cotton, 33-36% nylon, wrapped with 3-5% spandex Yarn size: Cotton English: 57/2 to 63/2; Metric: 96/2 to 107/2 Nylon: English: 38 to 42 denier / 24 filament or 66 to 74 denier / 2; Metric: 38 to 62 denier/24 filament or 121.50 to 136.50 / 2 Spandex (wrapped around Nylon): Spandex - English: 199.5 to 220.5 denier; Metric: 40.85 to 45.15; Nylon - English: 66-74 denier / 2; Metric: 121.50 to 136.5 / 2 Machine gauge: 18 Number of bars: 34 Weight: 110 to 140 grams per sq. meter Width: 127 to 152 centimeters Finishing Process: Piece dyed or printed.	DR-CAFTA short supply petition received

ST&R has compiled a list of the various short supply provisions and requests under the AGOA, ATPDEA, CBTPA, DR-CAFTA, NAFTA, and the Australia, Chile, Morocco and Singapore FTAs. This document, which is available on the ST&R-TAP™ TRADE LIBRARY, have also been updated to include the short supply provisions and requests made under the Bahrain FTA.

### **G. USTR Begins Annual ATPA Review**

The Office of the U.S. Trade Representative (USTR) has initiated its 2009 annual review of the Andean Trade Preference Act (ATPA). Under this process, petitions may be filed no later than September 22 calling for the limitation, withdrawal or suspension of ATPA or ATPDEA benefits by presenting evidence that the eligibility criteria of the program are not being met. Current beneficiaries of this program include Colombia, Ecuador and Peru. Bolivia's benefits were suspended on December 15, 2008, based on that country's failure to meet the counternarcotics cooperation criteria included in those two programs.



The criteria that must be considered include the criteria for eligibility under the original ATPA as well as the criteria added by the ATPDEA. ATPA criteria include, among other things, whether a country has: (i) seized ownership or control of property owned by a U.S. citizen or company by expropriation, violation of intellectual property rights (IPR), enforcement of restrictive operational conditions, etc.; (ii) failed to enforce arbitral awards in favor of U.S. citizens or companies; (iii) given preferential treatment to the products of another developed country that has a significant adverse effect on U.S. commerce; or (iv) taken steps to afford internationally recognized workers' rights to its workers.

Other factors which must be taken into account include: the economic conditions in that country; the degree to which it follows the accepted rules of international trade; its use of export subsidies, export performance requirements, or local content requirements; its IPR protection laws and practices; its cooperation with U.S. counternarcotics efforts; etc.

Under the ATPDEA, the criteria include: (i) whether the country has committed to undertake its WTO obligations and participate in negotiations toward the FTAA or another FTA; (ii) the extent to which it provides IPR protection equal to or greater than the protection afforded under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS); (iii) the extent to which it provides internationally recognized worker rights; (iv) whether it has implemented its commitments to eliminate the worst forms of child labor; (v) the extent to which it has met U.S. counternarcotics certification criteria; (vi) the extent to which it has taken steps to become a party to and implement the Inter-American Convention Against Corruption; (vii) the extent to which it applies transparent, non-discriminatory, and competitive procedures in government procurement equal to those contained in the WTO Agreement on Government Procurement, and the extent to which it contributes to efforts in international fora to develop and implement rules on transparency in government procurement; and (viii) the extent to which it has supported U.S. efforts to combat terrorism.

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***H. Mexico Formally Implements Transition Duty Provisions on Certain Apparel from China***



The Mexican government has issued a notice in the *Diario Oficial de la Federación* (Mexico's official journal) advising importers that apparel imports classified under HTSMX 6109.10.01, 6109.90.01 and 6110.20.99 from China, which were subject to AD duties as recently as May 2009, are now subject to so-called transition duties. Mexico and China signed an agreement last year under which Mexico eliminated the AD duties it maintained on a broad range of products from China, effective from October 15, 2008. As part of the agreement, many of these products will be subject to so-called transition duties through December 11, 2011.

