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April 18, 2007

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Mr. R. Matthew Priest, Chairman  
Committee for the Implementation of  
Textile Agreements  
U.S. Department of Commerce  
Room H3001A  
14<sup>th</sup> Street & Constitution Avenue, N.W.  
Washington, D.C. 20230

**PUBLIC VERSION**

**Re: Request under the Commercial Availability Provision of the Dominican-Central  
America-United States Free Trade Agreement Implementation Act**

**Polyester/Rayon/Spandex Two-Way Stretch Woven Fabric Classifiable Under HTS  
Subheading 5407.92.20 & 5407.93.20**

Dear Mr. Chairman:

On behalf of Channel Fabrics of New York City, we herewith submit this request regarding a finding of commercial availability pursuant to the provisions of Section 203(o)(4) of the Dominican Republic-Central America-United States Free Trade Agreement ("DR-CAFTA") Implementation Act and your Federal Register notices of February 21, 2006 and March 15, 2007 with respect to certain woven fabrics which Channel wishes to use in the manufacture of apparel

Mr. R. Matthew Priest, Chairman  
Committee for the Implementation of Textile Agreements  
April 16, 2007  
Page 2

**PUBLIC VERSION**

in DR-CAFTA partner countries. By means of this letter, we request that the subject fabrics be added to Annex 3.25 of the Agreement.

The fabrics in question are two-way stretch (“BiStretch”) fabrics consisting of a spun polyester/rayon warp wrapped around a spandex filament core and a filament polyester filling also wrapped around a spandex core. The subject fabrics are similar in the written description to fabrics which have already been added to DR-CAFTA Annex 3.25 (as items no. 73, 74 and 75). The difference being that the instant fabrics have a filling of filament polyester yarn rather than spun polyester/rayon yarn which results in a fabric with increased tensile strength, increased bursting strength and improved seam slippage per unit of weight. The subject fabrics are classifiable under HTS subheadings 5407.92.20 and 5407.93.20. Further details are shown in the accompanying **Exhibit**, but the distinguishing feature of all is that the warp yarns are long staple polyester and rayon and must be spun on the Synthetic System or other long staple spinning system. In addition, the stated yarn sizes for spandex (40 to 70 denier/ 225 to 126 metric) relate to the size of the yarns prior to being wrapped and woven. The finished fabric and any garments made therefrom may contain spandex fibers with yarn sizes outside of this range.

We have contacted all those entities which were contacted in the course of the due diligence for fabrics listed as items 73 and 74 of Annex 3.25. None has indicated an ability or desire to supply the subject fabrics. Prospective responders should note that a variety of constructions, weights and colorations are involved in this request and that Channel’s business plan calls for 822,960 linear meters (900,000 linear yards) of fabric(s) to be delivered to its assemblers’ plants in Guatemala and El Salvador beginning May 1, 2007 over a period of 12 months.

### **Due Diligence**

The following firms and associations were contacted and asked if they or their members could supply the subject fabrics. Full product details, as set forth in the Exhibit, were provided:

#### **Associations**

**Association:** American Manufacturing Trade Action Coalition

**Contact/Email:** Tantillo/atantillo@amtacdc.org

**Initial Contact/Date/Substance:**

March 19: Contact information for members capable of producing subject fabric (#A1)

March 19: Association advised it would circulate to its members (#A2)

**Second Contact:** March 26 (#A3)

**Response/Date/Substance:** No further responses received.

# SANDLER, TRAVIS & ROSENBERG, P.A.

Mr. R. Matthew Priest, Chairman  
Committee for the Implementation of Textile Agreements  
April 16, 2007  
Page 3

**PUBLIC VERSION**

**Association:** Honduran Manufacturers Association  
**Contact/Email:** Angela Castillo/promocion@ahm-honduras.com  
**Initial Contact/Date/Substance:** March 19/Contact information for members capable of producing subject fabric (#B1)  
**Second Contact:** March 26 (#B2)  
**Response/Date/Substance:** March 26/Association provided a list of textile producers in Honduras (#B3) (#B4)  
**Comment:** Only one listed company, Textile Rio Lindo, produces woven fabrics. This company was separately contacted (see below).

