

# ALSTON & BIRD LLP

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August 17, 2007

*VIA OVERNIGHT DELIVERY*

**PUBLIC**  
**VERSION**

Mr. R. Matthew Priest  
Chairman, Committee for the Implementation of  
Textile Agreements – Room H3100  
U.S. Department of Commerce  
14th and Constitution Avenue, NW  
Washington, DC 20230

Re: Commercial Availability Request  
Two-way stretch woven fabric of polyester, rayon, and elastomeric yarns,  
classifiable at 5515.11.00, HTSUS

Dear Mr. Priest:

On behalf of Glen River Trading (“Glen River”), 237 West 35<sup>th</sup> Street, New York, New York 10023, and pursuant to Section 203(o)(4) of the Dominican Republic-Central America-United States Free Trade Agreement (“CAFTA-DR”) Implementation Act and the Committee for Implementation of Textile Agreements (“CITA”) Final Procedures for submitting Commercial Availability Requests,<sup>1</sup> we request that certain two-way stretch woven fabrics of polyester, rayon, and elastomeric yarns classifiable at 5515.11.00, Harmonized Tariff Schedule of the United States (“HTSUS”), be added to the Short Supply List at U.S. Note 20(a) to Chapter 98, Subchapter XXII, HTSUS (“the Short Supply List”).

## **I. Detailed Product Information**

The subject of this request is certain two-way stretch woven fabric of polyester, rayon, and elastomeric yarns. These fabrics are classified under subheading 5515.11.00, HTSUS, as other woven fabric of polyester staple fibers mixed mainly or solely with

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<sup>1</sup> Final Procedures for Considering Requests Under the Commercial Availability Provisions of the Dominican Republic-Central America-United States Free Trade Agreement, 72 Fed.Reg. 13,256 (Comm. for the Implementation of Textile Agreements (March 15, 2007)).

One Atlantic Center  
1201 West Peachtree Street  
Atlanta, GA 30309-3424  
404-881-7000  
Fax: 404-881-7777

Bank of America Plaza  
101 South Tryon Street, Suite 4000  
Charlotte, NC 28280-4000  
704-444-1000  
Fax: 704-444-1111

90 Park Avenue  
New York, NY 10016  
212-210-9400  
Fax: 212-210-9444

3201 Beechleaf Court, Suite 600  
Raleigh, NC 27604-1062  
919-862-2200  
Fax: 919-862-2260

viscose rayon staple fibers. The fabric specifications below, some of which are expressed in ranges, consolidate and clarify several existing commercial availability designations under CAFTA-DR. With respect to yarn size, thread count, fabric width, and relative fiber content, the specifications may expand upon existing designations.

The specifications below are more restrictive than originally proposed in our due diligence request letter. We narrowed the specifications in response to concerns raised by International Textile Group in the due diligence process.

<i>Fiber content</i>	50 to 77 percent polyester; 18 to 47 percent rayon; 3 to 8 percent spandex  Except that for fabrics comprising single yarns in the warp, the polyester content may be as high as 80 percent
<i>Staple length (where applicable)</i>	Metric: 4.44 to 6.99 centimeters  English: 1.75 to 2.75 inches
<i>Yarn (three configurations)</i>	<ul style="list-style-type: none"><li>• Warp and filling: plied polyester/rayon staple of various yarn sizes, combined with spandex filament of various deniers</li><li>• Warp and filling: 34/1 (English: 20/1) or finer* polyester/rayon staple,<sup>2</sup> combined with spandex filament of various deniers</li><li>• Warp: 34/1 (English: 20/1) or finer* polyester/rayon staple, or plied polyester/rayon staple of various yarn sizes, combined with spandex filament of various deniers; Filling: singles or plied polyester filament of various yarn sizes, combined with spandex filament of various deniers</li></ul> <p>* The designation "34/1 (English: 20/1) or finer" describes a range of yarn specifications for yarn in its greige condition before dyeing and finishing of the yarn (if applicable) and before weaving, dyeing, and finishing of the fabric. It is intended as a specification to be followed by the mill in sourcing yarn used to produce the fabric. Dyeing, finishing, and weaving can alter the characteristics of yarn as it appears in the finished fabric. This specification therefore includes yarns appearing in the finished fabric as coarser than 34/1 (English: 20/1) provided that the coarser appearance occurs solely as the result of such processes.</p>