The regulation issued by the Mexican government to eliminate the AD duties and establish these transition duties also included a provision that maintained 533 percent AD duties on four apparel items (HTSMX 6109.10.01, 6109.90.01, 6109.90.99 and 6110.20.99) until such time as the Ministry of Economy (ME) issued a notice in Mexico's official journal. The ME was forced to continue to assess AD duties on imports of these products from China as a result of a court order stemming from a judicial proceeding in which a Mexican company asked for special legal protection/relief from the government's decision to eliminate the AD duties on these specific items. The court issued a ruling in favor of the petitioner, which effectively maintained the 533 percent AD duties on these products. However, on May 20, 2009, the ME issued a determination in its administrative review of this AD duty order that rescinded the duties effective from May 21.

The most recent notice formally implements effective from August 26 the applicable transition duties on imports of the following products from China.

- In addition to regular MFN duties (the rate is currently 30 percent), HTSMX 6109.10.01, 6109.90.01 and 6110.20.99 are now subject to transition duties of 130 percent. These duties will fall to 120 percent from December 12, to 80 percent from December 12, 2010 and will be eliminated altogether on December 12, 2011.
- HTSMX 6109.90.99 is not subject to transition duties. It is only subject to the regular MFN rate, currently 30 percent.

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***I. Brazil Takes Legislative Action that May Impact Imports***



Brazil enacted a new law in early August that reportedly prevents importers in that country from filing a court injunction to obtain the release of imported merchandise being held up by Brazilian Customs. It is not unusual for Brazilian Customs to detain merchandise at ports of entry due to questions over the tariff classification of the merchandise. In some cases importers have filed these injunctions alleging abuse of power or illegal activities by customs authorities. In other cases, the injunctions have been filed without any allegations of illegal activity, in which case the merchandise was typically released after the importer agreed to pay a guarantee equal to the value of the goods. The new law has the potential to prevent the timely release of certain imported merchandise, which would be especially detrimental for shipments of perishable merchandise and goods with a relatively short shelf or commercial life.

One way around this dilemma would be for Brazilian importers to request advance tariff classification rulings, thus preventing customs officials from detaining their merchandise on misclassification grounds. Sandler & Travis Trade Advisory Services' São Paulo office can help importers request such advance rulings and provide guidance on a broad range of trade-related matters in Brazil.

***J. DOC Issues Procedures for Textile Safeguard Requests under Oman FTA***

The Department of Commerce has issued a notice setting forth the procedures to be used for requesting the imposition of safeguard measures under the U.S.-Oman FTA. The Oman FTA allows for the imposition of safeguard duties up to the applicable MFN rate when, as a result of the elimination of a customs duty under the FTA, an Omani textile or apparel article is being imported into the U.S. in such increased quantities, in absolute terms or relative to the domestic market for that article, and under such conditions as to cause serious damage or actual threat thereof to a U.S. industry producing a like or directly competitive article. This notice sets forth the procedures for (a) interested parties to request such safeguard measures and (b) the DOC to consider such requests and make safeguard determinations. Comments on these procedures are due by October 23.

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**K. Canada Makes Final Affirmative AD Determinations on Waterproof Footwear from China and Vietnam**



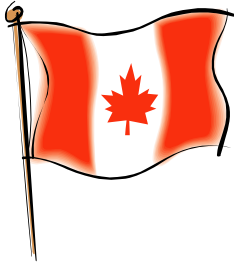
The Canada Border Services Agency (CBSA) has made preliminary affirmative determinations in its AD investigations of imports of waterproof footwear and waterproof footwear in nearly finished form, constructed wholly or in part of rubber and/or thermoplastic rubber, from China and Vietnam. The scope of these investigations includes waterproof footwear worn over the foot constructed to various heights, and waterproof footwear made of waterproof footwear bottoms combined with tops made of textiles or other materials. This footwear may be constructed with or without liners, linings, fasteners or safety features. The footwear covered by these investigations is generally classified under HTSCA 6401.10.1100, 6401.10.1900, 6401.10.2000, 6401.92.1100, 6401.92.1200, 6401.92.9190, 6401.92.9290, 6401.99.1100, 6401.99.1200, 6401.99.1900, 6401.99.2000, 6402.19.9090, 6402.91.1000, 6402.91.9091, 6402.91.9092, 6402.91.9093, 6403.19.9090, 6403.40.0010, 6403.91.0091, 6403.91.0092, 6403.91.0093, 6404.11.9990, 6404.19.9020, 6404.19.9091, 6404.19.90.92 and 6404.19.90.93.