**Association:** National Council of Textile Organizations  
**Contact/Email:** Cass Johnson/cjohnson@ncto.org  
**Initial Contact/Date/Substance:** March 19/Contact information for members capable of producing subject fabric (#C1)  
**Second Contact:** March 26 (#C2)  
**Response/Date/Substance:** March 27/Association sent the inquiry out to members who were advised to contact petitioner directly. No such inquiries were received. (#C3)

**Association:** National Textile Association  
**Contact/Email:** David Trumbull/dtrumbull@nationaltextile.org  
**Initial Contact/Date/Substance:** March 19/Contact information for members capable of producing subject fabric (#D1)  
**Response/Date/Substance:** March 19/Association advised that it will circulate the inquiry and respond in a few days (#D2)  
**Second contact:** April 2 (#D3)  
**Response:** No further responses received.

**Association:** Nicaraguan Textile & Apparel Association  
**Contact/Email:** nicaind@aol.com  
**Initial Contact/Date/Substance:** March 19/Contact information for members capable of producing subject fabric (#E1)  
**Second Contact:** March 26 (#E2)  
**Response/Date/Substance:** No responses received.

## **Companies**

**Company:** AKH  
**Contact/Email:** Tem McInville/temm@anvilknitwear.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#F1)  
**Second Contact:** March 26 (#F2)  
**Response/Date/Substance:** No responses received.

**Company:** Burlington World Wide Trade/ITG  
**Contact/Email:** Frank Bakirdan/Frank.Bakirdan@burlington.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#G1)  
**Second Contact:** March 26 (#G2)  
**Response/Date/Substance:** March 26/Company cannot produce subject merchandise (#G3)

**Company:** Coral Knits  
**Contact/Email:** gtorre@coralknits.com

# SANDLER, TRAVIS & ROSENBERG, P.A.

Mr. R. Matthew Priest, Chairman  
Committee for the Implementation of Textile Agreements  
April 16, 2007  
Page 4

**PUBLIC VERSION**

**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#H1)  
**Second Contact:** March 26 (#H2)  
**Response/Date/Substance:** No responses received.

**Company:** ELCATEX  
**Contact/Email:** chuy@elcatex.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#I1)  
**Second Contact:** March 26 (#I2)  
**Response/Date/Substance:** No responses received.

**Company:** Gildan Activewear Honduras Textile Company  
**Contact/Email:** ahepburn@gildan.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#J1)  
**Second Contact:** March 26 (#J2)  
**Response/Date/Substance:** No responses received.

**Company:** Industrias Continental  
**Contact/Email:** Roberto Diban/rdibaninco@sigmanet.hn  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#K1)  
**Second Contact:** March 26 (#K2)  
**Response/Date/Substance:** March 26/ Company only produces 100% cotton knit fabric. (#K3)

**Company:** Industrias Liztex  
**Contact/Email:** Al Dinunzio/aldinunzio@liztexnyc.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#L1)  
**Response/Date/Substance:** March 19/Company does not have capacity to produce subject merchandise until 2009. (#L2)  
**Follow up:** Additional information regarding quantities and delivery dates. (#L3)  
**Response:** No further responses received.

**Company:** INSINCA  
**Contact/Email:** Maki Uchida/maki.uchida@insinca.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#M1)  
**Second Contact:** March 26 (#M2)  
**Response/Date/Substance:** March 26/Cannot currently produce subject merchandise or meet delivery schedule. Company currently only produces one-way stretch fabrics. (#M3)

**Company:** Kelly Hosiery de Honduras  
**Contact/Email:** David Guido/guido.david@khh.123.hn  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#N1)  
**Response/Date/Substance:** March 19/Company only produces athletic socks (#N2)

## **SANDLER, TRAVIS & ROSENBERG, P.A.**

Mr. R. Matthew Priest, Chairman  
Committee for the Implementation of Textile Agreements  
April 16, 2007  
Page 5

**PUBLIC VERSION**

**Company:** Milliken & Company  
**Contact/Email:** Kathi Dutilh/kdutilh@millikendc.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#O1)  
**Second Contact:** March 26 (#O2)  
**Response/Date/Substance:** March 28/Company does not make subject merchandise. (#O3)

**Company:** RLA Manufacturing  
**Contact/Email:** garciaedy@russellcorp.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#P1)  
**Second Contact:** March 26 (#P2)  
**Response/Date/Substance:** No responses received.

**Company:** Shaoxin Doafeng Dyeing & Printing Co.  
**Contact/Email:** Xiaochun Zhu/zhuxiaochun200@hotmail.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#Q1)  
**Second Contact:** March 26 (#Q2)  
**Response/Date/Substance:** No responses received.

**Company:** Shin Sung Honduras  
**Contact/Email:** Jose Manuel Trejo/jose@shinsung.hn  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#R1)  
**Second Contact:** March 26 (#R2)  
**Response/Date/Substance:** March 26/Company will check on its capabilities. (#R3)  
**Third Contact:** April 2: Requested response (#R4)  
**Response:** No further responses received.

