

KONFFETTY S.A. DE C.V.

Carretera panamericana km17 ½
Finca Apachulco, parcelas 2 y 3
Apopa, San Salvador,
El Salvador, Centroamérica.

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October 30th, 2023

PUBLIC VERSION

Ms. Jennifer Knight

Chairman, Committee for the Implementation of Textile Agreements

U.S. Department of Commerce

14th and Constitution Ave., NW, Room 30003-

Washington, DC 20230

Re. Commercial Availability Request

Two-way stretch polyester/spandex Woven Odette Fabric

Dear Ms. Knight:

On behalf of KONFFETTY S.A. de C.V. Carretera panamericana km 17 ½, Finca Apachulco parcelas 2y 3, Apopa, San Salvador, El Salvador, Centroamerica, and pursuant to Section 203 of the Dominican Republic-Central America-United States Free Trade Agreement (“CAFTA-DR”) Implementation Act (19U.S.C. § 4033(o)(4)) and the Committee for the Implementation of Textile Agreements’ (“CITA’s”) Modified Final Procedures for Considering Requests Under the Commercial Availability Provision of CAFTA-DR (73 Fed. Reg. 53200 (Sept. 15, 2008)), we request that certain two way stretch polyester/spandex woven Odette fabric be added to the list of fabrics not available in commercial quantities in a timely manner in the CAFTA-DR countries, set

forth in annex 3.25 of the Agreement and incorporated in U.S. Note 20(a) of Chapter 98, Subchapter XXII, Harmonized Tariff Schedule of the United States (“HTSUS”).

I. Detailed Product Information

The subject product is a two-way stretch polyester/spandex woven. A complete description is set forth below. Konffetty, S.A de C.V. utilizes this fabric for the production primarily of kids wear and adult clothing. The fabric has the content, characteristics, hand feel, and price range that render it perfectly suitable for the dresswear trade. The fabric is classifiable under HTSUS 5407.51, 5407.52, and 5407.53, depending on the percentages of filaments and spandex. We note that the fabric description provides ranges of content, counts, etc., so as to ensure that variances in fabric construction will not preclude the ability to enter the finished garments under CAFTA-DR, and to avoid having to submit multiple requests for short supply designation. The specifications set forth below, including all the ranges, are identical to those expressed in our due diligence letters.

Fiber content	AATCC 20A	%	95%(94%-96%) polyester and 5%(4%-6%) spandex
Yarn Size		Warp	100D +40D polyester/spandex textured filament.
		Weft	(100D +40D SP)*2 polyester/spandex textured filament.
Weave Type			Woven Plain and twill weave
Thread Count:	ASTM D3775	Yarns/inch ² Yarns/cm ²	118(116-120) warp x 82 (81-83) weft 300(296-305) warp x 209 (206-212) weft
Weight of Fabric	ASTM D3776	gr/m ² - Oz/yd ²	126 (124-128) - 3.72 (3.65-3.78)
Width	ASTM D 3774	inch/cms	61.25 (60.50-62.50) - 153 (151-155)cm
Stretch:	ASTM D3107	Warp/Weft %	15 (14-16) x 17 (16-18)
Finish			Optical white Prepared for printing / piece dyed / yarn dyed / with soft hand (no chemistry finish)
HTSUS			5407.51, 5407.52, 5407.53

The requested fabric is with the characteristic of soft hand on both sides to help create the look and feel of combed cotton dresswear fabric. Under the HTSUS, fabrics are classified according to the percentage of filament yarn and spandex in the fabric in its condition as imported, regardless the percentage of staple or filament yarn originally used to form the fabric.

Similarly, Konffetty, S.A. de C.V. anticipates that it will purchase primarily prepared for printing with optical whitening process fabric meeting the specifications above.

CITA's Modified Final Procedures state that "reasonable product specifications 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')." Thus, Konffetty's due diligence inquiries included references to the AATCC standard methods such as: fiber content AATCC 20A, Thread count, weight, width and stretch of fabric under the AATCC 179. These AATCC test methods are familiar to producers, and Konffetty believes the references helped to clarify the specifications of the fabric Konffetty seeks. Konffetty does not believe it is necessary to include these references in the specifications in CITA's designation.

II. Quantity

Konffetty will require a total of 2,000 to 3,000 yards monthly (1,828 to 2,743 meters) of the subject fabric, with a minimum of 1,000 yards monthly (914 meters) delivered no more than 30 days from the order date and the balance of the order delivered within 45 days thereafter (no more than 60 days after the order date).

