# PRESIDENT'S LIST OF ARTICLES WHICH MAY BE DESIGNATED OR MODIFIED AS ELIGIBLE ARTICLES FOR PURPOSES OF THE U.S. GENERALIZED SYSTEM OF PREFERENCES

Report to the President on
Investigation Nos. TA-503(a)-10
and 332-146

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UNITED STATES INTERNATIONAL TRADE COMMISSION



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C O N T E N T S



Note.--The whole of the Commission's report to the President may not be made public since it contains certain information that has been classified by the United States Trade Representative or would result in the disclosure of the operations of individual concerns. This published report is the same as the report to the President, except that the above-mentioned information has been omitted. Such omissions are indicated by asterisks.

## INTRODUCTION

On July 9, 1982, in accordance with sections 503(a) and 131(a) of the Trade Act of 1974 and pursuant to the authority of the President delegated to the U.S. Trade Representative (USTR) by Executive Order 11846, as amended by Executive Order 11947, the USTR requested advice in four areas related to the GSP: (1) the addition of certain articles to the list of GSP eligible articles, (2) the removal of certain articles from the GSP list, (3) the removal of duty-free status under the GSP for certain beneficiary developing countries for certain articles ("graduation"), and (4) a determination of whether or not certain articles are like or directly competitive with any article produced in the United States on January 3, 1975, for purposes of section 504(d) of the Act. 1/

For each article being considered for addition to the list of eligible articles, the Commission is advising the USTR as to the probable economic effect of the addition on U.S. industries producing like or directly competitive articles and on consumers. For each article being considered for removal or graduation, the Commission is advising the USTR as to the impact on U.S. industries producing like or directly competitive articles and on consumers of continued GSP status for the articles and countries in question.

The USTR requested the Commission, in providing its advice, to assume that benefits of the GSP would not apply to imports that would be excluded from receiving such benefits by virtue of the "competitive need" limitations specified in section 504(c) of the Act.

Section 504(d) of the Act exempts from one of the competitive-need limits in section 504(c) articles for which no like or directly competitive article

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1/ The USTR request, including four listings of concerned articles, is contained in appendix A.

was being produced in the United States on the date of enactment of the Act. Accordingly, pursuant to the authority of section 332(g) of the Tariff Act of 1930, the USTR requested that the Commission also provide advice with respect to whether products like or directly competitive with any articles contained in Parts A and D of the USTR request were being produced in the United States on January 3, 1975.

In response to the USTR request, the Commission on July 23, 1982, instituted investigation Nos. TA-503(a)-10 and 332-146 for the purpose of obtaining, to the extent practicable, information for use in connection with the preparation of advice requested by the USTR. The Commission notice of investigation and hearing is contained in appendix B. 1/

A public hearing in connection with the investigation was held in the Commission hearing room, 701 E Street NW., Washington, D.C. 20436, on October 4 and 6, 1982. All interested parties were afforded an opportunity to appear by counsel or in person, to produce evidence, and to be heard. Transcripts of the hearings and copies of briefs submitted by interested parties in connection with the investigation are attached. 2/

1/ The following Federal Register notices have been issued related to Investigation Nos. TA-503(a)-10 and 332-146:

| Date | Agency | Notice | Subject |
|---|---|---|---|
| July 16, 1982 | USTR | 47 F.R. 31099 | Initial notice. |
| July 29, 1982 | USTR | 47 F.R. 32821 | Modified list of articles for investigation. |
| Aug. 4, 1982 | ITC | 47 F.R. 33817 | Initial notice of ITC investigation and hearing. |
| Sept. 22, 1982 | USTR | 47 F.R. 41894 | Modified list of articles for investigation. |
| Oct. 20, 1982 | ITC | 47 F.R. 46776 | Modified list of articles for investigation. |

2/ A list of witnesses appearing at the Commission hearing are contained in app. C.

## PRESENTATION OF PROBABLE EFFECTS ADVICE

### Commodity digests

In response to the USTR request for probable effects advice, the Commission determined that an appropriate format for such an analysis would be commodity digests, each digest dealing with the effects of tariff modifications on a specific commodity area.

For each of the commodity areas being analyzed, the digests provide an analysis of the impact of the possible tariff modifications on U.S. import levels, industry and the consumer. Within each digest the probable effects advice is provided in both a textual and code format. The probable effects code provides the reader with a quick summary of the probable effects on import levels, industry, and the consumer as follows:

1. Level of U.S. imports
   - Code A: nil or negligible increase (0-5 percent)
   - Code B: modest increase (6-15 percent)
   - Code C: significant increase (16-25 percent)
   - Code D: substantial increase (over 25 percent)

2. U.S. industry
   - Code A: nil or negligible adverse impact
   - Code B: significant adverse impact (significant proportion of workers unemployed; declines in output; firms depart, but adverse impact not industry-wide)
   - Code C: substantial adverse impact (substantial unemployment; widespread idling of productive facilities; adverse impact on the industry as a whole)

3. U.S. consumer
   - Code A: Duty savings are expected to be absorbed by the foreign supplier and/or importer and will not likely benefit the industrial/intermediate consumer or the consuming public.
   - Code B: Duty savings will likely benefit the industrial/intermediate consumer, but the consuming public is not expected to benefit from the duty savings (which are expected to be absorbed in the trade).
   - Code C: Duty savings will likely benefit both the industrial/intermediate consumer and the consuming public (which are expected to benefit by lower prices, slower rises in prices and/or greater availability of the ultimate products). 3

TSUS items covered in prior investigations

Probable economic effect advice has been provided in prior investigations for the items listed below. This volume contains updated data and probable effects statements for all these articles.

112.71
112.73
112.74
112.80
131.75(pt.) (Advice previously given on entire item)
149.28
153.20
161.05
411.24
412.68(pt.) (Advice previously given on entire item)
546.3540(pt.) (Advice previously given on entire item)
646.83
646.84

## DIGEST LOCATOR

Digest numbers, titles, and the contents of each digest by TSUS item are provided below.

A. Articles being considered for designation as eligible articles for the GSP

| Digest number | Commodity |
|---|---|
| A101 | Certain sardines<br>112.54 112.71 112.73 112.74 112.79 112.80 |
| A102 | Milled wheat products, not fit for human consumption, other than flour<br>131.75(pt.) |
| A103 | Certain vegetables<br>137.9575 |
| A104 | Unshelled pistache nuts<br>145.26 |
| A105 | Certain prepared or preserved fruit<br>146.74 148.44 149.28 |
| A106 | Cherries<br>146.90 146.99 |
| A107 | Figs and fig paste<br>147.51 147.53 147.54 152.50 |
| A108 | Certain seasonal fresh fruit<br>147.61 147.64 148.81 149.18 |
| A109 | Certain fruit pulps, pastes, jellies, and jams<br>152.8140(pt.) 153.06(pt.) 153.20 |
| A110 | Basil, other than crude<br>161.05 |
| A111 | Hops<br>192.25 |
| A301 | Certain coarse wools, in the grease or washed, not sorted<br>306.11 |

| Digest number | Commodity |
|---|---|
| A302 | Noils, of wool or hair, advanced<br>307.08 |
| A303 | Certain belts and belting for machinery<br>358.06 358.14 |
| A304 | Floor covering underlays<br>361.85 |
| A401 | p-Hydroxybenzoic acid and certain of its esters<br>404.44(pt.) 404.46(pt.) |
| A402 | Specified cyclic intermediate chemicals<br>403.28(pt.) 405.32(pt.) 406.81 |
| A403 | Certain anti-infective sulfonamides<br>411.24 411.28(pt.) 411.80 411.84(pt.) |
| A404 | Tolbutamide 1/<br>412.48(pt.) 412.68(pt.) |
| A405 | Mandelic acid<br>411.94(pt.) |
| A406 | Hydrochlorothiazide<br>412.68(pt.) |
| A407 | Refined glycerine<br>428.38 |
| A501 | Hand-blown votives<br>546.3540(pt.) 546.6060(pt.) |
| A601 | Certain padlocks<br>646.80 646.83 646.84 |
| A701 | Disposable footwear and headwear<br>700.90 703.1510 |
| A703 | Certain gloves of rubber or plastics, seamed by sewing<br>705.86 |

1/ The classification of this article is in question and is under review.

B. Articles being considered for removal as eligible articles for purposes of GSP

| Digest number | Commodity |
|---|---|
| B401 | Mixtures of 2,4- and 2,6-toluenediisocyanate<br>407.16(pt.) |
| B402 | Copper hydroxide<br>418.78(pt.) |
| B403 | 1,1'-Azobis(formamide)<br>425.22(pt.) |
| B601 | Nuts and bolts of iron or steel<br>646.54 646.56 |

C. Articles being considered to remove duty-free status from a beneficiary country for a product on the list of eligible articles for the GSP

| Digest number | Commodity |
|---|---|
| C101 | Ale, porter, stout, and beer<br>167.05 (Mexico) |
| C201 | Plywood, whether or not face finished, with a face ply of birch<br>240.14 (Taiwan) |
| C601 | Certain vises<br>649.3716 (Taiwan) |
| C602 | Copper cooking and kitchen ware<br>654.0525 (Korea, Portugal, Taiwan) |

| Digest number | Commodity |
|---|---|
| C603 | Transformers rated at 40 va or more but less than 1 kva<br>682.0540 (Hong Kong) |
| C701 | Certain cartridges containing a projectile<br>730.9035 (Korea) |
| C702 | Certain inner tubes<br>772.60 (Korea) |

D. Articles being considered for designation as not like or directly competitive with any article produced in the United States on January 3, 1975, for purposes of section 504(d) of the Trade Act of 1974

| Digest number | Commodity |
|---|---|
| D101 | Mescal, in containers each holding not over 1 gallon<br>169.46(pt.) |
| D701 | Furniture of unspun fibrous vegetable materials (Buri)<br>727.12(pt.) |

Digest No
A101

TITLE: Certain sardines

I. TSUS item numbers; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| | Fish prepared or preserved in any manner, in oil, in air-tight containers: | | | | | | | | | | | | |
| | Sardines: | | | | | | | | | | | | |
| 112.54 | Valued not over 18 cents per pound (including weight of immediate container) | 30% | 27.8% | 25.5% | 23.3% | 21% | 18.8% | 16.5% | 14.3% | 12% | 30% | 0 | Yes. 1/ |
| | Valued over 23 but not over 30 cents per pound (including weight of immediate container): | | | | | | | | | | | | |
| | Neither skinned nor boned: | | | | | | | | | | | | |
| 112.71 | Smoked---------- | 11.5% | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 30% | 8 | Yes. 1/ |
| 112.73 | Not smoked------ | 15% | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 30% | 0 | Yes. 1/ |
| 112.74 | Skinned or boned--- | 30% | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 30% | 0 | Yes. 1/ |
| | Valued over 30 cents per pound (including weight of immediate container): | | | | | | | | | | | | |
| | Neither skinned nor boned: | | | | | | | | | | | | |
| | Smoked: | | | | | | | | | | | | |
| 112.79 | Valued 45 cents or more per pound in tin-plate containers or 50 cents or more per pound in other containers | 6% | 5.8% | 5.5% | 5.3% | 5% | 4.8% | 4.5% | 4.3% | 4% | 30% | 12,005 | Yes. 1/ |
| 112.80 | Other----------- | 11.5% | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 30% | 88 | Yes. 1/ |

1/ The domestic product does not fit these tariff descriptions, but it competes directly with the imports under these classifications.
2/ Rate not modified in the Tokyo round of the Multilateral Trade Negotiations.

## II. Comment

### Description and uses

This digest covers sardines, in oil, in airtight containers, valued at not over 18 cents per pound (including weight of immediate container)--TSUS item 112.54; those valued at over 23 but not over 30 cents per pound (TSUS items 112.71, 112.73, and 112.74); and those smoked, neither skinned nor boned, and valued over 30 cents per pound (TSUS items 112.79 and 112.80).

Inasmuch as sardines generally sell at prices well over 30 cents per pound, the first four TSUS items are of negligible significance. The latter two items, consisting of higher-valued, smoked sardines in oil, together account for about 15 percent of U.S. consumption. Of the remaining types consumed in the United States (none of which is under consideration for GSP treatment), sardines in oil, not smoked, account for about 40 percent of all sardine consumption, sardines not in oil account for about 35 percent, and skinned or boned sardines account for about 10 percent of U.S. consumption. Sardines of all types are consumed as snack foods or as the meat portion of a meal.

U.S. production accounts for somewhat more than a third of U.S. consumption of all types of sardines. About 85 percent of domestic production is packed in oil and 15 percent without oil; none is smoked, skinned, or boned. Those sardines that are smoked, all of which are imported, are not greatly different from nonsmoked sardines in terms of taste. While the various types of sardines are somewhat interchangeable and competitive with one another, individual consumer preference often depends on such factors as brand names, size of fish, packing medium (soy oil, olive oil, mustard, etc.), and whether or not the sardines are smoked.

U.S. consumption, production, and producers

Imports account for all U.S. consumption of smoked sardines and sardines valued at 30 cents or less per pound.

There is no U.S. production of canned sardines that fits the tariff description of the sardines under consideration, inasmuch as the domestic industry does not produce either smoked sardines or sardines valued at 30 cents or less per pound. Those sardines it does produce, however, compete with the subject imports in that all sardines compete with one another to some extent. The industry is located in Maine, where seven firms operate 14 canneries.

In 1981, the domestic industry produced canned sardines in oil amounting to about 30.0 million pounds, valued at $43.8 million, and canned sardines not in oil amounting to 8.2 million pounds, valued at $11.1 million. During 1977-81, production was highest in 1981 and lowest in 1980, when the output of sardines in oil amounted to 17.1 million pounds, valued at $27.5 million, and the output not in oil amounted to 2.7 million pounds, valued at $4.1 million. Domestic production varies from year to year depending on such factors as demand and the availability of raw sardines (table A).

U.S. imports

The U.S. imports of sardines under consideration for GSP treatment declined from 15.5 million pounds in 1977 to 7.8 million pounds in 1981 (table B). About 99 percent of the imports is under TSUS item 112.79, smoked sardines valued 45 cents or more per pound in tin-plate containers or valued 50 cents or more per pound in other containers. Virtually all of the remainder entered under TSUS item 112.80, which covers smoked sardines valued over 30 cents per pound up to the value bracket of TSUS item 112.79. U.S. imports of sardines in oil in the other four classifications under review, all valued at not more than 30 cents per pound, have been negligible for many years. During 1978-81, only about 3 percent of the imports of the sardines under consideration were entered from GSP countries (table C). Imports from LDDC countries were negligible.

Sardines imported from GSP countries are more competitive with the domestic product, on the average, than those from developed countries in that those from GSP countries are more similar to the domestic product in terms of price and type of product.

## U.S. exports

U.S. exports of sardines are negligible.

## Positions of interested parties

Representatives of two domestic producer organizations stated that with elimination of the duties, the GSP countries will increase their shipments to the United States and will make it impossible for domestic producers to compete. The U.S. tariff rates on canned sardines have been reduced markedly since 1948. The domestic industry's share of the U.S. market has declined from about 65 percent in the 1950's to 40 percent in recent years.

*         *         *         *         *

Digest No.
A101--Con.

Table A.--Sardines: U.S. production, foreign trade, apparent consumption, and ratio of imports to consumption, 1977-81 and January-June 1981 and January-June 1982

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Period | Production | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977 | 23,500 | 1,186 | 50,036 | 72,300 | 69 |
| 1978 | 26,400 | 1,555 | 48,717 | 73,500 | 66 |
| 1979 | 30,400 | 1,590 | 49,756 | 78,500 | 63 |
| 1980 | 19,800 | 1,739 | 51,178 | 69,100 | 74 |
| 1981 | 38,200 | 1,731 | 55,272 | 91,700 | 60 |
| January-June: | | | | | |
| 1981 | 1/ 5,000 | 1,225 | 31,532 | 1/ 35,300 | 89 |
| 1982 | 1/ 2,000 | 556 | 26,280 | 1/ 27,700 | 95 |
| | | | Value | | |
| 1977 | 27,200 | 855 | 37,461 | 63,800 | 59 |
| 1978 | 35,600 | 1,533 | 40,070 | 74,200 | 54 |
| 1979 | 44,800 | 1,180 | 43,979 | 87,600 | 50 |
| 1980 | 31,600 | 1,371 | 44,060 | 74,300 | 59 |
| 1981 | 54,900 | 1,700 | 51,195 | 104,400 | 49 |
| January-June: | | | | | |
| 1981 | 1/ 7,500 | 1,130 | 28,829 | 1/ 35,200 | 82 |
| 1982 | 1/ 3,000 | 465 | 21,401 | 1/ 23,900 | 90 |
| | | | Unit value | | |
| 1977 | $1.16 | $0.72 | $0.75 | - | - |
| 1978 | 1.35 | .99 | .82 | - | - |
| 1979 | 1.47 | .74 | .88 | - | - |
| 1980 | 1.60 | .79 | .86 | - | - |
| 1981 | 1.44 | .98 | .93 | - | - |
| January-June: | | | | | |
| 1981 | 1/ 1.50 | .92 | .90 | - | - |
| 1982 | 1/ 1.50 | .84 | .81 | - | - |

1/ Estimated by the staff of the U.S. International Trade Commission.

Source: Compiled from official statistics of the U.S. Department of Commerce.



Note.--Table includes total U.S. production, exports, and imports of sardines, including those not under consideration. Production is in net weight; imports, gross weight--as reported by Commerce.

Table B-1.--Certain sardines (TSUS items 112.54, 112.71-.80): U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Norway------ | 12,771 | 10,823 | 10,753 | 7,795 | 6,658 | 3,964 | 2,464 |
| U King------ | 1,165 | 603 | 649 | 749 | 429 | 218 | 216 |
| Denmark----- | 424 | 459 | 604 | 228 | 206 | 106 | 118 |
| Yugoslv----- | 0 | 5 | 47 | 0 | 140 | 89 | 0 |
| Sweden------ | 106 | 0 | 35 | 58 | 46 | 21 | 17 |
| Peru-------- | 0 | 0 | 45 | 47 | 95 | 66 | 0 |
| Brazil------ | 0 | 27 | 27 | 0 | 42 | 27 | 0 |
| Fr Germ----- | 11 | 7 | 7 | 19 | 31 | 30 | 6 |
| All other--- | 1,065 | 566 | 351 | 254 | 124 | 112 | 50 |
| Total--- | 15,541 | 12,491 | 12,517 | 9,150 | 7,770 | 4,632 | 2,870 |
| | Value (1,000 dollars) | | | | | | |
| Norway------ | 15,553 | 13,789 | 14,821 | 12,419 | 10,624 | 6,369 | 3,997 |
| U King------ | 819 | 602 | 727 | 989 | 600 | 335 | 260 |
| Denmark----- | 486 | 575 | 775 | 406 | 353 | 190 | 205 |
| Yugoslv----- | - | 3 | 25 | - | 118 | 70 | - |
| Sweden------ | 129 | - | 56 | 109 | 85 | 44 | 35 |
| Peru-------- | - | - | 19 | 25 | 69 | 61 | - |
| Brazil------ | - | 10 | 20 | - | 54 | 23 | - |
| Fr Germ----- | 17 | 11 | 16 | 34 | 53 | 49 | 13 |
| All other--- | 777 | 451 | 452 | 273 | 145 | 128 | 64 |
| Total--- | 17,782 | 15,442 | 16,909 | 14,257 | 12,101 | 7,271 | 4,573 |
| | Unit value (per pound) | | | | | | |
| Norway------ | $1.22 | $1.27 | $1.38 | $1.59 | $1.60 | $1.61 | $1.62 |
| U King------ | .70 | 1.00 | 1.12 | 1.32 | 1.40 | 1.54 | 1.20 |
| Denmark----- | 1.15 | 1.25 | 1.28 | 1.79 | 1.71 | 1.79 | 1.73 |
| Yugoslv----- | - | .54 | .53 | - | .84 | .79 | - |
| Sweden------ | 1.21 | - | 1.60 | 1.89 | 1.86 | 2.09 | 2.08 |
| Peru-------- | - | - | .41 | .54 | .73 | .92 | - |
| Brazil------ | - | .38 | .76 | - | 1.30 | .87 | - |
| Fr Germ----- | 1.63 | 1.59 | 2.26 | 1.78 | 1.69 | 1.66 | 2.38 |
| All other--- | .73 | .80 | 1.29 | 1.08 | 1.17 | 1.15 | 1.27 |
| Average-- | 1.14 | 1.24 | 1.35 | 1.56 | 1.56 | 1.57 | 1.59 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-2.--Smoked sardines neither skinned nor boned valued 45 cents or more per pound in tin-plate containers or 50 cents or more per pound in other containers (TSUS item 112.79): U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Norway | 12,771 | 10,823 | 10,753 | 7,795 | 6,658 | 3,964 | 2,459 |
| U King | 1,165 | 578 | 649 | 749 | 429 | 218 | 216 |
| Denmark | 424 | 459 | 604 | 228 | 204 | 106 | 116 |
| Yugoslv | 0 | 0 | 47 | 0 | 103 | 52 | 0 |
| Sweden | 106 | 0 | 35 | 58 | 46 | 21 | 17 |
| Peru | 0 | 0 | 0 | 18 | 66 | 66 | 0 |
| Brazil | 0 | 0 | 27 | 0 | 42 | 27 | 0 |
| Fr Germ | 11 | 7 | 7 | 17 | 31 | 30 | 6 |
| All other | 969 | 563 | 332 | 207 | 60 | 49 | 47 |
| Total | 15,446 | 12,430 | 12,454 | 9,072 | 7,639 | 4,532 | 2,860 |
| | Value (1,000 dollars) | | | | | | |
| Norway | 15,553 | 13,789 | 14,821 | 12,419 | 10,624 | 6,369 | 3,995 |
| U King | 819 | 566 | 727 | 989 | 600 | 335 | 260 |
| Denmark | 486 | 575 | 775 | 406 | 350 | 190 | 200 |
| Yugoslv | - | - | 25 | - | 94 | 47 | - |
| Sweden | 129 | - | 56 | 109 | 85 | 44 | 35 |
| Peru | - | - | - | 17 | 61 | 61 | - |
| Brazil | - | - | 20 | - | 54 | 23 | - |
| Fr Germ | 17 | 11 | 16 | 33 | 53 | 49 | 13 |
| All other | 747 | 448 | 436 | 229 | 83 | 67 | 59 |
| Total | 17,752 | 15,389 | 16,875 | 14,203 | 12,005 | 7,186 | 4,562 |
| | Unit value (per pound) | | | | | | |
| Norway | $1.22 | $1.27 | $1.38 | $1.59 | $1.60 | $1.61 | $1.62 |
| U King | .70 | .98 | 1.12 | 1.32 | 1.40 | 1.54 | 1.20 |
| Denmark | 1.15 | 1.25 | 1.28 | 1.79 | 1.71 | 1.79 | 1.73 |
| Yugoslv | - | - | .53 | - | .91 | .90 | - |
| Sweden | 1.21 | - | 1.60 | 1.89 | 1.86 | 2.09 | 2.08 |
| Peru | - | - | - | .97 | .92 | .92 | - |
| Brazil | - | - | .76 | - | 1.30 | .87 | - |
| Fr Germ | 1.63 | 1.59 | 2.26 | 1.96 | 1.69 | 1.66 | 2.38 |
| All other | .77 | .80 | 1.31 | 1.10 | 1.40 | 1.38 | 1.25 |
| Average | 1.15 | 1.24 | 1.35 | 1.57 | 1.57 | 1.59 | 1.60 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-3.--Certain other smoked sardines (TSUS item 112.80): U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Thailnd----- | 0 | 0 | 0 | 0 | 55 | 55 | 0 |
| Yugoslv----- | 0 | 5 | 0 | 0 | 37 | 37 | 0 |
| Spain------- | 1 | 1/ | 3 | 13 | 7 | 7 | 1 |
| Canada------ | 0 | 0 | 0 | 0 | 2 | 2 | 0 |
| Denmark----- | 0 | 0 | 0 | 0 | 1 | 0 | 2 |
| France------ | 0 | 0 | 0 | 0 | 1 | 0 | 0 |
| Moroc------- | 0 | 0 | 0 | 27 | 0 | 0 | 0 |
| China M----- | 0 | 0 | 0 | 6 | 0 | 0 | 0 |
| All other--- | 3 | 26 | 56 | 2 | 0 | 0 | 0 |
| Total--- | 4 | 31 | 59 | 48 | 102 | 100 | 3 |
| | Value (1,000 dollars) | | | | | | |
| Thailnd----- | - | - | - | - | 48 | 48 | - |
| Yugoslv----- | - | 3 | - | - | 24 | 24 | - |
| Spain------- | 1 | 1/ | 3 | 15 | 9 | 9 | 1 |
| Canada------ | - | - | - | - | 5 | 5 | - |
| Denmark----- | - | - | - | - | 3 | - | 4 |
| France------ | - | - | - | - | 1/ | - | - |
| Moroc------- | - | - | - | 26 | - | - | - |
| China M----- | - | - | - | 2 | - | - | - |
| All other--- | 3 | 37 | 25 | 1 | - | - | - |
| Total--- | 4 | 40 | 28 | 44 | 88 | 85 | 5 |
| | Unit value (per pound) | | | | | | |
| Thailnd----- | - | - | - | - | $0.87 | $0.87 | - |
| Yugoslv----- | - | 0.54 | - | - | .64 | .64 | - |
| Spain------- | 1.62 | 1.11 | 0.99 | 1.20 | 1.33 | 1.33 | 1.19 |
| Canada------ | - | - | - | - | 2.40 | 2.40 | - |
| Denmark----- | - | - | - | - | 1.88 | - | 1.95 |
| France------ | - | - | - | - | .43 | - | - |
| Moroc------- | - | - | - | .96 | - | - | - |
| China M----- | - | - | - | .31 | - | - | - |
| All other--- | .95 | 1.45 | .46 | .50 | - | - | - |
| Average-- | 1.09 | 1.30 | .48 | .92 | .86 | .85 | 1.80 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-1.--Certain sardines (TSUS items 112.54, 112.71-.80): U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 12,491 | 12,517 | 9,150 | 7,770 | 2,870 | 100 |
| 26 developed ctries, total | 12,349 | 12,190 | 8,930 | 7,396 | 2,820 | 98 |
| GSP countries, total | 121 | 293 | 196 | 365 | 22 | 1 |
| Yugoslv | 5 | 47 | 0 | 140 | 0 | |
| Peru | 0 | 45 | 47 | 95 | 0 | |
| Brazil | 27 | 27 | 0 | 42 | 0 | |
| Thailnd | 0 | 0 | 0 | 55 | 0 | |
| Portugl | 50 | 79 | 36 | 29 | 20 | 1 |
| Pakistn | 0 | 0 | 0 | 3 | 0 | |
| Israel | 39 | 23 | 13 | 2 | 0 | |
| Mexico | 0 | 0 | 0 | 0 | 0 | |
| Other GSP | 1 | 72 | 99 | 0 | 1 | 1/ |
| Other | 21 | 35 | 25 | 9 | 28 | 1 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 15,442 | 16,909 | 14,257 | 12,101 | 4,573 | 100 |
| 26 developed ctries, total | 15,322 | 16,567 | 14,054 | 11,760 | 4,510 | 99 |
| GSP countries, total | 95 | 284 | 176 | 329 | 29 | 1 |
| Yugoslv | 3 | 25 | - | 118 | - | |
| Peru | - | 19 | 25 | 69 | - | |
| Brazil | 10 | 20 | - | 54 | - | |
| Thailnd | - | - | - | 48 | - | |
| Portugl | 48 | 99 | 39 | 33 | 28 | 1 |
| Pakistn | - | - | - | 4 | - | |
| Israel | 33 | 23 | 21 | 4 | - | |
| Mexico | - | - | - | - | - | |
| Other GSP | 1 | 98 | 91 | - | 1 | 1/ |
| Other | 25 | 58 | 26 | 13 | 35 | 1 |

1/ Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-2.--Smoked sardines neither skinned nor boned valued 45 cents or more per pound in tin-plate containers or 50 cents or more per pound in other containers (TSUS item 112.79): U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 12,430 | 12,454 | 9,072 | 7,639 | 2,860 | 100 |
| 26 developed ctries, total | 12,324 | 12,190 | 8,928 | 7,391 | 2,813 | 98 |
| GSP countries, total | 88 | 233 | 139 | 245 | 22 | 1 |
| Yugoslv | 0 | 47 | 0 | 103 | 0 | |
| Peru | 0 | 0 | 18 | 66 | 0 | |
| Brazil | 0 | 27 | 0 | 42 | 0 | |
| Portugl | 49 | 71 | 36 | 29 | 20 | 1 |
| Pakistn | 0 | 0 | 0 | 3 | 0 | |
| Israel | 39 | 16 | 13 | 2 | 0 | |
| Salvadr | 0 | 1 | 0 | 0 | 0 | |
| Phil R | 1 | 3 | 6 | 0 | 1 | 1/ |
| Other GSP | 0 | 68 | 66 | 0 | 0 | |
| Other | 18 | 32 | 6 | 3 | 25 | 1 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 15,389 | 16,875 | 14,203 | 12,005 | 4,562 | 100 |
| 26 developed ctries, total | 15,285 | 16,567 | 14,053 | 11,751 | 4,504 | 99 |
| GSP countries, total | 82 | 253 | 141 | 250 | 29 | 1 |
| Yugoslv | - | 25 | - | 94 | - | |
| Peru | - | - | 17 | 61 | - | |
| Brazil | - | 20 | - | 54 | - | |
| Portugl | 48 | 90 | 38 | 33 | 28 | 1 |
| Pakistn | - | - | - | 4 | - | |
| Israel | 33 | 20 | 21 | 4 | - | |
| Salvadr | - | 1 | - | - | - | |
| Phil R | 1 | 3 | 8 | - | 1 | 1/ |
| Other GSP | - | 94 | 57 | - | - | |
| Other | 23 | 55 | 9 | 4 | 30 | 1 |

1/ Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-3.--Certain other smoked sardines (TSUS item 112.80): U.S. imports by certain world areas including designated GSP countries, 1978-1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 31 | 59 | 48 | 102 | 3 | 100 |
| 26 developed ctries, total | 25 | 0 | 2 | 5 | 2 | 81 |
| GSP countries, total | 6 | 56 | 27 | 91 | 0 | |
| Thailnd | 0 | 0 | 0 | 55 | 0 | |
| Yugoslv | 5 | 0 | 0 | 37 | 0 | |
| Peru | 0 | 45 | 0 | 0 | 0 | |
| Portugl | 1 | 3 | 0 | 0 | 0 | |
| Israel | 0 | 8 | 0 | 0 | 0 | |
| Phil R | 0 | 1/ | 0 | 0 | 0 | |
| Moroc | 0 | 0 | 27 | 0 | 0 | |
| Other | 1/ | 3 | 19 | 7 | 1 | 19 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 40 | 28 | 44 | 88 | 5 | 100 |
| 26 developed ctries, total | 37 | - | 1 | 8 | 4 | 87 |
| GSP countries, total | 3 | 25 | 26 | 71 | - | |
| Thailnd | - | - | - | 48 | - | |
| Yugoslv | 3 | - | - | 24 | - | |
| Peru | - | 19 | - | - | - | |
| Portugl | 1 | 3 | - | - | - | |
| Israel | - | 3 | - | - | - | |
| Phil R | - | 1/ | - | - | - | |
| Moroc | - | - | 26 | - | - | |
| Other | 1/ | 3 | 17 | 9 | 1 | 13 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No. A102

TITLE: Milled wheat products, not fit for human consumption, other than flour

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. | Brief product description | Rates of duty 1/ | | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|
| | | Current col. 1 (1/1/82) | Current col. 2 (1/1/82) | | |
| 131.75 | Milled wheat products, not fit for human consumption, other than flour. | 5% ad val. | 10% ad val. | 8 | Yes. |

1/ Rate not modified in the Tokyo round of Multilateral Trade Negotiations.

## II. Comment 1/

The petitioner requested that wheat bran, not fit for human consumption (TSUS item 131.75 (pt.)), be included in the list of GSP eligible articles. Wheat bran is not classified in TSUS item 131.75. Rather, it is included in item 184.10--Bran, shorts, and middlings obtained in milling grains--with a column 1 rate of duty of free. The following discussion covers those items that are classified under TSUS item 131.75.

### Description and uses

Milled wheat products, except flour, not fit for human consumption, include products milled for human use but which became spoiled or contaminated, and products because of the manner in which they were milled, are for use as animal feed and are not fit for human consumption. Large quantities of wheat are ground or otherwise milled for use as animal feed. Virtually all of these milled wheat products subsequently are mixed with other ingredients to form mixed animal feeds; such feeds are not included here.

### U.S. consumption, production, and producers

U.S. consumption of milled wheat products discussed herein is supplied almost entirely from domestic production and such products, not fit for human consumption, are not usually articles of significant commerce. Large amounts of wheat are milled for use in animal feeds; however, these milled products are nearly always mixed with other feedstuffs to form animal feeds.

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1/ Commissioner Haggart did not participate in the formulation of this portion of the report.

U.S. exports and imports

Data are not separately reported on U.S. exports of milled wheat products covered herein but such exports are believed to be negligible.

U.S. imports of milled wheat products included here have fluctuated irregularly, but have been very small (table A). During 1977-81, imports ranged from a peak of 105,000 pounds, valued at $42,000, in 1978 to a low of 1,000 pounds, valued at $263, in 1980. Canada accounts for virtually all of the U.S. imports. Imports from GSP-eligible countries are negligible (table B).

Position of interested parties

The Government of Chile petitioned for GSP treatment for wheat bran.

The Millers' National Federation opposes the granting of GSP status to milled wheat products, not fit for human consumption, other than flour because a reduction in the tariff would add to the deteriorating environment for U.S. wheat products and products entered under item 131.75 are used as animal feed primarily and would be directly competitive with wheat bran which is marketed as a mill feed. The Millers' National Federation also noted that wheat bran (the item specifically requested by the petitioner) is classified under item 184.10 with a column 1 rate of duty of free.

The American Farm Bureau Federation opposes special unilateral tariff concessions such as GSP, believing that tariff concessions should be granted only in a negotiating process, and that GSP is inconsistent with the MFN principle. The Federation urges that U.S. harvest dates and market periods be kept in mind to mitigate the effects of imports on U.S. producers.

*     *     *     *     *

Table A.--Milled wheat products not fit for human consumption, other than flour: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Canada | 35 | 105 | 36 | 0 | 84 | 84 | 0 |
| China t | 0 | 0 | 0 | 0 | 1/ | 0 | 0 |
| U King | 0 | 0 | 0 | 0 | 3 | 3 | 0 |
| Hg Kong | 0 | 0 | 0 | 1 | 0 | 0 | 0 |
| France | 0 | 0 | 9 | 0 | 0 | 0 | 0 |
| Total | 35 | 105 | 45 | 1 | 87 | 87 | 0 |
| | Value (1,000 dollars) | | | | | | |
| Canada | 3 | 42 | 2 | - | 7 | 7 | - |
| China t | - | - | - | - | 1 | - | - |
| U King | - | - | - | - | 1/ | 1/ | - |
| Hg Kong | - | - | - | 1/ | - | - | - |
| France | - | - | 1 | - | - | - | - |
| Total | 3 | 42 | 3 | 1/ | 8 | 7 | - |
| | Unit value (per pound) | | | | | | |
| Canada | $0.08 | $0.40 | $0.04 | - | $0.09 | $0.09 | - |
| China t | - | - | - | - | 1.67 | - | - |
| U King | - | - | - | - | .12 | .12 | - |
| Hg Kong | - | - | - | 0.26 | - | - | - |
| France | - | - | .11 | - | - | - | - |
| Average | .08 | .40 | .06 | .26 | .09 | .09 | - |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Data on domestic production and exports of milled wheat products, not fit for human consumption, other than flour are not separately reported. Large amounts of wheat are milled for use as an ingredient in animal feeds. However, the milled wheat products, not fit for human consumption, are not usual articles of significant commerce.

Table B.--Milled wheat products not fit for human consumption, other than flour: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 105 | 45 | 1 | 87 | 0 | - |
| 26 developed ctries, total | 105 | 45 | 0 | 87 | 0 | - |
| GSP countries, total | 0 | 0 | 1 | 1/ | 0 | - |
| China t | 0 | 0 | 0 | 1/ | 0 | - |
| Hg Kong | 0 | 0 | 1 | 0 | 0 | - |
| Other | 0 | 0 | 0 | 0 | 0 | - |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 42 | 3 | 1/ | 8 | - | - |
| 26 developed ctries, total | 42 | 3 | - | 7 | - | - |
| GSP countries, total | - | - | 1/ | 1 | - | - |
| China t | - | - | - | 1 | - | - |
| Hg Kong | - | - | 1/ | - | - | - |
| Other | - | - | - | - | - | - |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Certain vegetables

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. | Brief product description | Rates of duty 1/ | | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|
| | | Current col. 1 (1/1/82) | Current col. 2 (1/1/82) | | |
| | Vegetables, fresh, chilled or frozen: | | | | |
| 137.9575 | Certain vegetables, n.s.p.f., fresh or chilled, whole. | 25% ad val. | 50% ad val. | 2,341 | Yes. |
| 137.9575 (pt.) | Pumpkins, fresh or chilled, whole | 25% ad val. | 50% ad val. | 2/ | Yes. |
| 137.9575 (pt.) | Breadfruit, fresh or chilled, whole | 25% ad val. | 50% ad val. | 2/ | Yes. |

1/ Rate of duty not negotiated under the Tokyo round of Multilateral Trade Negotiations.
2/ Not available.

## II. Comments

### Description and uses

Certain vegetables.--Vegetables, n.s.p.f., fresh or chilled, whole (TSUS item 137.9575) includes artichokes, spinach, pumpkins, breadfruit, waterchestnuts, vegetable greens, arrowhead, water lily roots, and husked tomatoes. The most important of these vegetables which are consumed as food are spinach, artichokes, and vegetables greens. Pumpkins are also an important item covered but the majority of the pumpkins are used for ornamental purposes.

Pumpkins.--Pumpkins are members of the cucurbit family, which includes squashes, watermelons, cucumbers, muskmelons, and gourds. Botanically, there is no distinction between "squashes" and "pumpkins". The species *Curcubita pepo*, *Curcurbita moschata*, and *Curcurbita maxima* include both squash and pumpkin varieties. The term "pumpkin" is a culinary term with no universally accepted definition; pumpkins are round orange fruits with a rind covering a somewhat coarse and strongly flavored flesh surrounding a central seed cavity. The principal use of pumpkins is in jack-o-lanterns and other decorations. For culinary purposes, pumpkins' principal use is as a pie-filling.

There are many varieties of pumpkins, with mature fruits ranging from a pound to several hundred pounds. The larger varieties are home gardening curiosities and generally are not sold commercially. Pumpkins do not keep well; they are subject to chilling injury at low temperatures and spoil quickly at higher temperatures. They will keep 2 to 3 months at 50-55 degrees F.

Breadfruit.--Breadfruit, Artocarpus communis, is the fruit of a tropical tree of the fig family. The mature fruit is 5 to 8 inches long by 4 to 6 inches in diameter and weighes from 2 to 10 pounds. The edible part of the fruit is the white or yellowish pulp of slightly immature fruit; the pulp is generally used as a vegetable--boiled, fried, baked, or roasted. When roasted, the pulp resembles bread in flavor, hence the name breadfruit. There are numerous varieties of breadfruit and related fruits.

The breadfruit tree does not grow where temperatures drop to 40 degrees F. It is native to Polynesia, but is now spread thoughout the tropics. In the tropical Pacific islands and in parts of the Caribbean it is grown for food; in most other areas it is grown as an ornamental.

U.S. consumption, production, and producers

Certain vegetables.--Certain vegetables, fresh or chilled, whole, includes several articles which are produced domestically. Artichokes, pumpkins, spinach, and vegetable greens, are produced in significant quantities, and most of domestic consumption is supplied by domestic production. There is some domestic production of fresh waterchestnuts. Imports supply most of domestic consumption of breadfruit, cippolini, arrowhead, water lily roots, and husked tomatoes.

Pumpkins.--Pumpkins are produced in significant quantities and most of domestic consumption is supplied by domestic production. Pumpkins are produced in every State. Data available from the U.S. Department of Agriculture on unloads of pumpkins in specified U.S. cities during 1977-81 show that farmers' marketings of pumpkins ranged from a low of 19.9 million pounds in 1978 to a high of 26.7 million pounds in 1979. It is believed that commercial shipments to all markets would be about double the unloads in the specified cities, and total marketings would probably be substantially higher if sales from truck garden and small commercial farms for local consumption were taken into consideration. Some 5,000 farms produce for the commercial market.

Breadfruit.--Data on breadfruit are not separately reported but it is believed that imports supply most of the domestic consumption of breadfruit.

U.S. exports and imports

Exports of products covered herein are not separately reported but are believed to be small.

During 1979-81, annual U.S. imports of vegetables covered herein averaged 16.4 million pounds, valued at $2.3 million (table A). During January-June 1982, imports totaled 9.2 million pounds compared to 11.1 million pounds during the corresponding period of 1981. The majority of the imports are from the Dominican Republic and Mexico (GSP eligible countries)(table B). Imports from the Dominican Republic consist primarily of pumpkins and breadfruit and those from Mexico consist primarily of husked tomatoes.

Pumpkins are believed to account for a substantial portion of U.S. imports of vegetables under item 137.9575. Data on unloads of imported pumpkins in specified U.S. cities show that 2.5 million pounds were unloaded in those cities in 1981. Imported pumpkins generally do not compete with domestically produced pumpkins because as a rule they are not shipped during the months of September-November, when virtually all of the U.S. production is harvested and sold.

Data are not reported separately for breadfruit but it is believed that imports of breadfruit accounted for a negligible part of the vegetables covered herein.

Position of interested parties

The Government of Jamaica petitioned for GSP treatment for certain vegetables.

The American Farm Bureau Federation opposes special unilateral tariff concessions such as GSP, believing that tariff concessions should be granted only in a negotiating process, and that GSP is inconsistent with the MFN principle. The Federation urges that U.S. harvest dates and market periods be kept in mind to mitigate the effects of imports on U.S. producers.

Digest No.
Al03--Con.

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*    *    *    *    *

Table A.--Certain vegetables, n.s.p.f., fresh or chilled, whole: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 1/ | 1978 1/ | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Dom Rep | | | 9,079 | 9,613 | 9,739 | 6,918 | 6,472 |
| Mexico | | | 2,946 | 4,368 | 4,453 | 3,170 | 1,833 |
| China M | | | 670 | 871 | 875 | 718 | 443 |
| Canada | | | 832 | 428 | 1,341 | 30 | 19 |
| Hg Kong | | | 23 | 82 | 160 | 131 | 57 |
| Moroc | | | 250 | 213 | 46 | 2 | 32 |
| Jamaica | | | 29 | 64 | 84 | 77 | 25 |
| Belgium | | | 0 | 23 | 3 | 0 | 13 |
| All other | | | 2,703 | 302 | 93 | 55 | 260 |
| Total | | | 16,533 | 15,964 | 16,793 | 11,101 | 9,154 |
| | Value (1,000 dollars) | | | | | | |
| Dom Rep | | | 960 | 1,151 | 1,158 | 797 | 786 |
| Mexico | | | 495 | 646 | 729 | 540 | 224 |
| China M | | | 200 | 252 | 229 | 194 | 125 |
| Canada | | | 84 | 52 | 125 | 5 | 3 |
| Hg Kong | | | 12 | 35 | 51 | 39 | 22 |
| Moroc | | | 86 | 73 | 21 | 1 | 15 |
| Jamaica | | | 6 | 10 | 10 | 9 | 4 |
| Belgium | | | - | 3 | 3 | - | 13 |
| All other | | | 481 | 78 | 15 | 7 | 38 |
| Total | | | 2,324 | 2,299 | 2,341 | 1,591 | 1,230 |
| | Unit value (per pound) | | | | | | |
| Dom Rep | | | $0.11 | $0.12 | $0.12 | $0.12 | $0.12 |
| Mexico | | | 0.17 | 0.15 | 0.16 | 0.17 | 0.12 |
| China M | | | 0.30 | 0.29 | 0.26 | 0.27 | 0.28 |
| Canada | | | 0.10 | 0.12 | 0.09 | 0.17 | 0.14 |
| Hg Kong | | | 0.50 | 0.42 | 0.32 | 0.30 | 0.38 |
| Moroc | | | 0.34 | 0.34 | 0.45 | 0.38 | 0.48 |
| Jamaica | | | 0.22 | 0.16 | 0.12 | 0.12 | 0.17 |
| Belgium | | | - | 0.12 | 1.22 | - | 0.98 |
| All other | | | 0.18 | 0.26 | 0.16 | 0.12 | 0.15 |
| Average | | | 0.14 | 0.14 | 0.14 | 0.14 | 0.13 |

1/ Not available.

Source: Compiled from official statistics ofthe U.S. Department of Commerce.

Note.--Data on domestic production for most of the items covered herein are not available but artichokes, spinach, pumpkins, and vegetable greens are produced in significant quantities and supply most of domestic consumption. Data on exports of products covered herein are not separately reported but are believed to be small.

Table B.--Certain vegetables, n.s.p.f., fresh or chilled, whole: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 1/ | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | | 16,533 | 15,964 | 16,793 | 9,154 | 100 |
| 26 developed ctries, total | | 915 | 534 | 1,376 | 45 | 2/ |
| GSP countries, total | | 14,948 | 14,559 | 14,543 | 8,666 | 95 |
| Dom Rep | | 9,079 | 9,613 | 9,739 | 6,472 | 71 |
| Mexico | | 2,946 | 4,368 | 4,453 | 1,833 | 20 |
| Hg Kong | | 23 | 82 | 160 | 57 | 1 |
| Moroc | | 250 | 213 | 46 | 32 | 2/ |
| Jamaica | | 29 | 64 | 84 | 25 | 2/ |
| Guatmal | | 0 | 4 | 11 | 4 | 2/ |
| Trinid | | 0 | 5 | 12 | 10 | 2/ |
| Brazil | | 0 | 0 | 28 | 0 | |
| Other GSP | | 2,620 | 209 | 10 | 233 | 3 |
| Other | | 670 | 871 | 875 | 444 | 5 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | | 2,324 | 2,299 | 2,341 | 1,230 | 100 |
| 26 developed ctries, total | | 131 | 97 | 134 | 25 | 2 |
| GSP countries, total | | 1,993 | 1,950 | 1,978 | 1,079 | 88 |
| Dom Rep | | 960 | 1,151 | 1,158 | 786 | 64 |
| Mexico | | 495 | 646 | 729 | 224 | 18 |
| Hg Kong | | 12 | 35 | 51 | 22 | 2 |
| Moroc | | 86 | 73 | 21 | 15 | 1 |
| Jamaica | | 6 | 10 | 10 | 4 | 2/ |
| Guatmal | | - | 1 | 3 | 3/ | 2/ |
| Trinid | | - | 1 | 1 | 1 | 2/ |
| Brazil | | - | - | 1 | - | |
| Other GSP | | 434 | 34 | 3 | 26 | 2 |
| Other | | 200 | 252 | 229 | 126 | 10 |

1/ Not available.
2/ Less than 0.5 percent.
3/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No.
A104

TITLE: Unshelled pistache nuts

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. | Brief product description | Rates of duty 1/ | | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|
| | | Current col. 1 (1/1/82) | Current col. 2 (1/1/82) | | |
| 145.26 | Unshelled pistache (pistachio) nuts------------------ | 0.45¢/lb. (AVE 0.2%) | 2.5¢/lb. (AVE 1.0%) | 7,564 | Yes. |

1/ Rate not modified in the Tokyo round of Multilateral Trade Negotiations.

## II. Comment

### Description and uses

Pistache nuts (pistachio nuts), are native to the Mediterranean region and the Middle East. The nut is small and green and shaped like a peanut; it is enclosed by a thin shell which usually splits down one side when ripe. Pistachios are mainly traded inshell (unshelled) for salting and eating out-of-hand.

### U.S. consumption, production, and producers

U.S. apparent consumption of unshelled pistachios was very irratic over the period 1978-81 owing to shifts and disruptions in supply sources and the resulting sharp swings in unit values of the nuts. During the period, apparent consumption increased from 18.8 million pounds in 1978 to 36.2 million pounds in 1979 before declining to 13.1 million pounds in 1981 (table A).

During 1978-81, U.S. production of pistachios increased from 2.5 million pounds, valued at $3.1 million, in 1978 (the first commercial domestic harvest) to a peak of 26.9 million pounds, valued at $55.1 million, in 1980. Domestic production declined to 14.0 million pounds, valued at $17.6 million, in 1981 because of adverse growing conditions. California is the principal producing State. There were 450 growers of pistachios in 1981, with an average of 82 acres of trees. There were 20 processors of pistachios in that year.

### U.S. exports

U.S. exports of pistachios are not reported in U.S. foreign trade data; but estimates provided by industry sources indicate that during 1979-81 exports ranged from a peak of 5.6 million pounds in 1979 to a low of 4.0 million pounds in 1981. The majority of U.S. exports are unshelled.

U.S. imports

During 1978-81, U.S. imports of unshelled pistachios declined from a peak of 24.6 million pounds, valued at $43.1 million, in 1979 to a low of 845,000 pounds, valued at $2.5 million, in 1980 (table B). The sharp decline in U.S. imports from 1979 to 1980 reflects the U.S. embargo of imports from Iran following the takeover of the U.S. Embassy in that country. Iran is the principal foreign supplier of pistachios to the United States. Imports of unshelled pistachios from GSP-eligible countries ranged from a high of 2.0 million pounds in 1978 to a low of 53,000 pounds in 1980 (table C). During January-June 1982 imports from GSP-eligible countries totaled 758,000 pounds and accounted for 35 percent of U.S. imports.

The ratio of imports to apparent consumption declined from 87 percent in 1978 to 4 percent in 1980, before rising to 24 percent in 1981. The increase in the ratio from 1980 to 1981 reflects increased imports from Iran after the lifting of the embargo and the smaller U.S. pistachio crop in 1981 compared with the 1980 crop.

Imported pistachios are preferred by some consumers over those domestically-produced because of flavor and taste differences, however, domestically-produced pistachios are recognized for their larger nuts and the greater percentage of open shells.

Position of interested parties

The Government of Turkey petitioned for GSP treatment for unshelled pistashio nuts.

The California Association of Pistachio Growers opposes the granting of GSP status to unshelled pistachio nuts, alleging a reduction in the tariff will place the infant domestic industry at a competitive disadvantage and any substantial increase in imports could severely harm U.S. marketing efforts both at home and abroad.

The American Farm Bureau Federation opposes special unilateral tariff concessions such as GSP, believing that tariff concessions should be granted only in a negotiating process, and that GSP is inconsistent with the MFN principle. The Federation urges that U.S. harvest dates and market periods be kept in mind to mitigate the effects of imports on U.S. producers.

*     *     *     *     *

Table A.--Unshelled pistachios: U.S. production, exports, imports, and apparent consumption, and ratio of imports to consumption, 1978-81, January-June 1981 and January-June 1982

(Quantity in thousands of pounds in-shell basis; value in thousands of dollars; unit value in dollars per pound)

| Period | Production | Exports | Imports | Apparent consumption 2/ | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1978 | 2,500 | 1/ | 16,311 | 18,800 | 87 |
| 1979 | 17,200 | 5,600 | 24,551 | 36,200 | 68 |
| 1980 | 26,900 | 5,000 | 845 | 22,700 | 4 |
| 1981 | 14,000 | 4,000 | 3,144 | 13,000 | 24 |
| January-June: | | | | | |
| 1981 | 1/ | 1/ | 1,679 | 1/ | 1/ |
| 1982 | 1/ | 1/ | 2,176 | 1/ | 1/ |
| | | | Value | | |
| 1978 | 3,100 | 1/ | 24,281 | 2/ | 2/ |
| 1979 | 27,520 | 1/ | 43,102 | 2/ | 2/ |
| 1980 | 55,145 | 1/ | 2,485 | 2/ | 2/ |
| 1981 | 17,640 | 1/ | 7,564 | 2/ | 2/ |
| January-June: | | | | | |
| 1981 | 1/ | 1/ | 4,326 | 2/ | 2/ |
| 1982 | 1/ | 1/ | 4,233 | 2/ | 2/ |
| | | | Unit value | | |
| 1978 | $1.24 | 1/ | $1.49 | - | - |
| 1979 | 1.60 | 1/ | 1.76 | - | - |
| 1980 | 2.05 | 1/ | 2.94 | - | - |
| 1981 | 1.26 | 1/ | 2.41 | - | - |
| January-June: | | | | | |
| 1981 | 1/ | 1/ | 2.58 | - | - |
| 1982 | 1/ | 1/ | 1.95 | - | - |

1/ Not available.
2/ Not meaningful.

Source: Production data from official statistics of the U.S. Department of Agriculture; import data from official statistics of the U.S. Department of Commerce; exports estimated by trade sources.

