



DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-5-2013]

Notification of Proposed Production Activity
Generac Power Systems, Inc.
Subzone 41J
(Generators, Pressure Washers, Engines and Other Related Components)
Whitewater, Edgerton and Jefferson, Wisconsin

The Port of Milwaukee, grantee of FTZ 41, submitted a notification of proposed production activity on behalf of Generac Power Systems, Inc. (Generac), operator of Subzone 41J. The notification conforming to the requirements of the regulations of the Board (15 CFR 400.22) was received on January 14, 2013.

The Generac facilities are located at three sites in Whitewater, Edgerton and Jefferson, Wisconsin. The facilities are used for the production of generators, pressure washers, engines and other related components. Pursuant to 15 CFR Section 400.14(b)4 of the regulations, FTZ activity 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 Generac from customs duty payments on the foreign status components used in export production (15% of annual shipments). On its domestic sales, Generac would be able to choose the duty rates during customs entry procedures that apply to generators, power washers, and other related components, including engines, transfer switches, panel boards and modules, harnesses, cables and cords (duty rates

range from free to 3.5%) for the foreign status inputs noted below. Customs duties also could possibly be deferred or reduced on foreign status production equipment.

Components and materials sourced from abroad include: lubricating oil; paints and varnishes; adhesives/glues; steel reinforced hose; hose fittings; tape; articles of plastic, including bags; caps; o-rings and assemblies; articles of rubber; including hoses reinforced with textiles, V-belts, pneumatic tires for industrial machines, O-rings, gasket seals, rubber parts and vibration maintenance kits; wood pallets; alcohol wipes; cardboard boxes/liners; printed labels; cards; manuals/manual kits; brochures; laminated phenolic blocks; hose screen; sand paper; exhaust blankets; woven mesh screen; articles of steel (rods, shapes, pipes, brackets, supports, mounts, covers, plates, frames, fittings, sleeves, flanges, brackets, elbow couplings, tanks caps/lids, fuel tanks, and hardware); brass fittings; copper clamps and ring assemblies; articles of aluminum (backed foil, spacers, supports, covers, stops, adapters, extrusions and miscellaneous parts); hand tools; lock sets; latches; keys; engines and related parts; pumps and related parts; fans and related parts; turbochargers; heat exchangers; CAC assemblies; oil/fuel filters; air/oil separation equipment; air filters/elements; catalytic converters; pressure washers; water jet project machines and parts; bearings; camshafts/crankshafts; bearing housings; gear pumps; gear boxes/speed changers; flywheels; pulleys; belt tensioners; gaskets; machine parts (muffler supports, brackets, and assemblies); electric motors; generators and related parts; transformers; static converters; unmagnetized ferrite ceramic; solenoids; batteries; spark plugs; ignition coils; starter motors; voltage regulators; igniters; engine starters; visual signaling equipment; de-icing heaters; electrical heating resistor kits; display panels; sound signaling apparatus; printed circuit assemblies; AC line filters; dielectric items of paper/plastic; capacitors; circuit breakers; switching apparatus; control panels; transfer switches/panel boards; assembly

motor steppers; diode rectifiers; wire cable/power cords; ceramic insulators; trailer parts; educational display items; sensors; gas/smoke analysis apparatus; gas pressure testers; meters; thermostats; reusable containers; and test engines and other items (duty rates range from free to 10.7%). The request indicates that certain radial ball bearings are subject to an antidumping/countervailing duty (AD/CVD) order. The FTZ regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD actions be admitted to the subzone in privileged foreign status (19 CFR 146.41). Generac has indicated that any textile products would be admitted in privileged foreign status.

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 40 days from date of publication]***.

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.

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

Dated: January 22, 2013.

Andrew McGilvray
Executive Secretary