

February 24, 2011

PUBLIC VERSION

VIA HAND DELIVERY AND EMAIL

Ms. Kim Glas, Chairperson
Committee for the Implementation of Textile Agreements
U.S. Department of Commerce
Room H3001A
14th Street & Constitution Ave., N.W.
Washington, D.C. 20230

Attention: Maria Dybczak and Richard Stetson, U.S. Department of Commerce Office of Textiles and Apparel

Re: CAFTA-DR Commercial Availability Petition: Certain Faux Suede Bonded to Certain Faux Fur Pile Fabric

Dear Ms. Glas:

This commercial availability request is filed on behalf of the Levy Group, Inc. (“the Levy Group”), a designer, manufacturer, and seller of men’s and women’s coats, jackets, outerwear, and sportswear in the United States. The Levy Group’s global headquarters is located at 512 Seventh Ave., New York, NY 10018. It has operations in the Dominican Republic. Further company information is available at <http://www.thelevygroupinc.com/>.

Pursuant to the provisions of Section 203(o)(4) of the Dominican Republic-Central America-United States Free Trade Agreement (“CAFTA-DR”) Implementation Act (19 U.S.C. § 4033)(o)(4)), and the Committee for the Implementation of Textile Agreements’ (“CITA”) Modified Final Procedures for Considering Requests Under the Commercial Availability Provision of the Dominican Republic-Central America-United States Free Trade Agreement (73 Fed. Reg. 53200 (Sept. 15, 2008)), we hereby request a determination that certain faux suede bonded to certain faux fur pile fabric be added to the list of fabrics not available in commercial quantities on the CAFTA-DR Short Supply List at U.S. Note 20(a) to Chapter 98, Subchapter XXII, Harmonized Tariff Schedule of the United States (“HTSUS”).

The Levy Group is filing this request because it has found it impossible to purchase such fabrics in the United States or the CAFTA-DR region.

I. Detailed Product Information

The subject fabric is certain faux suede bonded with certain faux fur pile fabric. The fabric must contain both the front faux suede and the back pile, bonded as one fabric because The Levy Group produces (cuts and sews) coats/outwear with the subject fabric. The front faux suede is a knitted fabric comprised of 100 percent polyester. The back faux fur pile is a knitted fabric comprised of polyester (40% - 60%) and acrylic (40% - 60%). The front side suede portion of the fabric is made of spun yarn of islands-in-the-sea process and the faux fur back pile (also known as “seal pile”) is also of spun yarn of islands-in-the-sea process. “Islands in the sea” refers to a type of component fiber sometimes described as filament-in-matrix. The “islands” are fibrils of one or more polymers imbedded in a “sea” (or matrix) consisting of another polymer.

It is extremely important, of course, that faux fur outwear imitate the look and hand of actual fur. It is therefore important for potential suppliers to offer a fabric that comports with the following specifications. The sponge lamination process is used when bonding the two fabrics. The final finishing process involves polishing (i.e., hitting the fabric surface with a heated steel mold to make the fur surface straight and polished). Tumbling is then be used, after bonding and washing, to dry the fur after washing.

Exhibit 1 attached provides the details of the product, including the fiber content, construction, and finishing processes, and the classification of the product under HTSUS.

CITA’s Modified Final Procedures state that “{r}easonable product specification include the use of accepted terminology and standards, such as those used by ASTM (‘American Society for Testing and Materials’) or AATCC (‘American Association of Textile Chemists and Colorists’).” Therefore, the product specifications, including fiber content, constructions, fabric sizes, finishing processes are reasonable and stated in terms of accepted industry terminology and standards.

A fabric sample is enclosed with this letter.

II. Quantity

The Levy Group requires a total of 500,000 yards (457,199 meters) deliverable within 90 days.

III. Due Diligence

A. Generally

Pursuant to CITA’s Modified Final Procedures, the Levy Group conducted the requisite due diligence by identifying possible CAFTA-DR suppliers for the subject fabric demonstrating its legitimate intent, and good faith and reasonable efforts. **Exhibit 2** attached provides a detailed list of the Levy Group’s contacts and due diligence efforts to find CAFTA-DR suppliers and **Exhibit 3** attached contains

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copies of the due diligence emails sent to CAFTA-DR textile associations and potential company suppliers.