**Company:** Sky Textile Honduras  
**Contact/Email:** Ken Tai/ken\_tai@oceanskyintl.com  
Agnes Seow/Agnes Seow@oceanskyintl.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#S1A, S1B)  
**Second Contact:** March 26 (#S2A, S2B)  
**Response/Date/Substance:** March 27/Company cannot produce subject merchandise (#S3A)

**Company:** Textiles Rio Lindo, S.A. de C.V.  
**Contact/Email:** Karen Facusse/kfacsuse@riolindo.hn  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#T1)  
**Second Contact:** March 26 (#T2)  
**Response/Date/Substance:** March 26/Company cannot produce subject merchandise. (#T3)

**Company:** UNITEX  
**Contact/Email:** Unitex\_gg@telesal.net  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#U1)  
**Second Contact:** March 26 (#U2)  
**Response/Date/Substance:** No responses received.

## **SANDLER, TRAVIS & ROSENBERG, P.A.**

Mr. R. Matthew Priest, Chairman  
Committee for the Implementation of Textile Agreements  
April 16, 2007  
Page 6

**PUBLIC VERSION**

**Company:** USA Knit Honduras  
**Contact/Email:** jpitsikalis@usaknit.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#V1)  
**Second Contact:** March 26 (#V2)  
**Response/Date/Substance:** No responses received.

**Company:** Woong Chun Honduras  
**Contact/Email:** padrino@woongchun.com  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#W1)  
**Second Contact:** March 26 (#W2)  
**Response/Date/Substance:** No responses received.

**Company:** Yangtex  
**Contact/Email:** Fernando@yangtex.com.hn  
**Initial Contact/Date/Substance:** March 19/Inquiry regarding ability to produce subject merchandise (#X1)  
**Second Contact:** March 26 (#X2)  
**Response/Date/Substance:** No responses received.

### **Substitutable Products**

No fabrics which differ from the fiber content, yarn sizes, spinning methods or any of the other physical parameters set forth in the Exhibit are substitutable for the subject fabrics. In particular, the warp yarns must be spun on the Synthetic System or other long staple spinning system in order to impart the desired appearance, hand, strength and resistance to pilling that Channel and its customers expect (these are primarily warp-faced fabrics).

**SANDLER, TRAVIS & ROSENBERG, P.A.**

Mr. R. Matthew Priest, Chairman  
Committee for the Implementation of Textile Agreements  
April 16, 2007  
Page 7

**PUBLIC VERSION**

Thank you for your consideration of this request. If you have any questions or require further information, please contact Mark Haney or Charles Bremer by telephone at (202)216-9307 or *via* e-mail to [mhaney@strtrade.com](mailto:mhaney@strtrade.com) or [cbremer@strtrade.com](mailto:cbremer@strtrade.com).

Sincerely,

**SANDLER, TRAVIS & ROSENBERG, P.A.**



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Thomas G. Travis  
Managing Partner



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Ronald J. Sorini, President  
Trade Negotiations and Legislative Affairs

## **EXHIBIT**

(English Measurements In Parentheses)

<b>HTS Subheading</b>	5407.92.20; 5407.93.20
<b>Fiber Content</b>	70% to 75% polyester / 20% to 25% viscose rayon / 3% to 6% spandex
<b>Average Yarn Number</b>	Warp: 40/2 to 85/2 metric 60% to 75% polyester Staple / 20% to 35% viscose rayon staple wrapped around 225 to 126 metric spandex (24/2 to 50/2 wrapped around 40 to 70 denier spandex)  Filling: 90 to 45 metric filament polyester wrapped around 225 to 126 metric spandex (100 to 200 denier wrapped around 40 to 70 denier spandex)
<p>*The stated size of the spandex yarns is in the condition as delivered to the yarn spinner. Variance may occur in the final fabric.</p>	
<b>Length of Staple in Warp:</b>	1.75 to 2.75 inches
<b>Thread Count</b>	152 to 285 warp ends per centimeter x 101 to 209 filling picks per centimeter (60 to 112 warp ends per inch x 40 to 82 filling picks per inch)
<b>Weave Type</b>	Various
<b>Weight</b>	200 to 302 grams per square meter (5.9 to 8.9 ounces per square yard)
<b>Width</b>	129 to 152 centimeters (50 to 60 inches)
<b>Finish</b>	(Piece) dyed; of yarns of different colors
<b>Quantity</b>	822,960 linear meters (900,000 linear yards) per year, beginning May 1, 2007.