

**PETITION BY THE CHERRY MARKETING INSTITUTE  
REQUESTING TERMINATION OF GSP BENEFITS ON IMPORTS OF  
TART CHERRY JUICE FROM TURKEY**

**USTR-2017-0014  
2017 GSP ANNUAL REVIEW  
HTS 2009.89.60 (2009.89.6011)**

GSP Subcommittee  
Trade Policy Staff Committee  
Office of the United States Trade Representative  
600 17<sup>th</sup> Street, NW  
Washington, DC 20006

Attention: Ms. Naomi Freeman

This petition is filed by the Cherry Marketing Institute (CMI) on behalf of its members. The CMI is located in Dewitt, Michigan. Its membership is comprised of 600 tart cherry growers in Michigan, Wisconsin, Utah and New York. The CMI is funded by voluntary grower assessments and engages in marketing and research activities on behalf of the growers.

The annual average production of tart cherries in the U.S. is approximately 260 million pounds. Nearly all tart cherries are processed for use in multiple products for both consumers and secondary processors. Tart cherry juice is among the initial processing products.

Tart cherry juice concentrate is also imported into the United States. Turkey is by far and away the largest source of imported tart cherry juice concentrate. Using the domestic industry average of 80 pounds of cherries per gallon of concentrate, the total imports from Turkey in 2015 were nearly equivalent to the total U.S. tart cherry crop.

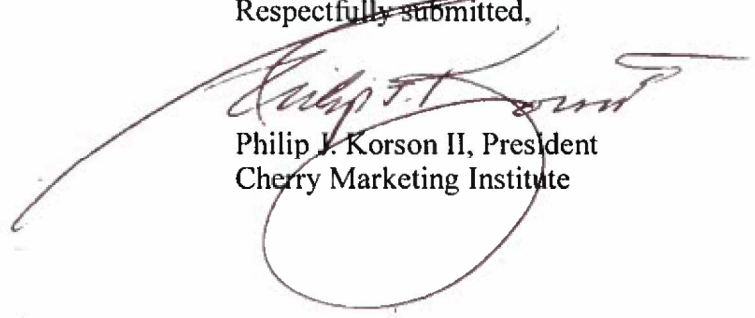
Pursuant to Section 503(c)(2)(A)(i)(II) of the Trade Act of 1974 (19 U.S.C.A. 2463(c)(2)(A) (i)(II)), GSP benefits for an article from a beneficiary developing country shall be terminated when the quantity of the article imported into the U.S. during any calendar year equals or exceeds 50% of the appraised value of total imports of that article. This provision is referred to as the 50% Competitive Need Limit (CNL).

The import data available from U.S. International Trade Commission's Dataweb shows that imports of tart cherry juice from Turkey have exceeded the 50% CNL every year since 2013. See Exhibit 1. In 2016, Turkish imports were nearly 72% of total imports, and will likely exceed 60% in 2017.

CMI acknowledges that the President may waive the 50% CNL when total imports of a product fall below the *de minimis* amount, which is \$23.5 million for 2017. CMI submits, however, that the President should not do so when imports of tart cherry juice concentrate are nearly equivalent to the total U.S. tart cherry crop. This clearly indicates that the benefits of GSP have achieved their goal with respect to tart cherry juice concentrate from Turkey, and thus the benefits are no longer necessary.

For the foregoing reasons, CMI respectfully requests the President to terminate GSP benefits for tart cherry juice concentrate imports from Turkey and to deny any petitions requesting the waiver of the 50% CNL.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Philip J. Korson II", is written over the typed name and title.

Philip J. Korson II, President  
Cherry Marketing Institute

EXHIBIT 1

TART CHERRY JUICE IMPORTS

Country	2013		2014		2015		2016		2016 (Jan-Sept)		2017 (Jan-Sept)	
	Value	% of Total	Value	% of Total	Value	% of Total	Value	% of Total	Value	% of Total	Value	% of Total
Turkey	\$ 4,314,259.00	54.88%	\$ 8,935,188.00	69.17%	\$ 7,068,435.00	58.77%	\$ 9,043,582.00	71.70%	\$ 5,835,672.00	67.77%	\$ 4,720,586.00	62.53%
Poland	\$ 1,182,375.00	15.04%	\$ 2,163,486.00	16.75%	\$ 1,939,583.00	16.13%	\$ 2,105,606.00	16.69%	\$ 1,491,992.00	17.33%	\$ 1,483,065.00	19.65%
Hungary	\$ -	0.00%	\$ 357,046.00	2.76%	\$ 1,567,758.00	13.03%	\$ 935,661.00	7.42%	\$ 928,452.00	10.78%	\$ 415,179.00	5.50%
Austria	\$ 822,686.00	10.47%	\$ 320,130.00	2.48%	\$ 226,154.00	1.88%	\$ 341,420.00	2.71%	\$ 206,404.00	2.40%	\$ 886,746.00	11.75%
Netherlands	\$ -	0.00%	\$ 254,400.00	1.97%	\$ 512,775.00	4.26%	\$ 100,170.00	0.79%	\$ 100,170.00	1.16%	\$ 2,775.00	0.04%
Germany	\$ 966,660.00	12.30%	\$ 346,585.00	2.68%	\$ -	0.00%	\$ 27,750.00	0.22%	\$ -	0.00%	\$ 14,800.00	0.20%
Georgia	\$ -	0.00%	\$ 5,391.00	0.04%	\$ 18,909.00	0.16%	\$ 23,703.00	0.19%	\$ 19,869.00	0.23%	\$ 22,019.00	0.29%
Serbia	\$ -	0.00%	\$ 172,183.00	1.33%	\$ -	0.00%	\$ 19,800.00	0.16%	\$ 19,800.00	0.23%	\$ -	0.00%
Brazil	\$ 562,137.00	7.15%	\$ 305,258.00	2.36%	\$ 441,336.00	3.67%	\$ 7,348.00	0.06%	\$ -	0.00%	\$ -	0.00%
Bulgaria	\$ 2,106.00	0.03%	\$ 23,742.00	0.18%	\$ 7,740.00	0.06%	\$ 5,009.00	0.04%	\$ 5,009.00	0.06%	\$ 4,027.00	0.05%
Canada	\$ -	0.00%	\$ -	0.00%	\$ 170,003.00	1.41%	\$ 3,209.00	0.03%	\$ 3,209.00	0.04%	\$ -	0.00%
Chile	\$ -	0.00%	\$ -	0.00%	\$ 71,971.00	0.60%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
France	\$ 10,653.00	0.14%	\$ 2,834.00	0.02%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
China	\$ -	0.00%	\$ 30,888.00	0.24%	\$ 3,117.00	0.03%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
<b>Totals</b>	<b>\$ 7,860,876.00</b>	<b>100%</b>	<b>\$ 12,917,131.00</b>	<b>100%</b>	<b>\$ 12,027,781.00</b>	<b>100%</b>	<b>\$ 12,613,258.00</b>	<b>100%</b>	<b>\$ 8,610,577.00</b>	<b>100%</b>	<b>\$ 7,549,197.00</b>	<b>100%</b>