Table B.--Pistachios, unshelled: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Iran | 19,828 | 14,271 | 24,053 | 788 | 3,075 | 1,610 | 1,356 |
| Israel | 0 | 46 | 0 | 0 | 46 | 46 | 0 |
| Turkey | 2,484 | 1,877 | 28 | 53 | 22 | 22 | 758 |
| U King | 0 | 0 | 0 | 4 | 0 | 0 | 0 |
| Syria | 0 | 0 | 324 | 0 | 0 | 0 | 0 |
| All other | 143 | 117 | 147 | 0 | 0 | 0 | 62 |
| Total | 22,456 | 16,311 | 24,551 | 845 | 3,144 | 1,679 | 2,176 |
| | Value (1,000 dollars) | | | | | | |
| Iran | 27,394 | 21,546 | 42,284 | 2,349 | 7,392 | 4,154 | 2,800 |
| Israel | - | 69 | - | - | 113 | 113 | - |
| Turkey | 3,389 | 2,493 | 40 | 133 | 58 | 58 | 1,290 |
| U King | - | - | - | 3 | - | - | - |
| Syria | - | - | 508 | - | - | - | - |
| All other | 257 | 172 | 270 | - | - | - | 142 |
| Total | 31,039 | 24,281 | 43,102 | 2,485 | 7,564 | 4,326 | 4,233 |
| | Unit value (per pound) | | | | | | |
| Iran | $1.38 | $1.51 | $1.76 | $2.98 | $2.40 | $2.58 | $2.07 |
| Israel | - | 1.50 | - | - | 2.45 | 2.45 | - |
| Turkey | 1.36 | 1.33 | 1.45 | 2.48 | 2.57 | 2.57 | 1.70 |
| U King | - | - | - | 0.76 | - | - | - |
| Syria | - | - | 1.57 | - | - | - | - |
| All other | 1.79 | 1.47 | 1.84 | - | - | - | 2.29 |
| Average | 1.38 | 1.49 | 1.76 | 2.94 | 2.41 | 2.58 | 1.95 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Pistachios, unshelled: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 16,311 | 24,551 | 845 | 3,144 | 2,176 | 100 |
| 26 developed ctries, total | 0 | 98 | 4 | 0 | 45 | 2 |
| GSP countries, total | 1,969 | 398 | 53 | 69 | 758 | 35 |
| Israel | 46 | 0 | 0 | 46 | 0 | |
| Turkey | 1,877 | 28 | 53 | 22 | 758 | 35 |
| Syria | 0 | 324 | 0 | 0 | 0 | |
| Lebanon | 46 | 0 | 0 | 0 | 0 | |
| India | 0 | 46 | 0 | 0 | 0 | |
| Other | 14,342 | 24,055 | 788 | 3,075 | 1,373 | 63 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 24,281 | 43,102 | 2,485 | 7,564 | 4,233 | 100 |
| 26 developed ctries, total | - | 204 | 3 | - | 74 | 2 |
| GSP countries, total | 2,632 | 611 | 133 | 171 | 1,290 | 30 |
| Israel | 69 | - | - | 113 | - | |
| Turkey | 2,493 | 40 | 133 | 58 | 1,290 | 30 |
| Syria | - | 508 | - | - | - | |
| Lebanon | 69 | - | - | - | - | |
| India | - | 63 | - | - | - | |
| Other | 21,649 | 42,287 | 2,349 | 7,392 | 2,869 | 68 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

[ITLE: Certain prepared or preserved fruit

[. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty 1/ | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Berries, fresh, or prepared or preserved: | | | | | | | | | | | | |
| | Frozen: | | | | | | | | | | | | |
| 146.74 | Raspberries---------------- | 14% | 11.6% | 9.3% | 7% 2/ | 7% 2/ | 7% 2/ | 7% 2/ | 7% 2/ | 7% 2/ | 35% | 766 | Yes. |
| | Olives, fresh, or prepared or preserved: | | | | | | | | | | | | |
| | In brine, whether or not pitted or stuffed: | | | | | | | | | | | | |
| | Not ripe and not pitted or stuffed: | | | | | | | | | | | | |
| | Not green in color and not packed in airtight containers of glass, metal, or glass and metal. | | | | | | | | | | | | |
| 148.44 | Other---------------- | 20¢/gal. (AVE 5.8%) | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 20¢/gal. (AVE 5.8%) | 5,166 | Yes. |
| | Plums, prunes, and prunelles, fresh, or prepared or preserved: | | | | | | | | | | | | |
| 149.28 | Otherwise prepared or preserved (except in brine, or dried). | 17.5% | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 35% | 2,481 | Yes. |

1/ Rate effective prior to Jan. 1, 1980.
2/ Rate of duty applicable to imports from Least Developed Developing Countries (LDDC).
3/ Rate not modified in the Tokyo round of Multilateral Trade Negotiations.

## II. Comments

### Description and uses

Frozen raspberries.--Raspberries, like most other berry crops, are highly seasonal in production and very perishable; the predominant form of handling and preserving raspberries is by freezing them. Frozen raspberries (TSUS item 146.74) are used principally as a dessert fruit, or in making jams, jellies, and preserves, or as flavorings for ice cream, syrups, yogurt, and other food articles. Raspberries are sometimes marketed in the frozen form for use in making wines or other beverages.

Olives 1/.--The two principal styles of olives consumed in the United States are Spanish-style olives (supplied in the U.S. markets largely from foreign sources) and California-style (supplied exclusively by domestic processors). Small quantities of Greek, Sicilian, and other styles of olives, all of which are produced domestically to some extent, are also consumed. The primary type of olive covered by this digest (TSUS item 148.44) are whole (not pitted) olives in brine prepared from immature fruit and packed in airtight containers; 2/ most of these are Spanish-style olives. However, Greek-and Sicilian- style olives are also imported under TSUS item 148.44. The color of olives under TSUS item 148.44 may include both green or black olives; imports are predominately green olives.

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1/ Commissioner Haggart did not participate in the formulation of this portion of the report.

2/ In airtight containers of glass, metal, or glass and metal. When in containers each holding more than 0.3 gallon (TSUSA item 148.4440) such imports are generally used for institutional uses; olives imported in barrels for repacking generally are not classified under TSUS item 148.44.

<u>Plums and prunes</u> 1/.--The principal domestically produced articles of the type known to be classifiable under TSUS item 149.28, which is being considered for GSP treatment, are canned purple plums, frozen plums and prunes and preserved (with sugar) plums and prunes. 2/ Canned plums are used mainly as a dessert fruit while frozen plums and prunes are used primarily by manufacturers of preserves and baked goods. Imports under TSUS item 149.28 include oriental specialty articles consisting of dried plums or prunes that have been heavily spiced and/or salted.

<u>U.S. consumption, production, and producers</u>

<u>Frozen raspberries</u>.--Annual U.S. consumption of frozen raspberries ranged between 21.0 million and 27.0 million pounds annually during 1977-81, and averaged about 24 million pounds (table A-1). U.S. production of frozen raspberries followed consumption as well during this period, and averaged about 23 million pounds annually. There are about 4,400 farmers producing fresh raspberries in the United States, with nearly 90 percent of such production concentrated in Washington, Oregon, and California. There are 17 U.S. companies (each having annual shipments exceeding $100,000) that produce (pack) frozen blueberries, raspberries, blackberries, and some other miscellaneous berries.

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1/ Commissioner Haggart did not participate in the formulation of this portion of the report.

2/ TSUS item 149.26 (dried plums, prunes, and prunelles) is not under review for GSP treatment and is not currently a GSP-eligible article. The domestic industry also produces, according to testimony developed at the public hearing, canned prunes, high-moisture (or remoisturized) prunes, and prune bits (or diced prunes). U.S. Customs classification decisions have not been made for a number of plum and prune articles that might fall in either of TSUS items 149.26 or 149.28.

Olives.--U.S. consumption of table olives has increased substantially in recent years--largely reflecting the increased population but also resulting from increased per capita disposable income, greater demand for relishes, and intensified promotional efforts. During 1977-81, annual U.S. apparent consumption of olives averaged 244 million pounds, compared with about 150 million pounds during the mid 1960's. Imported olives of all types supplied 37 percent of U.S. consumption during the 1977-81 period (table A-2). Imports under review in this digest accounted for about 4 percent of all olives domestically consumed during the period.

U.S. production of processed olives increased irregularly during 1977-81 and averaged 158 million pounds annually (table A-2). Virtually all olives grown commercially in the United States are from California, where about 1,400 growers harvested olives from approximately 44,000 acres in 1981. In comparison, more than 2,000 growers harvested olives from nearly 28,000 acres in 1970. Approximately half of the growers belong to two cooperatives which process, pack, and sell olives; the rest sell to independent processors. During 1976/77 to 1980/81, the size of the olive crop ranged from a low of 86 million pounds (fresh weight) in 1977/78 to an all-time high of 252 million pounds in 1978/79 and averaged 168 million pounds annually (table A-3). Olive trees generally have a cycle of a high production year ("on-year") followed by a low production year ("off-year"); this cycle is exhibited in table A-3. In recent years, an average of about 78 percent of the crop has been processed as California-style canned olives and about 11 percent as Spanish-style olives. Greek, Sicilian, and other styles of olives have accounted for about 6 percent of the crop. The remaining 5 percent of the crop has been crushed for oil.

The number of firms processing domestic olives declined from 17 in the mid 1960's to 13 in 1981. The 13 consist of two cooperatives and 11 independent processors; all are located in California. Seven of these firms produce California-style canned olives. They also produce Spanish-style and Sicilian-style olives. Processing table olives is the main source of income for most of the 13 processors.

Plums and prunes.--The estimated domestic consumption of plums and prunes of the type classifiable under TSUS item 149.28 averaged 45 million pounds annually in 1977-81, fluctuating between 38 million pounds in 1979 and 55 million pounds in 1980 (table A-4). Production of these processed (canned and frozen) plumes and prunes generally fluctuates with the size and quality of the fresh crop of plums and prunes; about 10 percent of the domestic fresh crop is processed as canned or frozen products. In 1977-81, annual domestic production of frozen plums and prunes ranged from 38 million pounds to 54 million pounds and averaged 45 million pounds. Producers of processed plums and prunes are located mostly in New York, Michigan, Washington, and California. There are 12 domestic companies with annual sales exceeding $100,000 producing canned plums and prunes, while firms producing frozen plums number less than 12.

U.S. exports

U.S. exports of frozen raspberries are not separately reported, but are believed to amount to about 1 million pounds annually or about 4 percent of the domestic output in 1977-81 (table A-1). U.S. exports of all types of frozen berries, except strawberries and blueberries, are mainly to Canada, the United Kingdom, West Germany, and Japan.

U.S. exports of all types of processed olives in 1977-81 averaged about 4.5 million pounds (table A-2), equivalent to nearly 3 percent of domestic output. More than three-fourths of the exports consisted of California-style canned olives, and the remainder of Spanish-style olives. Canada took about two-thirds of the olive exports during 1977-81.

U.S. exports of otherwise prepared or preserved plums, prunes and prunelles are not separately reported, but are estimated to be 1 million pounds annually or about 2 percent of domestic output during 1977-81 (table A-4). U.S. exports of canned fruit, including canned plums, go mainly to Japan.

U.S. imports

Frozen raspberries.--U.S. imports of frozen raspberries in 1981 amounted to 1.4 million pounds (valued at $766,000) and were supplied by Canada and the Netherlands (table B-1). Imports accounted for about 5 percent of domestic consumption of frozen raspberries in 1981. During 1977-80, estimated U.S. imports of frozen raspberries amounted to 1 million pounds annually. 1/ No GSP-eligible countries or LDDC countries supplied imports of frozen raspberries

1/ Prior to 1981, imports of frozen raspberries were included in the data with "otherwise prepared or preserved berries."

during the period when separate import data were available, from January 1981 through June 1982.

Olives.--Total U.S. imports of olives vary considerably from year to year--largely in response to the size and quality of the olive crop grown in Spain, by far the principal supplier. Such imports have increased slowly in recent years. During 1977-81, aggregate imports averaged 90 million pounds. Imports entered under TSUS item 148.44 are mostly Spanish-style olives and represented about 12 percent of all processed olive imports in 1977-81. The principal countries supplying olives under TSUS item 148.44 were Spain (71 percent of 1981 imports), Greece (13 percent), Israel (9 percent), and Portugal (2 percent) (table B-2). Olives packed in airtight containers of less than 0.3 gallon (which are containers largely ready for retail sale) represented in 1981 about 40 percent of the value of U.S. imports under TSUS item 148.44 and imports in containers over 0.3 gallon (which largely are airtight containers sold to restaurants and other institutional users) supplied the remainder (60 percent). Whole unpitted olives in brine prepared from immature fruit, the type considered herein, are a popular condiment served with meats and compete directly with other whole olives especially California-style black olives, and with pitted olives for the same uses.

GSP-eligible countries supplied 10 percent of the value of 1981 U.S. imports of olives entered under TSUS item 148.44; Israel, Portugal, and Mexico were the leading potential beneficiary countries (table C-1). About 93 percent of the olives from GSP countries were packed in containers of more than 0.3 gallon. The ad valorem equivalent of imports entered in such containers in 1981 was 6.9 percent. In recent years, a number of countries, such as Mexico, have planted more trees to develop their table-olive industries whereas in the principal olive producing countries, such as Spain, most of the olive production goes into olive oil. In the United States virtually the entire output of olives is for table use.

Plums and prunes.--U.S. imports of prepared or preserved plums and prunes in 1981 amounted to about 1.6 million pounds (valued at $2.5 million), and were equivalent to about 3 percent of domestic consumption of processed (except dried) plums and prunes. Imports during 1977-81 remained slightly below a 2-million pound annual level, and were supplied chiefly by Hong Kong (63 percent of 1981 imports), Taiwan (19 percent), China (9 percent), and Japan (6 percent) (table B-3).

The bulk of the products imported under TSUS item 149.28 consist of dried salted plums and prunes, commonly sold domestically in Oriental foodstores, and imported not in airtight containers. In 1981, such imports (TSUSA item 149.2840) accounted for 56 percent of the value of all imports entering under TSUS item 149.28 (tables B-4 and B-5). Remaining imports consisted largely of preserved or canned plums. There is nil or negligible domestic production of dried salted plums and prunes.

Most of the imports of plums and prunes come from GSP-eligible countries (tables C-2, C-3, and C-4). In 1981, such countries supplied 85 percent of the value of imports in airtight containers (TSUSA item 149.2820) and 84 percent of those not in airtight containers (TSUSA item 149.2840).

Position of interested parties

Frozen raspberries.--The Government of Chile is the petitioner for GSP treatment of frozen raspberries.

There were no statements received from interested parties.

Olives.--The petitioners for GSP treatment on olives under TSUS item 148.44 are Shan Olives, Ltd. (Hazayith), Israel, and the Government of Morocco.

The California Olive Association states that the domestic olive industry is faced with an over-supply situation aggravated by competition from subsidized Spanish imported olives. The granting of GSP status to TSUS item 148.44 would encourage further imports, and compound the domestic industry's over-supply problem. Any increase in U.S. imports of olives from any country would be detrimental to domestic producers, according to the Association.

Shan Olives, Ltd. states that GSP status for item 148.44 will allow Israel and the other smaller, eligible suppliers of olives to compete in the U.S. market with the world's leading exporter--Spain (a country not eligible for GSP). The removal of the duty will not be detrimental to U.S. olive producers, but simply permit GSP-beneficiary countries to meet the competition of Spanish exporters, who have lower costs of production than do the other olive producers like Israel, according to the company. Because a U.S. domestic producer of olives also imports Spanish-style olives, the company asserts that olives are not import sensitive and should be granted GSP treatment.

Plums and prunes.--The Government of Chile is the petitioner representing GSP treatment of otherwise prepared or preserved plums and prunes under TSUS item 149.28.

Sun-Diamond Growers of California opposes GSP treatment for plums and prunes. The domestic industry is beset by increasing costs and eroding marketshare. Sun-Diamond states that Chile's proven production capacity poses a threat to U.S. producers which should not be further aggravated by the granting of duty-free status for TSUS item 149.28. The elimination of the 17.5 percent duty would enable competitive products from Chile and other beneficiary countries easily to enter the U.S. market, according to Sun-Diamond.

*           *           *           *           *

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Table A-1.--Frozen raspberries: U.S. production, exports, imports, apparent consumption, and ratio of imports to consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Year | Production | Exports 1/ | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977 | 24,988 | 1,000 | 1/ 1,000 | 25,000 | 4 |
| 1978 | 21,195 | 1,000 | 1/ 1,000 | 21,000 | 5 |
| 1979 | 23,518 | 1,000 | 1/ 1,000 | 24,000 | 4 |
| 1980 | 21,426 | 1,000 | 1/ 1,000 | 21,000 | 5 |
| 1981 | 26,179 | 1,000 | 1,413 | 27,000 | 5 |
| | | | Value | | |
| 1977 | 16,000 | 2/ | 2/ | 2/ | 2/ |
| 1978 | 21,800 | 2/ | 2/ | 2/ | 2/ |
| 1979 | 22,300 | 2/ | 2/ | 2/ | 2/ |
| 1980 | 13,300 | 2/ | 2/ | 2/ | 2/ |
| 1981 | 21,200 | 2/ | 766 | 2/ | 2/ |
| | | | Unit value | | |
| 1977 | $0.64 | 2/ | 2/ | - | - |
| 1978 | 3/ 1.03 | 2/ | 2/ | - | - |
| 1979 | 3/ .95 | 2/ | 2/ | - | - |
| 1980 | 3/ .62 | 2/ | 2/ | - | - |
| 1981 | 3/ .81 | 2/ | $0.54 | - | - |

1/ Estimated since data are not separately reported.
2/ Not available.
3/ Simple monthly average of the price of frozen red raspberries, in 28-pound containers, Northwest plants.

Source: Production data from the American Frozen Food Institute and the American Institute of Food Distribution, except as noted; imports and exports compiled from official statistics of the U.S. Department of Commerce, except as noted.

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Table A-2.--Olives, processed: U.S. production, exports, imports, apparent consumption, and ratio of imports to consumption, 1977-81

(Quantity in thousands of pounds, processed weight basis; value in thousands of dollars; unit value per pound)

| Year | Production 1/ | Exports | Imports: Under TSUS item 148.44 | Imports: All other 2/ | Imports: Total | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|---|---|
| | | | Quantity | | | | |
| 1977-- | 149,000 | 3,568 | 11,470 | 79,301 | 90,771 | 236,000 | 38 |
| 1978-- | 79,000 | 3,840 | 12,908 | 74,426 | 87,334 | 162,000 | 54 |
| 1979-- | 233,000 | 5,733 | 10,018 | 80,685 | 90,703 | 318,000 | 29 |
| 1980-- | 119,800 | 4,305 | 9,804 | 80,086 | 89,890 | 205,400 | 44 |
| 1981-- | 210,400 | 5,118 | 8,481 | 84,738 | 93,219 | 298,500 | 31 |
| | | | Value | | | | |
| 1977-- | 3/ | 2,509 | 5,748 | 66,577 | 72,325 | 3/ | 3/ |
| 1978-- | 3/ | 2,970 | 6,200 | 70,655 | 76,855 | 3/ | 3/ |
| 1979-- | 3/ | 4,491 | 5,932 | 69,782 | 75,714 | 3/ | 3/ |
| 1980-- | 3/ | 3,348 | 6,175 | 72,532 | 78,707 | 3/ | 3/ |
| 1981-- | 3/ | 3,894 | 5,166 | 72,765 | 77,931 | 3/ | 3/ |
| | | | Unit value | | | | |
| 1977-- | 3/ | $0.70 | $0.50 | $0.84 | $0.80 | - | - |
| 1978-- | 3/ | .77 | .48 | .95 | .88 | - | - |
| 1979-- | 3/ | .78 | .59 | .86 | .83 | - | - |
| 1980-- | 3/ | .80 | .63 | .91 | .88 | - | - |
| 1981-- | 3/ | .76 | .61 | .86 | .84 | - | - |

1/ Inasmuch as olives are normally harvested only during October-December of each year, the production data indicated are for olives processed from the preceding year's crop. Olives shipped fresh or crushed for oil are excluded.
2/ TSUS items 148.42, 148.46, 148.48, 148.50, 148.52, 148.54, and 148.56.
3/ Not available.

Source: Production data from Olive Administrative Committee; exports and imports from official statistics of the U.S. Department of Commerce.

Table A-3.--Olives: U.S. production and utilization of the crop grown in California, crop years 1976/77 to 1980/81

(In millions of pounds, fresh-weight basis)

| Item | Crop year (October-September) | | | | |
|---|---|---|---|---|---|
| | 1976/77 | 1977/78 | 1978/79 | 1979/80 | 1980/81 |
| Farm production, total | 160 | 86 | 252 | 124 | 218 |
| Shipped fresh 1/ | 1 | 1 | 2 | 1 | 1 |
| Processed, total | 159 | 85 | 250 | 123 | 217 |
| California-style | 127 | 68 | 198 | 105 | 154 |
| Spanish-style | 17 | 8 | 25 | 6 | 35 |
| Oil | 10 | 6 | 19 | 3 | 7 |
| Sicilian-style | 2 | 1 | 2 | 2 | 2 |
| Greek-style | 1 | 2/ | 2 | 1 | 2/ |
| Other 3/ | 2 | 1 | 4 | 6 | 19 |

1/ Most of these olives were shipped to markets outside California for processing.
2/ Less than 500,000 pounds.
3/ Includes miscellaneous styles and quantities used on farms where grown.

Source: Compiled from data supplied by the Olive Administrative Committee of California.

Note.--Significant commercial production of olives in the United States is limited to California.

Table A-4.--Plums, prunes and prunelles, otherwise prepared or preserved: U.S. production, imports, exports, apparent consumption and ratio of imports to apparent consumption

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Year | Production 1/ | Exports 2/ | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977 | 40,359 | 1,000 | 1,956 | 41,000 | 5 |
| 1978 | 44,309 | 1,000 | 1,734 | 45,000 | 4 |
| 1979 | 37,644 | 1,000 | 1,678 | 38,000 | 4 |
| 1980 | 54,165 | 1,000 | 1,827 | 55,000 | 3 |
| 1981 | 46,632 | 1,000 | 1,570 | 47,000 | 3 |
| | | | Value | | |
| 1977 | 3/ | 3/ | 1,495 | 3/ | 3/ |
| 1978 | 3/ | 3/ | 1,502 | 3/ | 3/ |
| 1979 | 3/ | 3/ | 1,817 | 3/ | 3/ |
| 1980 | 3/ | 3/ | 2,534 | 3/ | 3/ |
| 1981 | 3/ | 3/ | 2,481 | 3/ | 3/ |
| | | | Unit value | | |
| 1977 | 3/ | 3/ | $0.76 | - | - |
| 1978 | 3/ | 3/ | .87 | - | - |
| 1979 | 3/ | 3/ | 1.08 | - | - |
| 1980 | 3/ | 3/ | 1.39 | - | - |
| 1981 | 3/ | 3/ | 1.58 | - | - |

1/ Production of canned purple plums and frozen plums and prunes.
2/ Estimated by the staff of the U.S. International Trade Commission.
3/ Not available.

Source: Production data are from the National Food Processors Association, and the American Frozen Food Institutes; imports are compiled from official statistics of the U.S. Department of Commerce.

Table B-1.--Raspberries, frozen: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 1/ | 1978 1/ | 1979 1/ | 1980 1/ | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Canada | | | | | 985 | 0 | 313 |
| Nethlds | | | | | 428 | 0 | 1 |
| U King | | | | 1/ | 0 | 0 | 1 |
| Fr Germ | | | | | 0 | 0 | 37 |
| N Zeal | | | | | 0 | 0 | 250 |
| Total | | | | 1/ | 1,413 | 0 | 601 |
| | Value (1,000 dollars) | | | | | | |
| Canada | | | | | 519 | - | 220 |
| Nethlds | | | | | 248 | - | 1 |
| U King | | | | 1/ | - | - | 1 |
| Fr Germ | | | | | - | - | 23 |
| N Zeal | | | | | - | - | 132 |
| Total | | | | 1/ | 766 | - | 377 |
| | Unit value (per pound) | | | | | | |
| Canada | | | | - | $0.53 | - | $0.70 |
| Nethlds | | | | - | 0.58 | - | 0.81 |
| U King | | | | 1.89 | - | - | 1.10 |
| Fr Germ | | | | - | - | - | 0.64 |
| N Zeal | | | | - | - | - | 0.53 |
| Average | | | | 1.89 | 0.54 | - | 0.63 |

1/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-2.--Olives, in brine and not ripe and not pitted or stuffed, in airtight containers (TSUS 148.44): U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Spain | 9,673 | 10,678 | 7,844 | 7,847 | 5,984 | 3,263 | 11,135 |
| Greece | 1,006 | 1,221 | 842 | 722 | 1,095 | 638 | 485 |
| Israel | 65 | 57 | 82 | 52 | 762 | 358 | 429 |
| Portugl | 231 | 297 | 216 | 307 | 210 | 78 | 109 |
| Italy | 64 | 135 | 66 | 35 | 117 | 81 | 19 |
| Mexico | 338 | 389 | 895 | 796 | 244 | 18 | 1 |
| France | 2 | 1 | 11 | 4 | 9 | 8 | 1 |
| Moroc | 88 | 129 | 0 | 17 | 55 | 55 | 65 |
| All other | 2 | 1 | 63 | 26 | 4 | 3 | 30 |
| Total | 11,470 | 12,908 | 10,018 | 9,804 | 8,481 | 4,503 | 12,275 |
| | Value (1,000 dollars) | | | | | | |
| Spain | 5,060 | 5,377 | 4,986 | 5,224 | 3,786 | 2,073 | 5,251 |
| Greece | 396 | 427 | 475 | 504 | 763 | 449 | 337 |
| Israel | 25 | 27 | 55 | 42 | 300 | 150 | 163 |
| Portugl | 110 | 146 | 110 | 136 | 128 | 43 | 69 |
| Italy | 43 | 69 | 43 | 30 | 84 | 60 | 18 |
| Mexico | 75 | 95 | 207 | 198 | 76 | 7 | 1 |
| France | 2 | 1 | 12 | 8 | 14 | 13 | 2 |
| Moroc | 35 | 58 | - | 3 | 12 | 12 | 32 |
| All other | 1 | 1 | 45 | 25 | 3 | 2 | 23 |
| Total | 5,748 | 6,200 | 5,932 | 6,175 | 5,166 | 2,808 | 5,896 |
| | Unit value (per pound) | | | | | | |
| Spain | $0.52 | $0.50 | $0.64 | $0.67 | $0.63 | $0.64 | $0.47 |
| Greece | 0.39 | 0.35 | 0.56 | 0.70 | 0.70 | 0.70 | 0.69 |
| Israel | 0.39 | 0.47 | 0.67 | 0.82 | 0.39 | 0.42 | 0.38 |
| Portugl | 0.48 | 0.49 | 0.51 | 0.44 | 0.61 | 0.54 | 0.63 |
| Italy | 0.67 | 0.51 | 0.65 | 0.86 | 0.72 | 0.74 | 0.96 |
| Mexico | 0.22 | 0.24 | 0.23 | 0.25 | 0.31 | 0.38 | 0.50 |
| France | 1.34 | 1.75 | 1.08 | 1.97 | 1.51 | 1.60 | 1.13 |
| Moroc | 0.40 | 0.45 | - | 0.48 | 0.21 | 0.21 | 0.50 |
| All other | 0.61 | 0.59 | 0.72 | 0.96 | 0.76 | 0.75 | 0.75 |
| Average | 0.50 | 0.48 | 0.59 | 0.63 | 0.61 | 0.62 | 0.48 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-3.--Plums, prunes, and prunelles, prepared or preserved except dried or in brine (TSUS 149.28): U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Hg Kong | 1,281 | 1,265 | 1,209 | 1,132 | 993 | 497 | 510 |
| China t | 492 | 273 | 311 | 334 | 294 | 99 | 199 |
| Japan | 59 | 92 | 60 | 105 | 102 | 63 | 57 |
| China M | 45 | 42 | 52 | 201 | 138 | 52 | 83 |
| Israel | 0 | 5 | 37 | 46 | 22 | 22 | 2 |
| France | 4 | 6 | 2 | 5 | 9 | 4 | 7 |
| U King | 2 | 5 | 3 | 1/ | 3 | 1 | 0 |
| Switzld | 0 | 0 | 0 | 0 | 5 | 3 | 0 |
| All other | 73 | 46 | 6 | 4 | 4 | 3 | 5 |
| Total | 1,956 | 1,734 | 1,678 | 1,827 | 1,570 | 744 | 862 |
| | Value (1,000 dollars) | | | | | | |
| Hg Kong | 1,077 | 1,142 | 1,363 | 1,724 | 1,642 | 794 | 838 |
| China t | 284 | 182 | 288 | 411 | 439 | 153 | 246 |
| Japan | 70 | 113 | 99 | 184 | 198 | 116 | 110 |
| China M | 31 | 39 | 42 | 186 | 171 | 69 | 106 |
| Israel | - | 2 | 12 | 18 | 12 | 12 | 1 |
| France | 5 | 6 | 3 | 6 | 8 | 3 | 5 |
| U King | 2 | 4 | 4 | 1 | 4 | 1 | - |
| Switzld | - | - | - | - | 4 | 2 | - |
| All other | 26 | 14 | 6 | 6 | 4 | 3 | 8 |
| Total | 1,495 | 1,502 | 1,817 | 2,534 | 2,481 | 1,155 | 1,364 |
| | Unit value (per pound) | | | | | | |
| Hg Kong | $0.84 | $0.90 | $1.13 | $1.52 | $1.65 | $1.60 | $1.74 |
| China t | 0.58 | 0.67 | 0.93 | 1.23 | 1.49 | 1.55 | 1.24 |
| Japan | 1.18 | 1.23 | 1.67 | 1.76 | 1.94 | 1.84 | 1.94 |
| China M | 0.68 | 0.93 | 0.80 | 0.92 | 1.24 | 1.32 | 1.27 |
| Israel | - | 0.33 | 0.34 | 0.39 | 0.56 | 0.56 | 0.88 |
| France | 1.17 | 0.98 | 1.60 | 1.12 | 0.36 | 0.85 | 0.73 |
| U King | 1.24 | 0.79 | 1.43 | 2.28 | 1.27 | 1.39 | - |
| Switzld | - | - | - | - | 0.72 | 0.67 | - |
| All other | 0.36 | 0.29 | 1.00 | 1.35 | 1.08 | 1.00 | 1.67 |
| Average | 0.76 | 0.87 | 1.08 | 1.39 | 1.58 | 1.55 | 1.58 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-4.--Plums, prunes, and prunelles, prepared or preserved except dried or in brine, in airtight containers (TSUSA 149.2820): U.S. imports for consumption, by principal sources, 1977-81, January-June 1982, and January-June 1982

| Source | 1977 1/ | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Hg Kong | | 931 | 779 | 639 | 573 | 231 | 254 |
| Japan | | 45 | 31 | 52 | 66 | 45 | 33 |
| China t | | 93 | 79 | 87 | 53 | 25 | 34 |
| China M | | 10 | 4 | 56 | 19 | 8 | 2 |
| France | | 4 | 2 | 3 | 9 | 3 | 7 |
| U King | | 5 | 3 | 2/ | 3 | 1 | 0 |
| Switzld | | 0 | 0 | 0 | 5 | 3 | 0 |
| Israel | | 5 | 37 | 39 | 4 | 4 | 0 |
| All other | | 38 | 4 | 1 | 2 | 2 | 3 |
| Total | | 1,131 | 938 | 878 | 733 | 370 | 333 |
| | Value (1,000 dollars) | | | | | | |
| Hg Kong | | 737 | 773 | 848 | 847 | 374 | 407 |
| Japan | | 56 | 57 | 98 | 128 | 82 | 64 |
| China t | | 72 | 72 | 100 | 74 | 44 | 35 |
| China M | | 10 | 5 | 29 | 24 | 9 | 3 |
| France | | 4 | 2 | 3 | 8 | 3 | 5 |
| U King | | 4 | 4 | 1 | 4 | 1 | - |
| Switzld | | - | - | - | 4 | 2 | - |
| Israel | | 2 | 12 | 14 | 3 | 3 | - |
| All other | | 11 | 4 | 1 | 3 | 2 | 5 |
| Total | | 895 | 930 | 1,093 | 1,094 | 519 | 520 |
| | Unit value (per pound) | | | | | | |
| Hg Kong | | $0.79 | $0.99 | $1.33 | $1.48 | $1.33 | $1.60 |
| Japan | | 1.24 | 1.84 | 1.87 | 1.94 | 1.84 | 1.94 |
| China t | | 0.77 | 0.92 | 1.15 | 1.41 | 1.77 | 1.05 |
| China M | | 0.95 | 1.18 | 0.52 | 1.25 | 1.23 | 1.28 |
| France | | 0.90 | 0.95 | 0.97 | 0.86 | 0.85 | 0.73 |
| U King | | 0.79 | 1.43 | 2.28 | 1.27 | 1.39 | - |
| Switzld | | - | - | - | 0.72 | 0.67 | - |
| Israel | | 0.33 | 0.34 | 0.35 | 0.69 | 0.69 | - |
| All other | | 0.29 | 0.88 | 1.48 | 1.45 | 1.33 | 1.56 |
| Average | | 0.79 | 0.99 | 1.25 | 1.49 | 1.40 | 1.56 |

1/ Not available.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-5.--Plums, prunes, and prunelles, prepared or preserved except dried or in brine, not in airtight containers (TSUSA 149.2840): U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 1/ | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|---|
| | | | | | | 1981 | 1982 |
| | Quantity (1,000 pounds) | | | | | | |
| Hg Kong | | 335 | 430 | 493 | 420 | 217 | 256 |
| China t | | 130 | 232 | 246 | 242 | 74 | 165 |
| China M | | 32 | 48 | 146 | 119 | 45 | 81 |
| Japan | | 47 | 29 | 53 | 36 | 19 | 23 |
| Israel | | 0 | 0 | 7 | 18 | 18 | 2 |
| Thailnd | | 0 | 2/ | 2 | 2 | 2 | 0 |
| France | | 2 | 2/ | 2 | 2/ | 2/ | 0 |
| Canada | | 0 | 0 | 1 | 0 | 0 | 0 |
| All other | | 3 | 1 | 2/ | 0 | 0 | 2 |
| Total | | 603 | 740 | 949 | 836 | 374 | 529 |
| | Value (1,000 dollars) | | | | | | |
| Hg Kong | | 406 | 589 | 876 | 794 | 421 | 481 |
| China t | | 110 | 216 | 311 | 364 | 110 | 210 |
| China M | | 29 | 37 | 157 | 147 | 60 | 103 |
| Japan | | 57 | 42 | 86 | 70 | 34 | 45 |
| Israel | | - | - | 4 | 10 | 10 | 1 |
| Thailnd | | - | 1 | 3 | 1 | 1 | - |
| France | | 2 | 2 | 3 | 2/ | 2/ | - |
| Canada | | - | - | 1 | - | - | - |
| All other | | 3 | 2 | 2/ | - | - | 3 |
| Total | | 607 | 888 | 1,441 | 1,387 | 635 | 844 |
| | Unit value (per pound) | | | | | | |
| Hg Kong | | $1.21 | $1.37 | $1.78 | $1.89 | $1.94 | $1.88 |
| China t | | 0.61 | 0.93 | 1.26 | 1.51 | 1.48 | 1.28 |
| China M | | 0.92 | 0.77 | 1.08 | 1.24 | 1.34 | 1.27 |
| Japan | | 1.22 | 1.47 | 1.64 | 1.95 | 1.85 | 1.94 |
| Israel | | - | - | 0.60 | 0.53 | 0.53 | 0.88 |
| Thailnd | | - | 1.93 | 1.32 | 0.69 | 0.60 | - |
| France | | 1.17 | 5.33 | 1.39 | 0.83 | 0.83 | - |
| Canada | | - | - | 1.24 | - | - | - |
| All other | | 0.33 | 1.20 | 1.53 | - | - | 1.86 |
| Average | | 1.01 | 1.20 | 1.52 | 1.66 | 1.70 | 1.60 |

1/ Not available.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-1.--Olives, in brine and not ripe and not pitted or stuffed, in airtight containers (TSUS item 148.44): U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 12,908 | 10,018 | 9,804 | 8,461 | 12,275 | 100 |
| 26 developed ctries, total | 137 | 104 | 65 | 131 | 42 | 1/ |
| GSP countries, total | 872 | 1,229 | 1,171 | 1,271 | 613 | 5 |
| Israel | 57 | 82 | 52 | 762 | 429 | 4 |
| Portugl | 297 | 216 | 307 | 210 | 109 | 1 |
| Mexico | 389 | 895 | 796 | 244 | 1 | 1/ |
| Moroc | 129 | 0 | 17 | 55 | 65 | 1 |
| Yugoslv | 0 | 5 | 0 | 0 | 0 | |
| Romania | 0 | 28 | 0 | 0 | 0 | |
| Cyprus | 0 | 1 | 0 | 0 | 8 | 1/ |
| Pakistn | 0 | 2 | 0 | 0 | 0 | |
| Other | 11,899 | 8,686 | 8,568 | 7,079 | 11,620 | 95 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 6,200 | 5,932 | 6,175 | 5,166 | 5,896 | 100 |
| 26 developed ctries, total | 71 | 78 | 63 | 101 | 37 | 1 |
| GSP countries, total | 326 | 393 | 384 | 515 | 271 | 5 |
| Israel | 27 | 55 | 42 | 300 | 163 | 3 |
| Portugl | 146 | 110 | 136 | 128 | 69 | 1 |
| Mexico | 95 | 207 | 198 | 76 | 1 | 1/ |
| Moroc | 58 | - | 8 | 12 | 32 | 1 |
| Yugoslv | - | 7 | - | - | - | |
| Romania | - | 11 | - | - | - | |
| Cyprus | - | 2 | - | - | 6 | 1/ |
| Pakistn | - | 1 | - | - | - | |
| Other | 5,804 | 5,461 | 5,728 | 4,549 | 5,588 | 95 |

1/ Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-2.--Plums, prunes, and prunelles, prepared or preserved except dried or in brine (TSUS 149.28): U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 1,734 | 1,678 | 1,827 | 1,570 | 862 | 100 |
| 26 developed ctries, total | 145 | 67 | 111 | 121 | 64 | 7 |
| GSP countries, total | 1,545 | 1,559 | 1,514 | 1,311 | 715 | 83 |
| Hg Kong | 1,265 | 1,209 | 1,132 | 993 | 510 | 59 |
| China t | 273 | 311 | 334 | 294 | 199 | 23 |
| Israel | 5 | 37 | 46 | 22 | 2 | 1/ |
| Thailnd | 2 | 1 | 2 | 2 | 2 | 1/ |
| Kor Rep | 0 | 1 | 2/ | 2/ | 0 | |
| Yugoslv | 1 | 0 | 0 | 0 | 0 | |
| India | 0 | 0 | 2/ | 0 | 0 | |
| Singapr | 0 | 1 | 0 | 0 | 3 | 1/ |
| Other GSP | 0 | 0 | 0 | 0 | 0 | |
| Other | 43 | 52 | 201 | 138 | 83 | 10 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 1,502 | 1,817 | 2,534 | 2,481 | 1,364 | 100 |
| 26 developed ctries, total | 134 | 109 | 192 | 216 | 115 | 8 |
| GSP countries, total | 1,328 | 1,667 | 2,156 | 2,094 | 1,143 | 84 |
| Hg Kong | 1,142 | 1,363 | 1,724 | 1,642 | 888 | 65 |
| China t | 182 | 288 | 411 | 439 | 246 | 18 |
| Israel | 2 | 12 | 18 | 12 | 1 | 1/ |
| Thailnd | 1 | 2 | 3 | 1 | 2 | 1/ |
| Kor Rep | - | 2 | 2/ | 2/ | - | |
| Yugoslv | 2/ | - | - | - | - | |
| India | - | - | 2/ | - | - | |
| Singapr | - | 2/ | - | - | 5 | 1/ |
| Other GSP | - | - | - | - | - | |
| Other | 39 | 42 | 186 | 171 | 106 | 8 |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-3.--Plums, prunes, and prunelles, prepared or preserved except dried or in brine, in airtight containers (TSUSA 149.2820): U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 1,131 | 938 | 878 | 733 | 333 | 100 |
| 26 developed ctries, total | 89 | 38 | 56 | 85 | 40 | 12 |
| GSP countries, total | 1,031 | 896 | 766 | 629 | 291 | 87 |
| Hg Kong | 931 | 779 | 639 | 573 | 254 | 76 |
| China t | 93 | 79 | 37 | 53 | 34 | 10 |
| Israel | 5 | 37 | 39 | 4 | 0 | |
| Kor Rep | 0 | 0 | 2/ | 2/ | 0 | |
| Yugoslv | 1 | 0 | 0 | 0 | 0 | |
| Thailnd | 2 | 1 | 2/ | 0 | 2 | 1/ |
| Singapr | 0 | 1 | 0 | 0 | 1 | 1/ |
| Other | 12 | 4 | 56 | 19 | 2 | 1 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 895 | 930 | 1,093 | 1,094 | 520 | 100 |
| 26 developed ctries, total | 73 | 65 | 102 | 146 | 69 | 13 |
| GSP countries, total | 812 | 860 | 962 | 925 | 447 | 86 |
| Hg Kong | 737 | 773 | 848 | 847 | 407 | 78 |
| China t | 72 | 72 | 100 | 74 | 35 | 7 |
| Israel | 2 | 12 | 14 | 3 | - | |
| Kor Rep | - | - | 2/ | 2/ | - | |
| Yugoslv | 2/ | - | - | - | - | |
| Thailnd | 1 | 1 | 1 | - | 2 | 1/ |
| Singapr | - | 2/ | - | - | 2 | 1/ |
| Other | 10 | 5 | 29 | 24 | 3 | 1 |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-4.--Plums, prunes, and prunelles, prepared or preserved except dried or in brine, not in airtight containers (TSUSA 149.2840): U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 603 | 740 | 949 | 836 | 529 | 100 |
| 26 developed ctries, total | 57 | 29 | 55 | 36 | 23 | 4 |
| GSP countries, total | 514 | 663 | 748 | 681 | 424 | 80 |
| Hg Kong | 335 | 430 | 493 | 420 | 256 | 48 |
| China t | 180 | 232 | 246 | 242 | 165 | 31 |
| Israel | 0 | 0 | 7 | 18 | 2 | 1/ |
| Thailnd | 0 | 2/ | 2 | 2 | 0 | |
| India | 0 | 0 | 2/ | 0 | 0 | |
| Singapr | 0 | 0 | 0 | 0 | 2 | 1/ |
| Kor Rep | 0 | 1 | 0 | 0 | 0 | |
| Other | 32 | 48 | 146 | 119 | 81 | 15 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 607 | 888 | 1,441 | 1,387 | 844 | 100 |
| 26 developed ctries, total | 62 | 44 | 90 | 70 | 45 | 5 |
| GSP countries, total | 516 | 808 | 1,194 | 1,169 | 696 | 82 |
| Hg Kong | 406 | 589 | 876 | 794 | 481 | 57 |
| China t | 110 | 216 | 311 | 364 | 210 | 25 |
| Israel | - | - | 4 | 10 | 1 | 1/ |
| Thailnd | - | 1 | 3 | 1 | - | |
| India | - | - | 2/ | - | - | |
| Singapr | - | - | - | - | 3 | 1/ |
| Kor Rep | - | 2 | - | - | - | |
| Other | 29 | 37 | 157 | 147 | 103 | 12 |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Cherries

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. | Brief product description | Rates of duty: Current col. 1 (1/1/82) | Rates of duty: Final concession rate | Rates of duty: Current col. 2 (1/1/82) | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|
| | Cherries, fresh, or prepared or preserved: | | | | | |
| 146.90 | Fresh, not in airtight or watertight containers. | 0.1¢/lb. (AVE 0.1%) | Free 1/ | 2¢/lb. (AVE 1.6%) | 174 | Yes. |
| 146.99 | Otherwise prepared or preserved 2/ | 7¢/lb. + 10% ad val. (AVE 17.5%) 4/ | 3/ | 9.5¢/lb + 40% ad val. (AVE 67.3%) 5/ | 293 | Yes. |

1/ This rate of duty represents the full concession rate for the products included in the item. The full concession rate will become effective through two stages with the first stage on Jan. 1, 1981, and the second and last stage on Jan. 1, 1985. This rate is applicable to imports from least-developed-developing countries (LDDC).

2/ Consists of prepared or preserved cherrries other than dried, in brine, or frozen; this classification does not include candied, crystallized, or glace cherries.

3/ Rate not modified in the Tokyo round of the Multilateral Trade Negotiations.

4/ Based on imports entered at the Most Favored Nation rate (col. 1) in 1981.

5/ Based on imports entered from designated Communist controlled countries (col. 2 rate) in 1981.

## II. Comment

Description and uses

There are two distinct types of cherries, sweet cherries and tart cherries, that to a large degree are produced by different groups of growers in different parts of the United States. Of the eight items in the Tariff Schedules of the United States (TSUS) that specifically provide for cherries, only two of them--TSUS items 146.90 and 146.99--are under review for possible GSP treatment. However, these two items account for about three-fourths of the U.S. cherry consumption. 1/ In the TSUS, sweet and tart cherries are not separated by type.

Fresh cherries not in airtight or water containers (TSUS item 146.90) constitute virtually the entire U.S. consumption and production of fresh market cherries. 2/ Fresh cherries for fresh market sales are a highly seasonal and perishable product used primarily for eating out of hand, in desserts, or for home preservation. In recent years, about one-third of the U.S. cherry crop has been utilized fresh.

1/ Of the remaining consumption, the bulk consists of frozen tart cherries while other cherries are used to make candied, crystallized, or glace cherries, and cherry juice and wine.
2/ Fresh cherries in airtight or watertight containers (TSUS item 146.91) consists principally of imported Dalmatian-type sour cherries used for further processing.

Otherwise prepared or preserved cherries under TSUS item 146.99 are usually produced directly from fresh cherries, or from brined cherries. Cherries in brine (TSUS items 146.95 and 146.96) are not under GSP review. 1/ Included here are Maraschino cherries, made by adding color, flavor, and sugar to washed brined cherries, and which are normally preserved by the sugar. Such cherries are used in the manufacture of chocolate-covered cherries, and in decorating and flavoring various confections, ice cream, cocktails, and bakery products. Fruit cocktail cherries are like maraschino cherries, except that little, if any, sugar or flavor is added before these cherries are mixed with other fruit cocktail ingredients and canned. Sweet cherries canned in sirup are used for dessert purposes. Canned sour cherries are used mainly as a filling in pies and other bakery products. Brandied cherries are cherries preserved in alcohol for use in fancy desserts.

U.S. consumption, production, and producers

The U.S. consumption of fresh cherries is predominately of sweet cherry varieties and has shown no discernible trend in recent years, averaging about 138 million pounds annually during 1977-81. Such consumption ranged from a low of 122.7 million pounds in 1978 to a high of 157.1 million pounds in 1980 (table A-1); the variations are believed to be related more directly to the

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1/ Cherries in brine are cherries which have been bleached in a water solution of sulfur dioxide and preserved in the same liquid, with lime added to harden the fruit. The brined fruit can be stored for long periods and is often marketed in that form. After removal of the brine by washing, such cherries are used in the production of maraschino, fruit cocktail (including fruit salad), candied, crystallized, or glace cherries, and other processed cherries.

size of the cherry harvests, which vary annually owing to conditions of weather, than to changes in demand. During 1977-81, the share of the harvests utilized as fresh cherries ranged from 29 percent in 1978 to 34 percent in 1981, when the total crop was unusually small. On the average, about 88 percent of the U.S. production for fresh use was consumed domestically. Nearly 50 percent of the sweet cherry harvests are used fresh and only about 3 percent of the tart cherry harvests are so used.

During 1977-81, apparent consumption of otherwise prepared or preserved cherries as encompassed by TSUS item 146.99 increased from 157.6 million pounds in 1977 to 193.2 million pounds in 1979, and then declined to 147.7 million pounds in 1981; however, these data do not necessarily indicate a trend owing to the fact that inventories are not taken into account. 1/ Over the 1977-81 period, apparent consumption averaged about 169 million pounds annually. Approximately 45 percent of the consumption consisted of canned cherries (of which about two-thirds were tart varieties and one-third sweet varieties) and the rest consisted of a number of products such as maraschino and fruit cocktail cherries, and other processed cherries. About 90 percent of the annual production is consumed domestically.

Slightly more than three-fifths of the U.S. cherry production of approximately 500 million pounds annually is of the sweet type and the remainder is of tart cherries. Compared with a decade ago, sweet cherries are becoming more important. Cherries are produced commercially in more than a

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1/ Inventories for the cherry industries, particularly of cherries in brine, which may be carried for several years, are an important means of countering annual fluctuations in production to provide consistent supplies of marketable product. Data on inventories are not available.

dozen States. About 60 percent of the sweet cherry production is in the Northwestern States, predominately Washington and Oregon, with some production in Utah, Montana, and Idaho, about 23 percent of the sweet cherry production is in California; and nearly all of the remainder is in Michigan and New York. Sixty-five percent of the tart cherry production is in Michigan, about 17 percent is produced in New York and Pennsylvania, 7 percent in Wisconsin, and the remainder in Utah, Oregon, and Colorado.

Cherries are grown primarily on family farms. There were about 9,000 cherry growers reported in the 1978 Census of Agriculture, compared with 9,500 growers reported in the 1969 Census. In 1978, 5,100 farms grew sweet cherries. There are about 100 processors of cherries in the United States who either brine, freeze, or can cherries or which are producers of maraschino, fruit cocktail, glace, or other cherry products.

U.S. exports

U.S. exports of fresh cherries in recent years have been almost entirely sweet cherries. During 1977-81, fresh cherry exports more than tripled in value, from 12.0 million pounds, valued at $5.3 million, in 1977 to 21.2 million pounds, valued at $16.6 million, in 1981 (table B-1). Canada has remained the principal market (by quantity) throughout the period, however, the increased exports have been due primarily to expanded markets in Japan, Hong Kong, and the United Kingdom. For example, exports to Japan increased from 0.1 million pounds in 1977 to 5.8 million pounds in 1981, owing primarily to a change in plant health import requirements in Japan.

During 1977-81, U.S. exports of maraschino cherries and canned or otherwise prepared or preserved cherries (equivalent to articles covered under TSUS item 146.99) increased irregularly from 17.7 million pounds in 1977 to 23.3 million pounds in 1980, and then declined by about 45 percent to less than 12.6 million pounds in 1981 (table B-2). Most of the decline can be attributed to a significant drop in canned cherry exports to West Germany and Belgium, which were the first and second ranked markets in 1980; exports to these two markets in 1980 of maraschino and canned cherries amounted to 11.5 million pounds, valued at $5.5 million, and declined in 1981 to 2.0 million pounds, valued at $1.0 million. During 1977-81, U.S. exports of maraschino cherries (which accounted for about one-third by value of the exports) increased irregularly from 2.9 million pounds in 1977 to 5.3 million pounds in 1981 (table B-3); Canada generally has been the principal market but other countries in the Pacific specifically Taiwan, have increased in importance.

Exports of canned or otherwise prepared or preserved cherries consist principally of canned cherries. During 1977-80, such exports averaged 13.6 million pounds annually, but declined by more than half in 1981 to 7.2 million pounds, owing primarily to a large cherry crop in Europe, according to witness testimony (table B-4). Canada, Europe, and Japan have been the important markets.

U.S. imports

U.S. imports of fresh cherries are small and erratic, and except for some quantities of off-season supplies from Southern Hemisphere countries, Canada was by far the principal supplier in 1978-80 (table C-1). In 1981, Chile, the petitioner for GSP treatment, was the principal supplier by quantity but supplied only 47 percent of the value (table D-1). Imports of fresh cherries in 1981, a year in which Canada was not a supplier, amounted to 138,000 pounds, valued at $174,000; the ad valorem equivalent of the low specific rate of duty was 0.1 percent.

Excluding those reported from Canada in 1979, U.S. imports during 1977-81 of otherwise prepared or preserved cherries under item 146.99 ranged between 240,000 pounds to 360,000 pounds annually, with a slight upward trend (table C-2). Nearly all of the imports were from European countries, led by Italy during 1977-80 and by Greece in 1981. About 1 percent of the U.S. imports under TSUS item 146.99 in 1981, a typical year, were from GSP-designated beneficiary countries and none were from Chile, the petitioner for GSP treatment (table D-2). The ad valorem equivalent of the compound rates of duty on imports entered in 1981 under TSUS item 146.99 for imports entered from most-favored-nation countries was 17.5 percent, and for imports entered from designated Communist-controlled countries it was 67.3 percent. In 1981, there were 15 supplying countries of cherries under TSUS item 146.99.

Imports under TSUS item 146.99 traditionally have been small in relation to apparent consumption. Reasons for the low level of imports include large domestic supplies of cherries at relatively low prices and the U.S. import duties. Most of the traditional imports have consisted of relatively high-valued specialty cherries, such as brandied cherries, that have lower ad valorem equivalents of paid duty than would imports of the types of processed cherries that are produced domestically in significant quantities--canned sweet cherries, maraschino cherries, canned tart cherries, and preserved cherries.

The production of cherries in Europe is well established, and the combined production in all European countries is more than three times greater than cherry production in the United States. While cherries are grown in nearly every European country, the leading producers are West Germany, Italy, France, and Yugoslavia. Cherry production in Latin American countries and Pacific rim countries, which constitute the bulk of GSP-eligible countries, when combined, probably is not more than 10 percent of U.S. cherry production. World trade in cherries is primarily in cherries in brine or in processed cherries.

## Position of interested parties

The Government of Chile is the petitioner requesting GSP treatment for fresh cherries under TSUS item 146.90 and otherwise prepared or preserved cherries under TSUS item 146.99.

Congressman Dan Albosta of Michigan opposes granting GSP treatment to cherries. American agriculture, he states, is facing its worst crisis since the Depression. Cherry farmers are having a particularly difficult time as they are faced with a large surplus. In Michigan, the surplus is such that even the reserve pool of cherries from last year is substantial. The reserve pool, in combination with this year's large harvest, has caused cherry prices to be quite depressed. Therefore, he urges that duty-free status not be granted.

The Red Tart Cherry Growers, Inc. USA (RTCG) are opposed to the granting of GSP treatment to fresh cherries not in airtight or watertight containers and to otherwise prepared or preserved cherries. The RTCG states that the elimination of the low rate of duty (on fresh cherries) would not benefit Chile, the petitioner; however, products of other developing countries would also receive duty-free treatment. Prepared or preserved cherries in canned form from Chile and other beneficiary countries would be marketed directly in competition with cherries produced by U.S. growers. The domestic agriculture economy is depressed and imports would cause the loss of jobs of several hundred workers, according to the RTCG.