First, we contacted the following major textile and apparel trade associations in the United States and the CAFTA-DR countries:

Adozona	Jose M. Torres, Executive Director (adozona@codetel.net.do)	Torre Empresarial AIRD Ave. Sarasota 20, 4to. Piso, La Julia 3184 Santo Domingo Dominican Republic Website: www.adozona.org/ing/contacto.asp
American Manufacturing Trade Action Coalition	Sara Ormand Beatty, Director of International Trade (sormand@amtadc.org)	910 16th Street, N.W., Suite 410 Washington, D.C. 20006 Website: www.amtadc.org/Pages/Home.aspx
Costa Rican Chamber of Textiles	Maria Quirce, Director (maqcateco@racsaco.cr)	Apartado 1512 1002 Pase de Estudiantes San Jose, Costa Rica
Guatemala Apparel and Textile Association (VESTEX)	Carla Caballeros, Executive Director (ccaballeros@apparel.com.gt)	15 Avenida 14-72 zona 13 2ndo. Nivel 01013-Guatemala City Guatemala Website: www.vestex.com.gt/vx/index.php?option=com_content&view=article&id=176&Itemid=150&lang=en
Honduran Manufacturers Association	Astrid Vanesa Barnica, Customer Service Agent (servicioalcliente@ahm-honduras.com)	Astrid Barnica Edificio Yde Canahuati 3er y 4to Piso Avenida Circunvalacion, S.O. San Pedro Sula, Cortes Honduras Website: www.ahm-honduras.com
National Council of Textile Organizations	Michael Hubbard, Vice President (mhubbard@ncto.org)	469 Hospital Drive, Suite C Gastonia, NC 28054 910 17th Street, NW, Suite 1020 Washington, D.C. 20006 Website: www.ncto.org/
National Textile Association (NTA)	David Trumbull, Vice President International Trade (DTrumbull@nationaltextile.org)	6 Beacon Street, Suite 1125 Boston, MA 02108 Website: www.nationaltextile.org
Nicaraguan Textile Association (Anitec)	Dean Garcia, Executive Director (director@anitec.net)	Zona Franca "Las Mercedes" km 12 1/2 Carretera Notre Managua, Nicaragua Website: www.anitec.net/contact.html

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Union de Industrias Textiles (UNITEX)	Ingrid Burgos, Executive Director (iburgos@camtex.com.sv)	Camara de la Industria Textil de la Confeccion de El Salvador Calle Liverpool y Calle Roma edif. ASI. Col. Roma San Salvador, El Salvador
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One textile association, the National Council of Textile Organizations, responded to The Levy Group's email solicitation by recommending that The Levy Group contact Glenoit Mills. Glenoit Mills was not a member of this textile association. Indeed, the textile association representative had not communicated with Glenoit Mills. The Levy Group identified a sales representative at Glenoit and provided the sales representative with a solicitation to source the subject fabric. Glenoit Mills declined to produce the subject fabric, though it expressed an interest in future programs. (See summary of communication with Glenoit in **Exhibit 2** and copies of due diligence emails with Glenoit in **Exhibit 3**.)

A second textile association, the National Textile Association, responded to The Levy Group's email solicitation by recommending that The Levy Group contact Daewoo International America Corp. The Levy Group met with, and exchanged several emails with, a sales representative of Daewoo and learned that, if Daewoo was able to produce the subject fabric, production would occur outside the DR-CAFTA region. (See summary of communication with Daewoo in **Exhibit 2** and copies of due diligence emails with Daewoo in **Exhibit 3**.)

A third textile association, VESTEX of Guatemala, responded to The Levy Group's email solicitation by recommending that The Levy Group contact Pettenati Centro America in El Salvador. The Levy Group telephoned a sales representative at Pettenati and was told that Pettenati could not produce the subject fabric. The Levy Group sent a follow-up email to Pettenati's sales representative to confirm and memorialize the telephone conversation. (See summary of communication with Pettenati in **Exhibit 2** and copies of due diligence emails with Pettenati in **Exhibit 3**.)

In addition to solicitation of each textile association in the DR-CAFTA region, we consulted Davison's Textile Bluebook and conducted an internet search for potential suppliers. The Levy Group, as one of the foremost producers faux fur coats, is unaware of a regional supplier of the subject fabric, but understood the need to conduct an exhaustive search to supplement its industry knowledge prior to the filing of this petition. Though Davison's Bluebook listed no potential suppliers, a web search enabled us to identify and contact a domestic producer of pile fabrics (Tenn-Tex/Monterey Mills) using the contact information on the mill's website. Tenn-Tex/Monterey Mills responded that the mill could not supply the subject fabric. (See summary of communication with Monterey Mills in **Exhibit 2** and copies of due diligence emails with Monterey Mills in **Exhibit 3**.)