III. Due Diligence

In performing the due diligence required by CITA's Modified Final Procedures, we identified possible CAFTA-DR suppliers for the subject fabric using four sources. First, we consulted Davison's Textile Blue Book, which is available online at <http://www.davisonbluebook.com/textilebluebook>. This is an Internet database of manufacturers in the textile and apparel industry, which is searchable by types of textiles and by countries/regions of the world. Second, we reviewed lists of companies contacted in connection with prior commercial availability proceedings involving similar fabrics.

Third, Konffetty identified potential suppliers based on its knowledge of the industry. Fourth, as is described in more detail below, we provided our due diligence inquiry to major textile trade associations in the United States and the CAFTA-DR countries.

Attached are copies of the letters sent to each trade association and CAFTA-DR producer. We request confidential treatment of all attachments. (Attachment A).

The following table lists all trade associations and CAFTA-DR producers that were identified during our due diligence research and to which we sent request letters.

The second column of the table describes any responses received. Where no response was received, the third column of the table describes subsequent attempts to contact potential suppliers via email and telephone.

Significantly, pursuant to the requirement in CITA’s Modified Final Procedures that, “once interest is expressed between requestors and CAFTA-DR suppliers, subsequent communications should be conducted by appropriate officials of the requestor and CAFTA-DR supplier based on normal business practice,” the table below describes direct business-to-business communication between Konffetty and any potential supplier that responded that it was interested in supplying the requested fabric. The documents at Attachment A likewise include letters from Konffetty directly to potential suppliers, letters from potential suppliers directly to Konffetty, and Konffetty’s notes memorializing telephone conversations directly between Konffetty and potential suppliers.

In the following table we have detail the first and second round of emails to the companies and associations we have contacted looking for the fabric:

Contacted party	Initial contact	Subsequent contact (as necessary)
<u>Associations</u>		
Ms. Sara Beatty Senior Vice President / Mr. Cass Johnson National Council of Textile Organizations Direct: (202) 684-2999 Email: sbeatty@ncto.org / cjohnson@ncto.org	1° round: Sent an email to Mr. Johnson on Jan 13, 2023. 2° round: email sent to Ms Beatty on Aug 15 th ,2023.	1° round: No response. 2° round: On Aug 17 th , Mrs Beatty sent an email to all NCTO members telling them about the fabric request.
Honduran Manufacturers Association Angela Castillo / promocion@ahm-honduras.com	1° round: Sent an email on Jan 13, 2023. 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
American Apparel Producers’ Network Mike Todaro / source@aapnetwork.net Managing Director P.O. Box 720693 Atlanta, GA 30358	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Apparel and Textile Industry Commission (Vestex) Liggia Barrios / lbarrios@apparel.com.gt Promotion and Marketing	Sent an email on Jan 16, 2023	Mrs Hernandez responded back on January 31 st explaining that Mr. Juan Sanchez from Summitex will contact Mrs Vasquez to tell her about their capacity to supply the fabric requested.

15 Avenida 14-72 Zona 13, Guatemala, C.A. 01013		
Apparel & Textile Manufacturers Association (Anitec) Carlos Sandino / nicaind@aol.com President Zona Franca "Las Mercedes" km 12 ½, Carretera Norte Building #29 Managua, Nicaragua	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Costa Rican Chamber of Textiles Maria Quirce / maqcateco@racsa.co.cr Director Apartado 1512 1002 Pase de Estudiantes, San Jose, Costa Rica.	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Dominican Free Zones Association (“ADOZONA”) Fernando Capellán Executive Board / fcapellan@grupom.com.do President AV. Sarasota #20, 4to. Piso, Torre Empresarial AIRD, Apartado Postal 3184, Santo Domingo, R.D.	Sent an email on Jan 16, 2023	On Jan 16,2023 they answered the email saying they cannot produce the fabric requested.
Honduran Manufacturers Association Angela Castillo / promocion@ahm-honduras.com Promotion Edificio Yude Canahtiatí 3 y 4 Piso, Avenida Circunvalación S. O., San Pedro Sula, Honduras	1° round: Sent an email on Jan 13, 2023. 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Union de Industriales Textiles (Unitex) Ingrid Burgos / Unitex_gg@telesal.net Executive Director Calle Liverpool y Roma edificio ASI, San Salvador, El Salvador.	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.