The Maraschino Cherry and Glace Fruit Processors Association is opposed to the granting of GSP benefits to preserved and processed cherries because the domestic industry is import-sensitive. The association is concerned about the ability of EEC multinational firms to establish processing facilities at relatively modest investment cost in beneficiary countries and exporting duty-free processed cherries to the United States. The beneficiary countries already have a price advantage in sugar over the United States. Furthermore, the maraschino cherry industry is a no-growth industry, according to the association.

The Michigan Department of Agriculture is opposed to the granting of GSP treatment to imports of cherries. The department states that the current duty is low and fair and that domestic production would suffer from increased competition.

Cherry Central Cooperative, Inc. (CCC), opposes GSP treatment on cherries because the proposed changes would negatively impact the already difficult economic position of growers and processors. The CCC states that due to the long-term investment necessary in the growing of slowly maturing cherry orchards, growers are unable to make adjustments to meet quickly instituted and unanticipated changes in their economic markets.

The American Farm Bureau Federation opposes special unilateral tariff concessions such as GSP, believing that tariff concessions should be granted only in a negotiating process, and that GSP is inconsistent with the MFN principle. The Federation urges that U.S. harvest dates and market periods be kept in mind to mitigate the effects of imports on U.S. producers.

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Table A-1.--Cherries, fresh: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value in cents per pound)

| Year | U.S. production | Exports | Im-ports 1/ | Apparent consumption | Ratio (per-cent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977 | 150,900 | 11,954 | 52 | 138,998 | 2/ |
| 1978 | 139,680 | 17,003 | 52 | 122,729 | 2/ |
| 1979 | 171,960 | 22,362 | 2,458 | 150,056 | 2 |
| 1980 | 175,220 | 19,562 | 1,483 | 157,141 | 1 |
| 1981 | 144,476 | 21,158 | 138 | 123,456 | 2/ |
| | | | Value | | |
| 1977 | 44,763 | 5,285 | 30 | 3/ | 3/ |
| 1978 | 59,708 | 9,420 | 30 | 3/ | 3/ |
| 1979 | 61,129 | 11,899 | 1,071 | 3/ | 3/ |
| 1980 | 63,008 | 13,736 | 388 | 3/ | 3/ |
| 1981 | 67,661 | 16,605 | 174 | 3/ | 3/ |
| | | | Unit value | | |
| 1977 | 30 | 44 | 58 | - | - |
| 1978 | 43 | 55 | 57 | - | - |
| 1979 | 36 | 53 | 44 | - | - |
| 1980 | 36 | 70 | 26 | - | - |
| 1981 | 47 | 79 | 126 | - | - |

1/ TSUS item 146.90 (excludes fresh cherries in airtight or watertight containers).
2/ Less than 0.5 percent.
3/ Not meaningful.

Source: Production compiled from official statistics of the U.S. Department of Agriculture; exports and imports compiled from official statistics of the U.S. Department of Commerce.

Table A-2.--Cherries, otherwise prepared or preserved (TSUS item 146.99): U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value cents per pound)

| Year | U.S. production | | | Ex-ports 2/ | Im-ports | Apparent consump-tion | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|---|---|
| | Canned | Other 1/ | Total | | | | |
| | Quantity | | | | | | |
| 1977 | 81,300 | 93,800 | 175,100 | 17,727 | 241 | 157,600 | 0.2 |
| 1978 | 73,100 | 107,400 | 180,500 | 20,076 | 359 | 160,800 | .2 |
| 1979 | 75,600 | 135,200 | 210,800 | 18,827 | 1,190 | 193,200 | .6 |
| 1980 | 99,900 | 107,100 | 207,000 | 23,278 | 265 | 184,000 | .1 |
| 1981 | 60,900 | 99,000 | 159,900 | 12,589 | 349 | 147,700 | .2 |
| | Value | | | | | | |
| 1977 | 22,594 | 18,572 | 41,166 | 8,734 | 160 | 3/ | 3/ |
| 1978 | 29,320 | 30,386 | 59,706 | 11,972 | 278 | 3/ | 3/ |
| 1979 | 30,837 | 34,741 | 65,578 | 10,785 | 836 | 3/ | 3/ |
| 1980 | 19,899 | 20,135 | 40,034 | 12,986 | 247 | 3/ | 3/ |
| 1981 | 23,508 | 22,332 | 45,840 | 8,237 | 293 | 3/ | 3/ |
| | Unit value | | | | | | |
| 1977 | 28 | 20 | 24 | 49 | 66 | - | - |
| 1978 | 40 | 28 | 33 | 60 | 78 | - | - |
| 1979 | 41 | 26 | 31 | 57 | 70 | - | - |
| 1980 | 20 | 19 | 19 | 56 | 93 | - | - |
| 1981 | 39 | 23 | 29 | 65 | 84 | - | - |

1/ Estimated as 90 percent of the U.S. production of brined sweet cherries, which are used primarily for maraschino and fruit cocktail cherries.

2/ Data includes maraschino cherries, and canned or otherwise prepared or preserved sweet cherries and tart cherries (table 2).

3/ Not meaningful.

Source: Production compiled from official statistics of the U.S. Department of Agriculture on crop utilization, as noted; exports and imports compiled from official statistics of the U.S. Department of Commerce.

Table B-1.--Cherries, fresh: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 1/ |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Canada | 10,534 | 11,049 | 14,751 | 7,568 | 8,978 | 6,142 | 603,328 |
| Japan | 109 | 1,940 | 3,706 | 5,706 | 5,753 | 2,037 | 1,362 |
| U King | 37 | 1,099 | 325 | 1,536 | 2,466 | 455 | 45 |
| Hg Kong | 692 | 1,055 | 2,114 | 3,069 | 1,366 | 1,113 | 973 |
| Sweden | 87 | 193 | 71 | 329 | 448 | 117 | 0 |
| Mexico | 36 | 92 | 131 | 444 | 596 | 336 | 55 |
| Nethlds | 0 | 464 | 293 | 54 | 214 | 31 | 0 |
| Singapr | 1 | 28 | 48 | 115 | 153 | 94 | 85 |
| All other | 458 | 1,082 | 923 | 743 | 585 | 393 | 238 |
| Total | 11,954 | 17,003 | 22,362 | 19,562 | 21,158 | 10,718 | 606,085 |
| | Value (1,000 dollars) | | | | | | |
| Canada | 4,585 | 5,402 | 5,987 | 4,553 | 5,912 | 4,331 | 2,891 |
| Japan | 55 | 1,609 | 3,291 | 5,002 | 5,377 | 1,863 | 1,343 |
| U King | 14 | 576 | 244 | 984 | 2,332 | 418 | 60 |
| Hg Kong | 395 | 759 | 1,526 | 2,243 | 1,777 | 1,022 | 969 |
| Sweden | 31 | 162 | 48 | 175 | 298 | 101 | - |
| Mexico | 15 | 34 | 41 | 199 | 224 | 139 | 22 |
| Nethlds | - | 237 | 102 | 19 | 172 | 9 | - |
| Singapr | 1 | 26 | 33 | 71 | 106 | 61 | 66 |
| All other | 187 | 615 | 628 | 489 | 408 | 274 | 229 |
| Total | 5,285 | 9,420 | 11,899 | 13,736 | 16,605 | 8,218 | 5,581 |
| | Unit value (per pound) | | | | | | |
| Canada | $0.44 | $0.49 | $0.41 | $0.60 | $0.66 | $0.71 | $0.00 |
| Japan | 0.51 | 0.83 | 0.89 | 0.88 | 0.93 | 0.91 | 0.99 |
| U King | 0.37 | 0.52 | 0.75 | 0.64 | 0.95 | 0.92 | 1.34 |
| Hg Kong | 0.57 | 0.72 | 0.72 | 0.73 | 0.90 | 0.92 | 1.00 |
| Sweden | 0.36 | 0.84 | 0.67 | 0.53 | 0.66 | 0.86 | - |
| Mexico | 0.43 | 0.37 | 0.31 | 0.45 | 0.38 | 0.41 | 0.41 |
| Nethlds | - | 0.51 | 0.35 | 0.36 | 0.80 | 0.29 | - |
| Singapr | 0.57 | 0.93 | 0.68 | 0.62 | 0.70 | 0.65 | 0.78 |
| All other | 0.41 | 0.57 | 0.68 | 0.66 | 0.70 | 0.70 | 0.96 |
| Average | 0.44 | 0.55 | 0.53 | 0.70 | 0.78 | 0.77 | 0.01 |

1/ In 1982, the value data are correct but the quantity and unit value data are not correct; quantity is overstated by 600,000 thousand pounds owing to a punching error.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-2.--Cherries, maraschino, and canned or otherwise prepared or preserved: 1/ U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Japan------- | 962 | 1,377 | 2,554 | 2,283 | 2,280 | 1,026 | 1,082 |
| Canada------ | 3,658 | 3,747 | 3,516 | 1,850 | 1,933 | 1,085 | 520 |
| Fr Germ----- | 5,604 | 7,040 | 3,221 | 8,896 | 1,536 | 1,517 | 6 |
| China t----- | 661 | 606 | 900 | 1,082 | 999 | 647 | 333 |
| Phil R------ | 47 | 258 | 382 | 282 | 475 | 273 | 4 |
| Hg Kong----- | 368 | 543 | 648 | 583 | 701 | 337 | 440 |
| Belgium----- | 3,141 | 1,805 | 685 | 2,568 | 596 | 473 | 14 |
| Colomb------ | 30 | 128 | 1,934 | 697 | 519 | 293 | 517 |
| All other--- | 3,257 | 4,568 | 4,987 | 5,037 | 3,642 | 2,244 | 1,343 |
| Total--- | 17,727 | 20,076 | 18,827 | 23,278 | 12,589 | 7,895 | 4,260 |
| | Value (1,000 dollars) | | | | | | |
| Japan------- | 440 | 1,010 | 1,732 | 1,449 | 1,531 | 671 | 806 |
| Canada------ | 1,516 | 1,791 | 1,538 | 1,219 | 1,354 | 758 | 364 |
| Fr Germ----- | 2,744 | 3,999 | 2,046 | 4,204 | 715 | 697 | 7 |
| China t----- | 274 | 325 | 492 | 642 | 614 | 383 | 221 |
| Phil R------ | 35 | 262 | 578 | 265 | 518 | 234 | 4 |
| Hg Kong----- | 240 | 341 | 434 | 413 | 437 | 240 | 309 |
| Belgium----- | 1,620 | 1,227 | 517 | 1,293 | 314 | 286 | 16 |
| Colomb------ | 20 | 73 | 478 | 208 | 279 | 139 | 358 |
| All other--- | 1,845 | 2,943 | 2,969 | 3,294 | 2,426 | 1,371 | 1,008 |
| Total--- | 8,734 | 11,972 | 10,785 | 12,986 | 8,237 | 4,778 | 3,094 |
| | Unit value (per pound) | | | | | | |
| Japan------- | $0.46 | $0.73 | $0.68 | $0.63 | $0.67 | $0.65 | $0.75 |
| Canada------ | 0.41 | 0.48 | 0.44 | 0.66 | 0.70 | 0.70 | 0.70 |
| Fr Germ----- | 0.49 | 0.57 | 0.64 | 0.47 | 0.47 | 0.46 | 1.17 |
| China t----- | 0.41 | 0.54 | 0.55 | 0.59 | 0.61 | 0.59 | 0.66 |
| Phil R------ | 0.74 | 1.02 | 1.51 | 0.94 | 1.09 | 0.86 | 1.00 |
| Hg Kong----- | 0.65 | 0.62 | 0.67 | 0.71 | 0.69 | 0.71 | 0.70 |
| Belgium----- | 0.52 | 0.68 | 0.75 | 0.50 | 0.62 | 0.61 | 1.14 |
| Colomb------ | 0.68 | 0.57 | 0.25 | 0.30 | 0.54 | 0.48 | 0.69 |
| All other--- | 0.57 | 0.64 | 0.60 | 0.65 | 0.67 | 0.61 | 0.75 |
| Average-- | 0.49 | 0.60 | 0.57 | 0.56 | 0.65 | 0.61 | 0.73 |

1/ Data does not include frozen, brined, dried, or candied, crystallized, or glace cherries.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-3.--Cherries, maraschino: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Canada------ | 694 | 965 | 870 | 628 | 738 | 376 | 170 |
| China t----- | 489 | 580 | 897 | 1,001 | 987 | 636 | 319 |
| Phil R------ | 47 | 250 | 382 | 243 | 445 | 243 | 4 |
| Hg Kong----- | 295 | 386 | 451 | 374 | 592 | 283 | 414 |
| Singapr----- | 101 | 129 | 222 | 198 | 293 | 152 | 141 |
| Belgium----- | 147 | 116 | 140 | 169 | 162 | 130 | 14 |
| Colomb------ | 23 | 124 | 1,663 | 528 | 298 | 188 | 101 |
| Chile------- | 0 | 5 | 49 | 39 | 158 | 75 | 7 |
| Indnsia----- | 45 | 80 | 25 | 80 | 97 | 47 | 63 |
| Panama------ | 77 | 127 | 93 | 141 | 190 | 141 | 57 |
| All other--- | 952 | 1,359 | 2,447 | 1,396 | 1,386 | 834 | 577 |
| Total--- | 2,869 | 4,120 | 7,239 | 4,797 | 5,346 | 3,110 | 1,873 |
| | Value (1,000 dollars) | | | | | | |
| Canada------ | 280 | 472 | 433 | 555 | 685 | 339 | 157 |
| China t----- | 234 | 318 | 490 | 596 | 607 | 376 | 213 |
| Phil R------ | 35 | 257 | 578 | 230 | 506 | 222 | 4 |
| Hg Kong----- | 193 | 255 | 339 | 279 | 402 | 195 | 287 |
| Singapr----- | 73 | 104 | 141 | 159 | 228 | 114 | 101 |
| Belgium----- | 101 | 87 | 103 | 152 | 136 | 109 | 16 |
| Colomb------ | 17 | 67 | 382 | 130 | 116 | 56 | 77 |
| Chile------- | - | 3 | 41 | 36 | 106 | 50 | 6 |
| Indnsia----- | 31 | 71 | 23 | 71 | 90 | 45 | 65 |
| Panama------ | 57 | 87 | 83 | 90 | 87 | 59 | 22 |
| All other--- | 653 | 874 | 1,490 | 1,116 | 1,009 | 529 | 474 |
| Total--- | 1,674 | 2,594 | 4,102 | 3,414 | 3,972 | 2,095 | 1,423 |
| | Unit value (per pound) | | | | | | |
| Canada------ | $0.40 | $0.49 | $0.50 | $0.88 | $0.93 | $0.90 | $0.92 |
| China t----- | 0.48 | 0.55 | 0.55 | 0.60 | 0.61 | 0.59 | 0.67 |
| Phil R------ | 0.74 | 1.03 | 1.51 | 0.95 | 1.14 | 0.91 | 1.00 |
| Hg Kong----- | 0.65 | 0.66 | 0.75 | 0.75 | 0.68 | 0.68 | 0.69 |
| Singapr----- | 0.72 | 0.80 | 0.64 | 0.80 | 0.78 | 0.75 | 0.72 |
| Belgium----- | 0.69 | 0.75 | 0.74 | 0.90 | 0.84 | 0.84 | 1.14 |
| Colomb------ | 0.75 | 0.54 | 0.23 | 0.25 | 0.39 | 0.30 | 0.76 |
| Chile------- | - | 0.63 | 0.83 | 0.91 | 0.67 | 0.67 | 0.90 |
| Indnsia----- | 0.70 | 0.89 | 0.94 | 0.88 | 0.93 | 0.96 | 0.96 |
| Panama------ | 0.74 | 0.68 | 0.90 | 0.64 | 0.46 | 0.42 | 0.38 |
| All other--- | 0.69 | 0.64 | 0.61 | 0.80 | 0.73 | 0.63 | 0.82 |
| Average-- | 0.58 | 0.63 | 0.57 | 0.71 | 0.74 | 0.67 | 0.76 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-4.--Cherries, canned or otherwise prepared or preserved: 1/ U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Japan | 890 | 1,321 | 2,261 | 2,182 | 2,207 | 983 | 1,034 |
| Fr Germ | 5,584 | 7,022 | 3,190 | 6,866 | 1,514 | 1,513 | 0 |
| Canada | 2,964 | 2,781 | 2,646 | 1,222 | 1,195 | 709 | 350 |
| Belgium | 2,994 | 1,690 | 545 | 2,399 | 343 | 343 | 0 |
| Colomb | 7 | 4 | 271 | 169 | 221 | 105 | 416 |
| U King | 85 | 148 | 119 | 300 | 206 | 103 | 0 |
| Kuwait | 3 | 58 | 334 | 65 | 181 | 164 | 0 |
| Hg Kong | 74 | 163 | 197 | 207 | 109 | 49 | 26 |
| All other | 2,257 | 2,770 | 2,025 | 3,070 | 1,266 | 816 | 561 |
| Total | 14,858 | 15,956 | 11,589 | 18,481 | 7,244 | 4,785 | 2,387 |
| | Value (1,000 dollars) | | | | | | |
| Japan | 395 | 976 | 1,589 | 1,384 | 1,474 | 641 | 773 |
| Fr Germ | 2,726 | 3,982 | 2,021 | 4,173 | 693 | 692 | - |
| Canada | 1,235 | 1,318 | 1,106 | 664 | 669 | 419 | 207 |
| Belgium | 1,518 | 1,141 | 414 | 1,141 | 178 | 177 | - |
| Colomb | 3 | 6 | 97 | 78 | 163 | 83 | 282 |
| U King | 43 | 92 | 61 | 134 | 120 | 54 | - |
| Kuwait | 3 | 28 | 123 | 39 | 104 | 90 | - |
| Hg Kong | 47 | 86 | 94 | 134 | 85 | 45 | 22 |
| All other | 1,090 | 1,748 | 1,176 | 1,826 | 778 | 483 | 388 |
| Total | 7,060 | 9,378 | 6,682 | 9,572 | 4,265 | 2,683 | 1,671 |
| | Unit value (per pound) | | | | | | |
| Japan | $0.44 | $0.74 | $0.70 | $0.63 | $0.67 | $0.65 | $0.75 |
| Fr Germ | 0.49 | 0.57 | 0.63 | 0.47 | 0.46 | 0.46 | - |
| Canada | 0.42 | 0.47 | 0.42 | 0.54 | 0.56 | 0.59 | 0.59 |
| Belgium | 0.51 | 0.68 | 0.76 | 0.48 | 0.52 | 0.52 | - |
| Colomb | 0.44 | 1.62 | 0.36 | 0.46 | 0.74 | 0.79 | 0.68 |
| U King | 0.51 | 0.63 | 0.52 | 0.45 | 0.58 | 0.52 | - |
| Kuwait | 0.72 | 0.48 | 0.37 | 0.60 | 0.58 | 0.55 | - |
| Hg Kong | 0.64 | 0.53 | 0.48 | 0.64 | 0.78 | 0.92 | 0.82 |
| All other | 0.48 | 0.63 | 0.58 | 0.59 | 0.61 | 0.59 | 0.69 |
| Average | 0.48 | 0.59 | 0.58 | 0.52 | 0.59 | 0.56 | 0.70 |

1/ Data does not include maraschino, frozen, brined, dried, or candied, crystallized, or glace cherries.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-1.--Cherries, fresh: 1/ U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| N Zeal | 17 | 12 | 9 | 45 | 53 | 44 | 33 |
| Chile | 30 | 0 | 0 | 49 | 80 | 80 | 209 |
| Canada | 5 | 35 | 2,442 | 1,388 | 4 | 2 | 0 |
| Switzld | 0 | 0 | 0 | 0 | 2/ | 0 | 0 |
| France | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Mexico | 0 | 3 | 6 | 0 | 0 | 0 | 0 |
| Greece | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| Austral | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| Total | 52 | 52 | 2,458 | 1,483 | 138 | 126 | 242 |
| | Value (1,000 dollars) | | | | | | |
| N Zeal | 14 | 15 | 12 | 50 | 88 | 72 | 57 |
| Chile | 14 | - | - | 22 | 82 | 82 | 286 |
| Canada | 2 | 12 | 1,057 | 316 | 3 | 1 | - |
| Switzld | - | - | - | - | 1 | - | - |
| France | - | - | 2 | - | - | - | - |
| Mexico | - | 2/ | 1 | - | - | - | - |
| Greece | - | 2 | - | - | - | - | - |
| Austral | - | 1 | - | - | - | - | - |
| Total | 30 | 30 | 1,071 | 388 | 174 | 155 | 343 |
| | Unit value (per pound) | | | | | | |
| N Zeal | $0.81 | $1.26 | $1.34 | $1.10 | $1.67 | $1.65 | $1.72 |
| Chile | .48 | - | - | .45 | 1.02 | 1.02 | 1.37 |
| Canada | .36 | .35 | .43 | .23 | .66 | .52 | - |
| Switzld | - | - | - | - | 2.27 | - | - |
| France | - | - | 2.36 | - | - | - | - |
| Mexico | - | .13 | .24 | - | - | - | - |
| Greece | - | 1.29 | - | - | - | - | - |
| Austral | - | 1.18 | - | - | - | - | - |
| Average | .58 | .57 | .44 | .26 | 1.26 | 1.24 | 1.42 |

1/ TSUS item 146.90.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No. A106--Con.

Table C-2.--Cherries, otherwise prepared or preserved: 1/ U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Greece | 20 | 12 | 44 | 40 | 55 | 36 | 26 |
| Switzld | 1 | 30 | 17 | 18 | 56 | 22 | 19 |
| France | 8 | 27 | 15 | 22 | 37 | 10 | 23 |
| U King | 2 | 12 | 8 | 16 | 19 | 8 | 11 |
| Poland | 75 | 41 | 27 | 42 | 70 | 46 | 4 |
| Bulgar | 0 | 0 | 0 | 0 | 48 | 26 | 0 |
| Canada | 0 | 0 | 848 | 0 | 23 | 3 | 18 |
| Italy | 126 | 215 | 175 | 56 | 7 | 3 | 10 |
| All other | 9 | 23 | 55 | 70 | 33 | 29 | 42 |
| Total | 241 | 359 | 1,190 | 265 | 349 | 184 | 154 |
| | Value (1,000 dollars) | | | | | | |
| Greece | 16 | 10 | 50 | 40 | 69 | 46 | 33 |
| Switzld | 1 | 28 | 21 | 25 | 55 | 24 | 22 |
| France | 11 | 30 | 18 | 34 | 52 | 14 | 25 |
| U King | 1 | 11 | 13 | 25 | 35 | 17 | 16 |
| Poland | 20 | 12 | 8 | 13 | 24 | 16 | 4 |
| Bulgar | - | - | - | - | 16 | 7 | - |
| Canada | - | - | 537 | - | 14 | 3 | 13 |
| Italy | 103 | 171 | 160 | 67 | 12 | 5 | 8 |
| All other | 6 | 15 | 28 | 43 | 15 | 11 | 24 |
| Total | 160 | 278 | 836 | 247 | 293 | 143 | 145 |
| | Unit value (per pound) | | | | | | |
| Greece | $0.82 | $0.86 | $1.14 | $1.01 | $1.26 | $1.29 | $1.27 |
| Switzld | 0.86 | 0.95 | 1.23 | 1.33 | 0.99 | 1.06 | 1.14 |
| France | 1.49 | 1.11 | 1.17 | 1.56 | 1.39 | 1.42 | 1.07 |
| U King | 0.73 | 0.94 | 1.61 | 1.56 | 1.84 | 1.99 | 1.50 |
| Poland | 0.27 | 0.30 | 0.29 | 0.30 | 0.34 | 0.35 | 1.01 |
| Bulgar | - | - | - | - | 0.34 | 0.28 | - |
| Canada | - | - | 0.63 | - | 0.63 | 0.78 | 0.70 |
| Italy | 0.82 | 0.80 | 0.91 | 1.19 | 1.71 | 1.53 | 0.77 |
| All other | 0.61 | 0.66 | 0.51 | 0.61 | 0.45 | 0.38 | 0.57 |
| Average | 0.66 | 0.78 | 0.70 | 0.93 | 0.84 | 0.77 | 0.94 |

1/ TSUS item 146.99. The data may include (by definition) maraschino, canned, brandied, or otherwise prepared or preserved cherries. The data does not include dried, brined, frozen, or candied, crystallized, or glace cherries.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-1.--Cherries, fresh: 1/ U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 52 | 2,458 | 1,483 | 138 | 242 | 100 |
| 26 developed ctries, total | 47 | 2,452 | 1,434 | 57 | 33 | 14 |
| GSP countries, total | 3 | 6 | 49 | 80 | 209 | 86 |
| Chile | 0 | 0 | 49 | 80 | 209 | 86 |
| Mexico | 3 | 6 | 0 | 0 | 0 | |
| Other | 1 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 30 | 1,071 | 388 | 174 | 343 | 100 |
| 26 developed ctries, total | 28 | 1,070 | 365 | 92 | 57 | 17 |
| GSP countries, total | 2/ | 1 | 22 | 82 | 286 | 83 |
| Chile | - | - | 22 | 82 | 286 | 83 |
| Mexico | 2/ | 1 | - | - | - | |
| Other | 2 | - | - | - | - | |

1/ TSUS item 146.90.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-2.--Cherries, otherwise prepared or preserved: 1/ U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 359 | 1,190 | 265 | 349 | 154 | 100 |
| 26 developed ctries, total | 337 | 1,106 | 186 | 217 | 94 | 61 |
| GSP countries, total | 0 | 6 | 12 | 4 | 0 | |
| Yugoslv | 0 | 5 | 11 | 3 | 0 | |
| Portugl | 0 | 0 | 0 | 2/ | 0 | |
| Hg Kong | 0 | 0 | 1 | 1 | 0 | |
| Dom Rep | 0 | 1 | 0 | 0 | 0 | |
| Cyprus | 0 | 0 | 2/ | 0 | 0 | |
| Other | 22 | 78 | 66 | 128 | 60 | 39 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 278 | 836 | 247 | 293 | 145 | 100 |
| 26 developed ctries, total | 262 | 774 | 192 | 196 | 95 | 65 |
| GSP countries, total | - | 3 | 8 | 4 | - | |
| Yugoslv | - | 2 | 6 | 2 | - | |
| Portugl | - | - | - | 1 | - | |
| Hg Kong | - | - | 1 | 1 | - | |
| Dom Rep | - | 2/ | - | - | - | |
| Cyprus | - | - | 2/ | - | - | |
| Other | 17 | 60 | 47 | 93 | 51 | 35 |

1/ TSUS item 146.99. The data may include (by definition) maraschino, canned, brandied, or otherwise prepared or preserved cherries. The data does not include dried, brined, frozen, or candied, crystallized, or glace cherries.

2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No.
A107

TITLE: Figs and fig paste

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. | Brief product description | Rates of duty 1/ Current col. 1 (1/1/82) | Current col. 2 (1/1/82) | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|
| | Figs, fresh, or prepared or preserved: | | | | |
| | Dried: | | | | |
| 147.51 | In immediate containers weighing with their contents over 1 pound each. | 4.5¢ per lb. (AVE 5.8%) | 5¢ per lb. (AVE 6.5%) | 999 | Yes. |
| 147.53 | Other | 3.5¢ per lb. (AVE 4.5%) | 5¢ per lb. (AVE 6.5%) | 2,839 | Yes. |
| 147.54 | Otherwise prepared or preserved 2/ | 12% ad val. | 40% ad val. | 70 | Yes. |
| | Fruit pastes and fruit pulps: | | | | |
| 152.50 | Fig | 5¢ per lb. (AVE 9.0%) | 5¢ per lb. (AVE 9.0%) | 5,388 | Yes. |

1/ Rates not modified in the Tokyo round of Multilateral Trade Negotiations. Ad valorem equivalents (AVE) of the specific rates of duty are based on imports entered at most-favored-nation rates (col. 1) in 1981.

2/ Prepared or preserved figs other than in brine or dried.

II. Comment 1/

Description and uses

Dried figs and fig paste are the principal articles of trade in the fig industry and account for an estimated 95 percent of all figs sold and consumed in the United States. 2/ Figs are produced on fruit trees grown in tropical or subtropical climates. Dried figs (TSUS items 147.51 and 147.53) are usually partially dried on the tree, and after harvest and preparation are eaten out of hand as a snack or dessert, processed into juice, used in cooking and baking, or ground into fig paste (TSUS item 152.50). Fig paste is used primarily in figbars, a cookie with a filling made chiefly of fig paste.

Four principal varieties of figs are grown in California for use as dried figs or fig paste. During 1976-80, the Calimyrna variety accounted for 31 percent of the dried fig production, the Adriatic variety 36 percent, the Black Mission variety 23 percent, and the Kadota variety 10 percent. The Calimyrna fig, the leading variety a decade ago (accounting for 41 percent of production), has become less important, the Black Mission and Kadota more important, and the Adriatic relatively unchanged.

Prepared or preserved figs other than in brine or dried figs, classified as "otherwise prepared or preserved" figs in the TSUS (item 147.54), that are produced domestically are virtually all "fresh" figs which have been canned in syrup; they are used mainly as a dessert fruit. The imported "otherwise prepared or preserved" figs consist of baked figs stuffed with almonds, used

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1/ Commissioner Haggart did not participate in the formulation of this portion of the report.

2/ The remaining consumption consists of fresh, in brine, or otherwise prepared or preserved (except dried) figs. Fresh or in brine figs, TSUS item 147.50, are not under review for possible GSP treatment.

as a confection, and perhaps small quantities of canned fresh figs. Small quantities of canned, sugar-cured, dried figs are imported.

U.S. customs treatment

Dried figs were the subject of an escape-clause investigation which resulted in an affirmative finding by the Tariff Commission in 1952, and annual review of the competitive status of imports for nearly a decade thereafter. The current rates of duty on dried figs and fig paste are in part a result of those investigations, which raised the duty on imports of dried figs from 2.5 cents per pound to 4.5 cents.

U.S. consumption, production, and producers

During 1977-81, the combined domestic consumption of dried figs and fig paste ranged from 32 million pounds to 40 million pounds annually and averaged 36 million pounds with no discernible trend. On the average over the period, dried figs accounted for one-fourth of the consumption and fig paste for three-fourths. On the other hand, less than two-thirds of the annual domestic shipments consisted of fig paste. The U.S. fig industry for the production of dried figs and fig paste is concentrated in two counties in California. There are four firms or grower cooperatives that handle and pack nearly all of the domestic output. Dried figs are subject to a Federal Marketing Order under which dried figs must be inspected. Only those that meet prescribed standards and are designated "merchantable" are certificated as eligible for sale for distribution through the normal channels of trade. Substandard, or nonmerchantable, dried figs may not be sold for human consumption; they are used mainly for animal feed and the production of alcohol.

Dried figs.--The domestic consumption of whole dried figs declined irregularly from 12.0 million pounds in 1977 to 9.7 million pounds in 1981 (table A-1). During the same period, domestic producers' shipments of whole dried figs ranged from 4.7 million pounds in 1978, valued at $3.9 million, to 7.7 million pounds in 1981, valued at $6.2 million. When the year 1977 is excluded (7.6 million pounds), shipments over the period showed an annual increase of about 1 million pounds per year. The increased shipments since 1978 are believed to be correlated with an increase in the annual bearing acreage of figs which began after 1978, ending a long-term steady decline of bearing acreage that had been taking place since the 1950's.

Fig paste.--During 1977-81, the domestic apparent consumption of fig paste fluctuated from 22.2 million pounds in 1978 to 31.8 million pounds in 1979 and amounted to 23.6 million pounds in 1981 (table A-2). Domestic producers' shipments of fig paste over the period, as was the case with whole dried figs, increased each year from 1978 to 1981. In 1978 shipments of domestic fig paste amounted to 8.0 million pounds, valued at $4.2 million, and increased to 13.9 million pounds in 1981, valued at $6.3 million.

Otherwise prepared or preserved figs.--Data are not available on the domestic production and consumption of prepared or preserved figs other than dried figs. However, the quantity of figs for all uses other than drying (which includes figs sold for fresh market) has been declining and amounted to 3.2 million pounds, fresh weight, in 1981 (table A-3). Domestic production of otherwise prepared or preserved figs consists primarily of canned figs while articles imported under this description have consisted chiefly of stuffed figs, a product not produced in the United States.

U.S. exports

During 1977-81, U.S. exports of dried figs averaged 2.9 million pounds annually (table B), or an equivalent, over the period, of 44 percent of domestic shipments. 1/ In 1981, the principal export markets, in terms of quantity, were Canada and Hong Kong.

U.S. imports

U.S. imports of dried figs and fig paste, which during 1977-81 ranged from 15 million to 27 million pounds annually, are virtually all from four Mediterranean countries--Greece, Spain, Portugal and Turkey--that are the dominant world producers (table C-1). Two of these suppliers, Turkey and Portugal, are GSP-designated beneficiary countries. Nearly three-fourths of the U.S. imports, on the average, consisted of fig paste.

There is a dual market for figs after they have been dried--one is for whole figs which are sold to the ultimate consumer at retail as whole figs (commonly referred to as dried figs), and the other is for ground dried figs (fig paste) or chopped dried figs which are used in manufacturing, usually by bakers. Fig producers generally receive higher unit prices for whole dried figs sold ultimately at retail as such than those sold for manufacturing. Thus, industry inventories, both foreign and domestic, are usually held as dried figs rather than as fig paste; the bulk of utilization, however, is as

1/ Industry sources indicate that these data significantly overstate actual U.S. exports of dried figs or fig paste produced domestically. They believe that official statistics on exports (Department of Commerce) include exports of foreign merchandise that failed to meet U.S. Food and Drug Administration inspection requirements.

fig paste. Quality is very important because not only are dried figs readily susceptible to insect habitation but visual appearance to consumers helps determine the share sold at retail. In the United States, all harvested dried figs must be Federally inspected to determine those that are merchantable for human consumption. U.S. imports of dried figs and fig paste are subject to Federal inspection for insect contamination or other defects. Each of the four principal fig varieties have separate characteristics which affect their use and price, and the conditions of competition for the dried fig industry.

Dried figs.--In recent years, more than 95 percent of the U.S. imports of dried figs (TSUS items 147.51 and 147.53) have been supplied by Greece and Turkey (table C-2). During 1977-81, imports of dried figs in containers holding over 1 pound each (TSUS item 147.51) declined irregularly from 2.5 million pounds in 1977 to 1.3 million pounds in 1981, and Greece and Turkey alternated as the leading annual supplier (table D-1). Imports of dried figs in containers not holding over 1 pound each, TSUS item 147.53 (predominantly string figs weighing about 1 pound each) from GSP eligible countries have been relatively small (table D-2); most of such imports have come from Greece. Imported dried figs compete in many of the same markets as domestically produced "packaged figs," which are frequently in packages of nearly 1 pound or 2 pounds each. Some consumers have shown preference for particular styles of pack or origin of fig. Taken together, imports (in immediate containers weighing over and under 1 pound each) of dried figs accounted for between 51 percent and 79 percent of the annual U.S. apparent consumption during 1977-81.

Fig paste.--During 1977-81, Spain usually was the principal supplier of U.S. imports of fig paste (TSUS item 152.50), generally accounting for about one-half of the imports, which ranged from 10 million to 21 million pounds annually (table C-3). Turkey was the second ranked supplier during 1978-80, and was by far the leading supplier in 1977. Fig paste imports from Turkey declined from 7.6 million pounds in 1977 to 0.8 million pounds in 1981, even though the average unit value of the imports from that country was lower each year than the average unit value from all suppliers. Portugal and Greece also have been significant suppliers of fig paste imports. In 1981, 28 percent of the imports (based on value) were from GSP-eligible countries (table D-3). Fig paste is used almost exclusively in the manufacture of fig bars by domestic bakers and the domestic and foreign product are readily interchangeable. In 1977-81, U.S. imports of fig paste accounted for between 41 percent and 66 percent of the annual apparent consumption of fig paste. 1/

Otherwise prepared or preserved figs.--During 1977-81, U.S. imports of prepared or preserved figs other than dried and in brine figs (TSUS 147.54), ranged from 159,000 pounds, valued at $56,000, in 1977 to 73,000 pounds, valued at $49,000, in 1978 (table C-4). Colombia and Italy were the principal suppliers. GSP-eligible countries have supplied the bulk of the imports in recent years; in 1981, they accounted for 51 percent of the value of imports (table D-4). Imports account for an estimated 2 percent of the apparent consumption in the United States of figs other than dried figs and fig paste.

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1/ Data excludes inventories and imports of dried figs converted to fig paste in the United States.

Position of interested parties

The Government of Turkey is the petitioner requesting GSP treatment on U.S. imports of figs and fig paste.

The California Fig Institute and Advisory Board opposes granting GSP status to figs and fig paste. They state that GSP treatment would impact directly on the market share held by U.S. producers and would not be limited in effect to non-GSP exporters. They claim that Turkey is already price competitive and subsidy payments in that country this year could increase that advantage. Moreover, price reductions by Turkey would likely cause non-GSP exporters to lower their prices, giving a net effect of a general price reduction on all imported fig products. They say that this would cause severe injury to a domestic industry which already holds less than 50 percent of the U.S. market.

Sun-Diamond Growers of California opposes granting GSP status to figs and fig products and states that GSP beneficiary countries are capable of supplying large quantities of fig products to the United States. They say that subsidized supplies from Turkey of fig products have had a detrimental effect on the U.S. fig industry which is already beset by economic problems. Low prices for Turkish fig paste are because of poor quality. The growers contend that the decrease in the volume of fig paste imported from Turkey in 1981 (noted at the hearing) was caused by U.S. Food and Drug Administration determination owing to quality. The four fig products being considered for GSP treatment, according to the growers, are virtually a single competitive product for many purposes, and the granting of duty-free status to any of them would be detrimental to the U.S. industry.

The American Farm Bureau Federation opposes special unilateral tariff concessions such as GSP, believing that tariff concessions should be granted only in a negotiating process, and that GSP is inconsistent with the MFN principle. The Federation urges that U.S. harvest dates and market periods be kept in mind to mitigate the effects of imports on U.S. producers.

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*                    *                    *                    *                    *

Table A-1.--Figs, dried (items 147.51 and 147.53): U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value in cents per pound)

| Year | Producers' shipments 1/ | Exports 2/ | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977 | 7,556 | 2,077 | 6,538 | 12,017 | 54 |
| 1978 | 4,696 | 2,525 | 8,012 | 10,183 | 79 |
| 1979 | 5,916 | 3,914 | 5,707 | 7,709 | 74 |
| 1980 | 6,970 | 3,037 | 4,040 | 7,973 | 51 |
| 1981 | 7,732 | 2,988 | 4,960 | 9,704 | 51 |
| | Value | | | | |
| 1977 | 5,969 | 1,260 | 3,224 | 3/ | 3/ |
| 1978 | 3,945 | 1,567 | 4,197 | 3/ | 3/ |
| 1979 | 5,443 | 2,055 | 3,870 | 3/ | 3/ |
| 1980 | 5,646 | 1,935 | 3,254 | 3/ | 3/ |
| 1981 | 6,186 | 2,132 | 3,838 | 3/ | 3/ |
| | Unit value | | | | |
| 1977 | 79 | 61 | 49 | - | - |
| 1978 | 84 | 62 | 52 | - | - |
| 1979 | 92 | 52 | 68 | - | - |
| 1980 | 81 | 64 | 81 | - | - |
| 1981 | 80 | 71 | 77 | - | - |

1/ Includes dried figs shipped for wholesale and retail sales (does not include dried figs used for fig paste); value of shipments are based on the average annual price received by growers for dried Calimyrna figs. Shipments are for the year beginning Aug. 1 of the year indicated.

2/ Data may include exports of foreign merchandise.

3/ Not meaningful.

Source: Shipments compiled from official statistics of the California Dried Fig Advisory Board; exports and imports compiled from official statistics of the U.S. Department of Commerce.

Table A-2.--Fig paste (item 152.50): U.S. producers' shipments, imports for consumption, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value in cents per pound)

| Year | Producers' shipments 1/ | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|
| | Quantity | | | |
| 1977 | 13,266 | 12,030 | 25,296 | 48 |
| 1978 | 8,026 | 14,128 | 22,154 | 64 |
| 1979 | 10,784 | 21,058 | 31,842 | 66 |
| 1980 | 12,322 | 18,296 | 30,618 | 60 |
| 1981 | 13,892 | 9,687 | 23,579 | 41 |
| | Value | | | |
| 1977 | 5,174 | 4,070 | 2/ | 2/ |
| 1978 | 4,174 | 6,098 | 2/ | 2/ |
| 1979 | 6,363 | 11,063 | 2/ | 2/ |
| 1980 | 6,161 | 11,037 | 2/ | 2/ |
| 1981 | 6,251 | 5,388 | 2/ | 2/ |
| | Unit value | | | |
| 1977 | 39 | 34 | - | - |
| 1978 | 52 | 43 | - | - |
| 1979 | 59 | 53 | - | - |
| 1980 | 50 | 60 | - | - |
| 1981 | 45 | 56 | - | - |

1/ Includes dried figs shipped for manufacturing (processing); value of shipments is based on the average annual price received by growers for dried Adriatic figs. Shipments are for the year beginning Aug. 1 of the year indicated.

2/ Not meaningful.

Source: Producers' shipments compiled from official statistics of the California Dried Fig Advisory Board; imports compiled from official statistics of the U.S. Department of Commerce.

Note.—U.S. exports of fig paste are not separately reported, however, it is believed that such exports are negligible or nil.

Table A-3.--Figs, prepared or preserved, except dried or in brine (item 147.54): U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value in cents per pound)

| Year | U.S. production 1/ | Exports 2/ | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977 | 6,800 | 20 | 159 | 6,939 | 2 |
| 1978 | 7,400 | 20 | 73 | 7,453 | 1 |
| 1979 | 7,600 | 20 | 76 | 7,653 | 1 |
| 1980 | 4,200 | 20 | 91 | 4,271 | 2 |
| 1981 | 3,100 | 20 | 87 | 3,167 | 3 |
| | | | Value | | |
| 1977 | 1,156 | 3/ | 56 | 3/ | 3/ |
| 1978 | 1,332 | 3/ | 49 | 3/ | 3/ |
| 1979 | 1,596 | 3/ | 57 | 3/ | 3/ |
| 1980 | 1,050 | 3/ | 63 | 3/ | 3/ |
| 1981 | 775 | 3/ | 70 | 3/ | 3/ |
| | | | Unit value | | |
| 1977 | 17 | 3/ | 35 | - | - |
| 1978 | 18 | 3/ | 68 | - | - |
| 1979 | 21 | 3/ | 75 | - | - |
| 1980 | 25 | 3/ | 69 | - | - |
| 1981 | 25 | 3/ | 81 | - | - |

1/ California production of figs other than dried figs (includes quantities sold to fresh market and to canning).
2/ Exports are not separately reported; the level of exports is estimated.
3/ Not available.

Source: Production compiled from official statistics of the U.S. Department of Agriculture; imports compiled from official statistics of the U.S. Department of Commerce.

Table B.--Figs, dried: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | | | Quantity (1,000 pounds) | | | | |
| Canada------ | 1,160 | 1,139 | 2,704 | 1,577 | 1,435 | 500 | 236 |
| Hg Kong----- | 491 | 577 | 610 | 678 | 629 | 298 | 737 |
| N Zeal------ | 102 | 96 | 104 | 79 | 86 | 27 | 26 |
| Fr Germ----- | 90 | 173 | 75 | 141 | 82 | 0 | 0 |
| Mexico------ | 1 | 0 | 2 | 270 | 530 | 250 | 143 |
| Finland----- | 0 | 0 | 5 | 0 | 21 | 0 | 0 |
| Venez------- | 19 | 21 | 26 | 24 | 19 | 2 | 0 |
| Japan------- | 2 | 39 | 13 | 42 | 24 | 0 | 1 |
| All other--- | 213 | 480 | 376 | 227 | 113 | 15 | 17 |
| Total--- | 2,077 | 2,525 | 3,914 | 3,037 | 2,986 | 1,092 | 1,160 |
| | | | Value (1,000 dollars) | | | | |
| Canada------ | 554 | 510 | 997 | 853 | 977 | 283 | 200 |
| Hg Kong----- | 369 | 488 | 589 | 586 | 668 | 299 | 398 |
| N Zeal------ | 87 | 108 | 121 | 101 | 122 | 39 | 43 |
| Fr Germ----- | 45 | 93 | 38 | 68 | 117 | - | - |
| Mexico------ | 1 | - | 2 | 37 | 57 | 27 | 16 |
| Finland----- | - | - | 6 | - | 36 | - | - |
| Venez------- | 21 | 30 | 40 | 36 | 33 | 4 | - |
| Japan------- | 1 | 38 | 11 | 50 | 23 | - | 1 |
| All other--- | 182 | 300 | 250 | 203 | 99 | 16 | 22 |
| Total--- | 1,260 | 1,567 | 2,055 | 1,935 | 2,132 | 668 | 680 |
| | | | Unit value (per pound) | | | | |
| Canada------ | $0.48 | $0.45 | $0.37 | $0.54 | $0.66 | $0.57 | $0.85 |
| Hg Kong----- | 0.75 | 0.85 | 0.97 | 0.86 | 1.06 | 1.00 | 0.54 |
| N Zeal------ | 0.85 | 1.13 | 1.17 | 1.28 | 1.42 | 1.45 | 1.63 |
| Fr Germ----- | 0.50 | 0.54 | 0.51 | 0.48 | 1.43 | - | - |
| Mexico------ | 1.28 | - | 1.05 | 0.14 | 0.11 | 0.11 | 0.12 |
| Finland----- | - | - | 1.33 | - | 1.73 | - | - |
| Venez------- | 1.15 | 1.40 | 1.52 | 1.51 | 1.75 | 1.69 | - |
| Japan------- | 0.49 | 0.97 | 0.87 | 1.19 | 0.95 | - | 1.47 |
| All other--- | 0.86 | 0.62 | 0.67 | 0.89 | 0.88 | 1.07 | 1.28 |
| Average-- | 0.61 | 0.62 | 0.52 | 0.64 | 0.71 | 0.61 | 0.59 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-1.--Dried figs and fig paste: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Greece | 5,948 | 7,669 | 5,108 | 5,006 | 5,497 | 1,121 | 730 |
| Spain | 3,351 | 5,653 | 10,923 | 10,011 | 5,633 | 4,568 | 3,358 |
| Portugl | 211 | 2,273 | 3,542 | 2,599 | 2,017 | 1,766 | 836 |
| Turkey | 8,985 | 4,980 | 6,890 | 4,531 | 1,217 | 652 | 1,335 |
| Thailnd | 0 | 0 | 0 | 0 | 200 | 200 | 0 |
| Romania | 0 | 0 | 0 | 0 | 40 | 0 | 0 |
| Italy | 20 | 19 | 31 | 17 | 16 | 0 | 0 |
| Chile | 0 | 0 | 0 | 0 | 13 | 0 | 0 |
| All other | 53 | 1,546 | 271 | 171 | 7 | 1 | 25 |
| Total | 18,568 | 22,140 | 26,765 | 22,336 | 14,[illegible]47 | 8,[illegible]08 | 6,2[illegible] |
| | Value (1,000 dollars) | | | | | | |
| Greece | 2,616 | 4,089 | 3,392 | 3,701 | 3,967 | 659 | 375 |
| Spain | 1,223 | 2,509 | 6,144 | 6,032 | 3,230 | 2,663 | 1,803 |
| Portugl | 72 | 957 | 1,813 | 1,649 | 1,126 | 1,002 | 404 |
| Turkey | 3,329 | 2,296 | 3,407 | 2,774 | 713 | 360 | 539 |
| Thailnd | - | - | - | - | 131 | 131 | - |
| Romania | - | - | - | - | 21 | - | - |
| Italy | 17 | 21 | 31 | 26 | 20 | - | - |
| Chile | - | - | - | - | 11 | - | - |
| All other | 37 | 424 | 146 | 110 | 7 | 3 | 23 |
| Total | 7,294 | 10,295 | 14,933 | 14,291 | 9,227 | 4,817 | 3,145 |
| | Unit value (per pound) | | | | | | |
| Greece | $0.44 | $0.53 | $0.66 | $0.74 | $0.72 | $0.59 | $0.51 |
| Spain | 0.37 | 0.44 | 0.56 | 0.60 | 0.57 | 0.58 | 0.54 |
| Portugl | 0.34 | 0.42 | 0.51 | 0.63 | 0.56 | 0.57 | 0.48 |
| Turkey | 0.37 | 0.46 | 0.49 | 0.61 | 0.59 | 0.55 | 0.40 |
| Thailnd | - | - | - | - | 0.65 | 0.65 | - |
| Romania | - | - | - | - | 0.52 | - | - |
| Italy | 0.83 | 1.08 | 1.02 | 1.50 | 1.24 | - | - |
| Chile | - | - | - | - | 0.86 | - | - |
| All other | 0.70 | 0.27 | 0.54 | 0.64 | 0.99 | 2.06 | 0.93 |
| Average | 0.39 | 0.47 | 0.56 | 0.64 | 0.63 | 0.58 | 0.50 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-2.--Figs, dried: 1/ U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Greece | 5,070 | 5,709 | 3,584 | 3,446 | 4,417 | 41 | 16 |
| Turkey | 1,370 | 821 | 1,992 | 369 | 440 | 182 | 42 |
| Portugl | 25 | 30 | 55 | 39 | 27 | 13 | 6 |
| Romania | 0 | 0 | 0 | 0 | 40 | 0 | 0 |
| Italy | 20 | 19 | 31 | 17 | 16 | 0 | 0 |
| Chile | 0 | 0 | 0 | 0 | 13 | 0 | 0 |
| Canada | 0 | 2 | 1 | 2 | 4 | 0 | 13 |
| Austral | 14 | 2 | 6 | 11 | 1 | 1 | 6 |
| All other | 40 | 1,429 | 38 | 154 | 0 | 0 | 13 |
| Total | 6,538 | 8,012 | 5,707 | 4,040 | 4,960 | 237 | 95 |
| | Value (1,000 dollars) | | | | | | |
| Greece | 2,304 | 3,232 | 2,531 | 2,667 | 3,336 | 27 | 11 |
| Turkey | 855 | 561 | 1,245 | 386 | 422 | 175 | 48 |
| Portugl | 11 | 17 | 24 | 30 | 21 | 12 | 1 |
| Romania | - | - | - | - | 21 | - | - |
| Italy | 17 | 21 | 31 | 26 | 20 | - | - |
| Chile | - | - | - | - | 11 | - | - |
| Canada | - | 2 | 1 | 1 | 4 | - | 12 |
| Austral | 17 | 2 | 9 | 21 | 3 | 3 | 9 |
| All other | 20 | 364 | 29 | 124 | - | - | 6 |
| Total | 3,224 | 4,197 | 3,870 | 3,254 | 3,838 | 217 | 83 |
| | Unit value (per pound) | | | | | | |
| Greece | $0.45 | $0.57 | $0.71 | $0.77 | $0.76 | $0.67 | $0.71 |
| Turkey | 0.62 | 0.68 | 0.62 | 1.05 | 0.96 | 0.96 | 1.14 |
| Portugl | 0.46 | 0.54 | 0.43 | 0.78 | 0.78 | 0.95 | 0.17 |
| Romania | - | - | - | - | 0.52 | - | - |
| Italy | 0.83 | 1.08 | 1.02 | 1.50 | 1.24 | - | - |
| Chile | - | - | - | - | 0.86 | - | - |
| Canada | - | 0.76 | 1.97 | 0.69 | 0.84 | - | 0.96 |
| Austral | 1.26 | 1.52 | 1.51 | 1.83 | 2.06 | 2.06 | 1.70 |
| All other | 0.50 | 0.25 | 0.77 | 0.79 | - | - | 0.47 |
| Average | 0.49 | 0.52 | 0.68 | 0.81 | 0.77 | 0.92 | 0.93 |