<i>Thread count</i>	Metric: 23 to 51 warp ends by 16 to 39 filling picks per centimeter  English: 60 to 130 warp ends by 40 to 100 filling picks per inch
<i>Weave type</i>	Various (including plain and twill)
<i>Weight</i>	Fabrics comprising single yarns in the warp: <ul style="list-style-type: none"><li>• Metric: 200 to 290 grams per square meter</li><li>• English: 5.9 to 8.6 ounces per square yard</li></ul> Fabrics comprising plied yarns in the warp: <ul style="list-style-type: none"><li>• Metric: 200 to 310 grams per square meter</li><li>• English: 5.9 to 9.1 ounces per square yard</li></ul>
<i>Width</i>	Metric: 121 to 165 centimeters  English: 48 to 65 inches
<i>Finish</i>	Dyed and of yarns of different colors

Three samples of fabrics falling within these specifications are enclosed with this letter. The first is a plain weave, piece-dyed fabric. The second is a twill weave, piece-dyed fabric. The third is a twill weave, yarn-dyed fabric. Additional samples are available upon request.

As demonstrated by the samples, the fabrics approximate the drape and hand of wool fabric. These fabrics are of medium and slightly heavy weights appropriate for year-round and winter-weight apparel. They are in widespread use in popularly priced women's garments sold in national chain and department stores. Typical garments include jackets, trousers, skirts, and dresses.

The fabrics that are the subject of this short supply petition are similar to a fabric included in the Short Supply List in CAFTA-DR's Annex 3.25 at items 39, 40, 75, 76, 77, and 79. The fabrics currently on the Short Supply List, however, are overly restrictive with respect to yarn size, thread count, fabric width, and the percentages of the constituent fibers in the fabric. As is evident from the responses received from potential suppliers, discussed in more detail below, there is a broader range of two-way stretch fabrics that producers in the CAFTA-DR territories are unable to supply.

## **II. Quantity**

Glen River will require a total of 1,200,000 yards (1,097,283 meters) of fabric, with an initial delivery of 200,000 yards (182,881 meters) of an assortment of five colors (either piece-dyed or of yarns of different colors) 60 days after the supplier's acceptance of a confirming purchase order, and with further deliveries of 200,000 yards (182,881 meters) each every 15 days thereafter for 75 days.

## **III. Due Diligence**

In performing the due diligence requirements of CITA's Final Procedures, Glen River contacted a number of industry sources that it identified by consulting Davison's Textile Blue Book online, <http://www.davisonbluebook.com/textilebluebook>, a comprehensive, searchable Internet database of manufacturers in the textile and apparel industry, and by researching companies not identified in Davidson's publication but listed as potential suppliers in other commercial availability petitions filed under CAFTA-DR. Glen River also consulted trade associations from the various CAFTA-DR countries. Glen River was unable to locate a source for the required fabrics.

We have identified below those entities to which we sent a letter on July 2 via U.S. Mail, inquiring about the availability of the subject fabric. The table below summarizes the responses received. Copies of all correspondence relative to Glen River's search, including an example of Glen River's Request Letter, an example of its blank Response Form, copies of memoranda confirming telephone conversations, and copies of all completed responses returned to Glen River, are attached. (Attachment A). We request confidential treatment of all attachments.

### **Sources Contacted**

### **Response**

#### **Sources from the United States**

International Textile Group  
Frank Bakirdan, Vice President  
of Sales  
2420 Fairview Street  
Greensboro, NC 27405  
(336) 379-2036

During an August 9 meeting with International Textile Group, the company stated that it offers fabrics meeting the specifications presented in our request letter, but does not presently offer fabrics covering the full range of those specifications. The specifications presented in this petition accordingly have been restricted to cover only fabrics that the company does not offer.