As confirmed by the due diligence summarized above and described in detail in **Exhibit 2** and **Exhibit 3**, the requested fabric is unavailable from CAFTA-DR producers.

B. Identification of CAFTA-DR Suppliers

As indicated above, The Levy Group contacted the trade associations representing the CAFTA-DR countries' textile industries as part of its due diligence. To the best of its knowledge and ability, The Levy Group identified and contacted any and all regional suppliers that might have capability to produce the subject fabric.

C. Use of Third Parties and Business-to-Business Contacts

As demonstrated by the correspondence included as **Exhibit 3**, all communications were handled directly between The Levy Group and the individual trade associations and company. The Levy Group officials, who are at the appropriate level to communicate information on the fabrics needed, the specifications, and standards, and the reasons for those standards, contacted the company and associations.

D. Description of the Subject Product

The product specifications in attached **Exhibit 1** were provided to all the potential suppliers. It represents the reasonable product specifications, including the fiber content, construction, and finishing processes expressed in acceptable terminology and standards.

E. Provisions of Samples

Although not required by CITA's procedures, The Levy Group is providing a sample to the U.S. Department of Commerce as part of this petition.

F. Substitutable Products

No companies suggested any fabrics that may be substitutable for the requested fabrics.

IV. Substitutable Products

The Levy Group's requested fabrics must meet the stated performance and production specifications described in this submission in order to achieve appearance and hand that mimic actual fur. A fabric that cannot satisfy the requirements described herein is unusable to The Levy Group and its customers, and therefore is not substitutable.

The Levy Group does not know of any supplier that produces a substitutable product in the CAFTA-DR countries, and did not receive any responses that a conforming fabric could be produced that was substitutable for the requested fabrics.

V. Conclusion

The Levy Group seeks to purchase the subject certain faux suede bonded with certain faux fur pile fabrics for use in garment production in CAFTA-DR countries. The foregoing submission and the attached exhibits confirm that the fabric The Levy Group seeks is not available in commercial quantities in a timely manner from CAFTA-DR producers. We therefore request that CITA add this fabric to the CAFTA-DR Short Supply List.

Thank you for your consideration of this request. If you have any questions or require further information, please contact me at 202-626-6612 or David.Spooner@ssd.com

Respectfully submitted,



David M. Spooner

Squire, Sanders & Dempsey (US) LLP
1201 Pennsylvania Ave. N.W., Suite 500
Washington, DC 2004

Counsel for the Levy Group, Inc.

Enclosures:

Due Diligence Certifications
Exhibits

Exhibit Number	Description
Exhibit 1	Detailed Product Information
Exhibit 2	Due Diligence Report
Exhibit 3	Copies of Due Diligence Communications [Business Confidential]

DUE DILIGENCE CERTIFICATION

Interested Entity's Certification

I, Rich Albom, Chief Sourcing Officer, currently employed by The Levy Group, Inc., certify that:

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

Signed: 
Rich Albom

DUE DILIGENCE CERTIFICATION

Legal Counsel's Certification

I, David M. Spooner, of Squire, Sanders & Dempsey (US) LLP, counsel to The Levy Group, Inc., certify that:

- (1) I have read the attached submission, and
- (2) Based on the information made available to me by Rich Albom of The Levy Group, I have no reason to believe that this submission contains any material misrepresentations or omissions of fact.

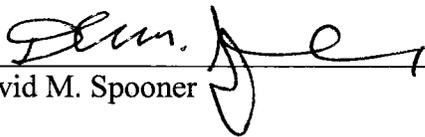
Signed: 
David M. Spooner

Exhibit 1

Detailed Product Information

Certain Faux Suede Bonded to Faux Fur Pile Fabric

HTS: 6001.10.2000

Fabric Type: Faux suede bonded to faux fur pile.

Fiber Content:

Faux Suede Face: 100% polyester

Faux Fur Pile Back: 40-60% polyester; 40-60% acrylic

Yarn Size:

Faux Suede Face:

Metric: 45 metric/96 filaments

English: 200d/96 filaments

Faux Fur Pile Back:

Metric: Acrylic - 3000 metric; Polyester - 3000 metric.