1/ TSUS items 147.51 and 147.53.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-3.--Fig paste: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Spain | 3,351 | 5,653 | 10,923 | 9,859 | 5,638 | 4,568 | 3,352 |
| Portugl | 186 | 2,243 | 3,487 | 2,560 | 1,990 | 1,753 | 830 |
| Greece | 878 | 1,960 | 1,524 | 1,560 | 1,080 | 1,030 | 720 |
| Turkey | 7,615 | 4,159 | 4,898 | 4,163 | 777 | 470 | 1,293 |
| Thailnd | 0 | 0 | 0 | 0 | 200 | 200 | 0 |
| Denmark | 0 | 0 | 0 | 70 | 2 | 0 | 0 |
| Fr Germ | 0 | 0 | 0 | 43 | 0 | 0 | 0 |
| U King | 0 | 0 | 0 | 43 | 0 | 0 | 0 |
| All other | 1/ | 113 | 227 | 0 | 0 | 0 | 0 |
| Total | 12,030 | 14,128 | 21,058 | 18,296 | 9,687 | 8,071 | 6,194 |
| | Value (1,000 dollars) | | | | | | |
| Spain | 1,223 | 2,509 | 6,144 | 5,912 | 3,230 | 2,663 | 1,799 |
| Portugl | 61 | 940 | 1,789 | 1,619 | 1,104 | 989 | 403 |
| Greece | 312 | 858 | 862 | 1,034 | 631 | 631 | 364 |
| Turkey | 2,474 | 1,735 | 2,162 | 2,388 | 291 | 185 | 491 |
| Thailnd | - | - | - | - | 131 | 131 | - |
| Denmark | - | - | - | 40 | 1 | - | - |
| Fr Germ | - | - | - | 24 | - | - | - |
| U King | - | - | - | 20 | - | - | - |
| All other | 1/ | 56 | 107 | - | - | - | - |
| Total | 4,070 | 6,098 | 11,063 | 11,037 | 5,388 | 4,600 | 3,057 |
| | Unit value (per pound) | | | | | | |
| Spain | $0.37 | $0.44 | $0.56 | $0.60 | $0.57 | $0.58 | $0.54 |
| Portugl | 0.33 | 0.42 | 0.51 | 0.63 | 0.56 | 0.56 | 0.49 |
| Greece | 0.36 | 0.44 | 0.57 | 0.66 | 0.58 | 0.58 | 0.51 |
| Turkey | 0.32 | 0.42 | 0.44 | 0.57 | 0.37 | 0.39 | 0.38 |
| Thailnd | - | - | - | - | 0.65 | 0.65 | - |
| Denmark | - | - | - | 0.58 | 0.50 | - | - |
| Fr Germ | - | - | - | 0.56 | - | - | - |
| U King | - | - | - | 0.46 | - | - | - |
| All other | 1.57 | 0.50 | 0.47 | - | - | - | - |
| Average | 0.34 | 0.43 | 0.53 | 0.60 | 0.56 | 0.57 | 0.49 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-4.--Figs, prepared or preserved, except dried or in brine: 1/ U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Colomb------ | 41 | 42 | 47 | 70 | 54 | 27 | 2 |
| Italy------- | 43 | 16 | 13 | 0 | 13 | 0 | 21 |
| Greece------ | 14 | 11 | 8 | 6 | 8 | 4 | 3 |
| France------ | 2 | 2/ | 2/ | 1 | 5 | 1 | 6 |
| Israel------ | 1 | 2 | 1 | 10 | 6 | 6 | 0 |
| Portugl----- | 3 | 2 | 6 | 4 | 0 | 0 | 0 |
| Spain------- | 27 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mexico------ | 27 | 0 | 0 | 0 | 0 | 0 | 0 |
| All other--- | 3 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total--- | 159 | 73 | 76 | 91 | 87 | 38 | 31 |
| | Value (1,000 dollars) | | | | | | |
| Colomb------ | 14 | 21 | 28 | 50 | 34 | 16 | 2 |
| Italy------- | 14 | 17 | 16 | - | 19 | - | 8 |
| Greece------ | 10 | 9 | 8 | 5 | 8 | 3 | 3 |
| France------ | 2 | 1 | 2/ | 1 | 7 | 2 | 1 |
| Israel------ | 2/ | 1 | 1 | 2 | 2 | 2 | - |
| Portugl----- | 2 | 2 | 5 | 4 | - | - | - |
| Spain------- | 9 | - | - | - | - | - | - |
| Mexico------ | 4 | - | - | - | - | - | - |
| All other--- | 2 | - | - | - | - | - | - |
| Total--- | 56 | 49 | 57 | 63 | 70 | 23 | 14 |
| | Unit value (per pound) | | | | | | |
| Colomb------ | $0.34 | $0.49 | $0.60 | $0.71 | $0.62 | $0.59 | $1.34 |
| Italy------- | 0.33 | 1.07 | 1.25 | - | 1.50 | - | 0.40 |
| Greece------ | 0.73 | 0.80 | 0.90 | 0.90 | 0.94 | 0.88 | 0.78 |
| France------ | 0.98 | 1.12 | 0.99 | 1.47 | 1.37 | 1.44 | 0.24 |
| Israel------ | 0.27 | 0.40 | 0.46 | 0.18 | 0.38 | 0.38 | - |
| Portugl----- | 0.69 | 1.00 | 0.80 | 1.22 | - | - | - |
| Spain------- | 0.33 | - | - | - | - | - | - |
| Mexico------ | 0.13 | - | - | - | - | - | - |
| All other--- | 0.74 | - | - | - | - | - | - |
| Average-- | 0.35 | 0.68 | 0.75 | 0.69 | 0.81 | 0.61 | 0.46 |

1/ TSUS item 147.54.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-1.--Figs, dried, in containers over 1 pound each: 1/ U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 3,763 | 3,048 | 1,107 | 1,290 | 47 | 100 |
| 26 developed ctries, total | 23 | 18 | 5 | 13 | 13 | 28 |
| GSP countries, total | 2,169 | 2,002 | 320 | 427 | 32 | 69 |
| Turkey | 732 | 1,955 | 312 | 374 | 32 | 69 |
| Romania | 0 | 0 | 0 | 40 | 0 | |
| Portugl | 11 | 47 | 8 | 13 | 0 | |
| Mexico | 1,426 | 0 | 0 | 0 | 0 | |
| Other 2/ | 1,571 | 1,028 | 782 | 844 | 1 | 3 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 1,737 | 1,908 | 878 | 999 | 54 | 100 |
| 26 developed ctries, total | 22 | 12 | 7 | 22 | 12 | 23 |
| GSP countries, total | 854 | 1,227 | 335 | 387 | 41 | 75 |
| Turkey | 486 | 1,209 | 328 | 354 | 41 | 75 |
| Romania | - | - | - | 21 | - | |
| Portugl | 5 | 18 | 7 | 12 | - | |
| Mexico | 363 | - | - | - | - | |
| Other 2/ | 861 | 669 | 536 | 591 | 1 | 1 |

1/ TSUS item 147.51.
2/ Virtually all from Greece.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-2.--Figs, dried, in containers not over 1 pound each: 1/ U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 4,249 | 2,659 | 2,933 | 3,670 | 48 | 100 |
| 26 developed ctries, total | 3 | 19 | 28 | 3 | 6 | 12 |
| GSP countries, total | 108 | 46 | 87 | 94 | 21 | 44 |
| Turkey | 89 | 38 | 56 | 66 | 10 | 21 |
| Chile | 0 | 0 | 0 | 13 | 0 | |
| Portugl | 19 | 8 | 31 | 14 | 6 | 11 |
| Hg Kong | 0 | 0 | 2/ | 0 | 0 | |
| G Bisau | 0 | 0 | 0 | 0 | 6 | 12 |
| Other 3/ | 4,138 | 2,595 | 2,818 | 3,573 | 21 | 45 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 2,460 | 1,962 | 2,376 | 2,839 | 34 | 100 |
| 26 developed ctries, total | 3 | 29 | 43 | 5 | 9 | 27 |
| GSP countries, total | 87 | 42 | 81 | 89 | 10 | 28 |
| Turkey | 75 | 37 | 58 | 69 | 8 | 23 |
| Chile | - | - | - | 11 | - | |
| Portugl | 11 | 5 | 24 | 9 | 1 | 3 |
| Hg Kong | - | - | 2/ | - | - | |
| G Bisau | - | - | - | - | 1 | 3 |
| Other 3/ | 2,370 | 1,891 | 2,252 | 2,745 | 15 | 45 |

1/ TSUS item 147.53.
2/ Less than 500.
3/ Virtually all from Greece.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-3.--Fig paste: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 14,128 | 21,058 | 18,296 | 9,687 | 6,194 | 100 |
| 26 developed ctries, total | 80 | 40 | 155 | 2 | 0 | |
| GSP countries, total | 6,435 | 8,385 | 6,723 | 2,967 | 2,123 | 34 |
| Portugl | 2,243 | 3,487 | 2,560 | 1,990 | 830 | 13 |
| Turkey | 4,159 | 4,898 | 4,163 | 777 | 1,293 | 21 |
| Thailnd | 0 | 0 | 0 | 200 | 0 | |
| Peru | 33 | 0 | 0 | 0 | 0 | |
| Hg Kong | 0 | 0 | 0 | 0 | 0 | |
| Other 1/ | 7,613 | 12,633 | 11,419 | 6,718 | 4,072 | 66 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 6,098 | 11,063 | 11,037 | 5,388 | 3,057 | 100 |
| 26 developed ctries, total | 35 | 25 | 84 | 1 | - | |
| GSP countries, total | 2,696 | 3,951 | 4,007 | 1,526 | 894 | 29 |
| Portugl | 940 | 1,789 | 1,619 | 1,104 | 403 | 13 |
| Turkey | 1,735 | 2,162 | 2,388 | 291 | 491 | 16 |
| Thailnd | - | - | - | 131 | - | |
| Peru | 21 | - | - | - | - | |
| Hg Kong | - | - | - | - | - | |
| Other 1/ | 3,367 | 7,087 | 6,946 | 3,861 | 2,163 | 71 |

1/ Virtually all from Spain and Greece.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-4.--Figs, prepared or preserved, except dried or in brine: 1/ U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 73 | 76 | 91 | 87 | 31 | 100 |
| 26 developed ctries, total | 16 | 13 | 1 | 18 | 27 | 85 |
| GSP countries, total | 45 | 55 | 84 | 60 | 2 | 5 |
| Colomb | 42 | 47 | 70 | 54 | 2 | 5 |
| Israel | 2 | 1 | 10 | 6 | 0 | |
| Mexico | 0 | 0 | 0 | 0 | 0 | |
| Brazil | 0 | 0 | 0 | 0 | 0 | |
| Portugl | 2 | 6 | 4 | 0 | 0 | |
| Other | 11 | 8 | 6 | 8 | 3 | 11 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 49 | 57 | 63 | 70 | 14 | 100 |
| 26 developed ctries, total | 17 | 16 | 1 | 26 | 10 | 68 |
| GSP countries, total | 23 | 34 | 56 | 36 | 2 | 14 |
| Colomb | 21 | 28 | 50 | 34 | 2 | 14 |
| Israel | 1 | 1 | 2 | 2 | - | |
| Mexico | - | - | - | - | - | |
| Brazil | - | - | - | - | - | |
| Portugl | 2 | 5 | 4 | - | - | |
| Other | 9 | 8 | 5 | 8 | 3 | 18 |

1/ TSUS item 147.54.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No.
A108

TITLE: Certain seasonal fresh fruit

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Grapes, fresh, or prepared or preserved: | | | | | | | | | | | | |
| | Fresh (in bulk, or in crates, barrels or other packages): | | | | | | | | | | | | |
| | Other than hothouse: | | | | | | | | | | | | |
| 147.61 | If entered during the period from Feb. 15 to March 31, inclusive, in any year. | 5.25¢/cu. ft. 2/ (AVE 0.8%) 4/ | 5.1¢ (AVE 0.7%) | 4.9¢ (AVE 0.7%) | 4.8¢ (AVE 0.7%) | 4.6¢ (AVE 0.7%) | 4.5¢ (AVE 0.6%) | 4.3¢ (AVE 0.6%) | 4.2¢ (AVE 0.6%) | 4¢ 3/ (AVE 0.6%) | 25¢ (AVE 3.6%) 5/ | 19,162 | Yes. |
| 147.64 | If entered during the period from July 1 in any year, to following Feb. 14; inclusive. | 6¢/cu. ft. 2/ (AVE) 0.6%) 5/ | 6/ | 6/ | 6/ | 6/ | 6/ | 6/ | 6/ | 6/ | 25¢ (AVE 2.5%)5/ | 6,706 | Yes. |
| | Pears, fresh, prepared or preserved: | | | | | | | | | | | | |
| | Fresh or in brine: | | | | | | | | | | | | |
| 148.81 | If entered during the period from April 1 to June 30, inclusive, in any year. | 0.25¢/lb. (AVE 1.1%) 4/ | 0.22¢ /lb. (AVE 0.7%) | 0.19¢ /lb. (AVE 0.5%) | 0.16¢ /lb. (AVE 0.5%) | 0.12¢ /lb. (AVE 0.4%) | 0.09¢ /lb. (AVE 0.3%) | 0.06¢ /lb. (AVE 0.3%) | 0.03¢ /lb. (AVE 0.1%) | Free | 0.5¢/lb. (AVE 2%) 5/ | 4,770 | Yes. |
| | Plums, prunes, and prunelles, fresh, or prepared or preserved: | | | | | | | | | | | | |
| | Fresh: | | | | | | | | | | | | |
| 149.18 | If entered during the period from Jan. 1 to May 31, inclusive, in any year. | 0.1¢/lb. (AVE 0.3%) 4/ | 0.09¢ /lb. (AVE 0.3%) | 0.07¢ (AVE 0.2%) | 0.06¢ (AVE 0.2%) | 0.05¢ (AVE 0.1%) | 0.04¢ (AVE 0.1%) | 0.02¢ (AVE 0.1%) | 0.01¢ (AVE 0.03%) | Free3/ | 0.5¢/lb. (AVE 1.5%) 5/ | 1,171 | Yes. |

1/ Rate effective prior to Jan. 1, 1980.
2/ Rate of duty for fresh grapes is in cents per cu. ft. of such bulk or the capacity of the package.
3/ Rate of duty applicable to imports from Least Developed Developing Countries (LDDC).
4/ AVE for 1979.
5/ AVE for 1981.
6/ Rate not modified in the Tokyo round of Multilateral Trade Negotiations.

Description and uses

Fresh grapes.--Grapes are the fruit of large woody deciduous vines. The many varieties of grapes, which vary greatly in size, color, and flavor, are divided into two basic types--European and American. About 90 percent of the grapes produced in the United States consist of the European types, which are mostly California grown. The U.S. grape crop has three major outlets: fresh or table use, drying for raisins, and crushing to make wine or grape juice. Though some grapes can be used by only one of these outlets, many are interchangeable, such as between fresh and drying uses. Grapes sold through fresh market outlets (table grapes, the type herein considered under TSUS items 147.61 and 147.64) comprise 10-15 percent of the U.S. output of grapes. Over 90 percent of U.S. table grapes are grown in California. The harvest season for U.S. table grapes runs generally from late May through mid-December, but they may be stored and marketed as late as the following April.

Fresh pears.--The pear is a temperate climate fruit often grown in the same region as apples. About three-fourths of the domestic pear crop consists of the Bartlett variety, a high-quality pear, well suited to both fresh use (the type of pear herein considered under TSUS item 148.81) and to canning. Most of the rest of the crop consists of several varieties known collectively as winter pears. The Anjou and Bosc varieties make up the dominant part of the winter pear production, all of which is sold in the fresh market. Forty percent of the U.S. pear production is sold for consumption as fresh pears and the remaining quantity is canned or otherwise processed. California, Oregon, and Washington produce 90 percent of U.S. pear output. Annual fresh pear shipments generally consist of 50 percent Bartlett pears and 50 percent winter pears. California supplies about two-thirds of the U.S. market for fresh Bartlett pears with shipments mostly during July through October. Relatively few of such California-grown pears are placed in cold storage for later sale. The Pacific Northwest States (Oregon and Washington) account for about one-fourth of the fresh Bartlett shipments which are generally shipped from September through December. The other States, which grow mainly the Bartlett pear for the fresh market, account for less than 10 percent of the total U.S. fresh pear sales. Nearly 80 percent of the winter pears are produced in Oregon, more than 10 percent in Washington, and less than 10 percent in California. Shipments of winter pears generally begin in October, reach high levels during December and January, and continue from storage into May.

Fresh plums and prunes 1/.--This digest also covers fresh plums, prunes, and prunelles (TSUS item 149.18). The many varieties of plums vary greatly in size, shape, and color. The European type is the most important commercially and includes nearly all the firm, sweet-fleshed varieties known as prunes. Most prunes are dried, but some are marketed fresh, canned, or frozen. The Japanese varieties of plums are marketed chiefly as fresh fruit. Some plum varieties, e.g., the Damson, are used only for jam and jelly. In recent years, there has been no known domestic production or imports of prunelles, which are small yellow plums. Most domestic fresh plums and prunes are marketed during early June through November. Fresh prunes and plums have a short cold storage life, and are generally marketed within a month after the harvest or processed by freezing or canning.

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1/ Commission Haggart did not participate in the formulation of this portion of the report.

U.S. consumption, production, and producers

Fresh grapes.--U.S. consumption of fresh table grapes averaged 843 million pounds annually during 1977-81, rising irregularly from 801 million pounds in 1977 to 976 million pounds in 1980, before declining to 909 million pounds in 1981. (table A-1). U.S. production of fresh grapes sold for table use fluctuated in a similar pattern and averaged about 1.0 billion pounds annually in the 1977-81 period.

U.S. grape producers have increased their acreage of grapes in recent years because of the rising demand for table and wine grapes. The number of farms growing grapes has increased in recent years and reached about 30,000 in the late 1970's.

Fresh pears.--U.S. consumption and production of fresh pears have increased sharply in recent years. Consumption rose 23 percent from 538 million pounds in 1977 to 662 million pounds in 1982 as U.S. production rose 25 percent from 606 million to 758 million pounds, respectively (table A-2). There are about 22,000 farms in the United States producing pears. The number of producers has trended upward in recent years. U.S. consumers have shown a strong demand for the fresh pears, and prices in 1980-81 remained at 12 cents per pound despite the increased output. Domestic producers also rely on foreign sales for a significant portion of their output.

Fresh plums and prunes.--U.S. consumption and production of fresh plums and prunes showed irregular growth in 1977-81; both rose 22 percent during the period 1977 to 1981 (table A-3). U.S. production of fresh plums and prunes reached a record high in 1981 of 455 million pounds, which is substantially above the 200-300 million pounds produced annually in the late 1960's and early 1970's. Domestic plum and prune farmers, who number about 18,000, also market a significant portion of their output abroad. In recent years, the number of producers has trended upward.

U.S. exports

The United States is by far a net exporter of all the fresh fruits here considered. U.S. producers of fresh grapes, pears, and plums and prunes are highly competitive in foreign markets, particularly in Japan, Latin America, and Canada. In 1981, U.S. grape exports totaled 247 million pounds (table B-1), which represented about 24 percent of the domestic output of fresh table grapes. U.S. fresh pear exports increased from 77 million pounds in 1977 to 118 million pounds in 1981 (table B-2); in the latter year, foreign markets purchased 16 percent of the 758 million-pound domestic output. Similarly, U.S. fresh plum and prune exports increased from 48 million pounds in 1977 to 59 million pounds in 1981 (table B-3), a year when 13 percent of the domestic output was exported.

U.S. imports

Fresh grapes.--U.S. imports of fresh grapes increased steadily from 66 million pounds in 1977 to 127 million pounds in 1981, largely in response to rising domestic demand and to the availability of such grapes for export in Chile (tables A-1 and C-1). Imports of fresh grapes increased their share of the domestic market in this period from 8 percent of domestic consumption to 14 percent. Chile supplied 77 percent of the $53 million worth of fresh grapes imported in 1981; Mexico followed in importance with a 22-percent share.

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Most of the imports of fresh grapes enter the United States during the period of April 1 to June 30 (49 percent of total grape imports in 1981 down from 62 percent in 1977) under TSUS items not covered by this investigation. The quantity of grapes entering during February 15 to March 31 (TSUS item 147.61 herein considered) (table C-2) increased sharply during 1977-81 (from 17 percent of the total in 1977 to 39 percent in 1981), while those during July 1 to the following February 14 (TSUS item 147.64 also herein considered) (table C-3) decreased during 1977-79 and rose during 1980-81 (but dropping in share from 20 percent in 1977 to 12 percent in 1981). The peak harvest period for Chilean grapes occurs in the January-March period, when U.S. production and domestic inventories are seasonally low.

GSP-eligible countries supplied virtually all U.S. imports of fresh grapes during the periods under review in 1978-81 (tables D-1 and D-2). However, Chile, the leading supplier, would be excluded from GSP consideration because of the competitive need formula. Imports from LDDC countries were nil during 1978-81. Imported grapes are competitive with domestic grapes particularly in the U.S. winter months when U.S. grapes are in short supply and sold from cold storage. Foreign grape producers have increased their share of the domestic market by offering lower prices or greater seasonal availability of products than do domestic grape producers. Domestic demand for both imported and domestic fresh grapes has been expanding in recent years, providing a market for both products.

Fresh pears.--U.S. imports of fresh pears rose sharply in 1977-81 from 9 million to 21 million pounds (valued at $6 million) (table C-4). In 1981, imports were equivalent to 3 percent of domestic consumption. Most imported fresh pears enter the United States during April, May, and June (TSUS item 148.81) (table C-5). U.S. production of pears is generally marketed during July through May.

Australia is the leading supplier of fresh pears to the United States, with a 60 percent-share of the 21 million pounds of U.S. imports in 1981. For fresh pears entering the United States from April 1 to June 30 (TSUS item 148.81), GSP-eligible countries (led by Chile) supplied 7 percent of the value of imports in 1981 (table D-3). Although there is no domestic production of fresh pears during April 1-June 30, domestic pears kept in cold storage are marketed in this period and compete with imports. Imports from LDDC countries have been negligible or nil.

Imported fresh pears compete with domestic pears particularly in the winter months. Imported pears, entering during April, May and June, are able to sell below the price of domestic pears kept in cold storage or be available when domestic supplies are low. Domestic demand for fresh pears, imported and domestic, rose during 1977-81.

Fresh plums and prunes.--The United States imports fresh plums almost solely during the months of January through May when U.S. supplies are seasonally low. U.S. fresh plum and prune imports averaged about 3 million pounds annually during 1977-81, and accounted for less than 1 percent of domestic consumption. Competition of imports of fresh prunes and plums entered during January-May (the imports herein considered) with domestic products is negligible because of the seasonal production cycle.

Chile is the leading supplier of fresh plums and prunes, accounting for 97 percent of the value entered during January 1-May 31, 1981 (tables C-6 and D-4). There were no imports from LDDC countries during the period under review.

There is very little competition between imported and domestic fresh plums and prunes during January through May since there are very small domestic supplies available in these months. Imports have accounted for less than one percent of the domestic fresh plum and prune market in recent years.

Position of interested parties

The Andean Group, on behalf of five countries--Bolivia, Colombia, Ecuador, Peru and Venezuela--filed the petition for GSP status for fresh grapes. The Government of Chile filed the GSP petition for fresh pears and for fresh plums and prunes.

A representative of the California Table Grape Commission indicated opposition to GSP status for fresh grapes. He noted that U.S. imports of grapes have increased sharply in recent years and that the petitioning country, Colombia, filed an incomplete petition and Colombia itself restricts U.S. grape exports. Duty-free GSP status may also lead to a fall in the price of U.S. grapes and an adverse effect on U.S. growers, he concluded.

A representative of the Sun-Diamond Growers of California (a domestic industry group) opposed GSP status for fresh plums and prunes. The representative indicated that the beneficiary countries are capable of supplying large amounts of plums and prunes to the United States and thereby threatening domestic producers.

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Table A-1.--Grapes, fresh: U.S. production, exports, imports, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value cents per pound)

| Year | Production 1/ | Exports | Imports: Entered 2/15-3/31 2/ | Imports: Entered 7/1-2/14 3/ | Imports: Other 4/ | Imports: Total | Apparent consumption | Ratio (per cent) of imports to consumption |
|---|---|---|---|---|---|---|---|---|
| | | | | Quantity | | | | |
| 1977-- | 962,700 | 227,077 | 11,338 | 13,328 | 41,035 | 65,701 | 801,300 | 8.2 |
| 1978-- | 852,500 | 217,300 | 18,292 | 11,322 | 39,666 | 69,280 | 642,100 | 10.8 |
| 1979-- | 1,048,200 | 251,717 | 30,087 | 8,170 | 53,286 | 91,543 | 888,000 | 10.3 |
| 1980-- | 1,137,980 | 259,880 | 38,547 | 10,286 | 49,267 | 98,100 | 976,200 | 10.0 |
| 1981-- | 1,028,580 | 246,549 | 49,494 | 15,564 | 61,929 | 126,987 | 909,000 | 14.0 |
| | | | | Value | | | | |
| 1977-- | 210,800 | 59,524 | 3,392 | 1,201 | 10,831 | 15,424 | 166,700 | 9.3 |
| 1978-- | 211,000 | 64,724 | 6,018 | 2,336 | 12,326 | 20,680 | 167,000 | 12.4 |
| 1979-- | 218,500 | 75,349 | 10,373 | 1,726 | 14,806 | 26,905 | 170,100 | 15.8 |
| 1980-- | 318,600 | 83,348 | 13,742 | 4,133 | 21,511 | 39,386 | 274,600 | 14.3 |
| 1981-- | 273,600 | 93,998 | 19,162 | 6,706 | 27,155 | 52,023 | 232,600 | 22.8 |
| | | | | Unit value | | | | |
| 1977-- | 22 | 26 | 30 | 9 | 26 | 24 | - | - |
| 1978-- | 25 | 30 | 33 | 21 | 31 | 30 | - | - |
| 1979-- | 21 | 30 | 35 | 21 | 28 | 29 | - | - |
| 1980-- | 28 | 32 | 36 | 40 | 44 | 40 | - | - |
| 1981-- | 27 | 38 | 39 | 43 | 44 | 42 | - | - |

1/ Consists only of grapes sold through fresh market outlets.
2/ TSUS item 147.61.
3/ TSUS item 174.64.
4/ TSUS items 147.60 and 147.63.

Source: Compiled from official statistics of the U.S. Departments of Agriculture and Commerce.

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A108--Con.

Table A-2.--Pears, fresh: U.S. production, exports, imports, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value cents per pound)

| Year | Production 1/ | Exports | Imports: Entered 4/1-6/30 2/ | Imports: Other 3/ | Imports: Total | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|---|---|
| | | | Quantity | | | | |
| 1977-- | 606,400 | 77,360 | 6,967 | 2,459 | 9,426 | 538,500 | 1.8 |
| 1978-- | 604,000 | 78,904 | 10,507 | 2,177 | 12,684 | 537,800 | 2.4 |
| 1979-- | 600,200 | 86,676 | 11,635 | 3,306 | 14,941 | 528,500 | 2.8 |
| 1980-- | 690,000 | 97,048 | 13,463 | 4,621 | 18,084 | 611,000 | 3.0 |
| 1981-- | 758,300 | 117,554 | 14,649 | 6,200 | 20,849 | 661,600 | 3.2 |
| | | | Value | | | | |
| 1977-- | 58,800 | 12,607 | 1,216 | 385 | 1,601 | 47,800 | 3.3 |
| 1978-- | 78,800 | 15,478 | 1,999 | 484 | 2,483 | 65,800 | 3.0 |
| 1979-- | 82,800 | 17,190 | 2,605 | 648 | 3,253 | 68,900 | 4.7 |
| 1980-- | 84,200 | 20,296 | 4,412 | 862 | 5,274 | 69,200 | 7.6 |
| 1981-- | 93,700 | 27,192 | 4,770 | 1,529 | 6,299 | 72,800 | 8.7 |
| | | | Unit value | | | | |
| 1977-- | 10 | 16 | 17 | 16 | 17 | - | - |
| 1978-- | 13 | 20 | 19 | 22 | 20 | - | - |
| 1979-- | 14 | 20 | 22 | 20 | 22 | - | - |
| 1980-- | 12 | 21 | 33 | 19 | 29 | - | - |
| 1981-- | 12 | 23 | 33 | 25 | 30 | - | - |

1/ Includes only production sold to fresh market outlets.
2/ TSUS item 148.81.
3/ TSUS item 148.82

Source: Compiled from official statistics of the U.S. Departments of Agriculture and Commerce.

Table A-3.--Plums and prunes, fresh: U.S. production, exports, imports, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value cents per pound)

| Year | Production 1/ | Exports | Imports: Entered 1/1-5/31 2/ | Imports: Other 3/ | Imports: Total | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|---|---|
| | | | Quantity | | | | |
| 1977-- | 373,400 | 48,055 | 1,617 | 4 | 1,621 | 327,000 | 0.5 |
| 1978-- | 383,900 | 51,245 | 3,157 | 2 | 3,159 | 335,800 | .9 |
| 1979-- | 4/ 415,000 | 44,624 | 2,807 | 8 | 2,815 | 373,200 | .8 |
| 1980-- | 396,000 | 47,739 | 3,498 | 24 | 3,522 | 351,800 | 1.0 |
| 1981-- | 454,800 | 59,304 | 3,299 | 207 | 3,506 | 399,000 | .9 |
| | | | Value | | | | |
| 1977-- | 55,900 | 10,276 | 419 | 5/ | 419 | 46,000 | 0.9 |
| 1978-- | 67,700 | 12,165 | 947 | 2 | 949 | 56,500 | 1.7 |
| 1979-- | 4/ 56,800 | 11,710 | 822 | 2 | 824 | 45,900 | 1.8 |
| 1980-- | 80,600 | 16,609 | 1,157 | 7 | 1,164 | 65,200 | 1.8 |
| 1981-- | 67,100 | 19,891 | 1,171 | 36 | 1,207 | 48,400 | 2.5 |
| | | | Unit value | | | | |
| 1977-- | 15 | 21 | 26 | 14 | 26 | - | - |
| 1978-- | 18 | 24 | 30 | 100 | 30 | - | - |
| 1979-- | 14 | 26 | 29 | 25 | 29 | - | - |
| 1980-- | 20 | 35 | 33 | 29 | 33 | - | - |
| 1981-- | 15 | 34 | 35 | 17 | 34 | - | - |

1/ Production data are utilizations for the fresh market for 5 States believed to account for more than 95 percent of U.S. production.
2/ TSUS item 149.18.
3/ TSUS item 149.21.
4/ Partly estimated.
5/ Less than $500.

Source: Compiled from official statistics of the U.S. Departments of Agriculture and Commerce.

Table B-1.--Grapes, fresh: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|---|
| | | | | | | 1981 | 1982 |
| | Quantity (1,000 pounds) | | | | | | |
| Canada | 183,009 | 161,988 | 199,697 | 194,323 | 178,802 | 20,599 | 21,828 |
| Hg Kong | 13,569 | 12,426 | 16,416 | 17,561 | 17,746 | 4,558 | 3,152 |
| S Arab | 72 | 919 | 2,867 | 3,854 | 8,767 | 1,274 | 0 |
| Singapr | 3,618 | 5,375 | 6,626 | 7,514 | 6,907 | 624 | 686 |
| Indnsia | 3,033 | 3,182 | 1,608 | 2,313 | 3,875 | 839 | 1,262 |
| China t | 668 | 1,216 | 928 | 1,767 | 3,698 | 82 | 1,505 |
| Japan | 1,965 | 5,934 | 3,793 | 2,987 | 2,502 | 1,338 | 1,739 |
| Sweden | 3,370 | 4,219 | 2,712 | 2,913 | 2,744 | 958 | 442 |
| All other | 17,773 | 22,040 | 17,070 | 26,147 | 21,509 | 4,507 | 5,602 |
| Total | 227,077 | 217,300 | 251,717 | 259,880 | 246,549 | 35,081 | 36,222 |
| | Value (1,000 dollars) | | | | | | |
| Canada | 42,995 | 42,203 | 51,425 | 52,897 | 57,130 | 8,693 | 10,567 |
| Hg Kong | 5,624 | 5,671 | 7,707 | 8,222 | 9,384 | 2,455 | 1,937 |
| S Arab | 32 | 476 | 1,505 | 2,023 | 5,531 | 712 | - |
| Singapr | 1,389 | 2,192 | 3,326 | 3,889 | 4,207 | 303 | 485 |
| Indnsia | 1,126 | 1,375 | 682 | 1,197 | 2,284 | 506 | 894 |
| China t | 251 | 493 | 441 | 726 | 2,227 | 35 | 459 |
| Japan | 826 | 2,224 | 1,946 | 1,638 | 1,891 | 1,070 | 879 |
| Sweden | 1,114 | 1,588 | 1,096 | 1,376 | 1,262 | 367 | 224 |
| All other | 6,168 | 8,502 | 7,221 | 11,379 | 10,032 | 2,284 | 2,720 |
| Total | 59,524 | 64,724 | 75,349 | 83,348 | 93,998 | 16,426 | 18,165 |
| | Unit value (per pound) | | | | | | |
| Canada | $0.23 | $0.26 | $0.26 | $0.27 | $0.32 | $0.42 | $0.43 |
| Hg Kong | .41 | .46 | .47 | .47 | .53 | .54 | .61 |
| S Arab | .44 | .52 | .52 | .52 | .64 | .56 | - |
| Singapr | .38 | .41 | .50 | .52 | .61 | .49 | .71 |
| Indnsia | .37 | .43 | .42 | .43 | .59 | .60 | .71 |
| China t | .38 | .41 | .48 | .41 | .60 | .42 | .30 |
| Japan | .42 | .37 | .51 | .55 | .76 | .80 | .51 |
| Sweden | .33 | .38 | .40 | .47 | .46 | .38 | .50 |
| All other | .35 | .39 | .42 | .44 | .47 | .51 | .49 |
| Average | .26 | .30 | .30 | .32 | .38 | .47 | .50 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-2.--Pears, fresh: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Canada | 33,405 | 32,413 | 44,265 | 43,266 | 50,839 | 15,528 | 16,800 |
| Venez | 7,076 | 2,060 | 4,058 | 3,127 | 12,241 | 4,054 | 4,244 |
| Sweden | 11,644 | 17,184 | 10,243 | 14,523 | 12,141 | 4,635 | 2,856 |
| Mexico | 3,061 | 3,353 | 5,447 | 6,082 | 9,416 | 4,316 | 3,803 |
| Brazil | 6,788 | 6,566 | 5,106 | 3,212 | 7,954 | 450 | 0 |
| S Arab | 0 | 591 | 1,532 | 2,106 | 6,687 | 2,119 | 2,403 |
| Arab Em | 0 | 24 | 3,409 | 4,982 | 3,431 | 1,012 | 1,040 |
| Norway | 3,157 | 4,354 | 3,730 | 2,932 | 2,983 | 865 | 747 |
| All other | 12,230 | 12,360 | 8,887 | 11,769 | 11,861 | 4,505 | 3,974 |
| Total | 77,360 | 78,904 | 86,676 | 97,048 | 117,554 | 37,484 | 35,068 |
| | Value (1,000 dollars) | | | | | | |
| Canada | 5,297 | 6,649 | 7,870 | 8,036 | 10,083 | 3,325 | 4,200 |
| Venez | 1,467 | 555 | 1,041 | 2,168 | 4,083 | 1,208 | 1,539 |
| Sweden | 1,558 | 2,854 | 1,963 | 2,810 | 2,400 | 969 | 434 |
| Mexico | 566 | 760 | 1,147 | 1,276 | 2,081 | 1,013 | 1,101 |
| Brazil | 1,258 | 1,387 | 1,151 | 815 | 1,978 | 98 | - |
| S Arab | - | 182 | 372 | 561 | 1,868 | 618 | 678 |
| Arab Em | - | 10 | 812 | 1,272 | 901 | 223 | 389 |
| Norway | 395 | 671 | 726 | 584 | 730 | 138 | 139 |
| All other | 2,065 | 2,410 | 2,109 | 2,775 | 3,066 | 1,191 | 1,408 |
| Total | 12,607 | 15,478 | 17,190 | 20,296 | 27,192 | 8,833 | 9,890 |
| | Unit value (per pound) | | | | | | |
| Canada | $0.16 | $0.21 | $0.18 | $0.19 | $0.20 | $0.21 | $0.25 |
| Venez | .21 | .27 | .26 | .27 | .33 | .30 | .36 |
| Sweden | .13 | .17 | .19 | .19 | .20 | .21 | .21 |
| Mexico | .18 | .23 | .21 | .21 | .22 | .23 | .29 |
| Brazil | .19 | .21 | .23 | .25 | .25 | .22 | - |
| S Arab | - | .31 | .24 | .27 | .28 | .29 | .28 |
| Arab Em | - | .43 | .24 | .26 | .26 | .22 | .37 |
| Norway | .13 | .15 | .19 | .20 | .24 | .22 | .19 |
| All other | .17 | .19 | .24 | .24 | .26 | .26 | .35 |
| Average | .16 | .20 | .20 | .21 | .23 | .24 | .28 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-3.--Plums, prunes, and prunelles, fresh: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Canada------ | 40,279 | 42,095 | 33,586 | 32,460 | 38,227 | 9,847 | 5,440 |
| Hg Kong----- | 2,302 | 3,370 | 4,566 | 6,227 | 6,774 | 371 | 343 |
| Venez------- | 975 | 1,064 | 769 | 1,850 | 3,782 | 364 | 505 |
| U King------ | 380 | 523 | 1,008 | 913 | 1,971 | 133 | 25 |
| China t----- | 0 | 0 | 140 | 393 | 1,463 | 0 | 0 |
| Singapr----- | 259 | 208 | 483 | 691 | 935 | 138 | 147 |
| Colomb------ | 361 | 379 | 1,055 | 967 | 1,559 | 280 | 262 |
| Mexico------ | 356 | 1,226 | 316 | 554 | 1,518 | 107 | 163 |
| All other--- | 3,142 | 2,380 | 2,701 | 3,685 | 3,074 | 224 | 205 |
| Total--- | 48,055 | 51,245 | 44,624 | 47,739 | 59,304 | 11,513 | 7,095 |
| | Value (1,000 dollars) | | | | | | |
| Canada------ | 8,077 | 9,040 | 6,689 | 9,569 | 10,556 | 3,621 | 1,989 |
| Hg Kong----- | 767 | 1,388 | 2,751 | 3,617 | 3,342 | 235 | 146 |
| Venez------- | 418 | 434 | 231 | 886 | 1,908 | 245 | 247 |
| U King------ | 118 | 181 | 426 | 361 | 875 | 75 | 14 |
| China t----- | - | - | 73 | 220 | 713 | - | - |
| Singapr----- | 67 | 63 | 265 | 364 | 523 | 116 | 64 |
| Colomb------ | 71 | 95 | 237 | 233 | 394 | 73 | 90 |
| Mexico------ | 54 | 235 | 85 | 178 | 353 | 39 | 35 |
| All other--- | 703 | 730 | 952 | 1,182 | 1,229 | 114 | 121 |
| Total--- | 10,276 | 12,165 | 11,710 | 16,609 | 19,891 | 4,521 | 2,706 |
| | Unit value (cents per pound) | | | | | | |
| Canada------ | 20 | 21 | 20 | 29 | 28 | 37 | 37 |
| Hg Kong----- | 33 | 41 | 60 | 58 | 49 | 63 | 43 |
| Venez------- | 43 | 41 | 30 | 48 | 50 | 67 | 49 |
| U King------ | 31 | 35 | 42 | 39 | 44 | 56 | 55 |
| China t----- | - | - | 52 | 56 | 49 | - | - |
| Singapr----- | 26 | 30 | 55 | 53 | 56 | 62 | 44 |
| Colomb------ | 20 | 25 | 22 | 24 | 25 | 26 | 34 |
| Mexico------ | 15 | 19 | 27 | 32 | 23 | 37 | 21 |
| All other--- | 22 | 31 | 35 | 32 | 40 | 51 | 59 |
| Average-- | 21 | 24 | 26 | 35 | 34 | 39 | 38 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-1.--Grapes, fresh: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Chile | 41,910 | 52,886 | 72,047 | 77,714 | 107,625 | 104,206 | 165,894 |
| Mexico | 14,763 | 11,876 | 18,463 | 17,028 | 16,239 | 465 | 12,711 |
| Rep Saf | 0 | 0 | 551 | 402 | 515 | 381 | 883 |
| Canada | 8,939 | 4,462 | 481 | 2,952 | 2,575 | 16 | 63 |
| Italy | 0 | 0 | 0 | 0 | 31 | 31 | 0 |
| Greece | 0 | 0 | 0 | 0 | 1 | 1 | 0 |
| Belgium | 0 | 0 | 1/ | 0 | 1/ | 0 | 0 |
| Hg Kong | 0 | 0 | 0 | 1 | 0 | 0 | 0 |
| All other | 89 | 56 | 0 | 3 | 0 | 0 | 38 |
| Total | 65,701 | 69,280 | 91,543 | 98,100 | 126,987 | 105,100 | 179,569 |
| | Value (1,000 dollars) | | | | | | |
| Chile | 12,482 | 16,895 | 24,500 | 26,654 | 40,780 | 39,487 | 62,638 |
| Mexico | 2,250 | 3,410 | 2,211 | 12,061 | 11,543 | 269 | 7,067 |
| Rep Saf | - | - | 152 | 316 | 360 | 259 | 524 |
| Canada | 669 | 357 | 42 | 352 | 325 | 15 | 42 |
| Italy | - | - | - | - | 15 | 15 | - |
| Greece | - | - | - | - | 1 | 1 | - |
| Belgium | - | - | 1/ | - | 1/ | - | - |
| Hg Kong | - | - | - | 1 | - | - | - |
| All other | 23 | 18 | - | 1 | - | - | 26 |
| Total | 15,424 | 20,680 | 26,905 | 39,386 | 53,023 | 40,046 | 70,297 |
| | Unit value (per pound) | | | | | | |
| Chile | $0.30 | $0.32 | $0.34 | $0.34 | $0.38 | $0.38 | $0.38 |
| Mexico | .15 | .29 | .12 | .71 | .71 | .58 | .56 |
| Rep Saf | - | - | .28 | .79 | .70 | .68 | .59 |
| Canada | .07 | .08 | .09 | .12 | .13 | .95 | .67 |
| Italy | - | - | - | - | .47 | .47 | - |
| Greece | - | - | - | - | 1.07 | 1.07 | - |
| Belgium | - | - | 1.18 | - | 1.44 | - | - |
| Hg Kong | - | - | - | .60 | - | - | - |
| All other | .26 | .33 | - | .45 | - | - | .67 |
| Average | .23 | .30 | .29 | .40 | .42 | .38 | .39 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-2.--Grapes, fresh, if entered from Feb. 15 to Mar. 31: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Chile | 11,324 | 17,819 | 29,920 | 38,525 | 49,494 | 49,014 | 70,877 |
| Mexico | 14 | 0 | 0 | 22 | 0 | 0 | 0 |
| Canada | 0 | 473 | 167 | 0 | 0 | 0 | 0 |
| Total | 11,338 | 18,292 | 30,087 | 38,547 | 49,494 | 49,014 | 70,877 |
| | Value (1,000 dollars) | | | | | | |
| Chile | 3,388 | 5,981 | 10,362 | 13,741 | 19,162 | 18,978 | 25,692 |
| Mexico | 4 | - | - | 1 | - | - | - |
| Canada | - | 38 | 11 | - | - | - | - |
| Total | 3,392 | 6,018 | 10,373 | 13,742 | 19,162 | 18,978 | 25,692 |
| | Unit value (per pound) | | | | | | |
| Chile | $0.30 | $0.34 | $0.35 | $0.36 | $0.39 | $0.39 | $0.36 |
| Mexico | 0.27 | - | - | 0.05 | - | - | - |
| Canada | - | 0.08 | 0.07 | - | - | - | - |
| Average | 0.30 | 0.33 | 0.34 | 0.36 | 0.39 | 0.39 | 0.36 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-3.--Grapes, fresh, if entered from July 1 to the following Feb. 14: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Mexico------ | 4,404 | 5,367 | 4,071 | 3,394 | 5,453 | 0 | 0 |
| Chile------- | 289 | 1,965 | 3,787 | 4,141 | 7,572 | 7,537 | 7,270 |
| Canada------ | 8,635 | 3,989 | 311 | 2,751 | 2,533 | 0 | 2 |
| Italy------- | 0 | 0 | 0 | 0 | 7 | 7 | 0 |
| Dom Rep----- | 0 | 0 | 0 | 0 | 0 | 0 | 14 |
| Peru-------- | 0 | 0 | 0 | 0 | 0 | 0 | 16 |
| Total--- | 13,328 | 11,322 | 8,170 | 10,286 | 15,564 | 7,544 | 7,302 |
| | Value (1,000 dollars) | | | | | | |
| Mexico------ | 523 | 1,437 | 510 | 2,469 | 3,330 | - | - |
| Chile------- | 110 | 580 | 1,187 | 1,371 | 3,081 | 3,067 | 4,255 |
| Canada------ | 567 | 320 | 29 | 293 | 288 | - | 1 |
| Italy------- | - | - | - | - | 7 | 7 | - |
| Dom Rep----- | - | - | - | - | - | - | 10 |
| Peru-------- | - | - | - | - | - | - | 9 |
| Total--- | 1,201 | 2,336 | 1,726 | 4,133 | 6,706 | 3,074 | 4,276 |
| | Unit value (per pound) | | | | | | |
| Mexico------ | $0.12 | $0.27 | $0.13 | $0.73 | $0.61 | - | - |
| Chile------- | .38 | .29 | .31 | .33 | .41 | 0.41 | 0.59 |
| Canada------ | .07 | .08 | .09 | .11 | .11 | - | .49 |
| Italy------- | - | - | - | - | 1.05 | 1.05 | - |
| Dom Rep----- | - | - | - | - | - | - | .72 |
| Peru-------- | - | - | - | - | - | - | .59 |
| Average-- | .09 | .21 | .21 | .40 | .43 | .41 | .59 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-4.--Pears, fresh: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June 1981 | January-June 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Austral | 5,362 | 7,029 | 7,570 | 8,858 | 12,270 | 10,543 | 4,584 |
| Rep Saf | 0 | 1,472 | 1,808 | 2,014 | 1,961 | 1,851 | 1,605 |
| Chile | 2,876 | 3,628 | 5,177 | 6,413 | 5,417 | 5,417 | 12,007 |
| Japan | 176 | 165 | 179 | 352 | 472 | 30 | 103 |
| Canada | 263 | 312 | 133 | 362 | 532 | 356 | 833 |
| N Zeal | 0 | 69 | 46 | 75 | 117 | 114 | 141 |
| Zimbabw | 0 | 0 | 0 | 0 | 36 | 36 | 0 |
| Belgium | 0 | 0 | 0 | 0 | 40 | 40 | 0 |
| All other | 749 | 9 | 28 | 10 | 6 | 6 | 0 |
| Total | 9,426 | 12,684 | 14,941 | 18,084 | 20,849 | 18,394 | 19,274 |
| | Value (1,000 dollars) | | | | | | |
| Austral | 1,020 | 1,605 | 2,029 | 2,702 | 3,730 | 3,213 | 1,404 |
| Rep Saf | - | 104 | 200 | 1,218 | 1,060 | 1,016 | 845 |
| Chile | 333 | 573 | 861 | 988 | 929 | 929 | 2,358 |
| Japan | 71 | 107 | 107 | 207 | 302 | 18 | 66 |
| Canada | 52 | 77 | 35 | 137 | 213 | 145 | 241 |
| N Zeal | - | 15 | 10 | 21 | 35 | 31 | 40 |
| Zimbabw | - | - | - | - | 17 | 17 | - |
| Belgium | - | - | - | - | 10 | 10 | - |
| All other | 124 | 1/ | 10 | 2 | 2 | 2 | - |
| Total | 1,601 | 2,483 | 3,253 | 5,274 | 6,299 | 5,382 | 4,953 |
| | Unit value (per pound) | | | | | | |
| Austral | $0.19 | $0.23 | $0.27 | $0.31 | $0.30 | $0.30 | $0.31 |
| Rep Saf | - | 0.07 | 0.11 | 0.60 | 0.54 | 0.55 | 0.53 |
| Chile | 0.12 | 0.16 | 0.17 | 0.15 | 0.17 | 0.17 | 0.20 |
| Japan | 0.40 | 0.65 | 0.60 | 0.59 | 0.64 | 0.61 | 0.63 |
| Canada | 0.20 | 0.25 | 0.26 | 0.38 | 0.40 | 0.41 | 0.29 |
| N Zeal | - | 0.22 | 0.22 | 0.28 | 0.30 | 0.28 | 0.28 |
| Zimbabw | - | - | - | - | 0.47 | 0.47 | - |
| Belgium | - | - | - | - | 0.26 | 0.26 | - |
| All other | 0.17 | 0.05 | 0.37 | 0.15 | 0.40 | 0.40 | - |
| Average | 0.17 | 0.20 | 0.22 | 0.29 | 0.30 | 0.29 | 0.26 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-5.--Pears, fresh, if entered from Apr. 1 to June 30: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Austral | 4,742 | 6,748 | 7,364 | 8,760 | 10,537 | 8,811 | 3,084 |
| Rep Saf | 0 | 1,472 | 1,808 | 2,014 | 1,961 | 1,851 | 1,605 |
| Chile | 1,503 | 2,218 | 2,217 | 2,477 | 1,927 | 1,927 | 581 |
| Canada | 0 | 0 | 0 | 137 | 184 | 184 | 213 |
| Zimbabw | 0 | 0 | 0 | 0 | 36 | 36 | 0 |
| C Rica | 0 | 0 | 0 | 0 | 5 | 5 | 0 |
| N Zeal | 0 | 69 | 46 | 75 | 0 | 0 | 0 |
| Argent | 695 | 0 | 0 | 0 | 0 | 0 | 0 |
| All other | 27 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 6,967 | 10,507 | 11,635 | 13,463 | 14,649 | 12,814 | 5,483 |
| | Value (1,000 dollars) | | | | | | |
| Austral | 918 | 1,539 | 2,028 | 2,630 | 3,233 | 2,766 | 1,031 |
| Rep Saf | - | 104 | 200 | 1,218 | 1,060 | 1,016 | 845 |
| Chile | 181 | 340 | 367 | 415 | 310 | 310 | 112 |
| Canada | - | - | - | 78 | 99 | 99 | 74 |
| Zimbabw | - | - | - | - | 17 | 17 | - |
| C Rica | - | - | - | - | 2 | 2 | - |
| N Zeal | - | 15 | 10 | 21 | - | - | - |
| Argent | 111 | - | - | - | - | - | - |
| All other | 7 | - | - | - | - | - | - |
| Total | 1,216 | 1,999 | 2,605 | 4,412 | 4,770 | 4,209 | 2,062 |
| | Unit value (per pound) | | | | | | |
| Austral | $0.19 | $0.23 | $0.27 | $0.31 | $0.31 | $0.31 | $0.33 |
| Rep Saf | - | 0.07 | 0.11 | 0.60 | 0.54 | 0.55 | 0.53 |
| Chile | 0.12 | 0.15 | 0.17 | 0.17 | 0.16 | 0.16 | 0.19 |
| Canada | - | - | - | 0.57 | 0.54 | 0.54 | 0.35 |
| Zimbabw | - | - | - | - | 0.47 | 0.47 | - |
| C Rica | - | - | - | - | 0.38 | 0.38 | - |
| N Zeal | - | 0.22 | 0.22 | 0.28 | - | - | - |
| Argent | 0.16 | - | - | - | - | - | - |
| All other | 0.24 | - | - | - | - | - | - |
| Average | 0.17 | 0.19 | 0.22 | 0.33 | 0.33 | 0.33 | 0.38 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-6.--Plums, prunes, and prunelles, fresh, if entered from Jan. 1 to May 31: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Chile | 1,559 | 3,120 | 2,793 | 3,486 | 3,272 | 3,272 | 3,364 |
| N Zeal | 35 | 9 | 9 | 12 | 28 | 28 | 26 |
| Austral | 0 | 0 | 0 | 1/ | 0 | 0 | 1 |
| Hg Kong | 1 | 1 | 2 | 0 | 0 | 0 | 0 |
| Japan | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Phil R | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| China t | 0 | 10 | 0 | 0 | 0 | 0 | 0 |
| Peru | 0 | 13 | 0 | 0 | 0 | 0 | 10 |
| All other | 23 | 4 | 0 | 0 | 0 | 0 | 0 |
| Total | 1,617 | 3,157 | 2,807 | 3,498 | 3,299 | 3,299 | 3,402 |
| | Value (1,000 dollars) | | | | | | |
| Chile | 407 | 928 | 810 | 1,149 | 1,153 | 1,153 | 1,571 |
| N Zeal | 9 | 6 | 7 | 8 | 18 | 18 | 33 |
| Austral | - | - | - | 1/ | - | - | 1 |
| Hg Kong | 1 | 2 | 3 | - | - | - | - |
| Japan | - | - | 2 | - | - | - | - |
| Phil R | - | - | 1 | - | - | - | - |
| China t | - | 6 | - | - | - | - | - |
| Peru | - | 3 | - | - | - | - | 4 |
| All other | 2 | 3 | - | - | - | - | - |
| Total | 419 | 947 | 822 | 1,157 | 1,171 | 1,171 | 1,609 |
| | Unit value (per pound) | | | | | | |
| Chile | $0.26 | $0.30 | $0.29 | $0.33 | $0.35 | $0.35 | $0.47 |
| N Zeal | 0.25 | 0.62 | 0.76 | 0.71 | 0.63 | 0.63 | 1.24 |
| Austral | - | - | - | 0.69 | - | - | 0.85 |
| Hg Kong | 1.85 | 1.55 | 1.36 | - | - | - | - |
| Japan | - | - | 1.49 | - | - | - | - |
| Phil R | - | - | 0.88 | - | - | - | - |
| China t | - | 0.56 | - | - | - | - | - |
| Peru | - | 0.26 | - | - | - | - | 0.42 |
| All other | 0.09 | 0.69 | - | - | - | - | - |
| Average | 0.26 | 0.30 | 0.29 | 0.33 | 0.35 | 0.35 | 0.47 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-1.--Grapes, fresh, if entered from Feb. 15 to Mar. 31: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 18,292 | 30,087 | 38,547 | 49,494 | 70,877 | 100 |
| 26 developed ctries, total | 473 | 167 | 0 | 0 | 0 | |
| GSP countries, total | 17,819 | 29,920 | 38,547 | 49,494 | 70,877 | 100 |
| Chile | 17,819 | 29,920 | 38,525 | 49,494 | 70,877 | 100 |
| Mexico | 0 | 0 | 22 | 0 | 0 | |
| Other | 0 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 6,018 | 10,373 | 13,742 | 19,162 | 25,692 | 100 |
| 26 developed ctries, total | 38 | 11 | - | - | - | |
| GSP countries, total | 5,981 | 10,362 | 13,742 | 19,162 | 25,692 | 100 |
| Chile | 5,981 | 10,362 | 13,741 | 19,162 | 25,692 | 100 |
| Mexico | - | - | 1 | - | - | |
| Other | - | - | - | - | - | |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-2.--Grapes, fresh, if entered from July 1 to the following Feb. 14: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 11,322 | 8,170 | 10,286 | 15,564 | 7,302 | 100 |
| 26 developed ctries, total | 3,989 | 311 | 2,751 | 2,539 | 2 | 1/ |
| GSP countries, total | 7,333 | 7,859 | 7,535 | 13,025 | 7,300 | 100 |
| Mexico | 5,367 | 4,071 | 3,394 | 5,453 | 0 | |
| Chile | 1,965 | 3,787 | 4,141 | 7,572 | 7,270 | 100 |
| Dom Rep | 0 | 0 | 0 | 0 | 14 | 1/ |
| Peru | 0 | 0 | 0 | 0 | 16 | 1/ |
| Other | 0 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 2,336 | 1,726 | 4,133 | 6,706 | 4,276 | 100 |
| 26 developed ctries, total | 320 | 29 | 293 | 295 | 1 | 1/ |
| GSP countries, total | 2,017 | 1,697 | 3,840 | 6,411 | 4,275 | 100 |
| Mexico | 1,437 | 510 | 2,469 | 3,330 | - | |
| Chile | 580 | 1,187 | 1,371 | 3,081 | 4,255 | 100 |
| Dom Rep | - | - | - | - | 10 | 1/ |
| Peru | - | - | - | - | 9 | 1/ |
| Other | - | - | - | - | - | |

1/ Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-3.--Pears, fresh, if entered from Apr. 1 to June 30: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 10,507 | 11,635 | 13,463 | 14,649 | 5,483 | 100 |
| 26 developed ctries, total | 8,289 | 9,418 | 10,986 | 12,681 | 4,901 | 89 |
| GSP countries, total | 2,218 | 2,217 | 2,477 | 1,968 | 581 | 11 |
| Chile | 2,218 | 2,217 | 2,477 | 1,927 | 581 | 11 |
| Zimbabw | 0 | 0 | 0 | 36 | 0 | |
| C Rica | 0 | 0 | 0 | 5 | 0 | |
| Argent | 0 | 0 | 0 | 0 | 0 | |
| China t | 0 | 0 | 0 | 0 | 0 | |
| Tnzania | 0 | 0 | 0 | 0 | 0 | |
| Other | 0 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 1,999 | 2,605 | 4,412 | 4,770 | 2,062 | 100 |
| 26 developed ctries, total | 1,658 | 2,238 | 3,997 | 4,442 | 1,950 | 95 |
| GSP countries, total | 340 | 367 | 415 | 328 | 112 | 5 |
| Chile | 340 | 367 | 415 | 310 | 112 | 5 |
| Zimbabw | - | - | - | 17 | - | |
| C Rica | - | - | - | 2 | - | |
| Argent | - | - | - | - | - | |
| China t | - | - | - | - | - | |
| Tnzania | - | - | - | - | - | |
| Other | - | - | - | - | - | |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-4.--Plums, prunes, and prunelles, fresh, if entered from Jan. 1 to May 31: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 3,157 | 2,807 | 3,498 | 3,299 | 3,402 | 100 |
| 26 developed ctries, total | 9 | 10 | 12 | 28 | 28 | 1 |
| GSP countries, total | 3,147 | 2,797 | 3,486 | 3,272 | 3,375 | 99 |
| Chile | 3,120 | 2,793 | 3,486 | 3,272 | 3,364 | 99 |
| Mexico | 4 | 0 | 0 | 0 | 0 | |
| Ecuador | 0 | 0 | 0 | 0 | 0 | |
| Peru | 13 | 0 | 0 | 0 | 10 | 1/ |
| Phil R | 0 | 1 | 0 | 0 | 0 | |
| Hg Kong | 1 | 2 | 0 | 0 | 0 | |
| China t | 10 | 0 | 0 | 0 | 0 | |
| Other | 1 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 947 | 822 | 1,157 | 1,171 | 1,609 | 100 |
| 26 developed ctries, total | 6 | 8 | 9 | 18 | 34 | 2 |
| GSP countries, total | 941 | 814 | 1,149 | 1,153 | 1,575 | 98 |
| Chile | 928 | 810 | 1,149 | 1,153 | 1,571 | 93 |
| Mexico | 2 | - | - | - | - | |
| Ecuador | - | - | - | - | - | |
| Peru | 3 | - | - | - | 4 | 1/ |
| Phil R | - | 1 | - | - | - | |
| Hg Kong | 2 | 3 | - | - | - | |
| China t | 6 | - | - | - | - | |
| Other | 1 | - | - | - | - | |

1/ Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No.
A109

TITLE: Certain fruit pulps, paste, jellies and jam

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. | Brief product description | Rates of duty 1/ | | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|
| | | Current col. 1 (1/1/82) | Current col. 2 (1/1/82) | | |
| | Fruit pastes and fruit pulps: | | | | |
| 152.8140 (pt.) | Quince and apple | 15% ad val. | 35% ad val. | 2/ 100 | Yes. |
| | All jellies, jams, marmalades, and fruit butters: | | | | |
| 153.06 (pt.) | Mulberry | 3% ad val. | 35% ad val. | 3/ | No. |
| 153.20 | Papaya | 5% ad val. | 35% ad val. | 3/ | Yes. |

1/ Rate not modified in the Tokyo round of Multilateral Trade Negotiations.
2/ Estimated.
3/ Less than $1,000.

