



December 4, 2009

The Honorable Max Baucus
Chairman
U.S. Senate Committee on Finance
219 Dirksen Building
Washington, DC 20510

The Honorable Charles E. Grassley
Ranking Member
U.S. Senate Committee on Finance
219 Dirksen Building
Washington, DC 20510

Re: Comments on S. 2086 – Temporary Duty Suspension on Certain Mini Component Stereo Systems

Dear Chairman Baucus and Ranking Member Grassley:

On behalf of Best Buy and other member companies in the U.S. retail industry that sell consumer electronics, the National Retail Federation (NRF) submits these comments in support of including S. 2086, a bill to suspend temporarily duties on imported mini-component stereo systems, in any miscellaneous trade legislation considered by the Senate Finance Committee.

The product in question falls under U.S. Harmonized Tariff Schedule (HTSUS) number 8527.91.50.00, which is described as “(r)ception apparatus for radiobroadcasting, whether or not combined, in the same housing, with sound recording or reproducing apparatus or a clock: combined with sound recording or reproducing apparatus, other combinations incorporating tape recorders.” In layman’s terms, the product is a 250W mini component stereo system with a clock, CD player, cassette deck, AM/FM tuner, docking station, and speaker system (hereinafter referred to as “mini component stereo systems).

We are aware of no domestic production in the United States of this product, which is currently subject to a duty of 2.5 percent and retails for approximately \$200. Although a 2.5 percent duty is at a level that is generally deemed to be a nuisance tariff, it is nonetheless sufficiently high that its elimination would provide electronics retailers significant cost savings, thereby allowing them to provide their customers greater value and selection at lower prices.

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Therefore, NRF urges Congress to include this measure in a miscellaneous trade package at the first opportunity.

Please contact me with any questions or comments. NRF appreciates the opportunity to comment on this important matter. Please contact me with any questions or comments at (202) 626-8104 or by email at autore@nrf.com.

The **National Retail Federation** is the world's largest retail trade association, with membership that comprises all retail formats and channels of distribution including department, specialty, discount, catalog, Internet, independent stores, chain restaurants, drug stores and grocery stores as well as the industry's key trading partners of retail goods and services. NRF represents an industry with more than 1.6 million U.S. retail establishments, more than 24 million employees - about one in five American workers - and 2008 sales of \$4.6 trillion. As the industry umbrella group, NRF also represents over 100 state, national and international retail associations.

Sincerely,

A handwritten signature in dark ink that reads "Erik O. Autor". The signature is written in a cursive, slightly slanted style.

Erik O. Autor
Vice President, Int'l Trade Counsel
National Retail Federation