Nicaraguan Textile & Apparel Association nicaind@aol.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
DR-CAFTA PRODUCERS		
AKH Tem McInville / temm@anvilknitwear.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Burlington World Wide Trade/ITG Frank Bakirdan /Frank.Bakirdan@burlington.com 804 Green Valley Road Greensboro, NC 27408	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
National Spinning Company Robert Gordon / sales@natspin.com New York Sales and Marketing 917-287-3096	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Milliken & Company Ms. JP Tyson Director, Government Relations Email: jp.tyson@milliken.com / Ms. Kathi Dutilh Email: kdutilh@millikenc.com 110 East Neck Road Huntington, NY 11743	1° round: Sent an email to Ms. Dutilh on Jan 16, 2023 2° round: email sent to Ms. Tyson on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
RLA Manufacturing garciaedy@russellcorp.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Coral Knits gtorre@coralknits.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
ELCATEX chuy@elcatex.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Gildan Activewear Honduras Textile Company ahepburn@gildan.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Industrias Continental Roberto Diban / rdibaninco@sigmanet.hn	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.

Industrias Liztex Al Dinunzio / aldinunzio@liztexnyc.com Km. 30.5 Carretera al Pacifico Amatitlan, Guatemala Guatemala	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Hilos y Telas, S.A. Antonio Malouf / rmaouf@hilosytelas.com 34 Calle 7-42 Zona 11 Colonia Las Charcas Guatemala	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Monte Textile, S.A. Juan Carlos Castaneda / juancarlos@textisur.com Export Manager Km 18.5 Carr al Mayan Golf Club, Villa Nueva, Guatemala.	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
INSINCA Lic. Alva Magaña / ventas@insinca.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: on Aug 15 th , 2023 Mrs Karen Ingles replied they had no option for certain fabric but would give an alternative. On Aug 15 th , 2023 Ms Vasquez replied they would need the same fabric specs in that alternative but Mrs Ingles did not reply. No alternative was presented.
Industrias de Hilos, S.A. de C.V. Fredy Lazo Sales / sales@industriadehilos.com KM 11.5 Carr Panamericana Final 4ta Av Norte Ilopango San Salvador, El Salvador	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Industrias Unidas S.A. (IUSA) Guillermo Enrique Villa / ventas@iusa.com.sv Sales Manager KM 11.5 Carretera Panamericana, Frente Aduana San Bartolo, San Salvador, El Salvador	Sent an email on Jan 16, 2023	On Jan 16,2023 they answered the email saying they cannot produce the fabric requested.
Poliester y Filamentos de C.A., S.A. de C.V. Julio Nasri Miguel / polifyl@123.com.sv General Manager KM 10.5 Carr al Puerto de la Libertad, La Libertad, El Salvador	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Pettenati Centro America, S.A. de C.V.	Sent email on Sept 7, 2022.	On Sept 7, Ms. Amaya answered that the mill is full of production and they

Lidia Amaya Senior Customer Service Km. 42, carretera a Santa Ana, municipio de Coatepeque, El Salvador. Tels. (+503) 2526.1300; (+503) 2526.1442		are not developing fabric for new customers.
Kelly Hosiery de Honduras David Guido / guido.david@khh.123.hn	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Shaoxin Doafeng Dyeing & Printing Co. Xiaochun Zhu / zhuxiaochun200@hotmail.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Shin Sung Honduras Jose Manuel Trejo / jose@shinsung.hn	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Sky Textile Honduras Ken Tai / ken_tai@oceanskyintl.com / Agnes Seow / Agnes_Seow@oceanskyintl.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Textiles Rio Lindo, S.A. de C.V. Karen Facusse /kfacusse@riolindo.hn Calle principal Colonia San José, Tegucigalpa, Honduras.	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
USA Knit Honduras jpitsikalis@usaknit.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Woong Chun Honduras padrino@woongchun.com	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Yangtex Fernando@yangtex.com.hn	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.
Olympic Fibers S.A. Alicia Segura / olympicf@racsa.co.cr Manager of Sales Costado Norte de las instalaciones de Firestone San Antonio de Belen Apto 7604- 1000 San Jose, Costa Rica.	1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15 th ,2023.	1° round: No response. 2° round: No response.