## II. Comment

Description and uses

Quince and apple pastes and pulps.--This digest includes quince and apple pastes and pulps (TSUS 152.8140 (pt.)) which are not separately provided for in the TSUS. Fruit pulps generally are prepared by cooking and pulverizing whole fruit to a homogeneous condition and then adding sugar, although no exact definition exists for customs purposes. Pulps are used for many purposes, including fruit nectar, fruit juice, jams, baby food, yogurt, and ice cream. Fruit pastes, which are usually prepared by evaporating water from prepared fruit pulps to obtain a product with a firm consistency, generally are used as a confection or as a filling in bakery goods and jellies. Imported fruit paste products typically consist of a confection-like product used as a dessert or candy and sold in ethnic Latin foodstores. 1/

Jellies, jams, marmalades, and fruit butters.--Jellies, jams, marmalades, and fruit butters made from mulberries and papaya are also covered herein.

The U.S. Food and Drug Administration (FDA) has established standards of identity for jellies, preserves or jams, and fruit butters. According to these standards, jams or preserves consist (by weight) of 45 percent fruit and 55 percent sugar; jellies, 45 percent fruit juices and 55 percent sugar; and fruit butters, 5 parts of fruit to 2 parts of sugar. No distinction is made between a jam and a preserve by the FDA or by the trade. For tariff purposes, however, a distinction is made. If a fruit is processed and packed in a manner which substantially retains the shape of the fruit, then it is dutiable

1/ Applesauce, an important domestic product, is considered for tariff purposes as otherwise prepared or preserved apples (TSUS item 146.14) and is not herein considered.

as a preserve under provisions for "prepared or preserved fruit," and not under the tariff provision for jams. Conversely, a jam is defined as a product made by boiling fruit and sugar to a thick consistency, without preserving the shape of the fruit. Hence, an imported product, properly labeled as a jam in accordance to FDA standards, might be dutiable as preserved fruit; similarly, some imported product labeled as "preserves" (e.g., strawberry preserves) may be dutiable as a jam. Generally, the rates of duty for preserved fruits are higher than those for jams.

There are no U.S. standards of identity for marmalades, which are jelly-like spreads containing suspended pieces of fruit or fruit peel and typically consisting of 50 percent or more sugar. A product not meeting the U.S. standards of identity for a jelly or jam may not be labeled as such, but may be traded as "imitation jelly" or "imitation jam." Fruit butters, which are sweetened and seasoned fruit pulps, are most commonly made from apples and pears. Jellies, jams, marmalades, and fruit butters are used primarily as fruit spreads on bread, as fillings in baked goods, and as side dishes with meals.

The mulberry of commerce is the black mulberry, the fruit from a tree or shrub which is grown in tropical and subtropical parts of the United States. Such mulberries are processed because the fresh fruit is easily bruised. Mulberries are usually mixed with other fruits such as pineapple, or papaya in jams or preserves.

Domestic papaya is grown principally in Hawaii. Most papaya is either eaten fresh or processed for use in papaya juice or mixed fruit drinks. The domestic market for papaya jam is very limited because many consumers do not like its slightly bitter taste.

U.S. customs treatment

A customs classification problem may currently exist for articles imported under TSUSA item 152.8140(pt.), including quince and apple pastes and pulps. * * *. However, the primary apple products produced in the United States--apple juice, applesauce, and apple butter--are clearly excluded from coverage under TSUSA item 152.8140. The TSUS items covering these products have lower duty rates or are already eligible for GSP, so that a duty evasion problem should not arise if GSP status is granted to quince and apple paste and pulp.

U.S. consumption, production, and producers

Quince and apple pastes and pulps.--Considerable differences exist as to the exact type of fruit-paste and fruit-pulp products under consideration with regard to TSUS item 152.8140. In 1977, the U.S. canning and freezing industries consumed 2.2 billion pounds of fresh apples purchased at a cost of $138 million; by 1981, such industrial consumption of apples increased about 9 percent to an estimated 2.4 billion pounds. Considerable amounts of apple fruit paste and pulp are produced as intermediary products in the process of making such products as juices, nectars, concentrates, jams, baby food, jellies, and preserves. Most apples which are processed are used either to make apple juice (cider), applesauce, or apple butter.

The amount of quince paste and pulp produced domestically is unknown, but it is very small. Several domestic canners produce limited amounts of quince jelly, jam, and preserves and thus produce quince paste and pulp as an intermediate product.

Mulberry and papaya jams, jellies, etc.--There is no significant domestic commercial production of mulberry jam, jelly, or preserves. There are no known domestic producers of mulberry products. Hawaii, the main papaya producing State, processes about 2 million pounds annually of fresh papaya into juice, nectar, puree (which is ultimately used for fruit juice), jams, and preserves. U.S. production of papaya jams and preserves is estimated to have been no more than 100,000 pounds annually during 1977-81 (table A-1). U.S. consumption of papaya jams and preserves averaged an estimated 106,000 pounds annually in this period.

U.S. exports

Data for the products under consideration are not separately reported. U.S. exports of quince and apple pastes and pulps and of mulberry and papaya jelly, jams, and preserves are negligible; data are not separately reported. Exports of fruit pastes and pulps of all kinds have more than doubled from about $7 million in 1977 to over $17 million in 1981 (table A-2).

U.S. imports

Quince and apple paste and pulp.--Data on imports of these products are not separately reported. U.S. imports of all fruit pastes and pulps not specially provided for (which include quince and apple) declined from 1.3 million pounds in 1977 to 0.6 million pounds in 1981 (table B-1). Leading supplying country of these miscellaneous fruit pulps and pastes is Mexico; the Netherlands, Portugal, and the Philippines are suppliers of note. Based on the new TSUSA item 152.8140, a basket category for all fruit pastes and pulps (except strawberry) created in April 1982, GSP-beneficiary countries supplied 54 percent of U.S. imports during April-June 1982 (table C-1). Apple and quince paste and pulp are believed to be imported in amounts not exceeding an annual value of $100,000.

There is little competition between these domestic and imported fruit products since domestic production is limited. For apple paste and pulp products, it is likely that the imported product consists of a confectionery product which is produced in limited quantities domestically, and which has a limited market. Quince paste and pulp is not produced in significant quantities domestically.

Mulberry and papaya jellies and jams.--Data on imports of mulberry jelly and jam are not separately reported, but these products are believed to be negligible items of trade. U.S. imports of all types of berry jellies and jams (except strawberry) remained virtually unchanged during 1978-81, averaging about 1.8 million pounds annually (table B-2). Canada, the United

Kingdom, France, and Switzerland supplied 84 percent of the 1.9 million pounds of these imported berry jellies and jams. GSP-eligible countries supplied only negligible amounts of these jellies and jams in 1978-81 (table C-2). Since there is negligible domestic output, there is little competition between imported and domestic mulberry jellies and jams.

Papaya jelly and jam was imported into the United States in limited quantities during 1978-81, peaking at 18,130 pounds in 1980 (table B-3). GSP-eligible countries supplied all of the imports in 1981, but only 4 percent of the total in 1980 (table C-3). Imports supplied less than one percent of domestic consumption in 1981. There has been little import competition for domestic papya jelly and jam because of the very limited domestic market, which discourages sales of both domestic and imported products.

## Position of interested parties

The Government of Uruguay filed the GSP petition for quince and apple paste and pulp (TSUS item 152.8140(pt.), while the Government of Honduras filed for mulberry jelly and jam (TSUS item 153.06(pt.)). The Andean Group (Bolivia, Colombia, Ecuador, Peru and Venezuela) filed for GSP for papaya jelly and jam (TSUS item 153.20).

The American Farm Bureau Federation indicated in a brief that it opposed the granting of GSP status to any of the TSUS items in this digest. It is opposed to any special unilateral tariff concessions to developing countries such as the GSP.

*                    *                    *                    *                    *

*  *  *  *  *

*           *           *           *           *

Table A-1.--Papaya jellies, jams, marmalades, and fruit butters: U.S. production, exports, imports, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Year | Production | Exports 1/ | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977 | 100 | 0 | 0 | 100 | 0 |
| 1978 | 100 | 0 | 4 | 104 | 4 |
| 1979 | 100 | 0 | 9 | 109 | 8 |
| 1980 | 100 | 0 | 18 | 118 | 15 |
| 1981 | 100 | 0 | 2/ | 100 | 3/ |
| | Value | | | | |
| 1977 | 4/ | - | - | 4/ | 4/ |
| 1978 | 4/ | - | 2 | 4/ | 4/ |
| 1979 | 4/ | - | 10 | 4/ | 4/ |
| 1980 | 4/ | - | 17 | 4/ | 4/ |
| 1981 | 4/ | - | 5/ | 4/ | 4/ |
| | Unit value | | | | |
| 1977 | 4/ | - | $0.45 | - | - |
| 1978 | 4/ | - | 1.19 | - | - |
| 1979 | 4/ | - | .96 | - | - |
| 1980 | 4/ | - | .87 | - | - |
| 1981 | 4/ | - | .87 | - | - |

1/ Exports are not separately reported, but are believed to be negligible.
2/ Less than 500 pounds or 500 dollars
3/ Less than 0.5 percent.
4/ Not available.
5/ Less than 500 dollars.

Source: Production is estimated based on official statistics of the Hawaii Department of Agriculture; exports and imports compiled from official statistics of the U.S. Department of Commerce.

Table A-2.—Fruit pastes and pulps: U.S. production, exports, imports, and apparent consumption, 1977-81

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Year | Production | Exports 1/ | Imports 2/ | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977 | 3/ | 18,749 | 1,337 | 3/ | 3/ |
| 1978 | 3/ | 27,284 | 1,827 | 3/ | 3/ |
| 1979 | 3/ | 25,695 | 1,121 | 3/ | 3/ |
| 1980 | 3/ | 30,099 | 615 | 3/ | 3/ |
| 1981 | 3/ | 41,134 | 574 | 3/ | 3/ |
| | Value | | | | |
| 1977 | 3/ | 6,794 | 312 | 3/ | 3/ |
| 1978 | 3/ | 9,979 | 520 | 3/ | 3/ |
| 1979 | 3/ | 10,898 | 399 | 3/ | 3/ |
| 1980 | 3/ | 12,587 | 251 | 3/ | 3/ |
| 1981 | 3/ | 17,026 | 259 | 3/ | 3/ |
| | Unit value | | | | |
| 1977 | 3/ | $0.36 | $0.23 | - | - |
| 1978 | 3/ | .37 | .28 | - | - |
| 1979 | 3/ | .42 | .36 | - | - |
| 1980 | 3/ | .42 | .41 | - | - |
| 1981 | 3/ | .41 | .45 | - | - |

1/ Exports include all types of fruit pastes and pulps and fruit baby food.
2/ TSUS item 152.7640, which includes all fruit pastes and pulps, not specially provided for, including quince and apple. Beginning April 1982, quince and apple pastes and pulps were classified in TSUSA item 152.8140, a similar basket class but excluding strawberry paste and pulp.
3/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-1.--Fruit pastes and pulps, not specially provided for: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Mexico------ | 762 | 250 | 176 | 318 | 246 | 161 | 89 |
| Nethlds----- | 0 | 78 | 0 | 0 | 74 | 0 | 1 |
| Portugl----- | 9 | 0 | 38 | 0 | 64 | 20 | 14 |
| Phil R------ | 5 | 22 | 2 | 7 | 25 | 4 | 9 |
| Japan------- | 1 | 1/ | 3 | 1 | 10 | 4 | 3 |
| Argent------ | 388 | 1,206 | 480 | 43 | 24 | 24 | 53 |
| C Rica------ | 0 | 0 | 0 | 0 | 42 | 42 | 0 |
| France------ | 0 | 1/ | 1 | 11 | 3 | 1 | 3 |
| All other--- | 173 | 269 | 422 | 235 | 81 | 37 | 501 |
| Total--- | 1,337 | 1,827 | 1,121 | 615 | 574 | 293 | 672 |
| | Value (1,000 dollars) | | | | | | |
| Mexico------ | 172 | 54 | 35 | 71 | 70 | 44 | 23 |
| Nethlds----- | - | 42 | - | - | 43 | - | 1 |
| Portugl----- | 3 | - | 12 | - | 28 | 11 | 8 |
| Phil R------ | 2 | 10 | 1 | 4 | 21 | 2 | 4 |
| Japan------- | 2 | 1/ | 6 | 3 | 18 | 8 | 8 |
| Argent------ | 73 | 305 | 138 | 30 | 17 | 17 | 22 |
| C Rica------ | - | - | - | - | 13 | 13 | - |
| France------ | - | 1 | 2 | 8 | 8 | 4 | 9 |
| All other--- | 61 | 108 | 205 | 135 | 40 | 22 | 105 |
| Total--- | 312 | 520 | 399 | 251 | 259 | 122 | 181 |
| | Unit value (per pound) | | | | | | |
| Mexico------ | $0.23 | $0.22 | $0.20 | $0.22 | $0.28 | $0.28 | $0.26 |
| Nethlds----- | - | .53 | - | - | .58 | - | 1.15 |
| Portugl----- | .37 | - | .31 | - | .44 | .56 | .54 |
| Phil R------ | .37 | .45 | .39 | .52 | .74 | .56 | .49 |
| Japan------- | 1.38 | 2.75 | 2.20 | 2.77 | 1.88 | 1.95 | 2.54 |
| Argent------ | .19 | .25 | .29 | .70 | .71 | .71 | .43 |
| C Rica------ | - | - | - | - | .32 | .32 | - |
| France------ | - | 3.55 | 3.14 | .71 | 2.36 | 2.70 | 2.38 |
| All other--- | .35 | .40 | .49 | .57 | .50 | .60 | .21 |
| Average-- | .23 | .28 | .36 | .41 | .45 | .42 | .27 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No.
A109--Con.

Table B-2.--Berry jellies, jams, marmalades, and fruit butters, other than strawberry: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 1/ | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (number) | | | | | | |
| Canada------ | | 975 | 951 | 740 | 844 | 373 | 300 |
| U King------ | | 719 | 470 | 327 | 336 | 142 | 176 |
| France------ | | 40 | 73 | 96 | 287 | 82 | 110 |
| Switzld----- | | 41 | 50 | 65 | 130 | 52 | 66 |
| Poland------ | | 41 | 215 | 126 | 165 | 91 | 60 |
| Ireland----- | | 32 | 9 | 10 | 44 | 24 | 5 |
| USSR-------- | | 14 | 3 | 43 | 43 | 3 | 3 |
| Fr Germ----- | | 47 | 56 | 23 | 15 | 8 | 50 |
| Hungary----- | | 0 | 40 | 70 | 28 | 28 | 93 |
| Italy------- | | 5 | 9 | 8 | 10 | 5 | 2/ |
| All other--- | | 19 | 11 | 60 | 8 | 1 | 15 |
| Total--- | | 1,934 | 1,886 | 1,567 | 1,908 | 809 | 879 |
| | Value (1,000 dollars) | | | | | | |
| Canada------ | | 649 | 753 | 711 | 906 | 390 | 249 |
| U King------ | | 607 | 519 | 400 | 418 | 193 | 177 |
| France------ | | 48 | 88 | 102 | 312 | 100 | 117 |
| Switzld----- | | 39 | 61 | 78 | 124 | 46 | 80 |
| Poland------ | | 13 | 71 | 39 | 62 | 32 | 27 |
| Ireland----- | | 17 | 7 | 8 | 40 | 23 | 4 |
| USSR-------- | | 5 | 2 | 15 | 14 | 2 | 1 |
| Fr Germ----- | | 42 | 62 | 23 | 13 | 7 | 43 |
| Hungary----- | | - | 11 | 20 | 9 | 9 | 30 |
| Italy------- | | 3 | 4 | 5 | 8 | 4 | 2/ |
| All other--- | | 10 | 14 | 59 | 11 | 2 | 24 |
| Total--- | | 1,432 | 1,594 | 1,460 | 1,916 | 807 | 771 |
| | Unit value (per unit) | | | | | | |
| Canada------ | | $0.67 | $0.79 | $0.96 | $1.07 | $1.04 | $0.83 |
| U King------ | | 0.84 | 1.10 | 1.22 | 1.25 | 1.36 | 1.12 |
| France------ | | 1.21 | 1.21 | 1.07 | 1.09 | 1.22 | 1.06 |
| Switzld----- | | 0.94 | 1.22 | 1.20 | 0.95 | 0.90 | 1.21 |
| Poland------ | | 0.33 | 0.33 | 0.31 | 0.37 | 0.35 | 0.45 |
| Ireland----- | | 0.52 | 0.77 | 0.85 | 0.91 | 0.96 | 0.90 |
| USSR-------- | | 0.33 | 0.61 | 0.36 | 0.34 | 0.47 | 0.28 |
| Fr Germ----- | | 0.88 | 1.10 | 0.98 | 0.86 | 0.87 | 0.85 |
| Hungary----- | | - | 0.29 | 0.29 | 0.31 | 0.31 | 0.32 |
| Italy------- | | 0.56 | 0.51 | 0.57 | 0.81 | 0.89 | 2.70 |
| All other--- | | 0.49 | 1.30 | 0.99 | 1.30 | 1.38 | 1.64 |
| Average-- | | 0.74 | 0.84 | 0.93 | 1.00 | 1.00 | 0.83 |

1/ Not available.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-3.--Papaya jelly, jam, marmalade, and fruit butter: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 1/ | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (pounds) | | | | | | |
| Chile | | 0 | 0 | 0 | 320 | 320 | 0 |
| U King | | 0 | 1,260 | 17,380 | 0 | 0 | 0 |
| Dom Rep | | 0 | 0 | 750 | 0 | 0 | 0 |
| Belize | | 0 | 7,500 | 0 | 0 | 0 | 0 |
| Japan | | 1,449 | 0 | 0 | 0 | 0 | 0 |
| China t | | 2,813 | 0 | 0 | 0 | 0 | 0 |
| Total | | 4,253 | 8,760 | 18,130 | 320 | 320 | 0 |
| | Value (1,000 dollars) | | | | | | |
| Chile | | - | - | - | 2/ | 2/ | - |
| U King | | - | 3 | 17 | - | - | - |
| Dom Rep | | - | - | 1 | - | - | - |
| Belize | | - | 8 | - | - | - | - |
| Japan | | 1 | - | - | - | - | - |
| China t | | 1 | - | - | - | - | - |
| Total | | 2 | 10 | 17 | 2/ | 2/ | - |
| | Unit value (per pound) | | | | | | |
| Chile | | - | - | - | $0.87 | $0.87 | - |
| U King | | - | $2.03 | $0.97 | - | - | - |
| Dom Rep | | - | - | .67 | - | - | - |
| Belize | | - | 1.05 | - | - | - | - |
| Japan | | $0.88 | - | - | - | - | - |
| China t | | .23 | - | - | - | - | - |
| Average | | .45 | 1.19 | .96 | .87 | .87 | - |

1/ Not available.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-1.--Fruit pastes and pulps, not specially provided for (TSUSA 152.8140): U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 1/ | 1979 1/ | 1980 1/ | 1981 1/ | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | | | | | 171 | 100 |
| 26 developed ctries, total | | | | | 79 | 46 |
| GSP countries, total | | | | | 92 | 54 |
| Mexico | | | | | 31 | 18 |
| Dom Rep | | | | | 2 | 1 |
| Brazil | | | | | 4 | 2 |
| Argent | | | | | 36 | 21 |
| Portugl | | | | | 9 | 5 |
| Cyprus | | | | | 1 | 2/ |
| Lebanon | | | | | 8 | 5 |
| Singapr | | | | | 3/ | 2/ |
| Other GSP | | | | | 2 | 1 |
| Other | | | | | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | | | | | 78 | 100 |
| 26 developed ctries, total | | | | | 39 | 49 |
| GSP countries, total | | | | | 40 | 51 |
| Mexico | | | | | 7 | 9 |
| Dom Rep | | | | | 1 | 1 |
| Brazil | | | | | 1 | 1 |
| Argent | | | | | 14 | 18 |
| Portugl | | | | | 5 | 6 |
| Cyprus | | | | | 1 | 1 |
| Lebanon | | | | | 9 | 11 |
| Singapr | | | | | 1 | 1 |
| Other GSP | | | | | 1 | 2 |
| Other | | | | | - | |

1/ Not available.
2/ Less than 0.5 percent.
3/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-2.--Berry jellies, jams, marmalades, and fruit butters, other than strawberry: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (number) | | | | | |
| Gross imports------------- | 1,934 | 1,886 | 1,567 | 1,908 | 879 | 100 |
| 26 developed ctries, total | 1,908 | 1,838 | 1,436 | 1,834 | 780 | 89 |
| GSP countries, total------ | 13 | 1 | 14 | 0 | 2/ | 1/ |
| Mexico ------------------ | 9 | 0 | 0 | 0 | 0 | |
| Portugl------------------ | 0 | 1 | 0 | 0 | 0 | |
| Israel ------------------ | 4 | 0 | 14 | 0 | 0 | |
| India ------------------ | 0 | 0 | 0 | 0 | 2/ | 1/ |
| Other-------------------- | 14 | 47 | 117 | 74 | 99 | 11 |
| | Value (1,000 dollars) | | | | | |
| Gross imports------------- | 1,432 | 1,594 | 1,460 | 1,916 | 771 | 100 |
| 26 developed ctries, total | 1,419 | 1,574 | 1,410 | 1,888 | 732 | 95 |
| GSP countries, total------ | 8 | 1 | 8 | - | 2/ | 1/ |
| Mexico ------------------ | 6 | - | - | - | - | |
| Portugl------------------ | - | 1 | - | - | - | |
| Israel ------------------ | 2 | - | 8 | - | - | |
| India ------------------ | - | - | - | - | 2/ | 1/ |
| Other-------------------- | 5 | 19 | 42 | 28 | 39 | 5 |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-3.--Papaya jelly, jam, marmalade, and fruit butter: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (pounds) | | | | | |
| Gross imports | 4,253 | 8,760 | 18,130 | 320 | 0 | - |
| 26 developed ctries, total | 1,440 | 1,260 | 17,380 | 0 | 0 | - |
| GSP countries, total | 2,813 | 7,500 | 750 | 320 | 0 | - |
| Chile | 0 | 0 | 0 | 320 | 0 | - |
| Belize | 0 | 7,500 | 0 | 0 | 0 | - |
| Dom Rep | 0 | 0 | 750 | 0 | 0 | - |
| China t | 2,813 | 0 | 0 | 0 | 0 | - |
| Other | 0 | 0 | 0 | 0 | 0 | - |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 2 | 10 | 17 | 2/ | - | - |
| 26 developed ctries, total | 1 | 3 | 17 | - | - | - |
| GSP countries, total | 1 | 8 | 1 | 2/ | - | - |
| Chile | - | - | - | 2/ | - | - |
| Belize | - | 8 | - | - | - | - |
| Dom Rep | - | - | 1 | - | - | - |
| China t | 1 | - | - | - | - | - |
| Other | - | - | - | - | - | - |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Basil, other than crude

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. | Brief product description | Rates of duty 1/ | | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|
| | | Current col. 1 (1/1/82) | Current col. 2 (1/1/82) | | |
| 161.05 | Basil, other than crude or not manufactured----------- | 10% ad val. | 25% ad val. | 17,000 | Yes. |

1/ Rate not modified in the Tokyo round of Multilateral Trade Negotiations.

## II. Comment

### Description and uses

Basil is the leaves and tender shoots of *Ocimum basilicum*, an annual plant of the mint family. It is used in soups, meat pies, stews, and for seasoning vegetables. Basil's flavor is sweet and warm with a pungent undertone. The newly picked bright green leaves measure up to 1-1/2 inches in length. When dried, they turn brown. Basil is native to India and Iran, but is primarily cultivated on the North Mediterranean shore.

### U.S. consumption, production, and producers

Annual U.S. consumption and production data for basil, other than crude, are not available. However, as an indication of the consumption of the basil here considered, imports of crude basil (TSUS item 161.03, not the subject of this investigation) amounted to 1.6 million pounds, valued at $684,172, in 1981. The crude basil is believed to be processed by domestic spice companies and subsequently sold and consumed largely in the United States. Commercial production of crude basil in the United States is believed to be minor. Most herbs and spices are imported in the crude form and processed domestically, since ground herbs and spices lose their volatile flavor constituents much more rapidly than do whole herbs and spices. In addition, it is easier to maintain quality control over whole herbs and spices than after they are processed. In 1981, it is estimated that about 70 companies had herb and spice shipments of $100,000 or more. Most condiments are processed by a few large domestic processors.

U.S. exports and imports

U.S. exports of basil here considered are not reported in U.S. foreign trade data; however, they are believed to be negligible. U.S. imports of such basil, increased from less than 500 pounds, valued at $2,000, in 1977 to 7,000 pounds, valued at $17,000, in 1981 (table A). Thailand supplied about 45 percent of the value of 1981 imports, France about 23 percent, and the United Kingdom 17 percent. In 1981, GSP-eligible countries supplied 47 percent of the imports (table B).

Position of interested parties

The Government of Egypt was the petitioner for GSP treatment on U.S. imports of basil.

The American Farm Bureau Federation opposes special unilateral tariff concessions such as GSP, believing that tariff concessions should be granted only in a negotiating process, and that GSP is inconsistent with the MFN principle. The Federation urges that U.S. harvest dates and market periods be kept in mind to mitigate the effects of imports on U.S. producers.

*           *           *           *           *

Table A.--Basil, other than crude or not manufactured: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Thailnd----- | 1/ | 1/ | 1 | 3 | 4 | 2 | 6 |
| France------ | 1/ | 1/ | 1/ | 1 | 1/ | 1/ | 1/ |
| U King------ | 0 | 0 | 0 | 3 | 2 | 1/ | 1/ |
| Canada------ | 0 | 0 | 0 | 0 | 1 | 0 | 11 |
| Egypt------- | 0 | 2 | 17 | 0 | 0 | 0 | 0 |
| Fr Germ----- | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Total--- | 1/ | 3 | 17 | 6 | 7 | 4 | 18 |
| | Value (1,000 dollars) | | | | | | |
| Thailnd----- | 1/ | 1 | 1 | 6 | 8 | 4 | 6 |
| France------ | 1 | 1 | 1 | 3 | 4 | 2 | 1 |
| U King------ | - | - | - | 5 | 3 | 1 | 1/ |
| Canada------ | - | - | - | - | 2 | - | 11 |
| Egypt------- | - | 1 | 7 | - | - | - | - |
| Fr Germ----- | - | - | - | - | - | - | 1 |
| Total--- | 2 | 2 | 9 | 14 | 17 | 8 | 19 |
| | Unit value (per pound) | | | | | | |
| Thailnd----- | $3.21 | $2.55 | $1.20 | $2.01 | $2.01 | $1.69 | $1.06 |
| France------ | 105.90 | 4.29 | 6.89 | 5.43 | 13.36 | 10.83 | 18.95 |
| U King------ | - | - | - | 1.80 | 1.31 | 0.99 | 11.33 |
| Canada------ | - | - | - | - | 3.33 | - | 0.97 |
| Egypt------- | - | 0.32 | 0.42 | - | - | - | - |
| Fr Germ----- | - | - | - | - | - | - | 0.54 |
| Average-- | 9.63 | 0.88 | 0.50 | 2.23 | 2.40 | 1.93 | 1.07 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B.--Basil, other than crude or not manufactured: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 3 | 17 | 6 | 7 | 18 | 100 |
| 26 developed ctries, total | 1/ | 1/ | 3 | 3 | 12 | 69 |
| GSP countries, total | 3 | 17 | 3 | 4 | 6 | 31 |
| Thailnd | 1/ | 1 | 3 | 4 | 6 | 31 |
| Egypt | 2 | 17 | 0 | 0 | 0 | |
| Other | 0 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 2 | 9 | 14 | 17 | 19 | 100 |
| 26 developed ctries, total | 1 | 1 | 8 | 9 | 13 | 69 |
| GSP countries, total | 2 | 7 | 6 | 8 | 6 | 31 |
| Thailnd | 1 | 1 | 6 | 8 | 6 | 31 |
| Egypt | 1 | 7 | - | - | - | |
| Other | - | - | - | - | - | |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Hops

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. | Brief product description | Rates of duty 1/ | | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|
| | | Current col. 1 (1/1/82) | Current col. 2 (1/1/82) | | |
| 192.25 | Hops | 7.5¢/lb (AVE 4.3%) | 24¢/lb (AVE 10.7%) | 35,755 | Yes. |

1/ Rate not modified in the Tokyo round of Multilateral Trade Negotiations.

## II. Comment

### Description and uses

The hops of commerce are the conelike flowering parts of certain varieties of a perennial vine grown in the Western United States and in many other countries. The hop vine is grown on twine running from pegs in the ground to a wire trellis, which is usually 18 feet high. After being picked, the hops are packed in bales and generally held in cold storage to maintain quality. Hops are used to provide a distinctive flavor to beer and other fermented malt beverages. Whole dried hops are added to the wort (the malt infusion prior to fermentation) and cooked with the wort. There is no other significant use for hops outside of brewing.

### U.S. consumption, production, and producers

During 1977-81, domestic consumption of hops by breweries trended upward from 29.1 million pounds to 34.8 million pounds (table A). Demand for hops is closely related to malt beverage consumption and over the 1977-81 period malt beverage consumption increased generally. However, over the last decade, the hopping rates (amount of hops used per barrel) declined as consumers apparently developed a taste for a less "bitter" content in their malt beverage. Production of hops during 1977-81 increased irregularly from 54.8 million pounds, valued at $49.1 million, to 79.0 million pounds, valued at $120.2 million. Beginning in 1980, the unit value of production increased significantly over previous years, which was primarily due to a short crop in West Germany, and to the Soviet Union purchasing major supplies of hops on the world market. Washington is the principal producing State, accounting for over 75 percent of domestic production in 1981. The domestic hop industry is not highly concentrated and in general, is made-up of small producers. There are approximately 235 domestic producers of hops, all of which are located in Washington, Oregon, Idaho, and California.

U.S. exports

During 1977-81, U.S. exports of hops increased from 14.6 million pounds, valued at $15.4 million to 20.9 million pounds, valued at $57.3 million (table B). The Federal Republic of Germany (West Germany) was the chief market, accounting for a quarter, by value, of 1981 exports. The Soviet Union and Canada were also major markets, accounting for 24 and 18 percent, respectively. The average unit value of exports in January-June 1982 was down substantially from that of the same period in 1981. Trade sources indicate the primary reason for the drop in unit value was excess supplies resulting from the large domestic harvests of 1981 and 1982 and large world harvests during the same period.

U.S. imports

During 1977-81, U.S. imports of hops increased irregularly from 7.9 million pounds, valued at $11.9 million, to 15.4 million pounds, valued at $35.8 million (table C). West Germany was the principal source of imports in 1981, accounting for 67 percent, by value, of total imports. Other suppliers of note were Czechoslovakia, Poland, and Yugoslavia. In 1981 GSP-eligible countries supplied 8 percent of the imports (table D).

Hops come in several varieties and most imported hops from West Germany and Czechoslovakia are imported for their special aroma characteristics. At the level of local breweries there are significant regional distinctions in the type, quality, and usage of hops for brewing. Such distinctions are also significant for certain large breweries producing premium beers which historically have used a certain variety of expensive imported hops to impart a particular flavor to their product, and are therefore hesitant to change their source of hop supply. Trade sources indicate U.S.-produced hops are generally in more direct competition with the cheaper hops imported from such countries as Poland, Yugoslavia, and France, than from West Germany and Czechoslovakia. The ratio of imports to consumption increased irregularly from 27 to 44 percent during 1977-81.

Position of interested parties

The petitioner for granting GSP treatment to hops was Hmezad Export-Import and Koprodukt Novi Sad, Yugoslavia.

The American Farm Bureau Federation opposes special unilateral tariff concessions such as GSP, believing that tariff concessions should be granted only in a negotiating process, and that GSP is inconsistent with the MFN principle. The Federation urges that U.S. harvest dates and market periods be kept in mind to mitigate the effects of imports on U.S. producers.

* * * * *

Table A.--Hops: U.S. production, foreign trade, and actual consumption by breweries, and ratio of imports to consumption, 1977-81, January-June 1981 and January-June 1982

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Period | Production 1/ | Exports 2/ | Imports 2/ | Actual consumption 3/ by breweries | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977 | 54,777 | 14,573 | 7,851 | 29,099 | 27 |
| 1978 | 55,071 | 14,565 | 11,777 | 31,628 | 37 |
| 1979 | 54,929 | 16,490 | 13,379 | 33,087 | 40 |
| 1980 | 75,560 | 19,230 | 17,702 | 36,137 | 49 |
| 1981 | 79,049 | 20,905 | 15,421 | 34,814 | 44 |
| January-June: | | | | | |
| 1981 | 4/ | 10,952 | 9,693 | 4/ | 4/ |
| 1982 | 4/ | 12,581 | 11,473 | 4/ | 4/ |
| | Value | | | | |
| 1977 | 49,095 | 15,400 | 11,897 | 4/ | 4/ |
| 1978 | 49,564 | 16,314 | 14,989 | 4/ | 4/ |
| 1979 | 53,281 | 20,781 | 22,127 | 4/ | 4/ |
| 1980 | 113,340 | 43,894 | 39,816 | 4/ | 4/ |
| 1981 | 120,154 | 57,337 | 35,755 | 4/ | 4/ |
| January-June: | | | | | |
| 1981 | 4/ | 39,836 | 23,479 | 4/ | 4/ |
| 1982 | 4/ | 23,369 | 24,368 | 4/ | 4/ |
| | Unit value | | | | |
| 1977 | $0.90 | $1.06 | $1.52 | - | - |
| 1978 | .90 | 1.12 | 1.27 | - | - |
| 1979 | .97 | 1.26 | 1.65 | - | - |
| 1980 | 1.50 | 2.28 | 2.25 | - | - |
| 1981 | 1.52 | 2.74 | 2.32 | - | - |
| January-June: | | | | | |
| 1981 | 4/ | 3.64 | 2.42 | - | - |
| 1982 | 4/ | 1.86 | 2.12 | - | - |

1/ Crop year ending Sept. 30; value is farm value.
2/ Calendar year.
3/ Actual consumption is that which is reported by breweries to the U.S. Department of the Treasury.
4/ Not available.

Source: Production compiled from official statistics of the U.S. Department of Agriculture. Imports and exports compiled from official statistics of the U.S. Department of Commerce.

Table B.--Hops: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Fr Germ------ | 801 | 88 | 442 | 3,536 | 3,495 | 1,751 | 3,403 |
| USSR--------- | 3,366 | 3,648 | 5,154 | 2,905 | 3,272 | 1,702 | 894 |
| Canada------- | 2,464 | 2,422 | 2,034 | 3,007 | 5,241 | 3,039 | 2,554 |
| Brazil------- | 3,136 | 3,995 | 4,254 | 4,289 | 3,106 | 1,436 | 3,069 |
| Belgium------ | 11 | 0 | 2 | 487 | 381 | 381 | 0 |
| Japan-------- | 656 | 890 | 747 | 1,127 | 1,029 | 335 | 541 |
| Mexico------- | 1,053 | 366 | 1,414 | 565 | 1,156 | 653 | 849 |
| China t------ | 1 | 441 | 544 | 176 | 749 | 356 | 150 |
| All other---- | 3,086 | 2,714 | 1,900 | 2,839 | 2,476 | 1,419 | 1,121 |
| Total--- | 14,573 | 14,565 | 16,490 | 19,230 | 20,905 | 10,952 | 12,581 |
| | Value (1,000 dollars) | | | | | | |
| Fr Germ------ | 725 | 86 | 981 | 11,332 | 14,395 | 12,553 | 6,145 |
| USSR--------- | 2,739 | 3,332 | 5,123 | 10,230 | 13,896 | 10,609 | 1,993 |
| Canada------- | 2,554 | 2,381 | 2,620 | 4,892 | 10,405 | 6,356 | 4,337 |
| Brazil------- | 3,590 | 4,875 | 5,307 | 5,075 | 5,936 | 2,651 | 6,783 |
| Belgium------ | 8 | - | 3 | 2,191 | 2,082 | 2,082 | - |
| Japan-------- | 744 | 946 | 875 | 2,549 | 1,835 | 514 | 688 |
| Mexico------- | 1,038 | 411 | 1,820 | 690 | 1,660 | 710 | 1,505 |
| China t------ | 2 | 693 | 1,311 | 1,122 | 1,179 | 1,029 | 124 |
| All other---- | 4,001 | 3,590 | 2,740 | 5,813 | 5,949 | 3,927 | 1,794 |
| Total--- | 15,400 | 16,314 | 20,781 | 43,894 | 57,337 | 39,836 | 23,369 |
| | Unit value (per pound) | | | | | | |
| Fr Germ------ | $0.90 | $0.98 | $2.22 | $2.95 | $4.12 | $7.17 | $1.81 |
| USSR--------- | 0.81 | 0.91 | 0.99 | 3.52 | 4.25 | 6.25 | 2.23 |
| Canada------- | 1.04 | 0.98 | 1.29 | 1.63 | 1.99 | 2.09 | 1.70 |
| Brazil------- | 1.14 | 1.22 | 1.25 | 1.18 | 1.91 | 1.85 | 2.21 |
| Belgium------ | 0.73 | - | 1.77 | 4.50 | 5.46 | 5.46 | - |
| Japan-------- | 1.13 | 1.06 | 1.17 | 2.26 | 1.78 | 1.53 | 1.27 |
| Mexico------- | 0.99 | 1.12 | 1.29 | 1.22 | 1.44 | 1.09 | 1.77 |
| China t------ | 1.72 | 1.57 | 2.41 | 6.37 | 1.57 | 3.06 | 0.83 |
| All other---- | 1.30 | 1.32 | 1.44 | 2.05 | 2.40 | 2.77 | 1.60 |
| Average-- | 1.06 | 1.12 | 1.26 | 2.28 | 2.74 | 3.64 | 1.86 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Hops: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|---|
| | | | | | | 1981 | 1982 |
| | Quantity (1,000 pounds) | | | | | | |
| Fr Germ | 5,655 | 7,935 | 8,942 | 11,868 | 9,536 | 5,080 | 7,365 |
| Czecho | 681 | 646 | 721 | 1,878 | 2,223 | 1,299 | 1,808 |
| Poland | 39 | 720 | 805 | 440 | 1,333 | 1,053 | 1,370 |
| Yugoslv | 933 | 1,764 | 2,175 | 2,325 | 1,173 | 1,132 | 334 |
| France | 200 | 360 | 360 | 480 | 484 | 484 | 320 |
| U King | 0 | 0 | 1 | 46 | 156 | 154 | 1 |
| China M | 0 | 0 | 0 | 111 | 222 | 222 | 0 |
| Austral | 30 | 227 | 225 | 221 | 131 | 131 | 242 |
| All other | 312 | 126 | 151 | 334 | 164 | 137 | 26 |
| Total | 7,851 | 11,777 | 13,379 | 17,702 | 15,421 | 9,693 | 11,473 |
| | Value (1,000 dollars) | | | | | | |
| Fr Germ | 9,066 | 10,263 | 15,343 | 28,368 | 24,051 | 14,441 | 15,616 |
| Czecho | 1,148 | 524 | 1,858 | 4,383 | 4,966 | 2,920 | 4,097 |
| Poland | 50 | 1,007 | 1,179 | 765 | 2,409 | 1,931 | 2,701 |
| Yugoslv | 1,138 | 2,435 | 2,927 | 4,162 | 2,108 | 2,029 | 753 |
| France | 227 | 445 | 438 | 824 | 795 | 795 | 649 |
| U King | - | - | 1 | 97 | 394 | 389 | 7 |
| China M | - | - | - | 111 | 342 | 342 | - |
| Austral | 21 | 221 | 197 | 432 | 284 | 284 | 498 |
| All other | 247 | 93 | 183 | 675 | 406 | 347 | 47 |
| Total | 11,897 | 14,989 | 22,127 | 39,816 | 35,755 | 23,479 | 24,368 |
| | Unit value (per pound) | | | | | | |
| Fr Germ | $1.60 | $1.29 | $1.72 | $2.39 | $2.52 | $2.84 | $2.12 |
| Czecho | 1.69 | 0.81 | 2.58 | 2.33 | 2.23 | 2.25 | 2.27 |
| Poland | 1.27 | 1.40 | 1.46 | 1.74 | 1.81 | 1.83 | 1.96 |
| Yugoslv | 1.22 | 1.38 | 1.35 | 1.79 | 1.80 | 1.79 | 2.26 |
| France | 1.14 | 1.24 | 1.22 | 1.72 | 1.64 | 1.64 | 2.03 |
| U King | - | - | 2.57 | 2.08 | 2.53 | 2.52 | 4.90 |
| China M | - | - | - | 1.00 | 1.54 | 1.54 | - |
| Austral | 0.71 | 0.97 | 0.88 | 1.96 | 2.17 | 2.17 | 2.06 |
| All other | 0.79 | 0.74 | 1.21 | 2.02 | 2.48 | 2.53 | 1.81 |
| Average | 1.52 | 1.27 | 1.65 | 2.25 | 2.32 | 2.42 | 2.12 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Hops: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 11,777 | 13,379 | 17,702 | 15,421 | 0 | - |
| 26 developed ctries, total | 9,358 | 10,483 | 13,346 | 11,714 | 0 | - |
| GSP countries, total | 1,773 | 2,175 | 2,328 | 1,181 | 0 | - |
| Yugoslv | 1,764 | 2,175 | 2,325 | 1,173 | 0 | - |
| China t | 0 | 0 | 0 | 2 | 0 | - |
| Phil R | 0 | 0 | 0 | 2 | 0 | - |
| Colomb | 0 | 0 | 0 | 4 | 0 | - |
| Thailnd | 0 | 0 | 0 | 2/ | 0 | - |
| Mexico | 9 | 0 | 0 | 0 | 0 | - |
| C Rica | 0 | 0 | 0 | 0 | 0 | - |
| Dom Rep | 0 | 0 | 3 | 0 | 0 | - |
| Other | 646 | 721 | 2,029 | 2,526 | 0 | - |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 14,989 | 22,127 | 39,816 | 35,755 | - | - |
| 26 developed ctries, total | 12,027 | 17,342 | 31,082 | 28,146 | - | - |
| GSP countries, total | 2,437 | 2,927 | 4,162 | 2,120 | - | - |
| Yugoslv | 2,435 | 2,927 | 4,162 | 2,108 | - | - |
| China t | - | - | - | 9 | - | - |
| Phil R | - | - | - | 2 | - | - |
| Colomb | - | - | - | 1 | - | - |
| Thailnd | - | - | - | 2/ | - | - |
| Mexico | 2 | - | - | - | - | - |
| C Rica | - | - | - | - | - | - |
| Dom Rep | - | - | 2/ | - | - | - |
| Other | 524 | 1,858 | 4,572 | 5,489 | - | - |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Certain coarse wools, in the grease or washed, not sorted

I. TSUS(A) item number; description; tariff rate information 1/; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Wool: Aleppo, Arabian, Bagdad, Black Spanish, Chinese, Cordova, Cyprus, Donskoi, East Indian, Ecuadorean, Egyptian, Georgian, Haslock, Iceland, Kerry, Manchurian, Mongolian, Oporto, Persian, Pyrenean, Sardinian, Scotch Blackface, Sistan, Smyrna, Sudan, Syrian, Thibetan, Turkestan, Valparaiso, and Welsh Mountain wool; similar wool not improved by the admixture of merino or English blood; and other wool of whatever blood or origin not finer than 40s; all the foregoing: In the grease or washed: | | | | | | | | | | | | |
| 306.11 | Not sorted----------- | 6.5¢/clean lb (AVE 4.5%) | 5¢/ clean lb (AVE 3.4%) | 3.5¢/ clean lb (AVE 2.4%) | 2.5¢/ clean lb (AVE 1.7%) | 2.5¢/ clean lb (AVE 1.7%) | 2.5¢/ clean lb (AVE 1.7%) | 2.5¢/ clean lb (AVE 1.7%) | 2.5¢/ clean lb (AVE 1.7% | 2.5¢/ clean lb (AVE 1.7% | 24¢/ clean lb (AVE 16.6%) | 6,227 | No. |

1/ The duty on all entries of wool under TSUS item 306.11 is temporarily suspended (TSUS item 905.10), effective November 8, 1977, through June 30, 1985.

## II. Comments

Description and uses

The wools covered by this digest are regarded as being of coarse quality, the diameter of the fibers being larger than for other types of wool. The coarse wools also tend to be relatively long, reaching 10-15 inches in length for such wools as the Scotch Blackface. Low crimp, high resiliency, and high strength are other distinguishing characteristics of the coarse wools.

The Aleppo wool and other named wools covered here frequently vary in color within individual fleeces. Any one fleece of the named wools may contain white, black, and different shades of brown fiber while the coarse wools which have been genetically improved by the admixture of merino or English blood tend to be more uniform.

Coarse wools are best known for their use in the manufacture of carpets and rugs. However, substantial quantities of these wools also are used in the spinning of yarns for blankets and knit apparel. The durability and warmth that these fibers impart to consumer products are always of primary importance. The natural variation of color in the named wools in itself can be used to contribute an element of aesthetic appeal or fashion to apparel. In their undyed condition, these fibers will result in such items as a co-ordinate set, containing hat, scarf, mittens and sweater, having a random, but usually smooth, blend of naturally matching colors. In this regard, one set of co-ordinate garments will appear uniquely different from all others.

The tariff provision for the subject coarse wools further identifies them as being in the grease or washed, which means that these wools contain dirt and vegetable matter and are otherwise in the natural condition as shorn from the sheep. Also, the individual fleeces have not been sorted into their various component parts, such as neck, belly, and back, each of which may vary considerably in quality form each of the others.

U.S. customs treatment

The duties, both column 1 and column 2 rates, on entries of wools in TSUS item 306.11 were suspended, effective November 8, 1977, through June 30, 1980, under Public Law 95-162. The United States during the Tokyo round of trade negotiations granted a concession on this item by extending the period of the duty suspension to June 30, 1985, (P.L. 96-39). The duty suspension is provided for in the tariff schedules in item 905.10. Domestic wool producers did not object to the original legislation or trade concession which gave duty-free treatment to coarse wools, providing such duty-free treatment was not also extended to the wools finer than 46s which are produced in substantial quantities in the United States.

U.S. consumption and imports

The coarse wools considered herein which are consumed domestically are supplied entirely from imports, as there has been no production in the United States during the last few decades. The consumption and imports of wools of the type provided for in TSUS item 306.11 increased from about 2 million pounds in 1977 to 8 million in 1978, but then trended downward to about 4 million pounds in 1981 (table A).

New Zealand and the United Kingdom have been the principal sources of imports of the subject wools, accounting for 85 percent of the total value of entries during 1981 (table B). The GSP beneficiary developing countries have accounted for a small share of this trade with the United States (9 percent) during January-June 1982 (table C). The combined value of imports from the 26 developed countries and other non-GSP beneficiary countries accounted for 91 percent of total imports during January-June 1982. Imports from Chile, the petitioner for duty-free treatment under the Generalized System of Preferences, have been nil or negligible since 1978. Syria, Lebanon, and Argentina would most likely be the major beneficiaries from duty-free treatment of wool under the GSP.

Position of interested parties

The Republic of Chile petitioned for duty-free treatment under the GSP of the coarse wools. There were no submissions to the U.S. International Trade Commission during this investigation on granting such duty-free treatment to wools.

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Digest No.
A301--Con.