If the Canadian International Trade Tribunal (CITT) issues a final injury determination, the CBSA will assess AD duties on all appropriate entries using the rates shown in the table below. The CITT is expected to issue its final injury determination by September 25.

Exporter	Weighted-Average Dumping Margin
<b><i>China</i></b>	
Chu-Shun Shoe Factory	0.0%
Mudanjiang Baiyue Shoe-making Company Ltd.	4.5%
Suzhou New World Rubber Co. Ltd.	15.1%
Wuhu Hwasong Footwear Company Limited	14.4%
Wuhu Fengxue Rubber Co., Limited	8.9%
Yingde ARCA Footwear Corp.	19.9%
Non-Sampled Exporters	11.8%
Non-Cooperative Exporters	43.8%
<b><i>Vietnam</i></b>	
Vinh Long Footwear Company Limited	15.8%
Pou Yuen Vietnam Company Limited	7.3%
Fulgent Sun Footwear Co. Ltd.	3.4%
Cong Ty TNHH Stateway Vietnam	0.0%
Non-Sampled Exporters	12.8%
Non-Cooperative Exporters	32.4%

**ST&R-TAP™ Advisor – Market Trends**

**A. *Canada’s Textile and Apparel Imports Up Modestly during First Half***



Canadian apparel imports grew 13.1 percent to C\$3,888.6 million and textile shipments dropped 7.6 percent to C\$2,177.6 million during the first half of this year, compared to January-June 2008. Apparel imports were significantly more sluggish when measured in U.S. dollars, down by 5.7 percent to US\$3,217.4 million, while textile shipments plummeted 22.8 percent to US\$1,806.2 million. This discrepancy between U.S. and Canadian dollar import data is attributable to the sizable appreciation of the U.S. dollar versus the Canadian dollar during the first half of 2009, although the value of the U.S. dollar has declined in recent months.

Imports of knit apparel increased 15.1 percent to C\$1,877.1 million during January-June thanks to higher shipments from China (+14.0 percent to C\$913.8 million), Bangladesh (+32.7 percent to C\$166.9 million), India (+20.8 percent to C\$103.2 million), Cambodia (+36.7 percent to C\$95.5 million), Vietnam (+43.3 percent to C\$66.8 million), Indonesia (+50.9 percent to C\$41.7 million) and Honduras (+46.7 percent to C\$33.8 million). Imports of woven garments grew 11.4 percent to C\$2,009.0 million spurred by higher imports from China (+12.6 percent to C\$1,053.1 million), Bangladesh (+58.9 percent to C\$192.6 million), Vietnam (+40.8 percent to C\$62.3 million), Egypt (+113.3 percent to C\$6.2 million) and Madagascar (+274.9 percent to C\$5.8 million).

Textile imports were lethargic across the board, although imports of Category 56 textiles did manage a 0.7 percent increase thanks to higher sales by the United States (+6.1 percent to C\$195.6 million), China (+10.3 percent to C\$12.9 million) and Israel (+20.4 percent to C\$8.2 million).

**Canadian Imports of Textile and Apparel Products  
By HS Chapter**

HS Chapter	Imports in US\$ Million		Percent Change	Imports in C\$ Million		Percent Change
	Jan-Jun 08	Jan-Jun 09		Jan-Jun 08	Jan-Jun 09	
50	9.6	6.5	-31.9	9.7	7.9	-18.9
51	58.9	33.4	-43.2	59.3	40.1	-32.3
52	92.5	67.4	-27.1	93.1	81.3	-12.7
53	10.8	8.2	-23.9	10.9	9.9	-8.5
54	311.4	210.3	-32.5	313.6	253.6	-19.1
55	185.2	141.4	-23.7	186.5	170.4	-8.6
56	272.1	229.0	-15.9	274.0	276.0	0.7
57	412.4	315.6	-23.5	415.2	380.8	-8.3
58	60.1	46.0	-23.4	60.5	55.4	-8.5
59	235.6	184.5	-21.7	237.3	222.5	-6.2
60	100.3	78.9	-21.3	101.0	95.0	-5.9