Milliken & Co.  
Jim Jacobs, Director of  
Marketing  
PO Box 1926

Milliken responded on July 9 that it is not able to meet Glen River's requirements for the subject fabric.

Spartanburg, SC 29304  
(864) 503-2547

New River Industries (t/a Texfi Industries)  
Cindy Pittman  
6540 Viscoe Road  
PO Box 1132  
Radford, VA 24141  
(540) 731-8000

The letter was returned undelivered on July 16 and resent on July 17. We placed a follow up telephone call on July 26 and left a voicemail in a general mailbox. We received no further response.

Schneider Mills, Inc.  
George Shtohryn, Senior Vice President  
1430 Broadway, 7th floor  
New York, NY 10018  
(212) 768-7500

George Shtohryn responded via telephone on August 16 that the company could produce the requested fabric but could not offer it in a timely manner because the company does not plan to produce it within the next year.

National Coalition of Textile Organizations  
Cass M. Johnson, President  
910 17<sup>th</sup> Street, NW  
Washington, DC 20006  
(202) 822-8025

Mike Hubbard responded via email on July 19 that he had circulated the request letter to members, especially to Schneider and Copland.

American Manufacturing Trade Action Coalition  
Augustine Tantillo, Executive Director  
910 16<sup>th</sup> Street, NW  
Washington, DC 20006  
(202) 452-0866

Sara Ormand responded via email on August 8 that it had received no objections in response to our request.

National Textile Association  
David Trumbull, Director,  
Member Services  
6 Beacon Street, Suite 1125  
Boston, MA 02108  
(617) 542 8220

We placed a follow up telephone call on July 26 and spoke with David Trumbull, who requested an electronic copy of our letter. We emailed our letter to him on July 26 for circulation. We received no further response.

American Apparel Producers' Network  
Mike Todaro, Managing Director

We placed a follow up telephone call on July 26 and spoke with Sue Strickland, who requested an electronic copy of our letter. She stated that she would circulate it to the organization's members.

PO Box 720693  
Atlanta, GA 30358  
(404) 843-3171

We received no further response.

### **Sources from Guatemala**

Amtex Guatemala, S.A.  
Adrian Hernandez  
Ave Reforma 13-70,  
Guatemala City  
Guatemala  
(502) 2332-9184

We placed follow up telephone calls to Adrian Hernandez on July 23 and 24. Mr. Hernandez requested an electronic copy of the request. We sent the request letter and response form via email on July 24. We received no further response.

Broadcloth  
Roberto Gonzalez  
Parques del Lago  
Km. 30.5 Carr. al Pacifico,  
Guatemala  
(502) 6633-6550

We placed follow up telephone calls to Roberto Gonzalez on July 23 and July 24. On July 24, Mr. Gonzalez responded that he was unsure but might have responded through Vestex, and he suggested that we contact Vestex. We note that our initial contacts already included Vestex.

Hilos y Telas, S.A.  
Roberto Antonio Malouf  
PO Box 01011  
34 Calle 7-42 Zona 11  
Guatemala 01011  
Guatemala  
(502) 2442-0414

We placed a follow up telephone call on July 23 and left a message requesting a return call from Roberto Antonio Malouf. No further response was received.

Fabrica De Tejidos Iris  
Ligia Maria Illescas  
50 calle 18-37 Zona 12  
Bodegas 4 y 5  
Guatemala  
(502) 2485-1225

Ligia Maria Illescas responded via email on July 25 that the company produces only 100 percent cotton fabric and cannot produce the requested fabric.

FSTex, S.A.  
Hans W. Schieber  
Km. 19.5 Carretera a San Jose  
Pinula, Guatemala  
(502) 6637-1547

Hans Schiber confirmed via email on July 30 that the company cannot supply the requested fabric.