## IV. Statistical Data

Table A.--Certain coarse wools, in the grease or washed, not sorted: U.S. production, exports, imports, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in thousands of pounds, clean basis; value in thousands of dollars; unit value per pound)

| Period | Production | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977 | 0 | 0 | 2,198 | 2,198 | 100 |
| 1978 | 0 | 0 | 7,524 | 7,524 | 100 |
| 1979 | 0 | 0 | 6,058 | 6,058 | 100 |
| 1980 | 0 | 0 | 5,892 | 5,892 | 100 |
| 1981 | 0 | 0 | 4,299 | 4,299 | 100 |
| Jan.-June-- | | | | | |
| 1981 | 0 | 0 | 2,015 | 2,015 | 100 |
| 1982 | 0 | 0 | 2,270 | 2,270 | 100 |
| | | | Value | | |
| 1977 | - | - | 2,880 | 2,880 | 100 |
| 1978 | - | - | 9,778 | 9,778 | 100 |
| 1979 | - | - | 9,824 | 9,824 | 100 |
| 1980 | - | - | 9,990 | 9,990 | 100 |
| 1981 | - | - | 6,227 | 6,227 | 100 |
| Jan.-June-- | | | | | |
| 1981 | - | - | 3,041 | 3,041 | 100 |
| 1982 | - | - | 2,973 | 2,973 | 100 |
| | | | Unit value 1/ | | |
| 1977 | - | - | $1.31 | - | - |
| 1978 | - | - | 1.30 | - | - |
| 1979 | - | - | 1.62 | - | - |
| 1980 | - | - | 1.70 | - | - |
| 1981 | - | - | 1.45 | - | - |
| Jan.-June-- | | | | | |
| 1981 | - | - | 1.51 | - | - |
| 1981 | - | - | 1.31 | - | - |

1/ Calculated from unrounded data.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B.--Certain coarse wools, in the grease or washed, not sorted: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| N Zeal | 1,549 | 5,501 | 4,516 | 4,472 | 3,081 | 1,527 | 1,416 |
| U King | 31 | 753 | 712 | 325 | 380 | 179 | 391 |
| Syria | 36 | 310 | 116 | 125 | 308 | 103 | 99 |
| Ireland | 20 | 193 | 91 | 163 | 113 | 51 | 0 |
| Rep Saf | 91 | 139 | 143 | 86 | 189 | 127 | 9 |
| Lebanon | 0 | 0 | 0 | 0 | 151 | 0 | 73 |
| Italy | 0 | 16 | 15 | 12 | 48 | 0 | 33 |
| Austral | 1 | 16 | 16 | 56 | 13 | 13 | 0 |
| All other | 470 | 596 | 449 | 654 | 17 | 16 | 249 |
| Total | 2,198 | 7,524 | 6,058 | 5,892 | 4,299 | 2,015 | 2,270 |
| | Value (1,000 dollars) | | | | | | |
| N Zeal | 1,988 | 7,000 | 7,147 | 7,479 | 4,654 | 2,366 | 1,893 |
| U King | 45 | 1,087 | 1,262 | 573 | 630 | 307 | 598 |
| Syria | 58 | 383 | 117 | 132 | 332 | 122 | 95 |
| Ireland | 25 | 295 | 153 | 315 | 208 | 91 | - |
| Rep Saf | 83 | 108 | 218 | 72 | 162 | 106 | 8 |
| Lebanon | - | - | - | - | 152 | - | 106 |
| Italy | - | 15 | 13 | 16 | 41 | - | 31 |
| Austral | 1 | 23 | 27 | 110 | 27 | 27 | - |
| All other | 681 | 868 | 888 | 1,292 | 21 | 21 | 241 |
| Total | 2,880 | 9,778 | 9,824 | 9,990 | 6,227 | 3,041 | 2,973 |
| | Unit value (per pound) | | | | | | |
| N Zeal | $1.28 | $1.27 | $1.58 | $1.67 | $1.51 | $1.55 | $1.34 |
| U King | 1.44 | 1.44 | 1.77 | 1.76 | 1.65 | 1.72 | 1.53 |
| Syria | 1.60 | 1.24 | 1.01 | 1.06 | 1.08 | 1.19 | 0.97 |
| Ireland | 1.27 | 1.53 | 1.68 | 1.94 | 1.84 | 1.80 | - |
| Rep Saf | 0.91 | 0.78 | 1.52 | 0.84 | 0.86 | 0.84 | 0.86 |
| Lebanon | - | - | - | - | 1.01 | - | 1.46 |
| Italy | - | 0.94 | 0.83 | 1.40 | 0.86 | - | 0.94 |
| Austral | 1.30 | 1.39 | 1.67 | 1.96 | 2.10 | 2.10 | - |
| All other | 1.45 | 1.46 | 1.98 | 1.98 | 1.27 | 1.30 | 0.97 |
| Average | 1.31 | 1.30 | 1.62 | 1.70 | 1.45 | 1.51 | 1.31 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Certain coarse wools, in the grease or washed, not sorted: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 7,524 | 6,058 | 5,892 | 4,299 | 2,270 | 100 |
| 26 developed ctries, total | 6,618 | 5,493 | 5,115 | 3,825 | 1,854 | 82 |
| GSP countries, total | 755 | 477 | 535 | 474 | 220 | 10 |
| Syria | 310 | 116 | 125 | 308 | 99 | 4 |
| Lebanon | 0 | 0 | 0 | 151 | 73 | 3 |
| Argent | 411 | 361 | 359 | 16 | 49 | 2 |
| Mexico | 0 | 0 | 2 | 0 | 0 | |
| Chile | 0 | 0 | 17 | 0 | 0 | |
| Brazil | 16 | 0 | 17 | 0 | 0 | |
| Romania | 18 | 0 | 0 | 0 | 0 | |
| Pakistn | 0 | 0 | 15 | 0 | 0 | |
| Other GSP | 0 | 0 | 0 | 0 | 0 | |
| Other | 151 | 88 | 242 | 0 | 195 | 9 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 9,778 | 9,824 | 9,990 | 6,227 | 2,973 | 100 |
| 26 developed ctries, total | 8,528 | 8,819 | 8,567 | 5,723 | 2,532 | 85 |
| GSP countries, total | 1,091 | 907 | 1,179 | 504 | 277 | 9 |
| Syria | 383 | 117 | 132 | 332 | 95 | 3 |
| Lebanon | - | - | - | 152 | 106 | 4 |
| Argent | 649 | 790 | 930 | 21 | 75 | 3 |
| Mexico | - | - | 2 | - | - | |
| Chile | - | - | 47 | - | - | |
| Brazil | 25 | - | 47 | - | - | |
| Romania | 34 | - | - | - | - | |
| Pakistn | - | - | 21 | - | - | |
| Other GSP | - | - | - | - | - | |
| Cther | 159 | 98 | 243 | - | 164 | 6 |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Noils, of wool or hair, advanced

TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Waste of wool or hair and advanced waste of wool or hair: | | | | | | | | | | | | |
| | Noils, whether or not advanced: | | | | | | | | | | | | |
| 307.08 | Advanced------------------- | 8¢/lb. (AVE 3.4%) | 8¢/ lb. (AVE 3.4%) | 8¢/ lb. (AVE 3.4%) | 7¢/ lb. (AVE 2.9%) | 6¢/ lb. (AVE 2.5%) | 5.5¢/ lb. (AVE 2.3%) | 4.5¢/ lb. (AVE 1.9%) | 3.5¢ lb. (AVE 1.5%) | 3¢/ lb. (AVE 1.3%) | 30¢/ lb. (AVE 12.6%) | 3,445 | Yes. |

## II. Comment

Description and uses

Wool noils are relatively short fibers which are distributed among the longer fibers in the fleece of the sheep. For certain fine-hair animals, noils are the extremely short fibers of the undercoat which has been previously separated from the long guard hairs. The noils are separated from the other fibers in the combing process of manufacturing.

Fleece wool or hair, as shorn from sheep or other animals, is first subjected to a scouring process to remove the natural animal grease, dirt, sand, and other impurities from the fibers. All wool and hair is then put through carding machines. The carding machines clean and partially align the fibers of different kinds and qualities forming a wide flat web which is gathered into a ropelike form called sliver. Substantial quantities of wool sliver is spun directly into yarns, in which case the noils are not separated from the longer fibers. However, large quantities of wool or hair sliver, predominately of the finer grades, move into the combing process.

The principal product of combing is known as top. The tops contain only the long fibers. These fibers have a high degree of parallel orientation and are used to produce fine yarns of high strength. These yarns are used in the manufacture of relatively smooth and highly durable worsted fabrics such as men's suiting material.

Noils are the secondary product of the combing operation. However, for tariff purposes these noils usually are regarded as not advanced. To be classified as advanced and be covered by this digest, the noils must be further cleaned to remove excessive oil or dust, be carbonized to removed particles of vegetable matter, or be dyed.

Producers of wool or hair tops sell the noils, as a by-product of their operation, to wool mills that card, but do not comb their wool or hair. These latter mills usually clean or carbonize the noils and then merely blend and recycle them with other fibers in a carding operation to make yarns of a relatively soft construction. These yarns are used in fabrics where soft texture, rather than strength and durability, is of key importance.

U.S. consumption, production, and producers

The U.S. consumption of advanced wool or hair noils has generally trended downward since 1977 (table A). Consumption increased from 23 million pounds in 1977 to 27 million in 1978, but declined 43 percent to 16 milllion pounds in 1980. Consumption increased to 18 million pounds in 1981. However, another decline is occurring in 1982, with consumption during January-June about 26 percent less than in January-June 1981.

U.S. production of advanced wool or hair noils also has trended downward since 1977. Production during this period ranged between 15 million pounds in 1980 and 26 million pounds in 1978. Production during the first half of 1982 was 25 percent less than a year earlier.

There are an estimated 15 firms that account for the bulk of production of advanced noils of wool or hair. These firms use the advanced noils in combination with other wool or hair fibers and manmade fibers. Also, these same firms purchase the imported advanced noils to supplement their own advanced noil production in support of their manufacturing and sales of yarns and fabrics.

U.S. exports

Exports of advanced noils of wool or hair have been relatively small, averaging only 193,000 pounds annually during 1977-81. Canada has been the principal export market for U.S. advanced noils (table B).

U.S. imports

The quantity of U.S. imports of advanced noils of wool or hair has been relatively stable, averaging 1.3 million pounds annually during 1977-81. However, with increasing average unit values per pound, the total value of imports trended upward from about $2 million annually during 1977-78 to over $3 million annually during 1979-81.

The imports have accounted for an increasing share of the domestic market in recent years. The ratio of imports to domestic consumption trended upward from 4.2 percent in 1978 to 8 percent during January-June 1982.

Belgium, the United Kingdom, and France have been the principal sources of U.S. imports of advanced wool or hair noils (table C). In 1981, the combined imports from these countries accounted for 92 percent of the total value of imports. Other developed countries accounted for 8 percent of total imports in 1981. Imports from GSP beneficiary countries have been nil or negligible since 1977 (table D).

Position of interested parties

The Government of Egypt requested duty-free treatment under the GSP of advanced noils of wool or hair. However, there were no submissions to the U.S. International Trade Commission during this investigation on granting such duty-free treatment to advanced noils of wool or hair.

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Digest No.
A302--Con.

## III. Statistical Data

Table A.--Noils, of wool or hair, advanced: U.S. production, exports, imports, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Period | Production | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977---------- | 22,189 | 294 | 1,342 | 23,237 | 5.8 |
| 1978---------- | 26,470 | 186 | 1,150 | 27,434 | 4.2 |
| 1979---------- | 20,103 | 264 | 1,465 | 21,304 | 6.9 |
| 1980---------- | 14,583 | 113 | 1,134 | 15,604 | 7.3 |
| 1981---------- | 17,063 | 108 | 1,446 | 18,401 | 7.9 |
| Jan.-June-- | | | | | |
| 1981-------- | 8,448 | 54 | 715 | 9,109 | 7.8 |
| 1982-------- | 6,316 | 97 | 540 | 6,759 | 8.0 |
| | Value | | | | |
| 1977---------- | 1/ | 149 | 2,041 | 1/ | 1/ |
| 1978---------- | 1/ | 115 | 1,947 | 1/ | 1/ |
| 1979---------- | 1/ | 140 | 3,127 | 1/ | 1/ |
| 1980---------- | 1/ | 132 | 3,094 | 1/ | 1/ |
| 1981---------- | 1/ | 154 | 3,445 | 1/ | 1/ |
| Jan.-June-- | | | | | |
| 1981-------- | 1/ | 93 | 1,559 | 1/ | 1/ |
| 1982-------- | 1/ | 113 | 1,372 | 1/ | 1/ |
| | Unit value 2/ | | | | |
| 1977---------- | 1/ | $0.51 | $1.52 | - | - |
| 1978---------- | 1/ | .62 | 1.69 | - | - |
| 1979---------- | 1/ | .53 | 2.13 | - | - |
| 1980---------- | 1/ | 1.17 | 2.73 | - | - |
| 1981---------- | 1/ | 1.43 | 2.38 | - | - |
| Jan.-June-- | | | | | |
| 1981-------- | 1/ | 1.72 | 2.18 | - | - |
| 1981-------- | 1/ | 1.16 | 2.54 | - | - |

1/ Not available.
2/ Calculated from unrounded data.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B.--Noils, of wool or hair, advanced: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Canada | 124 | 43 | 52 | 30 | 43 | 28 | 11 |
| Italy | 1/ | 13 | 13 | 7 | 18 | 3 | 2 |
| U King | 5 | 10 | 31 | 1 | 10 | 4 | 22 |
| Fr Germ | 53 | 0 | 5 | 2 | 6 | 3 | 11 |
| Belgium | 0 | 19 | 80 | 26 | 4 | 3 | 3 |
| Ireland | 0 | 0 | 0 | 1 | 1 | 1 | 0 |
| Nethlds | 9 | 19 | 40 | 7 | 3 | 2 | 6 |
| Czecho | 0 | 0 | 0 | 6 | 3 | 3 | 3 |
| All other | 103 | 81 | 43 | 35 | 19 | 7 | 39 |
| Total | 294 | 186 | 264 | 113 | 108 | 54 | 97 |
| | Value (1,000 dollars) | | | | | | |
| Canada | 66 | 35 | 55 | 34 | 51 | 34 | 11 |
| Italy | 1/ | 3 | 4 | 8 | 31 | 15 | 5 |
| U King | 3 | 9 | 21 | 2 | 14 | 7 | 30 |
| Fr Germ | 19 | - | 3 | 4 | 9 | 5 | 15 |
| Belgium | - | 6 | 20 | 27 | 8 | 6 | 4 |
| Ireland | - | - | - | 1 | 8 | 8 | - |
| Nethlds | 2 | 8 | 10 | 6 | 7 | 5 | 8 |
| Czecho | - | - | - | 13 | 4 | 4 | 6 |
| All other | 59 | 55 | 27 | 39 | 22 | 8 | 34 |
| Total | 149 | 115 | 140 | 132 | 154 | 93 | 113 |
| | Unit value (per pound) | | | | | | |
| Canada | $0.53 | $0.80 | $1.07 | $1.14 | $1.18 | $1.23 | $1.00 |
| Italy | 1.34 | 0.25 | 0.30 | 1.15 | 1.78 | 5.42 | 2.09 |
| U King | 0.58 | 0.86 | 0.66 | 1.58 | 1.37 | 2.02 | 1.37 |
| Fr Germ | 0.35 | - | 0.65 | 2.00 | 1.69 | 1.72 | 1.33 |
| Belgium | - | 0.33 | 0.26 | 1.05 | 1.77 | 1.92 | 1.43 |
| Ireland | - | - | - | 1.18 | 5.45 | 5.45 | - |
| Nethlds | 0.25 | 0.40 | 0.24 | 0.90 | 2.31 | 2.46 | 1.30 |
| Czecho | - | - | - | 2.12 | 1.34 | 1.34 | 2.22 |
| All other | 0.57 | 0.68 | 0.63 | 1.12 | 1.16 | 1.19 | 0.87 |
| Average | 0.51 | 0.62 | 0.53 | 1.17 | 1.43 | 1.72 | 1.16 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Noils, of wool or hair, advanced: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Belgium | 1,111 | 868 | 797 | 864 | 766 | 351 | 298 |
| U King | 46 | 21 | 203 | 155 | 339 | 105 | 117 |
| France | 108 | 171 | 314 | 25 | 201 | 130 | 97 |
| Rep Saf | 16 | 74 | 124 | 74 | 63 | 52 | 14 |
| Canada | 0 | 0 | 0 | 0 | 33 | 33 | 0 |
| Nethlds | 0 | 0 | 0 | 2 | 32 | 32 | 0 |
| Argent | 0 | 0 | 0 | 0 | 10 | 10 | 0 |
| Japan | 0 | 17 | 0 | 0 | 2 | 2 | 0 |
| All other | 62 | 0 | 27 | 15 | 0 | 0 | 15 |
| Total | 1,342 | 1,150 | 1,465 | 1,134 | 1,446 | 715 | 540 |
| | Value (1,000 dollars) | | | | | | |
| Belgium | 1,692 | 1,518 | 1,896 | 2,032 | 1,450 | 712 | 506 |
| U King | 92 | 24 | 287 | 793 | 1,340 | 341 | 646 |
| France | 157 | 281 | 727 | 59 | 387 | 258 | 170 |
| Rep Saf | 19 | 104 | 192 | 147 | 120 | 101 | 24 |
| Canada | - | - | - | - | 66 | 66 | - |
| Nethlds | - | - | - | 8 | 66 | 66 | - |
| Argent | - | - | - | - | 14 | 14 | - |
| Japan | - | 20 | - | - | 3 | 3 | - |
| All other | 80 | - | 26 | 55 | - | - | 26 |
| Total | 2,041 | 1,947 | 3,127 | 3,094 | 3,445 | 1,559 | 1,372 |
| | Unit value (per pound) | | | | | | |
| Belgium | $1.52 | $1.75 | $2.38 | $2.35 | $1.89 | $2.03 | $1.70 |
| U King | 2.01 | 1.16 | 1.41 | 5.12 | 3.96 | 3.25 | 5.53 |
| France | 1.45 | 1.65 | 2.31 | 2.39 | 1.92 | 1.99 | 1.76 |
| Rep Saf | 1.22 | 1.40 | 1.55 | 1.98 | 1.90 | 1.93 | 1.71 |
| Canada | - | - | - | - | 2.03 | 2.03 | - |
| Nethlds | - | - | - | 4.21 | 2.06 | 2.06 | - |
| Argent | - | - | - | - | 1.36 | 1.36 | - |
| Japan | - | 1.16 | - | - | 1.16 | 1.16 | - |
| All other | 1.30 | - | 0.94 | 3.74 | - | - | 1.78 |
| Average | 1.52 | 1.69 | 2.13 | 2.73 | 2.38 | 2.18 | 2.54 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Noils, of wool or hair, advanced: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 1,150 | 1,465 | 1,134 | 1,446 | 540 | 100 |
| 26 developed ctries, total | 1,150 | 1,438 | 1,134 | 1,435 | 540 | 100 |
| GSP countries, total | 0 | 27 | 0 | 10 | 0 | |
| Argent | 0 | 0 | 0 | 10 | 0 | |
| Uruguay | 0 | 27 | 0 | 0 | 0 | |
| Egypt | 0 | 0 | 0 | 0 | 0 | |
| Other | 0 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 1,947 | 3,127 | 3,094 | 3,445 | 1,372 | 100 |
| 26 developed ctries, total | 1,947 | 3,102 | 3,094 | 3,431 | 1,372 | 100 |
| GSP countries, total | - | 26 | - | 14 | - | |
| Argent | - | - | - | 14 | - | |
| Uruguay | - | 26 | - | - | - | |
| Egypt | - | - | - | - | - | |
| Other | - | - | - | - | - | |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Certain belts and belting for machinery

I. TSUS item numbers; brief description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 1/ | 1981 1/ | 1982 1/ | 1983 1/ | 1984 1/ | 1985 1/ | 1986 1/ | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product-Produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Belting and belts, for machinery, of textile fibers or of such fibers and rubber or plastics: | | | | | | | | | | | | |
| | Other than V-belts: | | | | | | | | | | | | |
| | Of vegetable fibers: | | | | | | | | | | | | |
| 358.06 | In part of rubber or plastics. | 8% ad val. | 7.6% ad val. | 7.3% ad val. | 6.9% ad val. | 6.6% ad val. | 6.2% ad val. | 5.8% ad val. | 5.5% ad val. | 5.1% ad val. | 30% ad val. | 2,822 | Yes. |
| 358.14 | Of man-made fibers------------ | 12.5¢ per lb. + 15% ad val. (16.6%) | 11¢ per lb. + 14.1% ad val. (15.5%) | 9¢ per lb. + 13.3% ad val. (14.5%) | 7¢ per lb. + 12.4% ad val. (13.3%) | 6¢ per lb. + 11.5% ad val. (12.3%) | 4¢ per lb. + 10.6% ad val. (11.9%) | 3¢ per lb. + 9.8% ad val. (10.2%) | 1¢ per lb. + 8.9% ad val. (9.0%) | 8% ad val. | 74% ad val. | 6,655 | Yes. |

1/ Products of least developed developing countries are eligible for full tariff reduction (1987 rate) without staging.
2/ Ad valorem equivalent (based on 1981 imports) are in parenthesis.

## II. Comment

Description and uses

Belts and belting for machinery are flexible bands, usually broad and flat, made of various raw materials. These bands pass around two or more pulleys, cylinders, cones, or the like; the types under consideration here are used principally to convey materials from one area to another. The belts and beltings under review are known as conveyor or elevator flat belts and are in chief value of textile fibers or in chief value of such fibers and rubber or plastics. The textile yarns and fabrics are used to give strength and body to the belting to enable it to perform satisfactorily. Conveyor and elevator beltings are known as flat beltings and are constructed with layers of fabrics mixed with rubber, both built up to meet the carrying requirements of the belt. Flat belting, especially conveyor and elevator belting, is made to precise specifications and standards for particular uses. The belting can be either light weight or heavy duty; the flat belts under consideration here are used to transport such items as coal, gravel, food, pharmaceutical products, or boxes, in factory or warehouse assembly lines, and in airport terminals.

Flat belting, especially conveyor and elevator belting, may contain textile fibers, plastics, rubber, or steel, or combinations of these materials. In the TSUS, imports of such belting are classified under item numbers 358.06 and 358.14 if in chief value of textile materials, and under 358.16 if containing textile fibers but in chief value of rubber or plastics.

U.S. consumption, production and producers

Domestic shipment data does not provide the same distinctions as the TSUS and all flat belting of rubber or plastics or textile materials, or combinations thereof, are grouped together for reporting purposes in Standard Industrial Classification (SIC) number 30411. Therefore, to arrive at meaningful comparisons between flat belting imports under consideration for GSP treatment (TSUS items 358.06 and 358.14) and competitive U.S. production, the Commission staff has estimated that U.S. belting production that may be in chief value of textile material is 75 percent of total shipments of flat belting in SIC 30411. Consequently, shipments, consumption, and import penetration data referred to in this digest, as well as in Table A, are based on 75 percent of reported shipments of SIC 30411.

Apparent consumption of the flat belting covered here increased from $197.5 million in 1977 to $234.3 million in 1981. Less than 5 percent of the consumption was furnished by imports during this period (table A).

U.S. shipments also increased from $195.7 million in 1977 to an estimated $247.5 million in 1981. For January-June 1982 they were estimated at $127 million. Most production of the flat belting covered here is conveyor and elevator belting, shipments of which were valued at over $225 million in 1981 and over $115 million in January-June 1982. Light weight conveyor and elevator belting shipments were estimated at almost $50 million in 1981 and over $25 million in January-June 1982.

Over 50 firms, employing about 7,000 workers, manufacture flat belting. They are located chiefly in the Northeastern States. Most manufacture flat belting exclusively or as the major source of income. About half manufacture light weight conveyor and elevator belting; these firms employ about 1,000 workers in the manufacture of this type of belting. In some plants both light weight and heavy duty conveyor and elevator beltings are manufactured simultaneously.

U.S. exports

U.S. exports of the flat beltings under review, most of which are conveyor and elevator beltings, were about 3.2 million pounds in both 1977 and 1978 and valued at $7.0 million in 1977 and $6.9 million in 1978; they declined to 2.6 million pounds, valued at $7.2 million in 1979, increased slightly in 1980, then rose to a 1977-81 high of 6.2 million pounds, valued at $22.6 million in 1981 (table A). The peak in 1981 was caused by the appearance of the U.S.S.R. as a new major market; in that year, it purchased 2.6 million pounds, valued at $10.7 million (table B). Prior to 1981, the major market for U.S. exports of flat belting was Canada, which imported an annual average of 0.6 million pounds, valued at $1.5 million, from 1978 to 1980. Exports averaged under 4 percent of annual shipments from 1977 to 1980, but jumped to about 9 percent of shipments in 1981.

U.S. imports

U.S. imports of the flat belting covered here declined from 2.2 million pounds, valued at $8.8 million, in 1977 to 1.3 million pounds, valued at $10.0

million in 1980, then rose to 1.4 million pounds, valued at $9.5 million, in 1981 (table A). The average unit value of the imports has been several times higher than the average unit value of domestic shipments of the U.S. flat belting under review here during the 1977-81 period. In January-June 1982, the imports of these products have been about the same in value as in January-June 1981, but they were about 40 percent higher in quantity. Imports of the flat belting covered here have shown a definite decline in average unit value in the first six months of this year (table C) chiefly as the result of lower cost belting, such as that for food transmission and package handling, which arrived in larger quantites in the U.S. market mainly from Canada and the United Kingdom.

The imports are supplied chiefly by developed nations such as West Germany, Japan, Italy, Switzerland, and the United Kingdom (table C). Imports from these countries have generally shown a decline since 1976; however, in the first six months of 1982, the imports from the United Kingdom have already exceeded 1981 levels. Another important new major supplier in 1982 is Canada, whose exports in January-June have also exceeded the total shipped in 1981.

Four countries, designated as beneficiary developing nations, exported significant quantities of the flat belting covered here to the United States during the 1977-81 period (table D). They include Taiwan, the most important developing supplier, Mexico, Brazil, and India. In value, Mexico's exports of these products increased from $47,000 in 1978 to $189,000 in 1981 and were $81,000 in the first six months of 1982. In quantity, Taiwan supplied much more flat belting than Mexico in every year of the 1978-81 period, but its total value for these products was less and ranged from $32,000 in 1980 to $97,000 in 1981. As a result of demand for inexpensive belting in the U.S. market, Taiwan's exports in January-June 1982 were 136,000 pounds, valued at $157,000, and exceeded any year in the 1978-81 period. Of total U.S. imports, the beneficiary developing countries generally furnished less than 15 percent.

Position of interested parties

The Industrial Products Division of the Rubber Manufacturers Association, Inc. requests that GSP be denied on the certain belts and belting for machinery covered here. It states that the developing countries are presently able to compete in the U.S. market for belting without the benefit of duty-free treatment. Granting duty-free treatment will only increase import competition for an effective, efficient, and viable domestic industry in this already import-sensitive product area.

*　　*　　*　　*　　*

*    *    *    *    *

Table A.--Certain belts and belting for machinery: U.S. shipments, foreign trade, and apparent consumption, 1977-81

| Year | U.S. shipments 1/ | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | |
| 1977 | 127,500 | 2/ 3,208 | 2,171 | 126,463 | 1.7 |
| 1978 | 121,050 | 3,172 | 2,117 | 119,995 | 1.8 |
| 1979 | 156,150 | 2,567 | 1,370 | 154,953 | 0.9 |
| 1980 | 136,800 | 2,693 | 1,350 | 135,457 | 1.0 |
| 1981 | 3/ | 6,239 | 1,422 | 3/ | 3/ |
| | Value (1,000 dollars) | | | | |
| 1977 | 195,675 | 2/ 6,971 | 8,765 | 197,469 | 4.4 |
| 1978 | 204,900 | 6,861 | 9,773 | 207,812 | 4.7 |
| 1979 | 246,975 | 7,171 | 9,721 | 249,525 | 3.9 |
| 1980 | 234,750 | 8,426 | 10,010 | 236,334 | 4.2 |
| 1981 | 247,500 | 22,634 | 9,477 | 234,343 | 4.0 |
| | Unit value (per pound) | | | | |
| 1977 | $1.53 | $2.17 | $4.04 | - | - |
| 1978 | 1.69 | 2.16 | 4.62 | - | - |
| 1979 | 1.58 | 2.79 | 7.10 | - | - |
| 1980 | 1.72 | 3.13 | 7.41 | - | - |
| 1981 | 3/ | 3.63 | 6.66 | - | - |

1/ Estimated by the Commission staff.
2/ Partially estimated.
3/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Table B.--Certain belts and belting for machinery: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | | | Quantity (pounds) | | | | |
| USSR | 1/ | 0 | 241 | 370 | 2,583,960 | 1,950,716 | 1,034 |
| Canada | 1/ | 733,055 | 731,616 | 400,882 | 506,264 | 359,421 | 278,022 |
| Sweden | 1/ | 2,496 | 28,291 | 4,665 | 429,007 | 277,362 | 75,810 |
| Mexico | 1/ | 84,171 | 105,183 | 54,096 | 354,537 | 117,614 | 50,708 |
| Fr Germ | 1/ | 25,063 | 25,718 | 150,194 | 188,931 | 35,620 | 136,166 |
| France | 1/ | 4,597 | 7,930 | 10,860 | 438,710 | 359,723 | 15,496 |
| Austral | 1/ | 87,915 | 141,751 | 33,125 | 130,794 | 18,159 | 12,681 |
| Japan | 1/ | 27,036 | 27,915 | 90,387 | 114,755 | 61,884 | 74,619 |
| Rep Saf | 1/ | 33,674 | 10,572 | 2,859 | 202,806 | 35,851 | 90,747 |
| U King | 1/ | 84,160 | 65,592 | 192,694 | 135,522 | 94,231 | 89,538 |
| All other | 1/ | 2,089,782 | 1,422,357 | 1,752,785 | 1,153,625 | 607,534 | 496,489 |
| Total | 2/ 3,208,000 | 3,171,949 | 2,567,166 | 2,692,917 | 6,238,911 | 3,918,115 | 1,321,310 |
| | | | Value (1,000 dollars) | | | | |
| USSR | 1/ | - | 4 | 8 | 10,748 | 8,008 | 18 |
| Canada | 1/ | 1,671 | 1,689 | 1,321 | 2,133 | 1,117 | 1,314 |
| Sweden | 1/ | 22 | 112 | 46 | 1,179 | 631 | 166 |
| Mexico | 1/ | 235 | 286 | 277 | 991 | 522 | 237 |
| Fr Germ | 1/ | 194 | 224 | 484 | 948 | 287 | 512 |
| France | 1/ | 44 | 110 | 157 | 572 | 396 | 37 |
| Austral | 1/ | 185 | 312 | 231 | 568 | 171 | 143 |
| Japan | 1/ | 205 | 282 | 514 | 523 | 242 | 241 |
| Rep Saf | 1/ | 88 | 83 | 29 | 465 | 91 | 228 |
| U King | 1/ | 306 | 323 | 546 | 441 | 241 | 506 |
| All other | 1/ | 3,911 | 3,745 | 4,812 | 4,065 | 2,228 | 1,867 |
| Total | 2/ 6,971 | 6,861 | 7,171 | 8,426 | 22,634 | 13,934 | 5,270 |
| | | | Unit value (per pound) | | | | |
| USSR | 1/ | - | $15.64 | $21.12 | $4.16 | $4.11 | $17.28 |
| Canada | 1/ | 2.28 | 2.31 | 3.29 | 4.21 | 3.11 | 4.72 |
| Sweden | 1/ | 8.73 | 3.96 | 9.92 | 2.75 | 2.27 | 2.20 |
| Mexico | 1/ | 2.80 | 2.72 | 5.13 | 2.80 | 4.44 | 4.68 |
| Fr Germ | 1/ | 7.73 | 8.70 | 3.22 | 5.02 | 8.05 | 3.76 |
| France | 1/ | 9.55 | 13.93 | 14.49 | 1.30 | 1.10 | 2.39 |
| Austral | 1/ | 2.10 | 2.20 | 6.97 | 4.34 | 9.43 | 11.28 |
| Japan | 1/ | 7.59 | 10.10 | 5.68 | 4.56 | 3.91 | 3.23 |
| Rep Saf | 1/ | 2.60 | 7.88 | 10.12 | 2.29 | 2.53 | 2.51 |
| U King | 1/ | 3.64 | 4.93 | 2.83 | 3.25 | 2.56 | 5.65 |
| All other | 1/ | 1.87 | 2.63 | 2.75 | 3.52 | 3.67 | 3.76 |
| Average | 2.17 | 2.16 | 2.79 | 3.13 | 3.63 | 3.56 | 3.99 |

1/ Not available.
2/ Partially estimated.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Certain belts and belting for machinery: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (pounds) | | | | | | |
| Fr Germ | 155,044 | 318,613 | 309,914 | 335,273 | 285,678 | 133,401 | 126,110 |
| Japan | 474,443 | 821,084 | 128,791 | 136,434 | 292,598 | 171,847 | 104,832 |
| Italy | 111,475 | 127,203 | 108,386 | 75,053 | 125,029 | 60,736 | 41,160 |
| Switzld | 86,756 | 73,489 | 103,863 | 76,195 | 77,511 | 32,841 | 34,922 |
| U King | 285,319 | 223,923 | 167,707 | 214,744 | 92,689 | 60,386 | 101,799 |
| France | 37,273 | 74,068 | 74,517 | 119,323 | 106,119 | 67,382 | 57,843 |
| Canada | 301,445 | 189,178 | 308,962 | 248,454 | 173,032 | 137,366 | 462,507 |
| Nethlds | 64,148 | 115,712 | 76,728 | 58,315 | 163,765 | 92,648 | 27,766 |
| Mexico | 5,074 | 2,534 | 4,292 | 7,943 | 7,977 | 4,912 | 4,755 |
| China T | 0 | 70,578 | 46,036 | 18,707 | 76,300 | 21,787 | 135,944 |
| All other | 650,379 | 100,939 | 40,433 | 59,742 | 21,485 | 6,945 | 25,237 |
| Total | 2,171,356 | 2,117,321 | 1,369,629 | 1,350,183 | 1,422,183 | 790,251 | 1,122,875 |
| | Value (1,000 dollars) | | | | | | |
| Fr Germ | 1,234 | 1,643 | 2,304 | 2,583 | 2,958 | 1,420 | 920 |
| Japan | 1,135 | 1,829 | 1,111 | 1,121 | 1,372 | 692 | 707 |
| Italy | 1,164 | 1,194 | 981 | 787 | 997 | 570 | 394 |
| Switzld | 950 | 1,058 | 1,495 | 1,056 | 885 | 428 | 393 |
| U King | 1,736 | 1,506 | 1,343 | 1,664 | 866 | 559 | 390 |
| France | 419 | 384 | 585 | 993 | 771 | 475 | 538 |
| Canada | 902 | 942 | 1,076 | 836 | 585 | 362 | 857 |
| Nethlds | 294 | 576 | 394 | 359 | 505 | 228 | 173 |
| Mexico | 35 | 47 | 59 | 164 | 189 | 113 | 81 |
| China T | - | 69 | 60 | 32 | 97 | 35 | 157 |
| All other | 897 | 525 | 315 | 416 | 251 | 110 | 173 |
| Total | 8,765 | 9,773 | 9,721 | 10,010 | 9,477 | 4,991 | 4,784 |
| | Unit value (per pound) | | | | | | |
| Fr Germ | $7.96 | $5.16 | $7.43 | $7.70 | $10.35 | $10.64 | $7.30 |
| Japan | 2.39 | 2.23 | 8.62 | 8.22 | 4.69 | 4.03 | 6.74 |
| Italy | 10.44 | 9.39 | 9.05 | 10.48 | 7.97 | 9.39 | 9.58 |
| Switzld | 10.95 | 14.40 | 14.39 | 13.85 | 11.42 | 13.02 | 11.25 |
| U King | 6.09 | 6.73 | 8.01 | 7.75 | 9.34 | 9.26 | 3.83 |
| France | 11.24 | 5.19 | 7.85 | 8.32 | 7.27 | 7.04 | 9.31 |
| Canada | 2.99 | 4.98 | 3.48 | 3.37 | 3.38 | 2.63 | 1.85 |
| Nethlds | 4.58 | 4.98 | 5.13 | 6.16 | 3.08 | 2.46 | 6.24 |
| Mexico | 6.96 | 18.69 | 13.71 | 20.59 | 23.67 | 23.05 | 16.94 |
| China T | - | 0.97 | 1.30 | 1.70 | 1.28 | 1.60 | 1.15 |
| All other | 1.38 | 5.20 | 7.80 | 6.96 | 11.70 | 15.83 | 6.87 |
| Average | 4.04 | 4.62 | 7.10 | 7.41 | 6.66 | 6.32 | 4.26 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Certain belts and belting for machinery: U.S. imports by certain world areas including designated countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage distribution |
| | Quantity (pounds) | | | | | |
| Gross imports | 2,117,321 | 1,369,629 | 1,350,183 | 1,422,183 | 1,122,875 | 100 |
| 26 developed ctries, total | 2,029,354 | 1,311,521 | 1,320,188 | 1,334,963 | 978,184 | 87 |
| GSP countries, total | 87,807 | 57,854 | 29,816 | 85,054 | 142,755 | 13 |
| Mexico | 2,534 | 4,292 | 7,943 | 7,977 | 4,755 | 1/ |
| China T | 70,578 | 46,036 | 18,707 | 76,300 | 135,944 | 12 |
| India | 220 | 383 | 597 | 327 | 39 | 1/ |
| Brazil | 132 | 1,401 | 1,696 | 440 | 102 | 1/ |
| Portugl | 0 | 0 | 0 | 10 | 35 | 1/ |
| Venez | 0 | 0 | 648 | 0 | 445 | 1/ |
| Gibralt | 0 | 9 | 0 | 0 | 0 | |
| Yugoslv | 186 | 0 | 0 | 0 | 0 | |
| Other GSP | 14,157 | 5,733 | 225 | 0 | 1,435 | 1/ |
| Other | 160 | 254 | 179 | 2,166 | 1,936 | 1/ |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 9,773 | 9,721 | 10,010 | 9,477 | 4,784 | 100 |
| 26 developed ctries, total | 9,618 | 9,559 | 9,740 | 9,105 | 4,484 | 94 |
| GSP countries, total | 153 | 161 | 269 | 332 | 266 | 6 |
| Mexico | 47 | 59 | 164 | 189 | 81 | 2 |
| China T | 69 | 60 | 32 | 97 | 157 | 3 |
| India | 10 | 11 | 44 | 25 | 15 | 1/ |
| Brazil | 7 | 16 | 24 | 21 | 3 | 1/ |
| Portugl | - | - | - | 2/ | 2/ | 1/ |
| Venez | - | - | 2/ | - | 1 | 1/ |
| Gibralt | - | 2/ | - | - | - | |
| Yugoslv | 1 | - | - | - | - | |
| Other GSP | 19 | 15 | 5 | - | 10 | 1/ |
| Other | 2 | 2 | 1 | 40 | 34 | 1 |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No.
A304

TITLE: Floor covering underlays

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| 361.85 | Of textile fibers other than over 50 percent by weight of wool. | 8.5% | 7.7% | 6.8% | 6% | 5.1% | 4.3% | 2/ 3.4% | 40% | 297 | Yes. |

1/ Rate effective before Jan. 1, 1982. Most tariff concessions granted on textile products by the United States during the Tokyo round of Multilateral Trade Negotiations held during 1973-79 began staging on Jan. 1, 1982, compared with Jan. 1, 1980, for most other products.

2/ Also represents the LDDC rate (i.e., the duty currently assessed on imports from least developed developing countries).

## II. Comments

Description and uses

TSUS item 361.85 provides for floor covering underlays of textile fibers, except those containing more than 50 percent by weight of wool. 1/ These underlays, which are the resilient padding or cushion placed between the floor and the floor covering, are needleloom or woven felts made primarily of jute, either raw jute fiber or recycled jute cotton-bale coverings and burlap bags. Not included are underlays made of urethane foam or sponge rubber.

Historically, felts were the only material used for the underlays. Today, however, they represent only 7 percent of the market while urethane foam accounts for 80 percent and sponge rubber, the remainder. Urethane foam underlays provide more durability and resiliency and impart a more luxurious feel than felt underlays. They are also lighter in weight than either felt or sponge rubber underlays, allowing for easier handling and installation.

Felt underlays, on the other hand, provide firmer support and, therefore, are often used in high traffic areas in commercial establishments. They are also used in conjunction with area rugs, especially oriental rugs, primarily for traditional purposes. However, they are susceptible to mildew when installed below ground level and to insect infestation. Felt underlays, on the average, cost slightly more than other underlays, averaging about $1.18 a square yard (f.o.b. factory), compared with $0.95 for urethane foam underlays.

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1/ U.S. imports of underlays containing more than 50 percent by weight of wool (TSUS item 361.80) have been negligible.

More than 95 percent of all underlays sold are reportedly used in conjunction with wall-to-wall carpeting. The remainder is cut to size for use under area rugs or as factors in the production of other goods, particularly as motor vehicle components.

U.S. consumption, production, and producers

Demand for underlays is price inelastic and parallels trends in the floor coverings market, which has been declining since 1979 following several years of growth. A depressed housing market, coupled with weak consumer spending, has prompted the decline in demand. During a period of sluggish economic activity, purchases of floor coverings are often deferred. In addition, the high cost of consumer credit, when added to the price of floor coverings, has deterred some cost-conscious buyers.

U.S. consumption of all underlays peaked in 1979 at * * * million square yards and then declined 16 percent in 1980 to * * * million yards and another 9 percent in 1981 to * * * million yards, valued at roughly * * * million. 1/ The industry source projected a 15-percent decline in 1982 sales, to a total of * * * million yards, or about 55 percent of the industry's productive capacity.

U.S. producers' sales of felt underlays (the only type under consideration here) declined 31 percent between 1978 and 1981, falling from an estimated * * * million square yards to * * * million (table A). The industry estimates 1982 sales at 22 million to 24 million square yards. The decline reflected the continued displacement of felt underlays by those made of urethane foam and, more recently, the impact of slow housing activity and weak consumer spending.

1/ * * *.

Demand for felt and other underlays is met almost entirely by domestic producers, which sell through a network of distributors. There are currently about 50 producers of underlays, compared with less than 25 in the early 1970's. The producers are relatively small, with the largest producer accounting for an estimated 18 percent of the market and the second largest producer, 10 percent. Only three producers make felt underlays, two of which also make other types of underlays or allied felt products or both. The remaining firm makes only felt underlays of jute or cattle hair.

U.S. exports

U.S. exports of felt underlays rose from 1.3 million square yards, valued at $2.4 million, in 1978 to 6.5 million square yards, valued at $9.4 million, in 1981 (table A). This increase, coupled with declining domestic demand, resulted in exports' share of U.S. producers' shipments expanding from about 3 percent in 1978 to 24 percent in 1981. The increased exports stemmed mainly from larger shipments to the United Kingdom, which accounted for 51 percent of the total in 1981, and Nigeria, which received 15 percent of the total (table B).

U.S. imports

Although U.S. imports of felt underlays classified under TSUS item 361.85 increased from $29,000 in 1978 to $297,000 in 1981, they still represented a negligible part of the market (table A). Moreover, no imports were entered from GSP countries since 1978 (table D).

West Germany accounted for approximately 80 percent of the imports in 1980 and 1981, although a large part of its shipments were misclassified. These imports were so-called spacer cushions used as buffers or shims primarily in car doors.

Position of interested parties

The petition for GSP treatment on the floor covering underlays came from the Embassy of the Arab Republic of Egypt. The petition did not contain any specific information relating to the underlays.

Written submissions were received from the Dixie Manufacturing Co., Inc., Norfolk, Va., the Carpet Cushion Council, and Ceneral Felt Industries, all of which oppose GSP treatment being granted to the underlays. The Dixie Manufacturing Co., Inc., urged rejection of the request for GSP treatment as the underlays are the only product made by the firm, which employs 120 persons. It indicated that imports, which benefit from cheap labor and easy access to raw jute fiber, could adversely affect its business, which is dependent upon the level of construction activity.

The Carpet Cushion Council stated that granting GSP treatment to felt underlays, which have already been largely displaced by urethane foam underlays, would lead to further declines in industry profitability, cessation of some operations, and resultant loss of jobs. The industry has been operating at 55 percent of capacity and demand for its product has remained weak because of sluggish economic activity, growing use of direct "glue-down" installation of carpet, and increasing competition from carpet substitutes, such as tile. Moreover, competition within the industry has hindered producers from passing on increases in manufacturing costs and their difficulty in obtaining raw materials, either raw jute from India and Bangladesh or recyclable jute cotton-bale coverings and burlap bags from domestic sources, has forced producers to maintain relatively large inventories of these materials. By contrast, Egypt--the eighth largest cotton producer in the world--is believed to have ready access to jute cotton-bale coverings. Furthermore, the relatively low cost of ocean freight versus overland freight would place U.S. producers, whose plants are not located in the major metropolitan areas, at a decided price disadvantage vis-a-vis imports.

General Felt Industries stated that the U.S. underlay industry, faced with excess manufacturing capacity and workers on temporary layoff, is suffering through the worst recession in many years and cannot afford to have its sales reduced by cheaper imports. Additional job losses would occur if GSP treatment were granted.

* * * * *

* * * * *

Table A.--Floor covering underlays of textile fibers: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81

(Quantity in thousands of square yards; value in thousands of dollars; unit value per square yard)

| Year | Producers' shipments | Exports 1/ | Imports 2/ | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977 | *** | 3/ | 38 | *** | *** |
| 1978 | *** | 1,314 | 5 | *** | 4/ |
| 1979 | *** | 2,255 | 14 | *** | 4/ |
| 1980 | *** | 4,073 | 188 | *** | *** |
| 1981 | *** | 6,548 | 246 | *** | *** |
| | | | Value | | |
| 1977 | 3/ | 3/ | 119 | 3/ | - |
| 1978 | 3/ | 2,367 | 29 | 3/ | - |
| 1979 | 3/ | 3,927 | 62 | 3/ | - |
| 1980 | 3/ | 7,118 | 268 | 3/ | - |
| 1981 | 3/ | 9,431 | 297 | 3/ | - |
| | | | Unit value | | |
| 1977 | - | 3/ | $3.12 | - | - |
| 1978 | - | $1.80 | 6.29 | - | - |
| 1979 | - | 1.74 | 4.55 | - | - |
| 1980 | - | 1.75 | 1.43 | - | - |
| 1981 | - | 1.44 | 1.21 | - | - |

1/ Includes an unknown amount of underlays containing more than 50 percent by weight of wool, which are not under consideration in this investigation.
2/ Imports classified under TSUS item 361.85 during 1980 and 1981 were significantly overstated due to misclassification of shipments of automotive parts of textile fibers and rubber from West Germany.
3/ Not available.
4/ ***

Source: Producers' shipments, estimated by the staff of the U.S. International Trade Commission from *** ; exports and imports, compiled from official statistics of the U.S. Department of Commerce.

Table B.--Floor covering underlays of textile fibers: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 1/ | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (square yards) | | | | | | |
| U King | - | 247,129 | 828,388 | 1,714,743 | 3,368,550 | 1,730,205 | 916,771 |
| Nigeria | - | 0 | 81,582 | 333,117 | 979,756 | 281,459 | 96,826 |
| Chile | - | 0 | 15,880 | 87,579 | 292,934 | 195,960 | 19,417 |
| S Arab | - | 230,713 | 163,385 | 186,797 | 331,995 | 176,893 | 420,704 |
| Canada | - | 374,399 | 266,299 | 345,160 | 262,222 | 245,105 | 36,665 |
| Venez | - | 74,464 | 18,985 | 211,018 | 289,849 | 177,374 | 220 |
| Mexico | - | 45,304 | 85,699 | 251,495 | 128,374 | 77,006 | 26,687 |
| Fr Germ | - | 39,247 | 216,183 | 2,646 | 47,653 | 12,173 | 2,808 |
| All other | - | 302,678 | 578,587 | 940,794 | 846,737 | 484,887 | 468,130 |
| Total | - | 1,313,934 | 2,254,988 | 4,073,349 | 6,548,070 | 3,381,062 | 1,988,228 |
| | Value (1,000 dollars) | | | | | | |
| U King | - | 365 | 1,020 | 3,356 | 4,068 | 1,920 | 1,058 |
| Nigeria | - | - | 89 | 366 | 1,489 | 351 | 230 |
| Chile | - | - | 25 | 187 | 787 | 506 | 31 |
| S Arab | - | 382 | 255 | 492 | 479 | 211 | 873 |
| Canada | - | 754 | 466 | 672 | 423 | 388 | 53 |
| Venez | - | 76 | 39 | 290 | 381 | 248 | 3 |
| Mexico | - | 84 | 119 | 293 | 260 | 131 | 41 |
| Fr Germ | - | 118 | 460 | 32 | 229 | 176 | 21 |
| All other | - | 588 | 1,453 | 1,431 | 1,315 | 775 | 901 |
| Total | - | 2,367 | 3,927 | 7,118 | 9,431 | 4,704 | 3,211 |
| | Unit value (per square yard) | | | | | | |
| U King | - | $1.48 | $1.23 | $1.96 | $1.21 | $1.11 | $1.15 |
| Nigeria | - | - | 1.09 | 1.10 | 1.52 | 1.25 | 2.38 |
| Chile | - | - | 1.58 | 2.13 | 2.69 | 2.58 | 1.61 |
| S Arab | - | 1.66 | 1.56 | 2.63 | 1.44 | 1.19 | 2.08 |
| Canada | - | 2.01 | 1.75 | 1.95 | 1.61 | 1.58 | 1.43 |
| Venez | - | 1.03 | 2.07 | 1.37 | 1.32 | 1.40 | 12.67 |
| Mexico | - | 1.85 | 1.39 | 1.16 | 2.02 | 1.70 | 1.53 |
| Fr Germ | - | 3.01 | 2.13 | 12.09 | 4.81 | 14.44 | 7.58 |
| All other | - | 1.94 | 2.51 | 1.52 | 1.55 | 1.60 | 1.92 |
| Average | - | 1.80 | 1.74 | 1.75 | 1.44 | 1.39 | 1.62 |

1/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Floor covering underlays of textile fibers: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (square yards) | | | | | | |
| Fr Germ | 1,195 | 2,456 | 10,909 | 125,345 | 206,326 | 90,852 | 141,233 |
| Canada | 209 | 354 | 1,912 | 55,754 | 37,483 | 6,335 | 13,974 |
| Japan | 520 | 840 | 648 | 78 | 538 | 497 | 472 |
| U King | 0 | 457 | 7 | 5,456 | 919 | 897 | 1,697 |
| France | 0 | 0 | 83 | 323 | 208 | 0 | 0 |
| Nethlds | 0 | 0 | 0 | 0 | 65 | 0 | 0 |
| Sweden | 0 | 0 | 158 | 731 | 0 | 0 | 0 |
| Spain | 0 | 480 | 0 | 0 | 0 | 0 | 0 |
| All other | 36,346 | 0 | 0 | 0 | 0 | 0 | 51 |
| Total | 38,270 | 4,587 | 13,717 | 187,687 | 245,539 | 98,581 | 157,427 |
| | Value (1,000 dollars) | | | | | | |
| Fr Germ | 1 | 4 | 38 | 211 | 246 | 122 | 141 |
| Canada | 2 | 8 | 12 | 32 | 36 | 5 | 33 |
| Japan | 1 | 8 | 7 | 2 | 9 | 8 | 8 |
| U King | - | 4 | 1/ | 13 | 3 | 3 | 10 |
| France | - | - | 2 | 5 | 2 | - | - |
| Nethlds | - | - | - | - | 1 | - | - |
| Sweden | - | - | 3 | 5 | - | - | - |
| Spain | - | 5 | - | - | - | - | - |
| All other | 116 | - | - | - | - | - | 1/ |
| Total | 119 | 29 | 62 | 268 | 297 | 138 | 192 |
| | Unit value (per square yard) | | | | | | |
| Fr Germ | $1.25 | $1.68 | $3.48 | $1.68 | $1.19 | $1.35 | $1.00 |
| Canada | 8.36 | 22.92 | 6.33 | 0.57 | 0.97 | 0.87 | 2.34 |
| Japan | 1.24 | 9.67 | 10.18 | 27.78 | 15.86 | 15.38 | 16.67 |
| U King | - | 8.68 | 47.86 | 2.41 | 3.46 | 2.93 | 5.91 |
| France | - | - | 28.28 | 15.95 | 8.54 | - | - |
| Nethlds | - | - | - | - | 18.89 | - | - |
| Sweden | - | - | 18.81 | 7.41 | - | - | - |
| Spain | - | 9.42 | - | - | - | - | - |
| All other | 3.18 | - | - | - | - | - | 8.29 |
| Average | 3.12 | 6.29 | 4.55 | 1.43 | 1.21 | 1.40 | 1.22 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Floor covering underlays of textile fibers: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (square yards) | | | | | |
| Gross imports | 4,587 | 13,717 | 187,687 | 245,539 | 157,427 | 100 |
| 26 developed ctries, total | 4,107 | 13,717 | 187,687 | 245,539 | 157,427 | 100 |
| GSP countries, total | 0 | 0 | 0 | 0 | 0 | |
| Mexico | 0 | 0 | 0 | 0 | 0 | |
| Lebanon | 0 | 0 | 0 | 0 | 0 | |
| India | 0 | 0 | 0 | 0 | 0 | |
| Phil R | 0 | 0 | 0 | 0 | 0 | |
| Other | 480 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 29 | 62 | 268 | 297 | 192 | 100 |
| 26 developed ctries, total | 24 | 62 | 268 | 297 | 192 | 100 |
| GSP countries, total | - | - | - | - | - | |
| Mexico | - | - | - | - | - | |
| Lebanon | - | - | - | - | - | |
| India | - | - | - | - | - | |
| Phil R | - | - | - | - | - | |
| Other | 5 | - | - | - | - | |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No. A401

TITLE: p-Hydroxybenzoic acid and certain of its esters

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

(Cents per pound; percent ad valorem)

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 2/ 3/ | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 404.44 (pt.) | p-Hydroxybenzoic acid---------- | 1.7¢/lb + 12.5% (AVE 14%) | 0.7¢/lb + 12.1% (AVE 12.4%) | 12.1% | 11.3% | 10.4% | 9.6% | 8.7% | 7.9% | 7% | 7¢/lb + 48.5% | *** 4/ | Yes. |
| 404.46 (pt.) | p-Hydroxybenzoic acid, methyl ester. | 1.7¢/lb + 12.5% (AVE 13%) | 1.7¢/lb + 17.9% (AVE 18.7%) | 5/ (AVE 18.6%) | 5/ | 5/ | 5/ | 5/ | 5/ | 5/ | 7¢/lb + 57% | *** 4/ | Yes. |
| 404.46 (pt.) | p-Hydroxybenzoic acid, propyl ester. | 1.7¢/lb + 12.5% (AVE 13%) | 1.7¢/lb + 17.9% (AVE 18.6%) | 5/ (AVE 18.5%) | 5/ | 5/ | 5/ | 5/ | 5/ | 5/ | 7¢/lb + 57% | *** 4/ | Yes. |

1/ Rates effective prior to July 1, 1980.
2/ Rates effective after July 1, 1980.
3/ Pre-MTN duty was based on the American-selling-price method of customs valuation. When this base was converted to import transaction value, the duty rose in many instances.
4/ Estimated by the staff of the U.S. International Trade Commission.
5/ The converted rate of duty is the final rate of duty.

Digest No.
A401--Con.

