



FOREST PHARMACEUTICALS, INC.

Subsidiary of Forest Laboratories, Inc. **MANUFACTURING PLANT 2**
5000 Brotherton Road • Cincinnati, OH 45209 • (513) 271-6800

December 2, 2009

Senator Max Baucus
Chairman
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, D.C. 20510

Attention: MTB

Re: Comments in Support of Duty Suspension Bill;
 S. 2618: 2-Hydroxypropylmethylcellulose

Dear Chairman Baucus,

In accordance with the November 2, 2009 press release of the Senate Finance Committee, we hereby submit the following comments in support of S. 2618, introduced by Senator Charles Schumer, to suspend the duty on imports of 2-Hydroxypropylmethylcellulose ("HPMC") (CAS No. 9004-65-3).

HPMC is a chemical used in pharmaceutical applications as an excipient which, when added with other excipients to a pharmaceutically active ingredient, functions as a time-release agent for the drug. Our Company, Forest Laboratories, Inc. ("Forest") has facilities in Missouri, New York, and Ohio. We import HPMC from Ireland for use primarily in the production of Isosorbide Dinitrate, a sustained release cardiovascular drug, for which only HPMC is authorized by the U.S. Food and Drug Administration. We also import HPMC for use in the production of Theophylline, an asthma drug.

Forest is not aware of any U.S. manufacturers of HPMC and no direct substitute is commercially available. The normal duty on HPMC does not protect any domestic producer or industry, and the current regular tariff rate (4.2% *ad valorem*) does not benefit any member of the pharmaceutical or chemical industries. Consequently, continued imposition of the regular tariff serves only to increase unnecessarily our Company's U.S. manufacturing costs and increase costs to U.S. consumers.

HPMC is classifiable under subheading 3912.39.00 of the Harmonized Tariff Schedule of the United States, and, as noted above, is currently subject to a duty rate of 4.2% *ad valorem*. The revenue impact of the proposed duty suspension will be less than \$500,000 per year. We are aware of no domestic opposition to this proposal. Therefore, the bill should be treated as non-controversial for purposes of the Committee's consideration of miscellaneous tariff legislation.

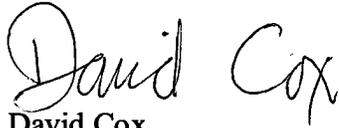
A temporary suspension of the tariff on imports of HPMC will allow our Company to continue to lower production costs, increase profitability, and maintain competitiveness in the international market. This, in turn, will help control costs to consumers of cardio-vascular and

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asthma medications, and support the approximately 5,000 jobs which Forest provides in New York and other states.

For the above reasons, we strongly support the duty suspension proposed in the above-referenced bill. Should you have any questions or require additional information, please contact the undersigned.

Sincerely,

A handwritten signature in black ink that reads "David Cox". The signature is written in a cursive style with a large initial "D" and a long, sweeping tail on the "x".

David Cox
Director - Supply Chain Sourcing
Forest Pharmaceuticals