DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-14-2020]

Foreign-Trade Zone (FTZ) 230 – Piedmont Triad Area, North Carolina

Notification of Proposed Production Activity; LLFlex, LLC (Aluminum Foil Paper Laminate, Foil-Backed Paperboard, Coated Paper, Coated Paperboard, and Cable Wrap), High Point, North Carolina

The Piedmont Triad Partnership, grantee of FTZ 230, submitted a notification of proposed production activity to the FTZ Board on behalf of LLFlex, LLC (LLFlex), located in High Point, North Carolina. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on March 6, 2020.

The applicant has submitted a separate application for FTZ designation at the company’s facility under FTZ 230. The facility is used for the production of aluminum foil paper laminate, foil backed paperboard, coated paper, coated paperboard, and aluminum and steel cable wrap. Pursuant to 15 CFR 400.14(b), FTZ activity 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 LLFlex from customs duty payments on the foreign-status materials/components used in export production (an estimated 20 percent of production). On its domestic sales, for the foreign-status materials/components noted below, LLFlex would be able to choose the duty rates
during customs entry procedures that apply to: coated paper/paperboard; foil backed paperboard; bare cable wrap; polymer/plastic coated cable wrap; bare aluminum cable wrap; aluminum paper foil laminate; and, backed aluminum cable wrap (duty rate ranges from duty-free to 5.8%). LLFlex 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: plastic film; carbon and alloy flat steel; aluminum foil not backed; converter foil; and, backed aluminum foil (duty rate ranges from duty-free to 5.8%). The request indicates that certain components are 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 special 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 Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.


Andrew McGilvray,

Executive Secretary.

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