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HS Chapter	Imports in US\$ Million		Percent Change	Imports in C\$ Million		Percent Change
	Jan-Jun 08	Jan-Jun 09		Jan-Jun 08	Jan-Jun 09	
61	1,619.6	1,556.1	-3.9	1,631.5	1,877.1	15.1
62	1,790.5	1,661.3	-7.2	1,803.2	2,009.0	11.4
63	590.1	484.9	-17.8	594.4	584.7	-1.6
Textiles	2,339.0	1,806.2	-22.8	2,355.5	2,177.6	-7.6
Apparel	3,410.1	3,217.4	-5.7	3,434.7	3,886.0	13.1
TOTAL	5,749.1	5,023.6	-12.6	5,790.2	6,063.7	4.7

Source: Statistics Canada.

Textile and apparel imports from China, Canada's largest supplier, increased 10.5 percent to C\$2,353.0 million during the first half while imports from the United States fell 6.2 percent to C\$1,345.6 million. The countries with the best performances during this period included Bangladesh (+45.5 percent to C\$406.2 million), Vietnam (+37.9 percent to C\$143.9 million), Cambodia (+26.9 percent to C\$138.7 million), Indonesia (+25.3 percent to C\$112.1 million), Thailand (+17.7 percent to C\$59.0 million), Honduras (+39.7 percent to C\$39.6 million), Egypt (+36.9 percent to C\$24.0 million), Peru (+22.2 percent to C\$17.7 million), El Salvador (+28.7 percent C\$16.3 million) and Madagascar (+146.7 percent to C\$9.0 million).

Some of the worst performers during the first half included Italy (-24.0 percent to C\$109.4 million), Turkey (-17.9 percent to C\$69.4 million), Germany (-20.8 percent to C\$39.3 million), United Kingdom (-22.0 percent to C\$26.8 million), France (-23.7 percent to C\$24.2 million) and Hong Kong (-44.2 percent to C\$16.3 million). Trade levels for the top suppliers of textiles and apparel are shown below.

**Canadian Imports of Textile and Apparel Products  
 By Country**

Rank	Country	Imports In US\$ Million		Percent Change	Imports In C\$ Million		Percent Change
		Jan-Jun 08	Jan-Jun 09		Jan-June 08	Jan-June 09	
-	World	5,749.1	5,023.6	-12.6	5,790.2	6,063.7	4.7
1	China	2,113.8	1,950.9	-7.7	2,129.1	2,353.0	10.5
2	United States	1,424.5	1,116.3	-21.6	1,434.5	1,345.6	-6.2
3	Bangladesh	276.9	335.9	21.3	279.1	406.2	45.5
4	India	272.0	242.9	-10.7	273.8	294.8	7.7
5	Mexico	189.3	143.6	-24.1	190.7	172.7	-9.4
6	Vietnam	103.6	119.3	15.2	104.3	143.9	37.9
7	Cambodia	108.6	114.5	5.4	109.3	138.7	26.9
8	Indonesia	88.9	92.6	4.2	89.5	112.1	25.3
9	Italy	142.9	90.5	-36.7	143.9	109.4	-24.0
10	Pakistan	76.5	70.6	-7.7	77.1	85.1	10.5
11	Turkey	83.9	57.3	-31.7	84.5	69.4	-17.9
12	Thailand	49.8	48.8	-2.0	50.1	59.0	17.7
13	South Korea	60.1	45.6	-24.2	60.5	54.7	-9.6
14	Taiwan	52.7	44.6	-15.3	53.1	53.9	1.6