## II. Comment

### Description and uses

The compounds included in this digest are synthetic organic chemicals derived from petroleum. p-Hydroxbenzoic acid is a nontoxic chemical used primarily in the production of a number of different esters (e.g., methyl, ethyl, propyl, and butyl) known as "parabens." Other (minor) uses for p-hydroxybenzoic acid are as a monomer in the synthesis of plastics, fibers, and synthetic adhesives; and as an intermediate in the production of other organic chemicals (e.g., drugs, dyes, and fungicides).

The methyl and propyl "parabens" are used as antimicrobial agents for cosmetics, food, and pharmaceuticals.

### U.S. customs treatment

On February 9, 1982, a bill was introduced into the House of Representatives (H.R. 5498) to apply duty free treatment to p-hydroxybenzoic acid. Currently, no final action has been taken on this bill. The current rate of duty on this item is shown in the introductory table to the digest.

### U.S. consumption, production, and producers

During 1977-81, U.S. consumption of the chemicals included in this digest increased from * * * pounds to * * * pounds, or by * * * percent (table A). This increase was due primarily to increased consumer demand despite rising costs and the economic slowdown in the last few months of 1980 which continued throughout 1981. Consumption data are not available for the first six months of 1982; however, industry sources believe there was a slight increase over the corresponding period in 1981. During 1977-81, the imports-to-consumption ratio averaged * * * percent (table A).

Domestic production of these chemicals during 1977-81 increased from * * * pounds to * * * pounds, or by * * * percent; the value of production also increased, from * * * in 1977 to * * * in 1981. In the past few years, domestic production of these chemicals consisted of only the methyl and propyl esters of p-hydroxybenzoic acid as the remaining domestic producer of the acid ceased production in 1979.

In 1981, there were three domestic producers of the methyl and propyl esters of p-hydroxbenzoic acid the same number of producers as in 1977. 1/ Currently, there are no domestic firms producing p-hydroxybenzoic acid on a commercial scale; however, one U.S. firm recently started a pilot plant to produce small quantities of this chemical. The last major domestic producer of this chemical stopped production in 1979 reportedly because of increasing production costs and declining profits.

U.S. exports

Export data for these chemicals are not available as they are classified in a residual "basket" in Schedule B. However, such exports are believed to have been less than 5 percent of domestic production during 1977-81.

U.S. imports

Imports of these chemicals during 1977-81 increased from 1.9 million pounds, or by 79 percent (table B). Value data are not available. In 1981, the principal sources for these chemicals were Japan and West Germany. * * *

1/ Source: U.S. International Trade Commission, Synthetic Organic Chemicals, United States Production and Sales, annual reports 1977, 1978, 1979, 1980, and 1981.

exported p-hydroxybenzoic acid and both esters to the United States, while imports from * * * consisted of only p-hydroxybenzoic acid.

The difference in quality between the domestic and imported chemicals covered in this digest is not significant. High purity products can be obtained from both sources. According to trade sources, the Japanese are able to sell the esters in the United States at a price lower than the domestic products because their production costs are lower. The Japanese reportedly use a continuous process method which reduces labor and energy costs.

In 1981, imports of these chemicals from GSP countries consisted entirely of p-hydroxybenzoic acid from Taiwan and amounted to * * *, or * * * percent of imports from all sources. Taiwan and Israel were the only GSP countries exporting these chemicals to the United States in 1980; exports were * * * pounds, or approximately * * * percent of total imports. During 1977-79, Israel was the only GSP country exporting these chemicals to the United States. The quantities imported from Taiwan and Israel during 1977-81 are shown in the following tabulation: 1/

| Country | Quantity (1,000 pounds) | | | | |
|---|---|---|---|---|---|
| | 1977 | 1978 | 1979 | 1981 | 1981 |
| Taiwan | - | - | - | *** | *** |
| Israel | *** | *** | *** | *** | *** |
| All other | *** | *** | *** | *** | *** |

Source: Compiled by the Commission staff.

1/ Data for the value of imports are not available.

Position of interested parties

Makhteshim Chemical Works, Ltd. of Israel is the petitioner requesting GSP treatment for p-hydroxybenzoic acid and its methyl and propyl esters. The petitioner expects that duty-free status for these products will enable this firm to compete more effectively with the West Germans and Japanese in the U.S. market. It will also allow the petitioner to utilize its capacity for the methyl and propyl esters (the firm does not presently make the acid), thus decreasing production costs.

Mr. Goldberg of Solchem, an importer of p-hydroxybenzoic acid and its esters, testified at the public hearing in favor of the addition of these products to the GSP list. He stated that duty-free treatment for these products would enable them to more competitive in the U.S. market and would not adversely affect the domestic producers of the parabens.

* * * * *

*     *     *     *     *

Digest No.
A401--Con.

Table A.--p-Hydroxybenzoic acid and certain of its esters: U.S. production, foreign trade, apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Period | Production 1/ | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977 | *** | 2/ | 1,857 | *** | *** |
| 1978 | *** | 2/ | 2,176 | *** | *** |
| 1979 | *** | 2/ | 2,552 | *** | *** |
| 1980 | *** | 2/ | 2,683 | *** | *** |
| 1981 | *** | 2/ | 3,320 | *** | *** |
| January-June-- | | | | | |
| 1981 | 3/ | 2/ | 3/ | 3/ | 3/ |
| 1982 | 3/ | 2/ | 3/ | 3/ | 3/ |
| | Value | | | | |
| 1977 | *** | 2/ | 3/ | 3/ | 3/ |
| 1978 | *** | 2/ | 3/ | 3/ | 3/ |
| 1979 | *** | 2/ | 3/ | 3/ | 3/ |
| 1980 | *** | 2/ | 3/ | 3/ | 3/ |
| 1981 | *** | 2/ | 3/ | 3/ | 3/ |
| January-June-- | | | | | |
| 1981 | 3/ | 2/ | 3/ | 3/ | 3/ |
| 1982 | 3/ | 2/ | 3/ | 3/ | 3/ |
| | Unit value | | | | |
| 1977 | *** | 3/ | 3/ | 3/ | - |
| 1978 | *** | 3/ | 3/ | 3/ | - |
| 1979 | *** | 3/ | 3/ | 3/ | - |
| 1980 | *** | 3/ | 3/ | 3/ | - |
| 1981 | *** | 3/ | 3/ | 3/ | - |
| January-June-- | | | | | |
| 1981 | 3/ | 3/ | 3/ | 3/ | - |
| 1982 | 3/ | 3/ | 3/ | 3/ | - |

1/ Includes Commission estimates.
2/ Negligible.
3/ Not available.

Source: U.S. production, compiled from U.S. International Trade Commission, Synthetic Organic Chemicals, United States Production and Sales, annual reports 1977, 1978, 1979, 1980, and 1981; imports, compiled from U.S.I.T.C., Imports of Benzenoid Chemicals and Products, annual reports 1977, 1978, 1979, 1980, and 1981.

Digest No.
A401--Con.

Table B.--p-Hydroxybenzoic acid and certain of its esters: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982 1/

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June 1981 | January-June 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Japan | *** | *** | *** | *** | *** | 2/ | 2/ |
| West Germany | *** | *** | *** | *** | *** | 2/ | 2/ |
| Taiwan | - | - | - | *** | *** | 2/ | 2/ |
| Israel | *** | *** | *** | *** | - | 2/ | 2/ |
| Netherlands | - | - | - | *** | - | 2/ | 2/ |
| Canada | - | - | *** | - | - | 2/ | 2/ |
| Total | 1,857 | 2,176 | 2,552 | 2,683 | 3,320 | | |

1/ The values and unit values per pound are not available.
2/ Not available.

Source: Compiled by the Commission staff and U.S. International Trade Commission, Imports of Benzenoid Chemicals and Products, annual reports 1977, 1978, 1979, 1980, and 1981.

Digest No.
A402

TITLE: Specified cyclic intermediate chemicals

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

(Cents per pound; percent ad valorem)

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 2/ | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 403.28(pt.) | alpha-Naphthol--- | 1.7¢/lb + 12.5% (AVE 13.4%) | 1.3¢/lb + 22.7% 4/ (AVE 22.8%) | 0.9¢/lb + 22.7% (AVE 23%) | 0.6¢/ lb + 22.7% | 0.2¢/lb + 22.7% | 22.4% | 21.6% | 20.8% | 20% | 7¢/lb + 73% | *** 3/ | Yes. |
| 405.32(pt.) | N-Acetylsulfanilyl chloride. | 1.7¢/lb + 12.5% (AVE 13.2%) | 1.7¢/lb + 18.1% 4/ (AVE 18.8%) | 5/ (AVE 18.8%) | 5/ | 5/ | 5/ | 5/ | 5/ | 5/ | 7¢/lb + 58% | *** 3/ | Yes. |
| 406.81 | Cyclohexanone--- | 1.7¢/lb + 12.5% (AVE 17.7%) | 1.6¢/lb + 12.5% 4/ (AVE 13%) | 1.5¢/lb + 12.5% | 1.5¢/lb + 12.5% | 1.4¢/lb + 12.5% | 1.3¢/lb + 12.5% | 1.2¢/lb + 12.5% | 1.2¢/lb + 12.5% | 1.1¢/lb + 12.5% | 7¢/lb + 40% | - | Yes. |

1/ Rates effective prior to July 1, 1980.
2/ Rates effective after July 1, 1980.
3/ Estimated by the staff of the U.S. International Trade Commission.
4/ Pre-MTN duty was based on the American-selling-price method of customs valuation. When this base was converted to transaction value, the duty rose in many instances.
5/ The converted rate of duty 1980 is the final rate of duty.

## II. Comments

### Description and uses

The products included in this summary are synthetic organic chemicals derived principally from petroleum. All of these chemicals are used primarily as intermediates in the production of more advanced synthetic organic chemicals and finished products such as pesticides, medicinal chemicals, dyes, and synthetic fibers.

The major use for cyclohexanone is in the production of adipic acid and caprolactam for nylon fibers (6/6 and 6). It also is used to produce other polymers (e.g., polyurethanes and methacrylate ester polymers) and as a paint and varnish remover, solvent, degreaser of metals, and leveling agent in dyeing and delustering silk.

N-Acetylsulfanilyl chloride is used in the production of sulfonamides for medicinal chemicals (e.g., sulfamethazine). These medicinal chemicals are used both for human consumption and in animal feed.

The last chemical included in this summary, alpha-naphthol, is used primarily in the production of pesticides, specifically, carbaryl. It is also used as an intermediate chemical for dyes and medicinal chemicals.

### U.S. consumption, production, and producers

During 1977-81, U.S. consumption of these chemicals decreased from approximately * * * pounds to * * * pounds, or by * * * percent (table A). Except for a slight increase in the consumption of cyclohexanone, the largest-volume chemical, resulting from a rise in the demand for nylon, overall consumption of these chemicals has been steadily declining since the high of * * * pounds was attained in 1978. This decline in consumption was due partly to the economic slowdown in the United States as well as environmental problems concerning the solvent use of cyclohexanone and the drop in demand for pesticides produced from alpha-naphthol. Data are not available for consumption of these chemicals for the first 6 months of 1982; however, industry sources estimate continued low consumption for the first half of 1982.

Domestic production of these chemicals during 1977-81 also decreased, from * * * pounds to * * * pounds, or by * * * percent (table A). During this period, yearly changes in production were similar to the domestic consumption changes for the reasons stated earlier. As previously noted, aggregate U.S. consumption and domestic production data for these chemicals are mostly accounted for by one chemical, cyclohexanone. In 1981, U.S. production of cyclohexanone accounted for more than * * * percent of the total production for the chemicals included here.

During 1977-81, there was only one producer of alpha-naphthol. There were only two domestic producers of N-acetylsulfanilyl chloride during 1977-79; one producer in 1980; none in 1981. The number of domestic producers of cyclohexanone remained at seven during 1977-81.

U.S. exports

During 1977-81, U.S. exports of the chemicals included here were negligible. Only small amounts of cyclohexanone are believed to be exported from the United States since most of the domestic production is consumed captively (approximately * * * percent in 1981). The remaining produc- tion is usually sold to other domestic end users.

There was no U.S. production of N-acetylsulfanilyl chloride in 1981 and, consequently, no significant exports of this product. Prior to 1981, exports of this product were minimal because lower-priced foreign products, N-acetylsulfanilyl chloride and the sulfonamides, were more competitive in the major export markets than the U.S. product.

U.S. exports of the remaining chemical covered in this summary, alpha-naphthol, were also minimal because the only U.S. manufacturer used most of its production captively to manufacture carbaryl and sold the remaining amount to another pesticide producer which used it in the production of another pesticide.

U.S. imports

Imports of the chemicals included here during 1977-81 were negligible compared with domestic production. During 1977-79, there were no significant amounts of these chemicals imported to the United States. In 1980 and 1981, N-acetylsulfanilyl chloride imports amounted to 2.4 million pounds and 2.6 million pounds, respectively, from Japan. Data are not available for the first 6 months of 1982, but industry sources believe imports of N-acetylsulfanilyl chloride were about the same or slightly lower than in the corresponding period in 1981. The Commission staff did not identify any imports of these chemicals from GSP designated countries during 1977-81.

There is no difference in quality between the domestic and imported chemicals here. Pure grades of these chemicals can be attained from both sources; consequently, the cost of production becomes a significant factor in determining the suppliers. A comparison of the prices of domestic and imported products included in this digest is not possible because the prices of the imports are not available.

Position of interested parties

The Government of the Republic of Korea is the petitioner requesting GSP status for N-acetylsulfanilyl chloride (item 405.32(pt.)).

Makhteshim Chemical Works Ltd. of Israel is the petitioner requesting GSP status for alpha-naphthol (item 403.28(pt.)). This firm believes that its exports of this product to the United States would be minimal and not affect the U.S. producer while enabling it to more fully utilize its capacity, decrease production costs, and be more competitive in the U.S. market.

The Government of Colombia and the Andean Group are the petitioners requesting GSP status for cyclohexanone (item 406.81). The granting of GSP status will permit the Colombian producers of cyclohexanone to overcome any competitive disadvantages they now suffer due to their economy, and to sell this product in the U.S. market on a more competitive basis.

Mr. Lee of the Korea Trade Center testified at the public hearing in favor of granting GSP status to N-acetysulfanilyl chloride. He stated that duty-free treatment for this product will enable Korea to be more competitive with other major exporters of this product (e.g., Japan) to the U.S. market and benefit domestic consumers with more competitive prices.

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Mr. Goldberg of Solchem, an importer of chemicals from Makteshim Chemical Works LTD., testified in favor of granting GSP status for alpha-naphthol. He stated that granting duty-free treatment for this chemical would not adversely affect the only domestic producer since it uses most of its production captively. Duty-free treatment would also allow Maktesthim to more fully utilize its capacity and enable their product to be more competitive in the U.S. market.

An ad hoc committee of the major domestic producers of cyclohexanone filed a prehearing brief and testified in opposition to the petition requesting GSP status for cyclohexanone. They claim that duty-free imports of cyclohexanone would not stimulate the domestic market as the Colombian producer contends. The domestic market is divided into a captive market (for nylon production) and a merchant market (mainly solvent uses ) both of which are declining, not expanding as the Colombian producer contends. Domestic sales are now less than half what they were ten years ago; excess capacity is large, approximately 300 million in 1981.

Duty-free imports of cyclohexanone would cause substantial loss of sales in the merchant market resulting in reduced profit margins for the domestic producers. The domestic product would not be competitive with the lower-priced imported product in the domestic merchant market creating additional idle domestic capacity.

*    *    *    *    *

* * * * *

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Table A.--Specified cyclic intermediate chemicals: U.S. production, foreign trade, apparent consumption, and ratio of imports to consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Period | Production 1/ | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977 | *** | 2/ | 2/ | *** | - |
| 1978 | *** | 2/ | 2/ | *** | - |
| 1979 | *** | 2/ | 2/ | *** | - |
| 1980 | *** | 2/ | 2,397 | *** | 0.3 |
| 1981 | *** | 2/ | 2,602 | *** | .3 |
| January-June-- | | | | | |
| 1981 | 3/ | 2/ | 3/ | 3/ | - |
| 1982 | 3/ | 2/ | 3/ | 3/ | - |
| | Value | | | | |
| 1977 | *** | 2/ | 2/ | *** | - |
| 1978 | *** | 2/ | 2/ | *** | - |
| 1979 | *** | 2/ | 2/ | *** | - |
| 1980 | *** | 2/ | 3/ | 3/ | - |
| 1981 | *** | 2/ | 3/ | 3/ | - |
| January-June-- | | | | | |
| 1981 | 3/ | 2/ | 3/ | 3/ | - |
| 1982 | 3/ | 2/ | 3/ | 3/ | - |
| | Unit value | | | | |
| 1977 | *** | - | - | - | - |
| 1978 | *** | - | - | - | - |
| 1979 | *** | - | - | - | - |
| 1980 | *** | - | - | - | - |
| 1981 | *** | - | - | - | - |
| January-June-- | | | | | |
| 1981 | - | - | - | - | - |
| 1982 | - | - | - | - | - |

1/ Includes Commission estimates.
2/ Negligible.
3/ Not available.

Source: U.S. production, compiled from U.S. International Trade Commission, Synthetic Organic Chemicals, United States Production and Sales, annual reports 1977, 1978, 1979, 1980, and 1981; imports, compiled from U.S.I.T.C., Imports of Benzenoid Chemicals and Products, annual reports 1980 and 1981.

Digest No.
A403

TITLE: Certain Anti-Infective Sulfonamides

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

(Cents per pound; percent ad valorem)

| TSUSA item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 2/ | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) 3/ | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 411.24 | Sulfamethazine | 1.4¢/lb + 10% (AVE 10.2%) | 17.2% | 15.9% | 14.6% | 13.3% | 11.9% | 10.6% | 9.3% | 8% | 7¢/lb + 80% (AVE 80.1%) | 5,100 | Yes. |
| 411.28(pt.) | Sulfamerazine | 1.4¢/lb + 10% (AVE 10.2%) | 26.8% | 24.7% | 22.5% | 20.3% | 18.1% | 16% | 13.8% | 11.6% | 7¢/lb + 128.5% (AVE 129.4%) | *** | Yes. |
| 411.80 | Sulfathiazole and sulfathiazole, sodium. | 1.7¢/lb + 12.5% (AVE 12.7%) | 35.1% | 32.3% | 29.4% | 26.5% | 23.6% | 20.8% | 17.9% | 15% | 7¢/lb + 133% (AVE 133.9%) | 1,900 | Yes. |
| 411.84(pt.) | Sulfamethazine (sulfadimidine), sodium. | 1.7¢/lb + 12.5% (AVE 12.8%) | 25% | 23% | 20.9% | 18.9% | 16.9% | 14.9% | 12.8% | 10.8% | 7¢/lb + 96% (AVE 97.1%) | *** | Yes. |
| 411.84(pt.) | Sulfamethoxazole | 1.7¢/lb + 12.5% (AVE 12.8%) | 25% | 23% | 20.9% | 18.9% | 16.9% | 14.9% | 12.8% | 10.8% | 7¢/lb + 96% (AVE 97.1%) | *** | Yes. |
| 411.84(pt.) | Sulfisoxazole | 1.7¢/lb + 12.5% (AVE 12.8%) | 25% | 23% | 20.9% | 18.9% | 16.9% | 14.9% | 12.8% | 10.8% | 7¢/lb + 96% (AVE 97.1%) | *** | Yes. |
| 411.84(pt.) | Sulfacetamide, sodium | 1.7¢/lb + 12.5% (AVE 12.8%) | 25% | 23% | 20.9% | 18.9% | 16.9% | 14.9% | 12.8% | 10.8% | 7¢/lb + 96% (AVE 97.1%) | *** | Yes. |
| 411.84(pt.) | Sulfanilamide | 1.7¢/lb + 12.5% (AVE 12.8%) | 25% | 23% | 20.9% | 18.9% | 16.9% | 14.9% | 12.8% | 10.8% | 7¢/lb + 96% (AVE 97.1%) | *** | Yes. |
| 411.84(pt.) | Sulfaquinoxaline | 1.7¢/lb + 12.5% (AVE 12.8%) | 25% | 23% | 20.9% | 18.9% | 16.9% | 14.9% | 12.8% | 10.8% | 7¢/lb + 96% (AVE 97.1%) | *** | Yes. |

1/ Rate effective before July 1, 1980. Pre-MTN duty was based on the American Selling Price method of customs valuation. When this base was converted to import transaction value, the duty rose substantially.
2/ Rate effective July 1, 1980.

## II. Comments

Description and uses

Sulfamethazine; sulfamerazine; sulfathiazole; sulfathiazole, sodium; sulfamethazine, sodium; sulfamexthoxazole; sulfisoxazole; sulfacetamide, sodium; sulfanilamide; and sulfaquinoxaline are members of a group of drugs classified as anti-infective sulfonamides because of their related chemical structures and similarity of microbiological, therapeutic, and toxicological properties.

The discovery in 1935 of the bacteriostatic action of sulfanilamide was one of the most important milestones in the development of synthetic medicinal chemicals. It was soon discovered that derivatives of sulfanilamide were more effective anti-infective agents than sulfanilamide itself. Sulfonamide-type drugs are easy to prepare and over 5,000 sulfonamides have been described in the literature. Currently, there are about 25 or 30 anti-infective sulfonamides sold for therapeutic use and these drugs differ from one another mostly in their rates of absorption, distribution, and excretion.

In recent years the importance of the anti-infective sulfonamides has diminished in the treatment of infectious diseases of man, because bacterial resistance to the sulfonamides has increased and antibiotics which are frequently more effective and less toxic have been developed. Nevertheless, the anti-infective sulfonamides continue to be the drugs of choice in the treatment of certain urinary tract and systemic infections in humans. In addition, the anti-infective sulfonamides are used extensively in veterinary medicine because of their low cost and demonstrated effectiveness. Large amounts of anti-infective sulfonamides are also used as growth promoters when added routinely, in subtherapeutic levels, to the feed of caged or penned animals.

U.S. consumption, production, and producers

Domestic consumption of anti-infective sulfonamides was erratic during 1978-81 (table A). Taking estimated inventory changes into consideration, it is believed that actual consumption was static or declining.

Domestic production increased 36 percent, on the basis of quantity, from 4.4 million pounds in 1977 to 6.0 million pounds in 1979, then declined 35 percent to 3.9 million pounds in 1981.

In 1981, sulfamethazine was produced by three U.S. firms; sulfamerazine was not produced domestically in 1981, nor was sulfathiazole; sulfathiazole, sodium, sulfamethazine, sodium, sulfamethoxazole, sulfacetamide, sodium, and sulfaquinoxaline were each produced by one firm; sulfanilamide was not produced for the merchant market, but may have been produced as an intermediate in the production of other anti-infective sulfonamides. In addition, 10 other anti-infective sulfonamides, that are directly competitive with the anti-infective sulfonamides of this investigation, were produced by one or more of the eight domestic producers of anti-infective sulfonamides.

U.S. exports

Export data for the anti-infective sulfonamides are not directly comparable with import statistics prior to 1978, so data for 1977 are not available (table B). Exports of anti-infective sulfonamides declined, on the basis of quantity, each year during 1978-81. During 1977-81, exports declined 35 percent, from 1.7 million pounds in 1978 to 1.1 million pounds in 1981. The principal export market for the anti-infective sulfonamides was Switzerland, which, in 1981, accounted for 78 percent of the total quantity exported. Most exports are believed to be intracompany transfers by multinational firms.

U.S. imports

The specified anti-infective sulfonamides of this investigation accounted for over 70 percent of the total quantity of all anti-infective sulfonamides imported in 1981. In addition, many of the anti-infective sulfonamides can be used interchangeably, especially in veterinary medicine. Consequently, consideration of statistics for all anti-infective sulfonamides gives the most meaningful analysis of competitive trends in the industry.

Imports of anti-infective sulfonamides were erratic during 1978-81 (data are not available for 1977) (table C). Imports increased from 3.2 million pounds in 1978 to 3.4 million pounds in 1979 before dropping sharply to 1.5 million pounds in 1980. Imports rebounded to 2.6 million pounds in 1981. Based upon data for the first 6 months, imports will probably be about 3.0 million pounds in 1982.

Imports compete most strongly in the market for veterinary drugs and the animal-feed additive market. In these markets, price is usually more important than brand name. Also, imports currently sell for a significantly lower price than domestically produced material and thereby have gained market share. Many domestic purchasers, however, like to have dual sources of supply and, therefore, continue to purchase some of the more costly domestically produced drugs. Low cost imports, nevertheless, do exert downward pressure on domestic prices.

The sharp drop in imports in 1980 is believed to have been due, at least in part, to overproduction and excessive inventories in 1979. Pre-MTN duty was based on the American Selling Price (ASP) method of customs valuation. When this base was converted to transaction value, the duty rose substantially. The change from the ASP method of customs valuation (which became effective July 1, 1980) probably was the reason for most of the drop in unit value of imports from $7.27 (ASP value) per pound in 1980 to $4.32 (transaction value) per pound in 1981.

The import-to-consumption ratio, based on quantity, was erratic during 1978-81. The ratio was 53.1 percent in 1978, declined to 31.0 percent in 1980, then climbed back to 48.3 percent in 1981. The import-to-consumption ratio based on value gives a misleading trend because of distortions caused by the change from ASP.

The sources of most imports of anti-infective sulfonamides during 1978-81 were Eastern Europe and Western Europe with some imports from Mainland China. Imports from GSP-designated countries, mostly Yugoslavia, dropped 72 percent from 1.1 million pounds in 1978 to 313,000 pounds in 1980, before increasing to 575,000 pounds in 1981 (table D). Imports from GSP-designated countries accounted for about 22 percent of the total imports of anti-infective sulfonamides in 1981.

Position of interested parties

The Ministry of Foreign Trade and International Economic Cooperation of the Government of Romania filed a petition requesting GSP treatment for sulfanilamide. The stated purpose of the request is to foster economic development in Romania.

William Silverman of Dow, Lohnes & Albertson, Counsel, testified before the Commission on behalf of Pliva, a Yugoslavian firm, in support of the petition requesting GSP treatment for all the specified anti-infective sulfonamides described in part I, except sulfanilamide. The stated purpose of this request is to foster economic development in Yugoslavia. The petitioner states that duty-free imports of anti-infective sulfonamides would supplant imports from non-GSP sources rather than affect U.S. producers. Counsel emphasized that they are unaware of any opposition to the petition by any domestic producer of anti-infective sulfonamides.

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## IV. Statistical Data

Table A.--Anti-infective sulfonamides: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in pounds; value in thousands of dollars; unit value per pound)

| Period | Production | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977---------- | 4,435,000 | 1/ | 1/ | 1/ | 1/ |
| 1978---------- | 4,585,000 | 1,726,706 | 3,232,968 | 6,091,262 | 53.1 |
| 1979---------- | 5,951,000 | 1,535,452 | 3,440,314 | 7,855,862 | 43.8 |
| 1980---------- | 4,841,000 | 1,474,975 | 1,514,218 | 4,880,243 | 31.0 |
| 1981---------- | 3,885,000 | 1,076,846 | 2,623,461 | 5,431,597 | 48.3 |
| Jan.-June-- | | | | | |
| 1981-------- | 1/ | 556,592 | 1,298,265 | 1/ | 1/ |
| 1982-------- | 1/ | 688,069 | 1,482,470 | 1/ | 1/ |
| | Value | | | | |
| 1977---------- | 28,394 | - | - | - | - |
| 1978---------- | 32,194 | 17,681 | 17,213 | 31,726 | 54.3 |
| 1979---------- | 67,508 | 16,213 | 25,739 | 77,034 | 33.4 |
| 1980---------- | 68,339 | 23,527 | 11,015 | 55,827 | 19.7 |
| 1981---------- | 52,627 | 16,084 | 11,320 | 47,863 | 23.7 |
| Jan.-June-- | | | | | |
| 1981-------- | - | 8,183 | 6,105 | - | - |
| 1982-------- | - | 9,525 | 5,741 | - | - |
| | Unit value | | | | |
| 1977---------- | 6.40 | - | - | - | - |
| 1978---------- | 7.02 | 10.24 | 5.32 | - | - |
| 1979---------- | 11.34 | 10.56 | 7.48 | - | - |
| 1980---------- | 14.12 | 15.95 | 7.27 | - | - |
| 1981---------- | 13.55 | 14.94 | 4.32 | - | - |
| Jan.-June-- | | | | | |
| 1981-------- | - | 14.70 | 4.70 | - | - |
| 1981-------- | - | 13.84 | 3.88 | - | - |

1/ Not available.

Source: U.S. International Trade Commission, Synthetic Organic Chemicals-United States Production and Sales, 1977-81, and U.S. Department of Commerce.

Table B.--Anti-infective sulfonamides: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | | | Quantity (pounds) | | | | |
| Switzld | 1/ | 1,229,832 | 1,056,932 | 1,081,678 | 842,159 | 454,547 | 589,442 |
| Japan | 1/ | 15,918 | 8,763 | 13,531 | 16,759 | 11,267 | 6,631 |
| Canada | 1/ | 191,548 | 147,446 | 139,140 | 93,279 | 43,793 | 41,135 |
| Belgium | 1/ | 11,804 | 42,325 | 0 | 52,095 | 0 | 20,097 |
| Colomb | 1/ | 17,665 | 2,842 | 23,515 | 23,817 | 11,162 | 6,328 |
| Brazil | 1/ | 102,730 | 147,766 | 90,166 | 10,563 | 6,850 | 450 |
| Kor Rep | 1/ | 4,454 | 6,920 | 6,393 | 6,157 | 4,578 | 2,204 |
| Mexico | 1/ | 6,571 | 46,522 | 17,694 | 6,579 | 5,714 | 7,854 |
| All other | 1/ | 146,184 | 75,936 | 102,858 | 25,438 | 18,681 | 13,928 |
| Total | 1/ | 1,726,706 | 1,535,452 | 1,474,975 | 1,076,846 | 556,592 | 688,069 |
| | | | Value (1,000 dollars) | | | | |
| Switzld | - | 10,298 | 10,484 | 11,721 | 11,181 | 5,796 | 7,416 |
| Japan | - | 2,022 | 1,315 | 1,886 | 1,968 | 1,260 | 875 |
| Canada | - | 1,019 | 745 | 1,069 | 798 | 392 | 353 |
| Belgium | - | 91 | 473 | - | 753 | - | 261 |
| Colomb | - | 263 | 92 | 554 | 637 | 300 | 276 |
| Brazil | - | 1,267 | 1,919 | 1,282 | 211 | 112 | 18 |
| Kor Rep | - | 38 | 66 | 89 | 123 | 59 | 33 |
| Mexico | - | 45 | 271 | 116 | 93 | 71 | 94 |
| All other | - | 2,637 | 847 | 6,809 | 320 | 194 | 198 |
| Total | - | 17,681 | 16,213 | 23,527 | 16,084 | 8,183 | 9,525 |
| | | | Unit value (per pound) | | | | |
| Switzld | - | $8.37 | $9.92 | $10.84 | $13.28 | $12.75 | $12.58 |
| Japan | - | 127.03 | 150.07 | 139.38 | 117.42 | 111.80 | 131.97 |
| Canada | - | 5.32 | 5.05 | 7.69 | 8.56 | 8.95 | 8.59 |
| Belgium | - | 7.69 | 11.18 | - | 14.45 | - | 13.01 |
| Colomb | - | 14.86 | 32.54 | 23.56 | 26.76 | 26.89 | 43.62 |
| Brazil | - | 12.34 | 12.99 | 14.22 | 19.93 | 16.41 | 40.15 |
| Kor Rep | - | 8.63 | 9.53 | 13.85 | 19.96 | 12.79 | 14.97 |
| Mexico | - | 6.92 | 5.83 | 6.56 | 14.18 | 12.38 | 11.96 |
| All other | - | 18.04 | 11.15 | 66.20 | 12.58 | 10.36 | 14.20 |
| Average | - | 10.24 | 10.56 | 15.95 | 14.94 | 14.70 | 13.84 |

1/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Anti-infective sulfonamides: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | | | Quantity (pounds) | | | | |
| Yugoslv | 1/ | 1,100,414 | 924,897 | 291,778 | 414,932 | 107,145 | 211,930 |
| Denmark | 1/ | 882,980 | 965,997 | 415,565 | 385,205 | 172,574 | 60,450 |
| Sweden | 1/ | 170,196 | 207,696 | 170,903 | 161,737 | 69,647 | 60,953 |
| Nethlds | 1/ | 5,402 | 110 | 74,604 | 293,180 | 255,678 | 50,127 |
| Poland | 1/ | 665,872 | 269,090 | 245,481 | 497,852 | 298,851 | 240,236 |
| China M | 1/ | 0 | 122,356 | 13,007 | 182,982 | 75,177 | 301,039 |
| Hungary | 1/ | 49,004 | 587,785 | 140,325 | 208,112 | 167,772 | 150,948 |
| Fr Germ | 1/ | 197,973 | 188,801 | 56,475 | 201,395 | 9,302 | 250,114 |
| All other | 1/ | 161,127 | 173,582 | 106,080 | 278,066 | 142,119 | 156,673 |
| Total | 1/ | 3,232,968 | 3,440,314 | 1,514,218 | 2,623,461 | 1,298,265 | 1,482,470 |
| | | | Value (1,000 dollars) | | | | |
| Yugoslv | - | 5,038 | 6,425 | 1,697 | 1,685 | 461 | 876 |
| Denmark | - | 4,226 | 7,116 | 2,901 | 1,648 | 879 | 258 |
| Sweden | - | 2,757 | 4,005 | 2,904 | 1,615 | 937 | 597 |
| Nethlds | - | 70 | 1 | 469 | 1,494 | 1,289 | 206 |
| Poland | - | 2,268 | 1,491 | 1,025 | 1,396 | 829 | 737 |
| China M | - | - | 343 | 65 | 887 | 270 | 805 |
| Hungary | - | 276 | 4,258 | 577 | 785 | 631 | 503 |
| Fr Germ | - | 1,317 | 757 | 413 | 646 | 34 | 841 |
| All other | - | 1,262 | 1,345 | 963 | 1,165 | 775 | 924 |
| Total | - | 17,213 | 25,739 | 11,015 | 11,320 | 6,105 | 5,746 |
| | | | Unit value (per pound) | | | | |
| Yugoslv | - | $4.58 | $6.95 | $5.82 | $4.06 | $4.30 | $4.13 |
| Denmark | - | 4.79 | 7.37 | 6.98 | 4.28 | 5.09 | 4.26 |
| Sweden | - | 16.20 | 19.28 | 16.99 | 9.98 | 13.45 | 9.79 |
| Nethlds | - | 12.92 | 12.57 | 6.29 | 5.09 | 5.04 | 4.11 |
| Poland | - | 3.41 | 5.54 | 4.18 | 2.80 | 2.77 | 3.07 |
| China M | - | - | 2.80 | 4.97 | 4.85 | 3.60 | 2.67 |
| Hungary | - | 5.63 | 7.24 | 4.11 | 3.77 | 3.76 | 3.33 |
| Fr Germ | - | 6.65 | 4.01 | 7.32 | 3.21 | 3.67 | 3.36 |
| All other | - | 7.83 | 7.75 | 9.08 | 4.19 | 5.45 | 5.89 |
| Average | - | 5.32 | 7.48 | 7.27 | 4.32 | 4.70 | 3.88 |

1/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Anti-infective sulfonamides: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (pounds) | | | | | |
| Gross imports | 3,232,968 | 3,440,314 | 1,514,218 | 2,623,461 | 1,482,470 | 100 |
| 26 developed ctries, total | 2,083,550 | 1,805,276 | 1,047,940 | 1,647,064 | 757,728 | 51 |
| GSP countries, total | 1,100,414 | 924,897 | 312,946 | 575,209 | 270,881 | 18 |
| Yugoslv | 1,100,414 | 924,897 | 291,778 | 414,932 | 211,930 | 14 |
| China t | 0 | 0 | 16,534 | 54,041 | 661 | 1/ |
| Mexico | 0 | 0 | 0 | 85,229 | 40,632 | 3 |
| Romania | 0 | 0 | 4,409 | 18,247 | 17,658 | 1 |
| Kor Rep | 0 | 0 | 0 | 2,760 | 0 | |
| India | 0 | 0 | 225 | 0 | 0 | |
| Other | 49,004 | 710,141 | 153,332 | 401,188 | 453,861 | 31 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 17,213 | 25,739 | 11,015 | 11,320 | 5,746 | 100 |
| 26 developed ctries, total | 11,899 | 14,714 | 8,595 | 7,620 | 3,496 | 61 |
| GSP countries, total | 5,038 | 6,425 | 1,779 | 1,962 | 933 | 16 |
| Yugoslv | 5,038 | 6,425 | 1,697 | 1,685 | 876 | 15 |
| China t | - | - | 71 | 164 | 2 | 1/ |
| Mexico | - | - | - | 64 | 28 | 1/ |
| Romania | - | - | 10 | 30 | 28 | 1/ |
| Kor Rep | - | - | - | 19 | - | |
| India | - | - | 1 | - | - | |
| Other | 276 | 4,600 | 641 | 1,739 | 1,318 | 23 |

1/ Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Tolbutamide

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

(Cents per pound; percent ad valorem)

| TSUS item No. 1/ | Description | Pre-MTN col. 1 rate of duty 2/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) 4/ | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 3/ | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| 412.48(pt.) | Tolbutamide---------------------- | 1.7¢/lb + 12.5% (AVE 12.8%) | 20.1% | 18.5% | 16.8% | 15.2% | 13.6% | 12% | 10.3% | 8.7% | 7¢/lb + 78.5% (AVE 79.7%) | *** | Yes. |
| 412.68(pt.) | Tolbutamide---------------------- | 1.7¢/lb + 12.5% (AVE 12.8%) | 12.9% | 12% | 11.2% | 10.3% | 9.5% | 8.6% | 7.8% | 6.9% | 7¢/lb + 45% (AVE 46.4%) | *** | Yes. |

1/ The Classification of tolbutamide is under review.
2/ Pre-MTN duty was based on the American Selling Price method of customs valuation. When this base was converted to import transaction value, the duty rose substantially in many instances.
3/ Rate effective on July 1, 1980.
4/ Estimated.

## II. Comments

### Descriptions and uses

Tolbutamide is one of about four synthetic orally active hypoglycemic agents of the sulfonylurea type which are useful in the management of selected cases of diabetes. In these selected cases, tolbutamide can be substituted for the hormone insulin.

Tolbutamide is chemically related to the anti-infective sulfanamides. However, tolbutamide has no antibacterial activity and, therefore, is not used as an anti-infective agent. Tolbutamide occurs as a slightly bitter, odorless, white or practically white, crystalline powder.

As with the other sulfonylurea derivatives useful in the treatment of diabetes, the primary mechanism by which tolbutamide lowers blood sugar levels appears to be stimulation of insulin secretion from certain cells of the pancreas. The drug is ineffective in the absence of functioning pancreatic cells. Where effective, tolbutamide gives better 24-hour control of blood sugar levels than does a single insulin injection, because tolbutamide has a more gradual and sustained action.

### U.S. customs treatment

The Commission, during the course of the investigation, contacted Customs import specialists and were advised that tolbutamide is now being classified under TSUS item 412.68 (other drugs provided for in the Chemical Appendix to the Tariff Schedules). The Commission, while not responsible for the classification of imported articles, is of the opinion that tolbutamide is properly classifiable under TSUS item 412.48 (other hormones, synthetic substitutes, and antagonists provided for in the Chemical Appendix to the Tariff Schedules). Currently, the classification of tolbutamide is under review by Customs.

## U.S. consumption, production, and producers

Precise statistics on U.S. consumption and production of tolbutamide are not available. Production, however, is estimated to have been about * * * pounds per year during 1977-81 (table A). * * *. * * *.

Domestic consumption of tolbutamide is estimated to have ranged from * * * pounds during 1977-81.

In 1981, one domestic firm produced tolbutamide in the United States.

## U.S. exports

Export data are not available for tolbutamide. However, exports of tolbutamide in bulk are believed to be negligible or nil.

## U.S. imports

Imports of tolbutamide increased from 4,232 pounds in 1977 to 43,976 pounds in 1978 and 66,918 pounds in 1980, before declining to 58,651 pounds in 1981 (table B). Value data could not be estimated for 1977-78, but are believed to have ranged from * * * to * * * during 1979-81. In the basis of quantity, the estimated import-to-consumption ratio ranged from * * * to * * * percent during 1977-81 and was * * * percent in 1981.

During 1979-81, Italy was the principal source of tolbutamide imports, accounting for * * * percent of the quantity of tolbutamide imported in 1981. There were no known imports of tolbutamide from GSP designated countries during 1979-81.

Imported tolbutamide is like domestic tolbutamide in that it is chemically identical. * * *.

Position of interested parties

The Ministry of Foreign Trade and International Economic Cooperation of the Government of Romania filed the petition requesting GSP treatment for tolbutamide. The purpose of the request is to foster economic developement in Romania.

No submissions were received on behalf of the domestic industry.

* * * * *

* * * * *

Digest No.
A404--Con.

## IV. Statistical Data

Table A.--Tolbutamide: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in pounds; value in dollars; unit value per pound)

| Period | Production | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977---------- | 1/ *** | 2/ | 4,232 | 1/ *** | 1/ *** |
| 1978---------- | 1/ *** | 2/ | 43,976 | 1/ *** | 1/ *** |
| 1979---------- | 1/ *** | 2/ | 55,240 | 1/ *** | 1/ *** |
| 1980---------- | 1/ *** | 2/ | 66,918 | 1/ *** | 1/ *** |
| 1981---------- | 1/ *** | 2/ | 58,651 | 1/ *** | 1/ *** |
| Jan.-June-- | | | | | |
| 1981-------- | 1/ *** | 2/ | 2/ | 2/ | 2/ |
| 1982-------- | 2/ | 2/ | 2/ | 2/ | 2/ |
| | | | Value | | |
| 1977---------- | 2/ | - | 2/ | 2/ | 2/ |
| 1978---------- | 2/ | - | 2/ | 2/ | 2/ |
| 1979---------- | 2/ | - | 1/ *** | 2/ | 2/ |
| 1980---------- | 2/ | - | 1/ *** | 2/ | 2/ |
| 1981---------- | 2/ | - | 1/ *** | 2/ | 2/ |
| Jan.-June-- | | | | | |
| 1981-------- | 2/ | - | - | - | - |
| 1982-------- | - | - | - | - | - |
| | | | Unit value 1/ | | |
| 1977---------- | - | - | - | - | - |
| 1978---------- | - | - | - | - | - |
| 1979---------- | - | - | 1/ *** | - | - |
| 1980---------- | - | - | 1/ *** | - | - |
| 1981---------- | - | - | 1/ *** | - | - |
| Jan.-June-- | | | | | |
| 1981-------- | - | - | - | - | - |
| 1981-------- | - | - | - | - | - |

1/ Estimated and rounded.
2/ Not available.

Source: U.S. International Trade Commission, Imports of Benzenoid Chemicals and Products, 1977-81, except as noted.

Digest No.
A404--Con.

Table B.--Tolbutamide: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981 and January-June 1982

(Quantity in pounds, value in dollars, unit value per pound)

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | | | Quantity | | | | |
| Italy | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Belgium and Luxembourg | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Hungary | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Canada | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Poland | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Total | 1/ | 1/ | 55,240 | 66,918 | 58,651 | 1/ | 1/ |
| | | | Value | | | | |
| Italy | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ |
| Belgium and Luxembourg | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ |
| Hungary | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ |
| Canada | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ |
| Poland | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ |
| Total | 1/ | 1/ | 2/ *** | 2/ *** | 2/ *** | 1/ | 1/ |
| | | | Unit value | | | | |
| Italy | 1/ | 1/ | - | - | - | - | - |
| Belgium and Luxemnourg | 1/ | 1/ | - | - | - | - | - |
| Hungary | 1/ | 1/ | - | - | - | - | - |
| Canada | 1/ | 1/ | - | - | - | - | - |
| Poland | 1/ | 1/ | - | - | - | - | - |
| Total | 1/ | 1/ | 2/ *** | 2/ *** | 2/ *** | - | - |

1/ Not available.
2/ Estimated and rounded.

Source: U.S. International Trade Commission, except as noted.

Digest No. A405

TITLE: Mandelic Acid

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

(Cents per pound; percent ad valorem)

| TSUSA item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) 3/ | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 2/ | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| 411.94(pt.) | Mandelic acid------------------ | 1.7¢/lb + 12.5% (AVE 12.9%) | 18% | 16.6% | 15.2% | 13.8% | 12.3% | 10.9% | 9.5% | 8.1% | 7¢/lb + 67.5% (AVE 69.3%) | *** | Yes. |

1/ Rate effective prior to July 1, 1980. Pre-MTN duty was based on the American Selling Price method of customs valuation. When this base was converted to import transaction value, the duty rose substantially.
2/ Rate effective on July 1, 1980.
3/ Estimated.

## II. Comments

### Description and uses

Mandelic acid occurs as a white crystalline powder which may be odorless or have a slight aromatic odor. Upon exposure to light, the crystals slowly darken and decompose.

Mandelic acid has bacteriostatic and bactericidal properties and, when ingested, is not metabolized but is excreted in the urine. Because of these properties, mandelic acid is sometimes used as an urinary antiseptic. However, mandelic acid preparations are not used extensively now because of the development of newer and more effective drugs.

### U.S. consumption, production, and producers

Mandelic acid (classifiable under TSUS item 411.94 (pt.)) is not believed to have been produced in the United States since 1978, and production data for 1977 and 1978 are not available.

Consumption, therefore, is believed to be approximately equal to imports. Annual apparent consumption was erratic during 1979-81, ranging from about 46,000 pounds to about 115,000 pounds (table A).

According to the petitioner, the only domestic producer of mandelic acid discontinued production in 1978, allegedly because of import competition from Japan.

### U.S. exports

Export data are not available for 1977-78 and, according to industry sources, were zero during 1979-81.

U.S. imports

Imports of mandelic acid were erratic during 1977-81. Imports peaked at about 120,000 pounds in 1978, dropped to 46,000 pounds in 1980, and increased to 115,000 pounds in 1981. The annual value of imported mandelic acid is estimated to have ranged from * * * to about * * * during 1977-81 (table A).

Japan was the principal supplier of mandelic acid during 1979-81, and there were no known imports from GSP-designated beneficiary developing countries during 1979-81 (table B).

Consumption data (and import-to-consumption ratios) are not available prior to 1979, but imports are believed to have supplied all the domestic requirements for mandelic acid during 1979-81 (table A).

Position of interested parties

Conray Chemicals, Inc., a domestic broker of various chemicals, filed the petition with the U.S. Trade Representative (USTR) requesting GSP treatment for mandelic acid. Conray hopes that, with GSP treatment, an Israeli Company would be induced to begin producing mandelic acid for export to the United States.

*     *     *     *     *

Table A.--Mandelic acid: U.S. production, exports, imports, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in pounds, value in dollars, unit value per pound)

| Period | Production | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977 | 1/ | 1/ | 77,933 | 1/ | 1/ |
| 1978 | 1/ | 1/ | 119,708 | 1/ | 1/ |
| 1979 | 0 | 0 | 78,728 | 78,728 | 100 |
| 1980 | 0 | 0 | 46,297 | 46,297 | 100 |
| 1981 | 0 | 0 | 115,223 | 115,223 | 100 |
| Jan.-June-- | | | | | |
| 1981 | 0 | 0 | 1/ | 1/ | 1/ |
| 1982 | 0 | 0 | 1/ | 1/ | 1/ |
| | Value | | | | |
| 1977 | - | - | 2/ *** | - | - |
| 1978 | - | - | 2/ *** | - | - |
| 1979 | - | - | 2/ *** | 2/ *** | 100 |
| 1980 | - | - | 2/ *** | 2/ *** | 100 |
| 1981 | - | - | 2/ *** | 2/ *** | 100 |
| Jan.-June-- | | | | | |
| 1981 | - | - | - | - | - |
| 1982 | - | - | - | - | - |
| | Unit value | | | | |
| 1977 | - | - | 2/ *** | - | - |
| 1978 | - | - | 2/ *** | - | - |
| 1979 | - | - | 2/ *** | - | - |
| 1980 | - | - | 2/ *** | - | - |
| 1981 | - | - | 2/ *** | - | - |
| Jan.-June-- | | | | | |
| 1981 | - | - | - | - | - |
| 1982 | - | - | - | - | - |

1/ Not available.
2/ Estimated and rounded.

Source: U.S. International Trade Commission, Imports of Benzenoid Chemicals and Products, 1977-81, except as noted.

Table B.--Mandelic acid: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

(Quantity in pounds, value in dollars, unit value per pound)

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity | | | | | | |
| Japan | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| United Kingdom | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Sweden | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Total | 77,933 | 119,708 | 78,728 | 46,297 | 115,223 | 1/ | 1/ |
| | Value | | | | | | |
| Japan | - | - | 1/ | 2/ *** | 1/ | - | - |
| United Kingdom | - | - | - | - | 1/ | - | - |
| Sweden | - | - | 1/ | - | - | - | - |
| Total | 2/ *** | 2/ *** | 2/ *** | 2/ *** | 2/ *** | - | - |
| | Unit value | | | | | | |
| Japan | - | - | - | - | - | - | - |
| United Kingdom | - | - | - | - | - | - | - |
| Sweden | - | - | - | - | - | - | - |
| Average | 2/ *** | 2/ *** | 2/ *** | 2/ *** | 2/ *** | - | - |

1/ Not available.
2/ Estimated and rounded.

Source: U.S. International Trade Commission, excepted as noted.

Note.--There have been no known imports of mandelic acid from designated beneficiary countries under the GSP.

Digest No.
A406

TITLE: Hydrochlorothiazide

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

(Cents per pound; percent ad valorem)

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) 3/ | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 2/ | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| 412.68(pt.) | Hydrochlorothiazide------------- | 1.7¢/lb + 12.5% (AVE 12.6%) | 12.9% | 12% | 11.2% | 10.3% | 9.5% | 8.6% | 7.8% | 6.9% | 7¢/lb +45% (AVE 45.2%) | *** | Yes. |

1/ Rate effective prior to July 1, 1980.
2/ Rate effective on July 1, 1980. Pre-MTN duty was based on the American Selling Price method of customs valuation. When this base was converted to import transaction value, the duty rose significantly.
3/ Estimated.

## II. Comments

Descriptions and uses

Hydrochlorothiazide is a thiazide (benzothiodiazine)-type diuretic. It occurs as a white or practically white crystalline powder and has a slightly bitter taste.

Hydrochlorothiazide and related diuretics, of which there are about eight in current use, are used mostly in the treatment of congestive heart failure and hypertension. In the past, thiazide diuretics were often used routinely during pregnancy to relieve edema. More recently, enthusiam for diuretic therapy in pregnant women has lessened, because edema is now recognized as normal during most pregnancies.

Thiazide-type diuretics increase the urinary excretion of sodium chloride and water by inhibiting sodium reabsorption in the kidney. The major difference between hydrochlorothiazide and the various other thiazide-type diuretics is duration of action, which is 6 to 12 hours for hydrochlorothiazide, while some of the longer-acting thiazide-type diuretics have a duration of action of 18 to 24 hours.

U.S. consumption, production, and producers

Precise statistics on U.S. consumption and production of hydrochlorothiazide are not available. Production, however, is believed to have * * * from about * * * pounds, valued at * * * million, in 1977 to * * * pounds, valued at approximately * * * million, in 1981 (table A). The drop in estimated unit value of production, from an estimated * * * per pound in 1977 to * * * in 1981 is believed to be, in part, because of the expiration of some basic production patents in 1979 and 1980. This has led to increased competition from foreign producers of hydrochlorothiazide for the generic market.

Domestic consumption of hydrochlorothiazide was erratic during 1977-81 and is estimated to have ranged from * * * pounds to * * * pounds per year (table A).

During 1977-81, three domestic firms produced hydrochlorothiazide (in bulk form) in the United States.

U.S. exports

Export data are not available for hydrochlorothiazide. However, exports are believed to be small in comparison with domestic production or with imports.

U.S. imports

Imports of hydrochlorothiazide increased 164 percent, on the basis of quantity, from 62,521 pounds in 1977 to 165,191 pounds in 1981 (table B). Value data could not be estimated for 1977-78 and subsequent estimated value data are distorted by the change, in mid-1980, from the American Selling Price (ASP) method of customs valuation to the current method of customs valuation which is based on the foreign value of hydrochlorothiazide. On the basis of quantity, the estimated import-to-consumption ratio increased from * * * percent in 1977 to * * * percent in 1981 (table A).

Western Europe and, more recently, Eastern Europe are the principal sources of imports. Imports from a GSP designated beneficiary country were * * * pounds from Yugoslavia in 1981 (table C).

Imported hydrochlorothiazide is like and directly competitive with domestically produced hydrochlorothiazide. All prescription drugs, both domestic and imported, must meet minimum Food and Drug Administration requirements for safety and efficacy.

Most, if not all, of the hydrochlorothiazide is imported in bulk and sold to U.S. producers of generic drugs in dosage form. Price is the principal determining factor for producers of bulk drugs for the generic market, as these firms rarely develop new drugs and, therefore, sell with lower profit margins than those drug firms which have large, and costly, research and developement programs.

The sharp drop in the estimated unit value of imports of hydrochlorothiazide from 1979 to 1981 reflects the change from the ASP method of customs valuation. In addition, some of the basic manufacturing patents on hydrochlorothiazide expired during 1979-80, thus opening the import market to more producers.

Position of interested parties

Pliva, a Yugoslavian firm, filed the petition with the U.S. Trade Representative (USTR) for GSP treatment of hydrochlorothiazide (TSUS item 412.68 pt.). Pliva requested GSP treatment for this drug to help foster economic developement in Yugoslavia.

The petitioner stated that duty-free imports from Yugoslavia would not harm the U.S. drug industry, because Pliva could then offer imported hydrochlorothiazide to U.S. producers of generic drugs at a lower cost. The petition alleges that increased imports from Yugoslavia would, with duty-free treatment, displace imports from other countries rather than taking market share from U.S. producers of bulk hydrochlorothiazide.

No submissions were received on behalf of the domestic industry.