English: Acrylic - 3d; Polyester - 3d

Thread Count:

Metric: 15.24/singles

English: 9/singles

Weight: 630 - 660 grams per sq. meter

Width:

Metric: 142-147 cm.

English: 56-58 inches, 57 cuttable

Weave: Both sides knit

Coloration: Both sides piece dyed

Finishing: Bonded (with sponge lamination), washed, polished, and tumbled dry.

Exhibit 2

Due Diligence

Association or Company Contacted	Contact	Address	Date Contacted	Response and Date
Adozona	Jose M. Torres, Executive Director (adozona@codetel.net.do)	Torre Empresarial AIRD Ave. Sarasota 20, 4to. Piso, La Julia 3184 Santo Domingo Dominican Republic Website: www.adozona.org/ing/contacto.asp	Email inquiry regarding ability to produce subject fabric sent 12/16/10.	Email from J. Torres on 12/16/10 conveying that fabric not available.
American Manufacturing Trade Action Coalition	Sara Ormand Beatty, Director of International Trade (sormand@amtaadc.org)	910 16th Street, N.W., Suite 410 Washington, D.C. 20006 Website: www.amtaadc.org/Pages/Home.aspx	Email inquiry regarding ability to produce subject fabric sent 12/16/10. Follow-up email requesting information regarding ability to produce subject fabric sent 1/4/11.	Email from S. Ormand Beatty on 1/4/11 reporting that had circulated initial inquiry to member companies on 12/20/10, had not heard back from any company, and would recirculate the solicitation. No further response.
Costa Rican Chamber of Textiles	Maria Quirece, Director (maqcateco@racsa.co.cr)	Apartado 1512 1002 Pase de Estudiantes San Jose, Costa Rica	Email inquiry regarding ability to produce subject fabric sent 12/16/10.	Email from Costa Rica Textile Chamber on 12/21/10 conveying that fabric not available.
Guatemala Apparel and Textile Association (VESTEX)	Carla Caballeros, Executive Director (ccaballeros@apparel.com.gt)	15 Avenida 14-72 zona 13 2ndo. Nivel 01013-Guatemala City Guatemala Website:	Email inquiry regarding ability to produce subject fabric sent 12/17/10.	Email from M. Ivic of VESTEX on 12/17/10 conveying that fabric not available in Guatemala and suggesting an inquiry with Pettenati of El Salvador (see

Association or Company Contacted	Contact	Address	Date Contacted	Response and Date
Honduran Manufacturers Association	Astrid Vanesa Barnica, Customer Service Agent (servicioalcliente@ahm-honduras.com)	www.vestex.com.gt/vx/index.php?option=com_content&view=article&id=176&Itemid=150&lang=en Astrid Barnica Edificio Yde Canahuati 3er y 4to Piso Avenida Circunvalacion, S.O. San Pedro Sula, Cortes Honduras Website: www.ahm-honduras.com	Email inquiry regarding ability to produce subject fabric sent 12/16/10. Follow-up email requesting information regarding ability to produce subject fabric sent 1/4/11.	Pettanati entry below). Cc'ed on email from A. Barnica to AHM member-companies on 1/4/11 asking if member-companies can produce subject fabric. No further response from AHM or any AHM member-company.
National Council of Textile Organizations	Michael Hubbard, Vice President (mhubbard@ncto.org)	469 Hospital Drive, Suite C Gastonia, NC 28054 910 17th Street, NW, Suite 1020 Washington, D.C. 20006 Website: www.ncto.org/	Email inquiry regarding ability to produce subject fabric sent 12/16/10. Email to thank for checking with member companies sent 12/22/10.	Email from M. Hubbard on 12/22/10 to say was checking with member-companies. Email from M. Hubbard on 12/30/10 suggesting that The Levy Group Contact Glenoit Textiles (see entry for Glenoit below).
National Textile Association (NTA)	David Trumbull, Vice President International Trade (DTrumbull@nationaltextile.org)	6 Beacon Street, Suite 1125 Boston, MA 02108 Website: www.nationaltextile.org	Email inquiry regarding ability to produce subject fabric sent 1/3/11. Email sent 1/6/11 to thank D. Trumbull for suggesting Daewoo, but expressing skepticism that Daewoo can make a CAFTA-originating subject fabric.	Email from D. Trumbull on 1/5/11 suggesting that The Levy Group Contact Daewoo with a cc of Daewoo (see entry for Daewoo below).
Nicaraguan Textile Association (Anitec)	Dean Garcia, Executive Director (director@anitec.net)	Zona Franca "Las Mercedes" km 12 1/2 Carretera Notre Managua, Nicaragua Website: www.anitec.net/contact.html	Email inquiry regarding ability to produce subject fabric sent 12/16/10. Follow-up email requesting information regarding ability to produce subject fabric sent 1/4/11.	No response.