**ST&R-TAP™ Advisor – Market Trends**

Rank	Country	Imports In US\$ Million		Percent Change	Imports In C\$ Million		Percent Change
		Jan-Jun 08	Jan-Jun 09		Jan-June 08	Jan-June 09	
15	Honduras	28.1	32.7	16.4	28.3	39.6	39.7
16	Germany	49.3	32.5	-34.2	49.7	39.3	-20.8
17	Netherlands	39.4	31.3	-20.6	39.6	37.8	-4.6
18	Sri Lanka	32.2	27.4	-14.7	32.4	33.1	2.2
19	Portugal	33.6	27.1	-19.5	33.9	32.7	-3.5
20	Philippines	28.1	24.2	-14.1	28.3	29.1	2.8

Source: Statistics Canada.

June retail sales by Canadian clothing and clothing accessory stores inched up 0.1 percent to a seasonally-adjusted C\$1,929 million (US\$1,719 million) from the previous month after registering no change during the previous month. Sales by clothing stores edged down 0.1 percent to C\$1,476 million in June while sales by footwear, clothing accessory and jewelry shops advanced 0.6 percent to C\$452 million. Apparel retail sales were 5.1 percent lower in June than in June 2008. Within this total, sales by clothing stores were 5.3 percent lower than in June 2008 and sales by footwear, clothing accessory and jewelry shops were 4.6 percent lower. For their part, sales by general merchandise stores fell 0.6 percent to a seasonally-adjusted C\$4,341 million in June but were still 1.4 percent higher than in June 2008.

**ST&R-TAP™ Advisor – U.S. TPL Watch Report**

This list contains every U.S. tariff preference level that, in our view, is in danger of closing during the current period. For up-to-date TPL utilization information, please visit the ST&R-TAP™ website.

**BASED ON U.S. CUSTOMS DATA THROUGH 08/26/2009**  
**In Category Units**

Country	Category	Period	Customs Limit	Percent Filled	Change Past Week	Average Change Past Six Weeks	Projected Embargo Date
<b>Embargo Watch</b>							
Nicaragua	TPL	01/01/09 – 12/31/09	88,618,262	61.4	3.2	2.3	12/06/09
<b>Embargoed Categories</b>							
Mexico	TPL 1	01/01/09 – 12/31/09	45,000,000	100.0	***	***	06/09/09

**ST&R-TAP™ Advisor – Trade Library**

**Additions to Trade Library**

ST&R-TAP™ maintains a library of informative documents relating to trade in textiles and apparel on its website: <http://strtap.strtrade.com>. Articles are available for download, and are sorted by topic. The documents added to the Trade Library during the past week are listed below.

<b>Title on Site</b>	<b>Heading in Site</b>
Status of Short Supply Requests under NAFTA, DR-CAFTA, CBTPA, AGOA, ATPDEA, Australia FTA, Bahrain FTA, Chile FTA, Morocco FTA and Singapore FTA	Africa/AGOA, ATPDEA, CBI/CBTPA, DR-CAFTA, NAFTA, Australia, Bahrain, Chile, Morocco, Singapore
CBP Guidance on Classification of Festive Articles (Revised)	Classification, Customs Issues
Children’s Products Containing Lead - CPSC Final Determinations Regarding Lead Content Limits on Certain Materials or Products	Consumer Product Safety
USTR Notice Regarding the 2009 Annual ATPA/ATPDEA Review	ATPDEA

**ST&R-TAP™ Advisor – Upcoming ST&R Seminars**

ST&R-TAP™ subscribers are provided a 15 percent discount to all seminars and webinars hosted by Sandler, Travis & Rosenberg P.A. and Sandler & Travis Trade Advisory Services. Upcoming events are listed below.