Grupo Imperial  
Robert Zaid  
Calzada Roosevelt 34-21 Zona  
11 Guatemala  
(502) 2386-6700

We placed a follow up telephone call on July 23. Leyla Romero informed us that Robert Zaid was out of the office, but she requested that we email our request to her. We sent our request via email on July 24. Ms. Romero responded via email on July 24 that she would forward our inquiry to Mr. Zaid and contact us with his response. We received no further response.

Jung Woo Textiles  
Ines Lee  
Km. 37.5 Carretera al Pacífico  
Palín Escuintla  
Guatemala  
(502) 7838-9406-7

We placed follow up telephone calls on July 23 and July 24, but were not able to reach the company via telephone.

Kum'Otex Guatemala  
Jung Yeol Yoon  
Km. 36 Carretera al Pacífico  
Parque Industrial ""El Cafetal""  
Bodega B Palín Escuintla  
Guatemala  
(502) 6633-0099

We placed a follow up telephone call on July 23 and received an automated message that the number had changed. We placed telephone calls to the new number, (502) 7882-7409, on July 23 and July 24, but were not able to reach the company via telephone.

Manufacturas Textiles Perfecta  
Enrique Zimeri Gándara  
1 Avenida 33-26 Zona 12  
Colonia El Carmen, Guatemala  
Guatemala  
(502) 2476-9321

We placed a follow up telephone call on July 23. Abraham Zimeri informed us during that telephone conversation that the company produces only 100 percent cotton goods and cannot supply the requested fabric.

Megatextil's  
Sung Deok Kim  
Km. 36 Carretera al Pacífico  
Lotificación Los Sauces Palín  
Escuintla, Guatemala  
(502) 6633-0549

Flor Lopez Blanco informed us via email on July 27 that the company makes cotton fabrics and does not manufacture the requested fabric.

Modas Alpha / World Fama (II)  
Hak Rae Kim Kim  
Km. 38.6 Carr. al Pacifico  
Bodegas Nuevas Esperanzas # J  
Guatemala  
(502) 7882-7357

We placed follow up telephone calls on July 23 and July 24 but were unable to reach the company via telephone.

Monte Textil S.A.  
Juan Carlos Castaneda, Export  
Manager  
Km. 18.5 Carr. al Mayan Golf  
Villa Nueva  
Guatemala  
(502) 6628-0800

Juan Carlos Castaneda responded via email on August 7 that the company does not produce the requested fabric.

Selim Guatemala, S.A.  
Young Jong Han  
Km. 37.5 Carr. al Pacifico  
Parque Industrial Nueva  
Esperanza  
Palin  
Guatemala  
(502) 7882-7368

Young Jong Han responded via email on July 24 that company produces only knit fabrics and cannot supply the requested fabric.

Supra Textiles  
Raul Ibarguen, General Manager  
3a Calle 7-53 A Zona 2  
San Jose, Villa Nueva  
Guatemala  
(502) 6629-9239

We attempted to place follow up telephone calls on July 23 and July 24 but received a "busy" tone on all attempts.

Textiles Amatitlan, S.A., aka  
Industrias Liztex  
José Habie  
Km 30.5 Carretera al Pacifico  
Amatitlan, Guatemala  
Guatemala  
(502) 6633-6550

José Habie responded on July 2 that he can produce the requested fabrics but does not have capacity to do so during 2007 or 2008.

Textiles Parabolica (TEXPASA)  
Roberto Quan, General Manager  
13 Av. 32-53 Zona 13  
Col. Santa Fe  
Guatemala  
(502) 2333-8035

Roberto Quan responded via email on August 1 that the company produces knits and cannot supply the requested fabric.

Viva Mundo Textil  
Soo Joong Kang  
Km. 35.8 Carr. Al Pacifico  
Finca Los Sauces  
Amatitlan  
Guatemala  
(502) 6633-0512

We placed a follow up telephone call on July 23 and were informed that Soo Joong Kang was traveling. The company requested an electronic copy of our letter. We sent our request via email on July 24. We received no further response.



Guatemala Apparel and Textile  
Industry  
Commission (Vestex)  
Liggia Barrios, Promotion and  
Marketing  
15 Avenida 14-72, Zona 13,  
Guatemala  
Guatemala  
(502) 2410-8323

Liggia Barrios responded via email on July 25 that she had inquired of Vestex's members and given them the option to respond through Vestex or directly to us by July 31. We received no further response from Vestex.

