

U.S. DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(Docket 11-2010)

Foreign-Trade Zone 59 – Lincoln, Nebraska
Application for Subzone
CNH America, LLC
(Agricultural Machinery Manufacturing)
Grand Island, Nebraska

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the Lincoln Foreign Trade Zone, Inc., grantee of FTZ 59, requesting special-purpose subzone status for the agricultural combine and hay tools manufacturing facilities of CNH America, LLC (CNH), located in Grand Island, Nebraska. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on February 16, 2010.

The CNH facilities (1,274 employees) consist of two sites in Grand Island, Nebraska on approximately 171.5 acres: Site 1 (132.52 acres) – main plant located at 3445 W. Stolley Park Road ; and Site 2 (38.93 acres) – warehouse located at 1011 Claude Road. The facilities are used for the manufacture, testing, warehousing and distribution of combines and hay tools. The CNH facilities annually can produce up to 5,960 combines and 4,600 hay tools. Components and materials sourced from abroad (representing 10% of the value of the finished product) include: articles of plastic (incl. tubes, hoses, fittings, stoppers and lids); articles of rubber (incl. belts, tubes, hoses, grommets, plugs, mountings, sheets, strips); tires; gaskets; washers; safety glass; iron tubes; pipes and fittings; cable; fasteners; springs; articles of steel; sign plates; internal-combustion engines and parts; pumps; filters; parts for agricultural equipment; valves; bearings; transmission shafts; electric motors; generators; clutches; brakes; ignitions; electromagnetic couplings; gears; flywheels; pulleys; electrical lighting or signaling equipment;

loudspeakers; heaters; defrosters; resistors; switches; relays; lamps; wires; cables; locks and keys; thermostats, and measuring instruments; (duty rates range from free to 9%).

FTZ procedures could exempt CNH from customs duty payments on the foreign components used in export production. The company anticipates that some 30 percent of the plant's shipments will be exported. On its domestic sales, CNH would be able to choose the duty rates during customs entry procedures that apply to combines and hay tools (duty-free) for the foreign inputs noted above. FTZ designation would further allow CNH to realize logistical benefits through the use of certain customs entry procedures. The request indicates that the savings from FTZ procedures would help improve the plant's international competitiveness.

In accordance with the Board's regulations, Diane Finver of the FTZ Staff is designated examiner to evaluate and analyze the facts and information presented in the application and case record and to report findings and recommendations to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is ***[insert 60 days from date of publication]***. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to ***[insert 75 days from date of publication]***.

A copy of the application will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 2111, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: February 16, 2010

Andrew McGilvray
Executive Secretary

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