Association or Company Contacted	Contact	Address	Date Contacted	Response and Date
Union de Industrias Textiles (UNITEX)	Ingrid Burgos, Executive Director (iburgos@camtex.com.sv)	Camara de la Industria Textil de la Confeccion de El Salvador Calle Liverpool y Calle Roma edif. ASI. Col. Roma San Salvador, El Salvador	Email inquiry regarding ability to produce subject fabric sent 12/16/10. Follow-up email requesting information regarding ability to produce subject fabric sent 1/4/11.	No response.
Tenn-Tex/Monterey Mills	Karleen Scully (ScullyK@montereymills.com)	1725 East Delavan Drive Janesville, WI 53546 Website: www.Montereymills.com	Email inquiry regarding ability to produce subject fabric sent 12/16/10.	Email from K. Scully on 12/17/11 conveying Monterey's inability to produce subject fabric.
Glenoit	Bill Trienekens (btrienekens@glenoifabrics.com)	3001 N. Main Street Tarboro, NC 27886 Website: www.glenoifabrics.com	Email inquiry regarding ability to produce subject fabric sent 1/11/11. Meeting between The Levy Group and Glenoit to discuss subject fabric on 1/12/11. Post-meeting email to Glenoit, sent 1/12/11, expressing desire to work with Glenoit on future projects while conveying The Levy Group's understanding that Glenoit cannot produce subject fabric.	Email from B. Trienekens on 1/11/11 conveying that subject fabric "poses an interesting technical challenge", will talk to mill staff, and get back to The Levy Group. Meeting between The Levy Group and Glenoit to discuss subject fabric on 1/12/11. Email from B. Trienekens on 1/31/11 conveying that Glenoit cannot produce subject fabric at this time.
Pettenati Centro America S.A. de C.V.	Almagan (almagana@pettenati.com.sv)	KM 42 Carretera a Santa Ana Canton la Joya, Santa Ana El Salvador Website: www.pettenati.com.br	Phone call to Pettenati on 2/17/11. Follow-up email to Pettenati on 2/17/11, confirming Pettenati's inability to produce subject fabric.	Phone call with The Levy Group on 2/17/11. No further communication.
Daewoo International America Corp.	Richard Kang (dhkang@dwa.daewoo.com)	65 Challenger Road Ridge Field Park, NJ 07660 Website: www.daewoo.com/english/onli	Email to R. Kang sent 1/6/11, clarifying that subject fabric must be DR-CAFTA compliant and offering to meet.	Email from R. Kang on 1/6/11 (in response to cc by D. Trumbull of NTA, outlined above) conveying interest in supplying subject fabric.

Association or Company Contacted	Contact	Address	Date Contacted	Response and Date
		<p>ne/brand/item.jsp?d_id=6</p>	<p>Emails to R. Kang sent 1/11/11 - 1/21/11 to schedule meeting.</p> <p>Meeting with Daewoo on 1/21/11.</p> <p>Several Emails, sent 1/24/11 - 2/14/11 discussing possible fabric production.</p> <p>Email to R. Kang sent 2/17/11 asking R. Kang to confirm that Daewoo cannot produce subject fabric in DR-CAFTA region.</p> <p>Email to R. Kang sent 2/17/11 conveying The Levy Group's understanding that Daewoo would have to produce subject fabric in Korea and asking for "factual information", "not what you think I want to hear" about whether subject fabric must be produced in Korea.</p>	<p>Emails to The Levy Group sent 1/11/11 - 1/21/11 to schedule meeting.</p> <p>Meeting with The Levy Group on 1/21/11.</p> <p>Several Emails, sent 1/24/11 - 2/14/11 discussing possible fabric production.</p> <p>Email from R. Kang on 2/17/11 conveying that needs to check to see if Daewoo can produce subject fabric in the DR-CAFTA region.</p> <p>Email from R. Kang on 2/17/11 conveying that Daewoo would indeed produce subject fabric in Korea.</p>

Exhibit 3

[Business Confidential; Redacted from Public Version of Petition.]