#### **Sources from Nicaragua**

The Nicaraguan Apparel &  
Textile Manufacturers  
Association (Anitec)  
Carlos Sandino, President  
Zona Franca Las Mercedes  
Km 12.5 Carretera Norte,  
Edificio 29  
Managua, Nicaragua  
(505) 277-2955

We placed a follow up telephone call on July 23 and, as requested, sent our letter via email on July 24. No further response was received.

#### **Sources from El Salvador**

ALM Pacifico Jorge Hasbun,  
S.A. De C.V.  
Alexandra Hasbun  
Calle La Mascota #320,  
Colonia La Mascota, San  
Salvador  
El Salvador  
(503) 2246-8000

We placed a follow up telephone call on July 23, and Alexandra Hasbun informed us that the company is a wholesaler and does not produce any fabric. She also stated that she is not aware of the requested fabric being made locally.

Industrias Sinteticas de C.A.S.A.  
Maki Uchida, Manager of Sales  
Km 12.5 Carretera Troncal Del  
Norte  
Apopa, San Salvador  
El Salvador  
(503) 2216-0055

We placed a follow up telephone call on July 23. Maki Uchida stated that his company has an interest in producing the requested fabric and has plans to acquire the machinery, but he stated that his company cannot produce the requested fabric at this time.

Industrias Unidas, S.A.  
Guillermo Enrique Vila  
Schlesinger  
Km 11.5 Carretera  
Panamericana  
Frente Aduana San Bartolo,  
Ilopango  
El Salvador  
(503) 2295-0846

We placed a follow up telephone call on July 23 and were informed that Guillermo Enrique Vila was in a meeting. We left contact information for a return call and, as requested, we sent our letter via email on July 24. We received no further response.

Martinez y Saprissa, S.A. de  
C.V. (MARYSA)  
Luis Sera Escartin, General  
Manager  
Calle Limon y Av. Irazu  
Col. Costa Rica  
San Salvador  
El Salvador  
(503) 2270-0410

We placed a follow up telephone call on July 23. Karen Hofer de Martinez stated that she had not received our letter but that her company does not produce stretch fabrics and cannot supply the requested fabric. She requested an electronic copy of our letter, which we sent to her on July 24. No further response was received.

Mauricio Arturo Orellana  
Equizabel  
Mauricio Arturo Orellana,  
General Manager  
Parque Industrial de Desarrolla  
final #2  
San Salvador  
El Salvador  
(503) 2276-4008

Arturo Orellana responded via email on August 1 that his company currently performs only cutting and assembly and thus cannot supply the requested fabric.

Texsal, S.A. de C.V.  
Miguel A. Diaz, Admin.  
Manager  
Av. Circunvalacion Lotes 6 Y 7  
Plan De La Laguna Antiguo  
Cuscatlan  
La Libertad  
El Salvador  
(503) 2243-0411

We placed a follow up telephone call on July 23. Miguel A. Diaz stated that his company produces twill tape, and he stated that he would send an email with pictures of what his company produces. We received no further response.

Union de Industriales Textiles  
(Unitex)  
Ingrid Burgos, Executive  
Director  
Edificio ASI  
Calle Roma y Liverpool

Ingrid Burgos responded via email on July 24 that she would inquire whether any of Unitex's members could make the fabric. We received no further response.

Colonia Roma, San Salvador  
El Salvador  
(503) 2279-2488

**Sources from Honduras**

Bollag International Corporation  
W. Lane Tarleton  
KM #1 Autopista Pto. Cortes  
Choloma  
Cortes  
Honduras  
(504) 551-4885

We placed a follow up telephone call on July 24. Aryami Urbina stated that the company only recycles and packages fabrics and cannot supply the requested fabrics.

