

distribution in the United States.¹ The proposed revisions provide for continued accountability by the firm importing the prototype products, and provide direct import program visibility to the Commission's staff through the required quarterly reports from the importing firm for any product with a cumulative amount between 201 and 1200 units.

ITI believes the three tiered approach² that would result from the HP proposal reduces the burden on those companies which have product development programs in the US that utilize prototypes assembled in locations outside of the country. At the same time, the proposal provides clear accountability for the control, use and disposition of those products. Companies' development efforts that involve the import of more than 200 prototypes will continue to be visible to the FCC, while the regulation of these programs will require less effort and fewer administrative resources.

¹ Comments of the Hewlett-Packard Company dated September 1, 2006 and filed with the FCC in response to ET Docket 06-155

² The three tiers are 1) import of quantities up to 200 by simple declaration on Form FCC 740 or the equivalent electronic entry declaration at the time of import as currently permitted by the FCC rules, 2) import of quantities between 201 – 1200 prototypes per the HP proposal and 3) import of prototype quantities greater than 1200 subject to specific authorization by the FCC per the current rules.