**SEMINARS - ALL LOCATIONS**

DATE	LOCATION	SEMINAR	COST	REGISTER
09/08/2009	Detroit	<a href="#">The Basics of Exporting: Understanding US Regulatory Requirements</a>	\$370.00	<a href="#">Register</a>
09/09/2009	Detroit	<a href="#">Classification of Automotive Products</a>	\$370.00	<a href="#">Register</a>
09/09/2009	Webinar	<a href="#">Festive Articles: Then and Now Preservation of Duty-Free Claims</a>	\$100.00	<a href="#">Register</a>
09/10/2009	Detroit	<a href="#">NAFTA Auto Products: Light Duty Vehicles</a>	\$370.00	<a href="#">Register</a>
09/16/2009	Webinar	<a href="#">Cost Saving Opportunities for Food and Beverage Companies</a>	\$125.00	<a href="#">Register</a>
09/17/2009	New York	<a href="#">Fundamentals of Importing Procedures: The Real Basics</a>	\$200.00	<a href="#">Register</a>
09/23/2009	Detroit	<a href="#">Customs Broker's Exam Preparation Course</a>	\$820.00	<a href="#">Register</a>
09/24/2009	Chicago	<a href="#">Importing into the United States: Understanding US Customs Law and Import Requirements</a>	\$370.00	<a href="#">Register</a>
09/25/2009	Chicago	<a href="#">NAFTA Qualification, Compliance and Recordkeeping</a>	\$370.00	<a href="#">Register</a>
10/07/2009	New York	<a href="#">Understanding ACE</a>	\$195.00	<a href="#">Register</a>
10/08/2009	New York	<a href="#">Making the Most of Your ACE Account</a>	\$295.00	<a href="#">Register</a>
10/08/2009	New York	<a href="#">Managing Your ACE Account</a>	\$295.00	<a href="#">Register</a>
10/14/2009	Detroit	<a href="#">HTS/NAFTA Automotive Products</a>	\$450.00	<a href="#">Register</a>
10/15/2009	Chicago	<a href="#">The Basics of Exporting: Understanding US Regulatory Requirements</a>	\$370.00	<a href="#">Register</a>
10/19/2009	Chicago	<a href="#">Preparing for a CBP Focused Assessment</a>	\$370.00	<a href="#">Register</a>
10/20/2009	Chicago	<a href="#">Managing Customs Valuation</a>	\$370.00	<a href="#">Register</a>
11/04/2009	Chicago	<a href="#">Introduction to the Regulations of the Office of Foreign Assets Control (OFAC)</a>	\$370.00	<a href="#">Register</a>
11/04/2009	Chicago	<a href="#">Understanding ACE</a>	\$195.00	<a href="#">Register</a>
11/05/2009	Webinar	<a href="#">Customs Duty Drawback: Identifying and Receiving Duty, Tax and Fee Refunds - Webinar</a>	\$150.00	<a href="#">Register</a>
11/05/2009	Chicago	<a href="#">Managing Your ACE Account</a>	\$295.00	<a href="#">Register</a>
11/05/2009	Chicago	<a href="#">Making the Most of Your ACE Account</a>	\$295.00	<a href="#">Register</a>
11/09/2009	Philadelphia	<a href="#">Introduction to the Regulations of the Office of Foreign</a>	\$370.00	<a href="#">Register</a>



**ST&R-TAP™ Advisor – Upcoming ST&R Seminars**

DATE	LOCATION	SEMINAR	COST	REGISTER
		<a href="#">Assets Control (OFAC)</a>		
11/16/2009	San Francisco	<a href="#">Introduction to the Regulations of the Office of Foreign Assets Control (OFAC)</a>	\$370.00	<a href="#">Register</a>
11/17/2009	Los Angeles	<a href="#">Introduction to the Regulations of the Office of Foreign Assets Control (OFAC)</a>	\$370.00	<a href="#">Register</a>
12/02/2009	Detroit	<a href="#">Classification of Automotive Products</a>	\$370.00	<a href="#">Register</a>
12/03/2009	Detroit	<a href="#">NAFTA Auto Products: Light Duty Vehicles</a>	\$370.00	<a href="#">Register</a>
12/04/2009	Philadelphia	<a href="#">Export Roundup: Year in Review: 2009</a>	\$200.00	<a href="#">Register</a>
12/10/2009	Chicago	<a href="#">Export Roundup: Year in Review: 2009</a>	\$200.00	<a href="#">Register</a>
12/14/2009	San Francisco	<a href="#">Export Roundup: Year in Review: 2009</a>	\$200.00	<a href="#">Register</a>