Elcatex  
Keith A. Reynolds, Vice  
President of Sales  
15016 Mountain Creek  
Frisco, TX 75035  
(972) 727-9868

Elcatex responded via email on July 10 that it cannot supply the requested fabric.

RLA Manufacturing, S. de R.L.  
Philip Holloway  
garciaedy@russellcorp.com

We were unable to locate a mailing address or telephone number for the company. We received no response to our emailed request.

Sky Textile Honduras, S.A.  
Ken Tai  
ZIP Río Blanco, San Pedro Sula,  
Cortés  
Honduras  
(504) 551-4556

We placed follow up telephone calls on July 23 and July 24 but were unable to reach the company by telephone.

Textiles Rio Lindo  
Karen I. Facusse, Manager  
Calle Principal, Colonia San  
Jose del Pedregal  
Tetgucigalpa, Francisco  
Morazán  
Honduras  
(504) 245-5411

Karen Facusse responded via email on July 25 that the company cannot supply the requested fabric.

Woon Chun Honduras, S.A. de  
C.V.  
Dong Su Sin  
Km. 19.5 Carr. al Occidente  
Naco  
Santa Barbara,  
Honduras  
(504) 672-1800

We placed follow up telephone calls on July 24 but were unable to reach the company by telephone.

Honduran Manufacturers  
Association  
Angela Castillo, Promotion  
Edificio Yude Canahuati 3er y 4  
to Piso  
Avenida Circunvalacion, S.O.  
San Pedro Sula, Cortés  
Honduras  
(504) 556-5526

Grisel Oseguera responded via email on July 25 and asked about the relationship of this request to a request made in 2006. We responded to those inquiries and asked that the association circulate our request to its membership. We received no further response.

The information above demonstrates that the existing CAFTA-DR industry is unable to provide the fabric requested in the quantities required and within the given time restraints.

#### **IV. Substitutable Products**

Glen River is unaware of any suitable substitute for the subject two-way stretch fabric. Glen River uses this fabric to produce apparel currently in high retail demand for its unique ability to exhibit the smooth feel of high quality worsted wool and to conform to the body of the wearer without limiting comfort or range of motion. Thus, the fabric must have a smooth hand and be capable of two-way stretch, consistent with consumer expectations.

#### **V. Conclusion**

In conclusion, we believe the foregoing firmly establishes that the two-way stretch woven fabric that Glen River seeks cannot be timely provided in commercial quantities from producers that form and finish the fabric in CAFTA-DR Parties with yarn formed in CAFTA-DR Parties. Accordingly, we request that CITA add this fabric to the Short Supply List in accordance with Section 203(o)(4) of the CAFTA-DR Implementation Act.

Thank you in advance for your thoughtful consideration of this matter. If CITA is in need of any additional information regarding this request, please contact Jon Fee at

(202) 756-3387 or [jon.fee@alston.com](mailto:jon.fee@alston.com), or BJ Shannon at (202) 756-3344 or [bj.shannon@alston.com](mailto:bj.shannon@alston.com).

Sincerely,

/s/ BJ Shannon

BJ Shannon

Attachments

cc: Mr. Jonathan M. Fee, Alston & Bird LLP

**INTERESTED ENTITY'S DUE DILIGENCE CERTIFICATION**

I, James Gutman, President of Glen River Trading, certify that:

1. I have read the attached submission.
2. The information contained in the submission is, to the best of my knowledge, complete and accurate.

Signed: /s/ James Gutman  
James Gutman

Date: August 17, 2007

**LEGAL COUNSEL'S DUE DILIGENCE CERTIFICATION**

I, Jonathan M. Fee, of Alston & Bird LLP, counsel to Glen River Trading, certify that:

1. I have read the attached submission.
2. Based on the information made available to me by James Gutman, I have no reason to believe that this submission contains any material misrepresentation or omission of fact.

Signed: /s/ Jonathan M. Fee  
Jonathan M. Fee

Date: August 17, 2007

# **ATTACHMENT A**

CONFIDENTIAL

Contents: Copies of Glen River's Request Letter and blank Response Form, and copies of responses to Glen River, as described in the foregoing letter.