<p>American Manufacturing Trade Action Coalition Mr. Tantillo atantillo@amtacdc.org</p>	<p>1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15th,2023.</p>	<p>1° round: No response. 2° round: No response.</p>
<p>National Coalition of Textile Organizations Mr. Hubbard mhubbard@ncto.org</p>	<p>1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15th,2023.</p>	<p>1° round: No response. 2° round: No response.</p>
<p>National Textile Associations Mr. Trumbull dtrumbull@nationaltextile.org</p>	<p>1° round: Sent an email on Jan 16, 2023 2° round: email sent on Aug 15th,2023.</p>	<p>1° round: No response. 2° round: No response.</p>
<p>Summitex Juan Sanchez Tabush Director Juan@summitex.com Guatemala</p>	<p>Received an email from Mr. Juan Sanchez informing the capacity to supply the fabric requested by Summitex on Jan 31, 2023</p>	<p>On January 31st 2023, Mrs. Vasquez received an email from Summitex and get a response about a visit to her facility by Feb 2nd where they picked up the sample personally. On 3/10/2023 Mrs. Vasquez received the sample developed and notified about it and at the same time Mrs. Vasquez rejected it because visually was another fabric but in officially response to the 1st sample sent by Summitex Mrs. Vasquez thru Mr. Campos sent them an email dated 03/27/2023, where we rejected the fabric because it was a sample technically far to the original. Summitex agreed to send another sample by April 11th. By May 3rd Mrs. Vasquez received the 2nd sample developed by Summitex. By May 9th, Mrs. Vasquez thru Mr. Campos sent a technical response of rejection of the 2nd sample as it was very far from original technical data. After several messages with Summitex, by July 4th they explained by email to Mrs. Vasquez and Mr. Campos that Summitex will not invest in any further development unless Mrs. Vasquez place an order and make a cash deposit for 20,000yds to develop the fabric.</p>

<p>MMI Textiles Amy Bircher CEO & Founder Headquarters: 1 American Rd. Suite 950, Brooklyn, Ohio 44144 440-899-8050 cell: 216-496-0609 amy@mmitextiles.com www.mmitextiles.com</p>	<p>2° round: Email sent by NCTO members on Aug 17th,2023.</p>	<p>2° round: On Aug 18th, Mrs Amy Bircher replied the email sent by NCTO to Ms Vasquez, telling that they would be able to product the fabric requested under CAFTA. On Aug 23rd, Mrs Bircher offer an alternative of Nylon/Spandex. On Aug 23rd, Mr Campos replied to Amy with the full details of requirements and inventory needs. On Aug 23rd, Mrs Reardon replied offering a development process for the requested fabric. On Aug 25th, Ms Vasquez sent a sample yardage to Mrs. Amy. On Sept 1st, Mrs. Amy sent an email reply thanking for the opportunity but they would pass because they cannot be competitive in the price point.</p>
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I. Substitutable Products

As noted above, the specifications for the requested fabric are expressed in ranges, to give producers the most flexibility to provide fabric that would fulfill Konffetty’s requirements but keeping the goal to meet the fabric as needed originally. Konffetty is unaware of any fabric outside the ranges of these specifications that is substitutable for the requested fabric. Konffetty’s customers, who buy garments made from fabric of this type, demand that the fabric has a weight sufficient for production of kidswear garments, and that the fabric has a finish that creates the look and feel of soft hand fabrics with no addition of softeners to it. Regarding finish, we also clarify that the fabric cannot have softener chemistry finish to give the soft hand feel because the fabric needs to be prepared for printing and in regard to avoid printing issues in the fabric due to the chemistry, we imperatively request to have a soft hand given by using the right technical yarn for it. It is also necessary that the fabric needs to be soft hand feel because the main market is for childrens wear which needs to give comfort, safety free of chemistry and resistance to the children garments. Fabric not meeting the specifications above would not permit Konffetty to meet the demands of its customers.

II. Conclusion

Konffetty seeks to purchase the subject polyester/spandex soft hand-woven dresswear fabric for use in garment production in CAFTA-DR countries. The foregoing letter and the attached documentation confirm that the fabric Konffetty seeks is not available in

commercial quantities from CAFTA-DR producers. We therefore request that CITA add this fabric to the CAFTA-DR Short Supply List.

If CITA has questions or requires further information, please contact Elsa Vasquez at +503-2319-6520.

Sincerely

Elsa Vasquez

Attachments

DUE DILIGENCE CERTIFICATIONS

Interested Entity's Certification

I, Elsa Vasquez, Chief Import&Export Officer, currently employed by Konffetty, S.A. de C.V., 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: 