* * * * *

*               *               *               *               *

Digest No.
A406—Con.

## IV. Statistical Data

Table A.--Hydrochlorothiazide: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in pounds, value in dollars, unit value per pound)

| Period | Production | Exports | Imports | Apparent consumption | Ratio (percent)of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977 | 1/ *** | 2/ | 62,521 | 1/ *** | 1/ *** |
| 1978 | 1/ *** | 2/ | 80,332 | 1/ *** | 1/ *** |
| 1979 | 1/ *** | 2/ | 159,691 | 1/ *** | 1/ *** |
| 1980 | 1/ *** | 2/ | 108,799 | 1/ *** | 1/ *** |
| 1981 | 1/ *** | 2/ | 165,191 | 1/ *** | 1/ *** |
| Jan.-June-- | | | | | |
| 1981 | 1/ *** | 2/ | 2/ | 2/ | 2/ |
| 1982 | 2/ | 2/ | 2/ | 2/ | 2/ |
| | Value | | | | |
| 1977 | 1/ *** | - | 2/ | 2/ | 2/ |
| 1978 | 1/ *** | - | 2/ | 2/ | 2/ |
| 1979 | 1/ *** | - | 1/ *** | 1/ *** | 1/ *** |
| 1980 | 1/ *** | - | 1/ 3/ *** | 1/ 3/ *** | 1/ 3/ *** |
| 1981 | 1/ *** | - | 1/ 3/ *** | 1/ 3/ *** | 1/ 3/ *** |
| Jan.-June-- | | | | | |
| 1981 | 1/ *** | - | - | - | - |
| 1982 | - | - | - | - | - |
| | Unit value 1/ | | | | |
| 1977 | 1/ *** | - | - | - | - |
| 1978 | 1/ *** | - | - | - | - |
| 1979 | 1/ *** | - | 1/ *** | - | - |
| 1980 | 1/ *** | - | 1/ 3/ *** | - | - |
| 1981 | 1/ *** | - | 1/ 3/ *** | - | - |
| Jan.-June-- | | | | | |
| 1981 | 1/ *** | - | - | - | - |
| 1981 | - | - | - | - | - |

1/ Estimated and rounded.
2/ Not available.
3/ Change in values and unit values of imports reflect, in part, a charge (in 1980) from the ASP method of customs valuation.

Source: U.S. International Trade Commission, Imports of Benzenoid Chemicals and Products, 1977-81, except as noted.

Table B.--Hydrochlorothiazide: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

(Quantity in pounds, value in dollars, unit value per pound)

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | | | | Quantity | | | |
| Italy | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Hungary | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Yugoslavia | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| West Germany | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Mainland China | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| All other | 1/ | 1/ | *** | *** | *** | 1/ | 1/ |
| Total | 62,521 | 80,332 | 159,691 | 108,779 | 165,191 | 1/ | 1/ |
| | | | | Value | | | |
| Italy | - | - | 1/ | 1/ | 1/ | - | - |
| Hungary | - | - | - | 1/ | 1/ | - | - |
| Yugoslavia | - | - | - | - | 1/ | - | - |
| West Germany | - | - | 1/ | - | 1/ | - | - |
| Mainland China | - | - | - | 1/ | - | - | - |
| All other | - | - | 1/ | - | - | - | - |
| Total | 1/ | 1/ | 2/ *** | 2/3/ *** | 2/ *** | - | - |
| | | | | Unit value | | | |
| Italy | - | - | - | - | - | - | - |
| Hungary | - | - | - | - | - | - | - |
| Yugoslavia | - | - | - | - | - | - | - |
| West Germany | - | - | - | - | - | - | - |
| Mainland China | - | - | - | - | - | - | - |
| All other | - | - | - | - | - | - | - |
| Average | - | - | 2/ *** | 2/3/ *** | 2/ *** | - | - |

1/ Not available.
2/ Estimated and rounded.
3/ Change in value of imports reflects, in part, a change (in 1980) from the American Selling Price method of Customs valuation of benzenoid chemicals.

Table C.--Hydrochlorothiazide: U.S. imports by certain world areas, including designated GSP countries, 1977-81, and January-June 1982

(Quantity in pounds, value in dollars)

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June 1982 | |
|---|---|---|---|---|---|---|---|
| | | | | | | Imports | Percentage distribution |
| | | | Quantity | | | | |
| All countries | 62,521 | 80,332 | 159,691 | 108,779 | 165,191 | 1/ | - |
| Twenty six developed countries, total | 1/ | 1/ | 159,691 | 108,779 | 138,669 | 1/ | - |
| GSP countries, total | 1/ | 1/ | *** | *** | *** | 1/ | - |
| Yugoslavia | 1/ | 1/ | *** | *** | *** | 1/ | - |
| Other | 1/ | 1/ | *** | *** | *** | 1/ | - |
| | | | Value | | | | |
| All countries | 1/ | 1/ | 2/ *** | 2/ *** | 2/ *** | 1/ | - |
| Twenty six developed countries, total | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | - |
| GSP countries, total | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | - |
| Yugoslavia | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | - |
| Other | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | - |

1/ Not available.
2/ Estimated and rounded.

Source: U.S. International Trade Commission, except as noted.

TITLE: Refined Glycerine

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUSA item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| | Glycerine: | | | | | | | | | | | | |
| 428.3800 | Refined---------------------- | 0.5¢ per lb. (AVE 1.0%) | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2/ | 2¢ per lb. (AVE 4.0%) | 20 | Yes. |

1/ Rate effective prior to Jan. 1, 1980.
2/ No concession was granted for this item during the Tokyo Round of the Multilateral Trade Negotiations.

## II. Comment

### Description and uses

Refined glycerine is a clear, colorless, syrupy liquid with a sweet taste. It readily absorbs moisture from the air, which accounts for its use as a humectant in tobacco and cellophane. One U.S. producer makes glycerine by reacting propylene and chlorine to form allyl chloride, which is converted to dichlorohydrins and saponified to glycerine. Another producer converts propylene oxide to allyl alcohol, which is reacted with peracetic acid to form glycidol. Glycidol is then hydrolyzed to glycerine. All the other U.S. producers refine glycerine that is produced as a by-product of manufacturing soap (from fats and oils, which are esters of glycerine).

Refined glycerine is used as a solvent in drugs, cosmetics, and as an intermediate in the production of alkyd resins, urethane polymers, and explosives. It is also a conditioning agent for tobacco and cellophane, and has many other uses in foods, beverages, photography, textiles, inks, and rubber and wood products.

### U.S. consumption, production, and producers

Apparent U.S. consumption of refined glycerine fluctuated between a low of 268 million pounds, valued at $119 million, in 1979 and a high of 316 million pounds, valued at $194 million, in 1981 (table A). During January-June 1982, apparent U.S. consumption dropped to 128 million pounds, valued at $96 million, compared with 154 million pounds, valued at $110 million, during the corresponding period in 1981.

U.S. production increased from 286 million pounds, valued at $137 million, in 1977 to 315 million pounds, valued at $179 million, in 1980. U.S. production of refined glycerine was only 299 million pounds, valued at $189 million, in 1981. During January-June 1982, U.S. production was preliminarily reported to have been 117 million pounds, valued at $89 million, compared with 152 million pounds, valued at $111 million, during the corresponding period in 1981.

The U.S. producers of refined glycerine include 2 of the largest integrated U.S. chemical firms and 18 other firms that refine glycerine that is made as a by-product of manufacturing soap. Most of these companies are large soap and detergent manufacturers. Some are smaller soap companies. Still others buy crude glycerine and refine it in their plants. Two producers ceased production of glycerine during the summer of 1980.

Employment in the U.S. soap and detergent industry, where natural glycerine, * * * was produced, increased from 40,000 in 1977 to 44,500 in 1981. Average employment in this industry during January-June 1982 was 44,200 according to preliminary statistics. Synthetic glycerine accounts for a negligible percentage of industrial organic chemical shiments; therefore, separate employment statistics are not available for the segment of that industry covered by this digest.

U.S. exports

U.S. exports increased from 21.6 million pounds, valued at $9.4 million, in 1977 to 40.4 million pounds, valued at $23.2 million, in 1980. They decreased to 21.3 million pounds, valued at $14.2 million, in 1981. U.S. exports were 5.5 million pounds, valued at $3.8 million, during January-June 1982, compared with 14.4 million pounds, valued at $9.7 million, during the corresponding period in 1981. The level of exports fluctuates with demand in the industrialized countries because of the many uses for refined glycerine. The principal markets for U.S. exports in 1981 were the United Kingdom, Brazil, Singapore, and Canada. The Republic of South Africa and Brazil were the major markets for U.S. exports of refined glycerine during January-June 1982.

U.S. imports

U.S. imports of refined glycerine increased irregularly from 13.1 million pounds, valued at $5.3 million, in 1977, to 19.5 million pounds, valued at $7.8 million, in 1980, and in 1981 they amounted to 37.9 million pounds, valued at $19.7 million. The ratio of imports to consumption in 1981 reached the period high of 12.0 percent as one of the principal producers became an importer.

The major sources for imports of refined glycerine in 1981 were the Netherlands, West Germany, France, and the United Kingdom. Together the Netherlands and West Germany made up of about 84 percent by quantity of total imports.

Imports of refined glycerine from GSP countries amounted to 661,000 pounds, valued at $381,000, in 1981. A dramatic increase was seen for the period January-June of 1982, when 2.4 million pounds, valued at $1.4 million, was imported as a result of increased production of refined glycerine in Brazil. Although refined glycerine is imported from Brazil, Mexico, Nicaragua and the Republic of the Philippines, Brazil has been the source for nearly 100 percent of GSP imports (table D).

## Position of interested parties

The petitioner, representing 3 producers, is the Fondo de Promocion de Exportaciones of the Government of Colombia. All these producers wish to develop the industry and reduce the Colombian trade deficit with the United States by exporting refined glycerine. They feel that glycerine is not import-sensitive and there will not be any negative impact on the U.S. industry.

There have been no formal submissions by domestic producers of refined glycerine.

*　　　*　　　*　　　*　　　*

Table A.--Glycerine, refined: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81, January-June 1981 and January-June 1982

(Quantity in thousands of pounds, value in thousands of dollars; unit value in cents per pound)

| Year | Production 1/ | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977--------- | 286,087 | 21,574 | 13,059 | 277,572 | 4.7 |
| 1978--------- | 290,425 | 23,760 | 7,281 | 273,946 | 2.7 |
| 1979--------- | 297,827 | 30,327 | 102 | 267,602 | 2/ |
| 1980--------- | 314,726 | 40,376 | 19,512 | 293,862 | 6.6 |
| 1981--------- | 299,233 | 21,292 | 37,926 | 315,867 | 12.0 |
| Jan.-June-- | | | | | |
| 1981------ | 151,773 | 14,430 | 17,024 | 154,367 | 11.0 |
| 1982------ | 3/ 116,936 | 5,457 | 16,346 | 127,825 | 12.8 |
| | Value | | | | |
| 1977--------- | 137,322 | 9,407 | 5,290 | 133,205 | 4.0 |
| 1978--------- | 136,500 | 10,329 | 2,998 | 129,169 | 2.3 |
| 1979--------- | 134,022 | 15,051 | 49 | 119,020 | 2/ |
| 1980--------- | 179,394 | 23,212 | 7,834 | 164,016 | 4.8 |
| 1981--------- | 188,517 | 14,242 | 19,667 | 193,942 | 10.1 |
| Jan.-June-- | | | | | |
| 1981------ | 110,794 | 9,728 | 8,696 | 109,762 | 7.9 |
| 1982------ | 88,871 | 3,796 | 10,576 | 95,651 | 11.1 |
| | Unit value | | | | |
| 1977--------- | 48 | 44 | 41 | - | - |
| 1978--------- | 47 | 43 | 41 | - | - |
| 1979--------- | 45 | 50 | 48 | - | - |
| 1980--------- | 57 | 57 | 40 | - | - |
| 1981--------- | 63 | 67 | 52 | - | - |
| Jan.-June-- | | | | | |
| 1981------ | 73 | 67 | 51 | - | - |
| 1982------ | 76 | 70 | 65 | - | - |

1/ Production values estimated by applying the unit value of sales to production quantities.
2/ Less than 0.05 percent.
3/ Includes preliminary data.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B.--Glycerine, refined: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| U King | 316 | 302 | 159 | 576 | 4,035 | 3,754 | 40 |
| Brazil | 1,818 | 2,437 | 3,213 | 4,141 | 3,014 | 1,891 | 647 |
| Singapr | 3,077 | 4,850 | 4,194 | 7,960 | 2,763 | 1,660 | 0 |
| Canada | 3,774 | 3,412 | 2,539 | 4,002 | 2,594 | 1,206 | 374 |
| Venez | 2,801 | 2,076 | 1,410 | 3,470 | 1,706 | 1,133 | 410 |
| China M | 0 | 0 | 0 | 0 | 1,323 | 1,323 | 0 |
| Austral | 439 | 883 | 318 | 851 | 1,387 | 946 | 0 |
| Rep Saf | 1,339 | 3,027 | 3,161 | 4,395 | 880 | 479 | 1,389 |
| All other | 7,961 | 6,772 | 15,332 | 14,983 | 3,590 | 2,038 | 2,596 |
| Total | 21,574 | 23,760 | 30,327 | 40,376 | 21,292 | 14,430 | 5,457 |
| | Value (1,000 dollars) | | | | | | |
| U King | 173 | 159 | 79 | 374 | 2,665 | 2,435 | 22 |
| Brazil | 914 | 1,095 | 1,679 | 2,518 | 2,039 | 1,279 | 440 |
| Singapr | 1,300 | 1,993 | 1,793 | 3,931 | 1,629 | 979 | - |
| Canada | 1,723 | 1,680 | 1,500 | 2,548 | 1,349 | 714 | 271 |
| Venez | 1,311 | 905 | 1,421 | 2,129 | 1,245 | 772 | 451 |
| China M | - | - | - | - | 1,043 | 1,043 | - |
| Austral | 220 | 463 | 182 | 522 | 971 | 670 | - |
| Rep Saf | 536 | 1,034 | 1,209 | 2,520 | 664 | 367 | 855 |
| All other | 3,229 | 3,001 | 7,189 | 8,670 | 2,637 | 1,469 | 1,758 |
| Total | 9,407 | 10,329 | 15,051 | 23,212 | 14,242 | 9,728 | 3,796 |
| | Unit value (per pound) | | | | | | |
| U King | $548.63 | $526.30 | $499.75 | $649.07 | $660.53 | $648.77 | $555.20 |
| Brazil | 502.69 | 449.49 | 522.45 | 607.97 | 676.55 | 676.49 | 679.76 |
| Singapr | 422.39 | 410.94 | 427.46 | 493.87 | 589.56 | 589.66 | - |
| Canada | 456.61 | 492.32 | 590.95 | 636.70 | 520.04 | 591.94 | 723.26 |
| Venez | 468.22 | 435.70 | 1,007.67 | 613.44 | 729.59 | 681.27 | 1,099.39 |
| China M | - | - | - | - | 788.36 | 788.36 | - |
| Austral | 502.03 | 523.83 | 571.00 | 613.58 | 699.91 | 707.74 | - |
| Rep Saf | 385.69 | 341.53 | 382.36 | 573.45 | 754.70 | 766.42 | 615.37 |
| All other | 405.66 | 443.21 | 468.90 | 578.67 | 734.62 | 720.69 | 677.38 |
| Average | 436.05 | 434.74 | 496.30 | 574.90 | 668.90 | 674.13 | 695.71 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

08/05/82

Table C.--Glycerine, refined: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Nethlds----- | 12,541 | 1,603 | 1 | 15,121 | 21,550 | 9,227 | 1,412 |
| Fr Germ----- | 0 | 0 | 3 | 3,271 | 10,169 | 6,218 | 7,770 |
| France------ | 0 | 0 | 5 | 0 | 3,659 | 1,076 | 3,298 |
| U King------ | 0 | 0 | 0 | 1,111 | 1,237 | 0 | 1,332 |
| Brazil------ | 331 | 132 | 0 | 0 | 661 | 220 | 2,402 |
| Canada------ | 0 | 91 | 17 | 9 | 449 | 284 | 2 |
| Algeria----- | 0 | 0 | 0 | 0 | 112 | 0 | 0 |
| Denmark----- | 0 | 0 | 0 | 0 | 88 | 0 | 89 |
| All other--- | 187 | 5,455 | 77 | 1/ | 0 | 0 | 41 |
| Total--- | 13,059 | 7,281 | 102 | 19,512 | 37,926 | 17,024 | 16,346 |
| | Value (1,000 dollars) | | | | | | |
| Nethlds----- | 5,075 | 661 | 1 | 5,275 | 9,309 | 4,093 | 905 |
| Fr Germ----- | - | - | 2 | 1,974 | 6,317 | 3,607 | 5,201 |
| France------ | - | - | 4 | - | 2,385 | 677 | 2,195 |
| U King------ | - | - | - | 578 | 839 | - | 826 |
| Brazil------ | 140 | 52 | - | - | 381 | 131 | 1,366 |
| Canada------ | - | 24 | 9 | 6 | 301 | 188 | 2 |
| Algeria----- | - | - | - | - | 73 | - | - |
| Denmark----- | - | - | - | - | 60 | - | 54 |
| All other--- | 75 | 2,262 | 33 | 1/ | - | - | 26 |
| Total--- | 5,290 | 2,998 | 49 | 7,834 | 19,667 | 8,696 | 10,576 |
| | Unit value (per pound) | | | | | | |
| Nethlds----- | $404.63 | $412.06 | $726.00 | $348.86 | $431.96 | $443.54 | $641.03 |
| Fr Germ----- | - | - | 566.00 | 603.60 | 621.24 | 580.16 | 669.40 |
| France------ | - | - | 854.40 | - | 651.86 | 629.11 | 665.46 |
| U King------ | - | - | - | 520.67 | 678.53 | - | 619.99 |
| Brazil------ | 424.45 | 397.42 | - | - | 577.08 | 597.20 | 568.77 |
| Canada------ | - | 259.75 | 545.88 | 650.44 | 670.32 | 660.77 | 1,103.50 |
| Algeria----- | - | - | - | - | 654.83 | - | - |
| Denmark----- | - | - | - | - | 683.45 | - | 611.58 |
| All other--- | 403.64 | 414.58 | 433.10 | - | - | - | 633.93 |
| Average-- | 405.12 | 411.78 | 483.58 | 401.50 | 518.55 | 510.81 | 646.99 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

08/05/82

Table D.--Glycerine, refined: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 7,281 | 102 | 19,512 | 37,926 | 16,346 | 100 |
| 26 developed ctries, total | 7,149 | 25 | 19,512 | 37,153 | 13,945 | 85 |
| GSP countries, total | 132 | 77 | 2/ | 661 | 2,402 | 15 |
| Brazil | 132 | 0 | 0 | 661 | 2,402 | 15 |
| Mexico | 0 | 0 | 2/ | 0 | 0 | |
| Nicarag | 0 | 0 | 0 | 0 | 0 | |
| Phil R | 0 | 77 | 0 | 0 | 0 | |
| Other | 0 | 0 | 0 | 112 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 2,998 | 49 | 7,834 | 19,667 | 10,576 | 100 |
| 26 developed ctries, total | 2,946 | 16 | 7,834 | 19,212 | 9,210 | 87 |
| GSP countries, total | 52 | 33 | 2/ | 381 | 1,366 | 13 |
| Brazil | 52 | - | - | 381 | 1,366 | 13 |
| Mexico | - | - | 2/ | - | - | |
| Nicarag | - | - | - | - | - | |
| Phil R | - | 33 | - | - | - | |
| Other | - | - | - | 73 | - | |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

08/05/8

TITLE: Hand-blown votives

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

| TSUSA item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- (Percent ad valorem) | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) 2/ | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| 546.3540(pt.) | Hand-blown votives-------------- | 20% ad val. | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 60% ad val. | 256 | Yes. |
| 546.6060(pt.) | Hand-blown votives-------------- | 30% ad val. | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 3/ | 60% ad val. | 1,522 | Yes. |

1/ Rate effective prior to Jan. 1, 1980.
2/ Estimated by staff of the U.S. International Trade Commission.
3/ Rate not modified in the Tokyo round of the Multilateral Trade Negotiations.

## II. Comment

Description and uses

The items under consideration for GSP treatment are hand-blown glass votives classified in TSUS No. 546.3540 (pt.) (household glassware of "bubble" glass other than tumblers, goblets, and stemware and tableware) and TSUS No. 546.6060 (pt.) (other household glassware valued over 30 cents but not over $1 other than tumblers, goblets, and stemware; tableware; kitchen ware; and cooking ware).

These votives are generally used as candle holders for household art and ornamental use. They are manufactured by hand and can be self-supporting or can have a lug on the bottom of the votive for insertion into various decorative items, such as wall sconces. Those votives for devotional and religious purposes are classified in TSUS No. 548.05 (other articles of glass, n.s.p.f.).

U.S. consumption, production, and producers

U.S. consumption of hand-blown glass votives is believed to approximate U.S. imports of these articles. U.S. production data for hand-blown glass votives are unavailable, but are believed to be negligible (table A). Although there are at least 20-25 U.S. producers of hand-made glass art and ornamental articles, located principally in the Appalachian region, none are believed to produce hand-blown glass votives. At least two U.S. producers manufacture machine-made glass votives for both decorative and devotional purposes.

U.S. exports

U.S. exports of hand-blown glass votives are believed to be negligible.

U.S. imports

U.S. import data are not collected for hand-blown glass votives, which are classified in TSUS basket categories. Therefore, all U.S. import figures are estimates. Estimated total U.S. imports of hand-blown glass votives increased gradually from 539,000 pieces, valued at $339,000, in 1977 to 679,000 pieces, valued at $421,000, in 1979 (table B). Imports rose in 1980 to 2.4 million pieces, valued at $1.7 million, due to increases in imports from Taiwan, Mexico, and Italy. In 1981, estimated U.S. imports totaled 2.5 million pieces, valued at $1.8 million. U.S. imports were relatively unchanged during January-June 1981 and January-June 1982, totaling 1.3 million pieces, valued at $862,000 and 1.2 million pieces, valued at $875,000, respectively. Major U.S. suppliers in 1981 were Taiwan, Mexico, and Italy, accounting for over 65 percent of estimated U.S. imports by quantity.

Estimated U.S. imports from GSP countries exhibited the same pattern as total U.S. imports, rising from 1979 to 1980 and leveling off at 1.7 million pieces, valued at $1 million, in 1981 (table C). In that year, imports from GSP countries accounted for 69 percent of estimated U.S. imports. During the first six months of 1982, imports from these countries accounted for 67 percent of imports by quantity. Taiwan and Mexico are the principal GSP source of U.S. imports.

Although there is virtually no U.S. production of hand-blown glass votives, U.S. glassware manufacturers do produce machine-made glass votives that compete with imported hand-blown glass votives. Both foreign and domestic glass votives generally compete on the basis of customer preference for a certain style, color, or design of votive.

Position of interested parties

Glass Products, Inc., the petitioner and importer, is in favor of granting GSP treatment to hand-blown glass votives.

There were no representations from the domestic industry.

*    *    *    *    *

Digest No.
A501--Con.

## III. Statistical Data

Table A.--Hand-blown glass votives: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in thousands of pieces; value in thousands of dollars; unit value per piece)

| Period | Production | Exports | Imports 1/ | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977---------- | 2/ | 2/ | 539 | 1/ 539 | - |
| 1978---------- | 2/ | 2/ | 702 | 1/ 702 | - |
| 1979---------- | 2/ | 2/ | 679 | 1/ 679 | - |
| 1980---------- | 2/ | 2/ | 2,386 | 1/ 2,386 | - |
| 1981---------- | 2/ | 2/ | 2,474 | 1/ 2,474 | - |
| Jan.-June-- | | | | | |
| 1981-------- | 2/ | 2/ | 1,255 | 1/ 1,255 | - |
| 1982-------- | 2/ | 2/ | 1,241 | 1/ 1,241 | - |
| | | | Value | | |
| 1977---------- | 2/ | 2/ | 339 | 1/ 339 | - |
| 1978---------- | 2/ | 2/ | 374 | 1/ 374 | - |
| 1979---------- | 2/ | 2/ | 421 | 1/ 421 | - |
| 1980---------- | 2/ | 2/ | 1,659 | 1/ 1,659 | - |
| 1981---------- | 2/ | 2/ | 1,779 | 1/ 1,779 | - |
| Jan.-June-- | | | | | |
| 1981-------- | 2/ | 2/ | 862 | 1/ 862 | - |
| 1982-------- | 2/ | 2/ | 875 | 1/ 875 | - |
| | | | Unit value | | |
| 1977---------- | - | - | - | - | - |
| 1978---------- | - | - | - | - | - |
| 1979---------- | - | - | - | - | - |
| 1980---------- | - | - | - | - | - |
| 1981---------- | - | - | - | - | - |
| Jan.-June-- | | | | | |
| 1981-------- | - | - | - | - | - |
| 1981-------- | - | - | - | - | - |

1/ Estimated by the staff of the U.S. International Trade Commission.
2/ Negligible.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B.--Hand-blown glass votives: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pieces) | | | | | | |
| China t | 90 | 212 | 191 | 658 | 744 | 368 | 288 |
| Mexico | 112 | 261 | 285 | 774 | 740 | 391 | 445 |
| Italy | 27 | 49 | 40 | 219 | 164 | 81 | 67 |
| France | 36 | 24 | 19 | 80 | 128 | 38 | 70 |
| Romania | 76 | 30 | 22 | 72 | 67 | 27 | 47 |
| China M | 1 | 8 | 7 | 75 | 110 | 68 | 123 |
| Japan | 39 | 23 | 12 | 142 | 75 | 23 | 24 |
| Poland | 13 | 6 | 4 | 29 | 43 | 29 | 12 |
| All other | 146 | 89 | 100 | 337 | 403 | 230 | 166 |
| Total | 539 | 702 | 679 | 2,386 | 2,474 | 1,255 | 1,241 |
| | Value (1,000 dollars) | | | | | | |
| China t | 32 | 69 | 84 | 395 | 451 | 204 | 175 |
| Mexico | 57 | 91 | 97 | 343 | 363 | 192 | 225 |
| Italy | 24 | 60 | 52 | 233 | 200 | 95 | 93 |
| France | 20 | 15 | 24 | 85 | 106 | 31 | 56 |
| Romania | 45 | 31 | 31 | 99 | 91 | 36 | 60 |
| China M | 1 | 4 | 6 | 41 | 72 | 42 | 75 |
| Japan | 30 | 20 | 15 | 94 | 71 | 27 | 22 |
| Poland | 12 | 7 | 5 | 36 | 58 | 27 | 22 |
| All other | 118 | 76 | 109 | 333 | 367 | 196 | 152 |
| Total | 339 | 374 | 421 | 1,659 | 1,779 | 862 | 875 |

1/ Estimated as one (1) percent of total imports of TSUS items 546.3540 and 546.6060 by the staff of the U.S. International Trade Commission.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Hand-blown glass votives: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pieces) | | | | | |
| Gross imports | 702 | 679 | 2,386 | 2,474 | 1,241 | 100 |
| 26 developed ctries, total | 150 | 126 | 620 | 577 | 269 | 22 |
| GSP countries, total | 527 | 535 | 1,648 | 1,701 | 826 | 67 |
| China t | 212 | 191 | 658 | 744 | 288 | 23 |
| Mexico | 261 | 285 | 774 | 740 | 445 | 36 |
| Romania | 30 | 22 | 72 | 67 | 47 | 4 |
| Turkey | 6 | 7 | 21 | 24 | 9 | 1 |
| Hg Kong | 10 | 14 | 60 | 62 | 15 | 1 |
| Yugoslv | 2 | 8 | 18 | 16 | 3 | 2/ |
| Portugl | 1 | 3 | 16 | 12 | 3 | 2/ |
| Kor Rep | 3 | 3 | 14 | 15 | 9 | 1 |
| Other GSP | 2 | 3 | 16 | 21 | 6 | 2/ |
| Other | 26 | 18 | 117 | 196 | 147 | 12 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 374 | 421 | 1,659 | 1,779 | 875 | 100 |
| 26 developed ctries, total | 142 | 152 | 588 | 605 | 265 | 30 |
| GSP countries, total | 210 | 248 | 976 | 1,046 | 513 | 59 |
| China t | 69 | 84 | 395 | 451 | 175 | 20 |
| Mexico | 91 | 97 | 343 | 363 | 225 | 26 |
| Romania | 31 | 31 | 99 | 91 | 60 | 7 |
| Turkey | 7 | 9 | 33 | 33 | 14 | 2 |
| Hg Kong | 4 | 8 | 35 | 31 | 11 | 1 |
| Yugoslv | 2 | 8 | 21 | 25 | 3 | 2/ |
| Portugl | 2 | 4 | 19 | 21 | 5 | 1 |
| Kor Rep | 2 | 3 | 10 | 15 | 12 | 1 |
| Other GSP | 2 | 3 | 21 | 17 | 8 | 1 |
| Other | 23 | 22 | 95 | 128 | 98 | 11 |

1/ Estimated as one (1) percent of total imports of TSUS items 546.3540 and 546.6060 by the staff of the U.S. International Trade Commission.

2. Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Certain padlocks

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

(Cents per dozen; percent ad valorem)

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 646.80 | Padlocks: | | | | | | | | | | | | |
| | Not of cylinder or pin tumbler construction: | | | | | | | | | | | | |
| | Not over 1.5 inches in width---------- | 6¢ + 4% (AVE 5.9%) | 5.3% | 4.9% | 4.4% | 4% | 3.6% | 3.2% | 2.7% | 2.3% | 39.5% | 3 | Yes. |
| | Of cylinder or pin tumbler construction: | | | | | | | | | | | | |
| 646.83 | Not over 1.5 inches in width---------- | 40¢ + 5% (AVE 10.6%) | 10.1% | 9.6% | 9% | 8.4% | 7.8% | 7.3% | 6.7% | 6.1% | 27% | 4 | Yes. |
| 646.84 | Over 1.5 but not over 2.5 inches in width---------- | 30¢ + 4% (AVE 6.7%) | 5.9% | 5.7% | 5.6% | 5.4% | 5.3% | 5.1% | 5% | 4.8% | 36% | 8 | Yes. |

1/ Rate effective prior to Jan. 1, 1980.

## II. Comment

Description and uses

The certain padlocks covered in this digest consist of devices used to secure doors, gates, cabinets, and other similar articles. They are constructed of various types of base metal and used primarily in the industrial, commercial, Government, institutional, residential or over-the-counter markets.

U.S. consumption, production, and producers

Although the depressed level of economic activity in the residential housing industry has been a major concern for certain padlock manufacturers, demand for padlocks during 1977-81 remained relativey stable. The stability in demand is primarily attributable to an increasing awareness of security by consumers in the various padlock markets.

Apparent consumption of certain padlocks increased from $104 million in 1977 to $319 million in 1981, an increase of 34 percent (table A). U.S. shipments of certain padlocks followed the same trend as consumption, increasing from $99 million in 1977 to $129 million in 1981, or by 30 percent for the 5-year period. During the 1977-81 period, certain padlocks were produced in the United States by approximately 25 establishments located primarily in the Northeast and Midwest. Although employment data are not available, industry officials have indicated that the number of production workers declined about 10 percent during 1977-81.

U.S. exports

U.S. exports of certain padlocks increased from $3 million in 1977 to $5 million in 1981. Exports to Canada accounted for 55 percent of total padlock exports in 1981 (table B).

U.S. imports

Annual U.S. imports of certain padlocks increased 88 percent during 1977-81, reaching $15 million in 1981 (table C). The ratio of imports to apparent consumption increased from 7.5 percent in 1977 to 10.5 percent in 1981 (table A). In 1981, Taiwan and Hong Kong, together, accounted for approximately 75 percent of total imports.

Domestically manufactured padlocks generally have advantages over imported padlocks in the area of quality and design features. Many domestic manufacturers offer their customers standard key removable cores which are interchangeable throughtout the entire product line. This standardization permits domestically produced padlocks to be masterkeyed into one system, which affords the consumer an opportunity to change a combination number or key of a particular lock without disturbing the overall masterkeyed system. In general, imported padlocks do not offer these security advantages. However, imported padlocks compete effectively with domestic padlocks in the over-the-counter market where price is more of a consideration to the consumer than quality. According to industry sources significant prices differentials (25 to 55 percent) exist between the cheaper imported padlocks and domestically produced padlocks.

During 1977-81, imports of certain padlocks from designated GSP countries accounted for an average of 75 percent of total imports (table D).

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Position of interested parties

The Embassy of India (petitioner) requested that certain padlocks be added to the list of eligible articles for the GSP. The Builders' Hardware Manufacturers Association and other major domestic padlock manufacturers are opposed to the addition of India to the Generalized System of Preferences. According to Builders' Hardware Manufacturers Association, the importation of padlocks from other countries has caused a reduction in employment and decreased sales volume. The addition of India to the duty-free list would compound the problems of competition from foreign manufacturers.

* * * * *

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Table A.--Certain padlocks: U.S. shipments exports of domestic merchandise, imports for consumption, and apparent consumption 1977-81, January-June 1981 and January-June 1982

(In thousands of dollars)

| Year | Shipments 1/ | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| 1977---------- | 99,000 | 3,080 | 7,867 | 103,787 | 7.5 |
| 1978---------- | 120,580 | 3,030 | 9,707 | 127,257 | 7.6 |
| 1979---------- | 129,020 | 3,187 | 10,371 | 136,204 | 7.6 |
| 1980---------- | 129,280 | 3,903 | 12,869 | 138,246 | 9.3 |
| 1981---------- | 129,400 | 4,903 | 14,533 | 139,030 | 10.5 |
| January-June-- | | | | | |
| 1981----- | 2/ | 2,452 | 6,987 | 2/ | 2/ |
| 1982----- | 2/ | 1,957 | 6,900 | 2/ | 2/ |

1/ Estimated by the staff of the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.
2/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as indicated.

Table B.--Certain padlocks: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|---|
| | | | | | | 1981 | 1982 |
| Canada | 2,056 | 1,934 | 1,981 | 2,315 | 2,487 | 1,368 | 1,007 |
| Rep Saf | 126 | 125 | 123 | 230 | 311 | 144 | 35 |
| S Arab | 28 | 73 | 71 | 94 | 170 | 57 | 102 |
| Kor Rep | - | 79 | 129 | 108 | 144 | 68 | 26 |
| U King | 9 | 17 | 45 | 42 | 143 | 87 | 38 |
| Mexico | 47 | 53 | 94 | 77 | 137 | 49 | 149 |
| Venez | 115 | 218 | 131 | 163 | 136 | 112 | 25 |
| Austral | 26 | 40 | 65 | 128 | 114 | 89 | 58 |
| All other | 673 | 491 | 548 | 746 | 915 | 476 | 516 |
| Total | 3,080 | 3,030 | 3,187 | 3,903 | 4,557 | 2,452 | 1,957 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Certain padlocks: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| China t | 1,632 | 2,762 | 3,665 | 5,573 | 5,422 | 2,719 | 2,571 |
| Hg Kong | 3,581 | 4,424 | 4,354 | 4,621 | 5,320 | 2,619 | 2,158 |
| Fr Germ | 918 | 1,009 | 1,118 | 1,289 | 1,344 | 599 | 749 |
| China M | 47 | 2 | 17 | 206 | 996 | 327 | 740 |
| Japan | 446 | 450 | 431 | 355 | 492 | 274 | 113 |
| Italy | 591 | 473 | 304 | 359 | 318 | 155 | 132 |
| Finland | 74 | 67 | 117 | 85 | 272 | 71 | 271 |
| U King | 80 | 63 | 119 | 169 | 153 | 117 | 26 |
| All other | 499 | 459 | 246 | 212 | 217 | 106 | 140 |
| Total | 7,867 | 9,707 | 10,371 | 12,869 | 14,533 | 6,987 | 6,900 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Certain padlocks: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (number) | | | | | |
| Gross imports | 0 | 0 | 0 | 0 | 0 | 0 |
| 26 developed ctries, total | 0 | 0 | 0 | 0 | 0 | 0 |
| GSP countries, total | 0 | 0 | 0 | 0 | 0 | 0 |
| China t | 0 | 0 | 0 | 0 | 0 | 0 |
| Hg Kong | 0 | 0 | 0 | 0 | 0 | 0 |
| Kor Rep | 0 | 0 | 0 | 0 | 0 | 0 |
| Mexico | 0 | 0 | 0 | 0 | 0 | 0 |
| Brazil | 0 | 0 | 0 | 0 | 0 | 0 |
| Colomb | 0 | 0 | 0 | 0 | 0 | 0 |
| Portugl | 0 | 0 | 0 | 0 | 0 | 0 |
| Syria | 0 | 0 | 0 | 0 | 0 | 0 |
| Other GSP | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 9,707 | 10,371 | 12,869 | 14,533 | 6,900 | 100 |
| 26 developed ctries, total | 2,138 | 2,121 | 2,363 | 2,658 | 1,311 | 19 |
| GSP countries, total | 7,305 | 8,121 | 10,251 | 10,868 | 4,821 | 70 |
| China t | 2,762 | 3,665 | 5,573 | 5,422 | 2,571 | 37 |
| Hg Kong | 4,424 | 4,354 | 4,621 | 5,320 | 2,158 | 31 |
| Kor Rep | 35 | 80 | 19 | 100 | 14 | 1/ |
| Mexico | - | - | - | 24 | 60 | 1 |
| Brazil | 45 | - | 27 | 3 | 15 | 1/ |
| Colomb | - | 2 | - | - | - | |
| Portugl | 6 | 4 | 1 | - | - | |
| Syria | 7 | - | - | - | - | |
| Other GSP | 27 | 17 | 10 | - | 3 | 1/ |
| Other | 264 | 128 | 256 | 1,007 | 769 | 11 |

1/ Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Disposable footwear and headwear

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 700.9000 | Disposable footwear------------ | 12.5% | 11.9% | 11.3% | 10.6% | 10% | 9.4% | 8.8% | 8.1% | 7.5% | 35% | $12,811 | Yes. |
| 703.1510 | Non-woven disposable headwear. 1/ | 25¢/lb. + 20% (AVE 31%) | 23¢/ lb.+ 18.5% (AVE 28.7%) | 21¢/ lb.+ 17% (AVE 26.3%) | 19¢/ lb.+ 15.5% (AVE 23.9%) | 17¢/lb. 14% (AVE 21.5%) | 15¢/lb. +12.2% (AVE 18.9%) | 13¢/lb. + 11% (AVE 16.8%) | 12¢/lb. + 9.5% (AVE 14.8%) | 10¢/ lb.+ 8% (AVE 12.4%) | 45¢/lb. +65% (AVE 84.9%) | 10,529 | Yes. |

1/ Ad valorem equivalents (based on 1981 imports) are in parenthesis.

## II. Comment

### Description and uses

Disposable footwear and headwear are designed for one-time use in hospitals, clinics, laboratories, or contaminated areas. They are made from nonwoven fabric or paper, which is cut into the desired parts and then assembled either by sewing or glueing or both. These products are often sterilized and treated with antistatic, antimicrobial, or other chemicals.

The nonwoven-fabric disposable articles are made from a web of manmade fibers which are assembled and held together by an applied bonding or adhesive agent or by fusing self-contained thermoplastic fibers. These nonwoven fabrics are not made on conventional looms or knitting machines as other textile fabrics. The paper disposable articles contain one to three layers of tissue paper which are either embedded with polyester fibers or reinforced with a scrim (usually of nylon) inserted between the layers.

### U.S. consumption, production, and producers

Industry sources estimate that the U.S. market for disposable footwear in 1981, amounted to $16 million and the market for disposable headwear, $13 million. This compares with a total of $6 million for both markets in 1977. Virtually all these markets are supplied by U.S. producers, through either domestic production (15 to 20 percent of total sales) or imports made with U.S.-fabricated components entered under TSUS item 807.00. 1/ The

1/ TSUS item 807.00 provides that duty on articles assembled abroad with U.S.-fabricated components be applied to the full value of the imported articles less the value of the U.S.-made components.

substantial increase in sales was due mainly to technological advances, which provided new growth opportunities for the improved products.

There are approximately 10 U.S. producers of disposable hospital apparel, including footwear and headwear. The two largest firms account for more than half the U.S. market.

Most of the producers make use of TSUS item 807.00 in the manufacture of disposable footwear and headwear.

U.S. exports

There are no known U.S. exports of finished disposable footwear or headwear.

U.S. imports

Virtually all the disposable footwear and headwear imported since 1977 have come from Mexico under TSUS item 807.00 (tables A-1 and A-2). Consequently, Mexico would not be eligible for GSP treatment under the "competitive-need limits." 1/ Imports from the petitioning country--Haiti--have been nil since 1978 (tables B-1 and B-2). U.S. imports of disposable footwear more than

1/ The competitive-need limits pertaining to the GSP, as set forth in sec. 504(c) of the Trade Act of 1974, provide that articles imported from any one country are excluded from GSP eligibility if the imports of the article from that country in the preceding calendar year exceeded (1) a specified dollar limit, adjusted annually to reflect changes in the U.S. gross national product (GNP) ($50.9 million in 1981) or (2) 50 percent of the total value of U.S. imports of that article. The latter limit was amended by sec. 1111 of the Trade Agreements Act of 1979 giving the President discretionary authority to waive the 50-percent limit if the value of total imports of the article during the most recent calendar year did not exceed a specified dollar amount, also adjusted annually to reflect changes in the GNP ($1.2 million in 1981).

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doubled from 51.1 million pairs in 1977 to 112.4 million pairs in 1980, and then declined in 1981 to 103.4 million pairs (table A-1). The value of these imports more than doubled during 1977-81, increasing from $4.9 million to $12.8 million. The imports were valued at an average of $0.11 a pair during the period. Imports in January-June 1982 totaled 42.6 million pairs, valued at $7.0 million, a 13-percent decrease in quantity but a 15-percent increase in value over the year-earlier period.

Imports of disposable headwear increased from slightly less than 79,000 dozen, valued at $377,000, in 1977 to 10.3 million dozen, valued at $10.5 million, in 1981 (table A-2). These imports were valued at an average of $1.02 a dozen in 1981. Imports in January-June 1982, totaled 4.6 million dozen, valued at $5.6 million, compared with 4.7 million dozen, valued at $4.8 million, during the corresponding period in 1981.

Position of interested parties

The Government of Haiti stated in its petition that the granting of GSP eligibility to disposable footwear and headwear would aid in increasing and diversifying the country's exports to the United States. This would enable the government to earn foreign exchange needed to buy capital equipment necessary in the country's economic development. The firm Confections d' Haiti 1/ would particularly benefit from GSP enabling the firm to increase productivity and export volume, as well as permitting the firm to employ 150 workers.

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1/ Confections d' Haiti is a Haitian-owned firm that does contract work, primarily assembling parts for surgical drapes and gowns, * * *.

Humboldt Products Corp., Columbus Mississippi, which produces disposable apparel only in the United States, opposes granting GSP treatment to disposable footwear and headwear. In a written submission and through telephone conversations with the Commission's staff, Humboldt stated that its products are already at a price disadvantage compared with those items being assembled abroad, and granting GSP treatment to them would further adversely affect their competitiveness in the marketplace. The firm reported that a number of workers have already been laid off or re-assigned to other departments as a result of lower priced items made offshore, and the potential effect is the possibility of 150 job losses.

*            *            *            *            *

*     *     *     *     *

Table A-1.--Disposable footwear, designed for one-time use: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pairs) | | | | | | |
| Mexico | 50,923 | 58,738 | 74,602 | 112,305 | 103,347 | 49,190 | 42,631 |
| China † | 43 | 12 | 7 | 0 | 4 | 1 | 8 |
| Hg Kong | 0 | 51 | 47 | 5 | 1 | 1 | 0 |
| Denmark | 0 | 0 | 0 | 1/ | 5 | 5 | 0 |
| Fr Germ | 0 | 0 | 20 | 10 | 0 | 0 | 0 |
| U King | 6 | 1/ | 24 | 8 | 0 | 0 | 0 |
| India | 5 | 0 | 0 | 1 | 0 | 0 | 0 |
| Canada | 0 | 207 | 0 | 50 | 0 | 0 | 0 |
| Kor Rep | 141 | 5 | 0 | 0 | 0 | 0 | 0 |
| Japan | 0 | 4 | 0 | 0 | 0 | 0 | 3 |
| All other | 0 | 0 | 0 | 0 | 0 | 0 | 6 |
| Total | 51,117 | 59,017 | 74,700 | 112,379 | 103,357 | 49,197 | 42,648 |
| | Value (1,000 dollars) | | | | | | |
| Mexico | 4,794 | 5,770 | 8,535 | 10,095 | 12,805 | 6,066 | 6,978 |
| China † | 18 | 5 | 1 | - | 4 | 1 | 4 |
| Hg Kong | - | 64 | 29 | 2 | 1 | 1 | - |
| Denmark | - | - | - | 2 | 1 | 1 | - |
| Fr Germ | - | - | 32 | 18 | - | - | - |
| U King | 9 | 1/ | 40 | 15 | - | - | - |
| India | 1 | - | - | 2 | - | - | - |
| Canada | - | 5 | - | 1 | - | - | - |
| Kor Rep | 89 | 18 | - | - | - | - | - |
| Japan | - | 2 | - | - | - | - | 2 |
| All other | - | - | - | - | - | - | 1 |
| Total | 4,912 | 5,864 | 8,636 | 10,136 | 12,811 | 6,068 | 6,985 |
| | Unit value (per pair) | | | | | | |
| Mexico | $0.09 | $0.10 | $0.11 | $0.09 | $0.12 | $0.12 | $0.16 |
| China † | 0.41 | 0.42 | 0.15 | - | 0.96 | 1.15 | 0.51 |
| Hg Kong | - | 1.24 | 0.61 | 0.42 | 0.51 | 0.51 | - |
| Denmark | - | - | - | 8.27 | 0.11 | 0.11 | - |
| Fr Germ | - | - | 1.61 | 1.75 | - | - | - |
| U King | 1.60 | 28.44 | 1.64 | 2.00 | - | - | - |
| India | 0.28 | - | - | 2.33 | - | - | - |
| Canada | - | 0.02 | - | 0.03 | - | - | - |
| Kor Rep | 0.63 | 3.55 | - | - | - | - | - |
| Japan | - | 0.56 | - | - | - | - | 0.73 |
| All other | - | - | - | - | - | - | 0.17 |
| Average | 0.10 | 0.10 | 0.12 | 0.09 | 0.12 | 0.12 | 0.16 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-2.--Nonwoven disposable headwear of manmade fibers, designed for one-time use: U.S. imports for consumption, by principal sources, 1977-81, Janaury-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (dozen) | | | | | | |
| Mexico | 19,892 | 716,523 | 4,643,945 | 8,607,311 | 10,299,749 | 4,637,659 | 4,616,604 |
| Colomb | 0 | 0 | 0 | 0 | 26,504 | 26,504 | 0 |
| Japan | 5,769 | 3,683 | 0 | 0 | 146 | 117 | 0 |
| Canada | 286 | 101 | 4,800 | 537 | 0 | 0 | 0 |
| Austria | 0 | 8 | 14 | 0 | 0 | 0 | 0 |
| Kor Rep | 33,284 | 25,056 | 42 | 0 | 0 | 0 | 0 |
| Hg Kong | 5,526 | 5,878 | 0 | 0 | 0 | 0 | 0 |
| China t | 6,775 | 5,783 | 0 | 0 | 0 | 0 | 0 |
| All other | 7,351 | 3,440 | 0 | 0 | 0 | 0 | 0 |
| Total | 78,883 | 760,472 | 4,648,801 | 8,607,848 | 10,326,399 | 4,664,280 | 4,616,604 |
| | Value (1,000 dollars) | | | | | | |
| Mexico | 21 | 402 | 3,565 | 7,551 | 10,496 | 4,815 | 5,591 |
| Colomb | - | - | - | - | 31 | 31 | - |
| Japan | 30 | 19 | - | - | 2 | 1 | - |
| Canada | 7 | 3 | 26 | 3 | - | - | - |
| Austria | 1/ | 1 | 2 | - | - | - | - |
| Kor Rep | 181 | 160 | 1/ | - | - | - | - |
| Hg Kong | 34 | 37 | - | - | - | - | - |
| China t | 31 | 36 | - | - | - | - | - |
| All other | 74 | 39 | - | - | - | - | - |
| Total | 377 | 697 | 3,594 | 7,554 | 10,529 | 4,847 | 5,591 |
| | Unit value (per dozen) | | | | | | |
| Mexico | $1.04 | $0.56 | $0.77 | $0.88 | $1.02 | $1.04 | $1.21 |
| Colomb | - | - | - | - | 1.19 | 1.19 | - |
| Japan | 5.22 | 5.10 | - | - | 14.23 | 4.31 | - |
| Canada | 25.12 | 28.84 | 5.49 | 5.86 | - | - | - |
| Austria | - | 114.00 | 142.29 | - | - | - | - |
| Kor Rep | 5.43 | 6.40 | 7.52 | - | - | - | - |
| Hg Kong | 6.11 | 6.28 | - | - | - | - | - |
| China t | 4.57 | 6.16 | - | - | - | - | - |
| All other | 10.03 | 11.46 | - | - | - | - | - |
| Average | 4.78 | 0.92 | 0.77 | 0.88 | 1.02 | 1.04 | 1.21 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-1.--Disposable footwear, designed for one-time use: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982: Imports | January - June 1982: Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 pairs) | | | | | |
| Gross imports | 59,017 | 74,700 | 112,379 | 103,357 | 42,648 | 100 |
| 26 developed ctries, total | 210 | 44 | 68 | 5 | 9 | 1/ |
| GSP countries, total | 58,806 | 74,656 | 112,311 | 103,352 | 42,639 | 100 |
| Mexico | 58,738 | 74,602 | 112,305 | 103,347 | 42,631 | 100 |
| China t | 12 | 7 | 0 | 4 | 8 | 1/ |
| Hg Kong | 51 | 47 | 5 | 1 | 0 | |
| India | 0 | 0 | 1 | 0 | 0 | |
| Kor Rep | 5 | 0 | 0 | 0 | 0 | |
| Other | 0 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 5,864 | 8,636 | 10,136 | 12,811 | 6,985 | 100 |
| 26 developed ctries, total | 8 | 72 | 36 | 1 | 3 | 1/ |
| GSP countries, total | 5,857 | 8,565 | 10,100 | 12,810 | 6,982 | 100 |
| Mexico | 5,770 | 8,535 | 10,095 | 12,805 | 6,978 | 100 |
| China t | 5 | 1 | - | 4 | 4 | 1/ |
| Hg Kong | 64 | 29 | 2 | 1 | - | |
| India | - | - | 2 | - | - | |
| Kor Rep | 18 | - | - | - | - | |
| Other | - | - | - | - | - | |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-2.--Nonwoven disposable headwear of manmade fibers, disigned for one-time use: U.S. imports by certain world areas including designated GSP countries, 1978-81 and January-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (dozen) | | | | | |
| Gross imports | 760,472 | 4,648,801 | 8,607,848 | 10,326,399 | 4,616,604 | 100 |
| 26 developed ctries, total | 4,879 | 4,814 | 537 | 146 | 0 | |
| GSP countries, total | 755,012 | 4,643,987 | 8,607,311 | 10,326,253 | 4,616,604 | 100 |
| Mexico | 716,523 | 4,643,945 | 8,607,311 | 10,299,749 | 4,616,604 | 100 |
| Colomb | 0 | 0 | 0 | 26,504 | 0 | |
| C Rica | 51 | 0 | 0 | 0 | 0 | |
| Haiti | 467 | 0 | 0 | 0 | 0 | |
| Dom Rep | 668 | 0 | 0 | 0 | 0 | |
| Monsrat | 58 | 0 | 0 | 0 | 0 | |
| Barbado | 106 | 0 | 0 | 0 | 0 | |
| Venez | 163 | 0 | 0 | 0 | 0 | |
| Other GSP | 36,976 | 42 | 0 | 0 | 0 | |
| Other | 581 | 0 | 0 | 0 | 0 | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 697 | 3,594 | 7,554 | 10,529 | 5,591 | 100 |
| 26 developed ctries, total | 48 | 28 | 3 | 2 | - | |
| GSP countries, total | 645 | 3,565 | 7,551 | 10,527 | 5,591 | 100 |
| Mexico | 402 | 3,565 | 7,551 | 10,496 | 5,591 | 100 |
| Colomb | - | - | - | 31 | - | |
| C Rica | 1 | - | - | - | - | |
| Haiti | 3 | - | - | - | - | |
| Dom Rep | 2 | - | - | - | - | |
| Monsrat | 1 | - | - | - | - | |
| Barbado | 1 | - | - | - | - | |
| Venez | 2/ | - | - | - | - | |
| Other GSP | 235 | 2/ | - | - | - | |
| Other | 4 | - | - | - | - | |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Certain Gloves of Rubber or Plastics, Seamed by Sewing

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 1/ | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| 705.86 | Gloves of rubber or plastics, seamed by sewing or stitching, and without textile fabric fourchettes or sidewalls.---------------- | 35% ad val. | 32.4% ad val. | 29.8% ad val. | 27.1% ad val. | 24.5% ad val. | 21.9% ad val. | 19.3% ad val. | 16.6% ad val. | 14% ad val. | 75% ad val. | 3,707 | Yes 2/ |

1/ Effective July 1, 1980 with respect to articles exported to the United States on and after July 1, 1980.
2/ Dipped supported and coated and partially coated work gloves were produced domestically on Jan. 3, 1975, while vinyl dress gloves were not produced domestically, they do compete directly with domestic dress gloves of other materials.

## II. Comment

Digest No.
A703--Con.

### Description and uses

TSUS item 705.86 provides for gloves of rubber or plastics with sewn seams, but without textile fabric fourchettes or sidewalls. 1/ Included are: (1) dipped supported work gloves made by dipping a sewn textile lining, which is attached to a hand form, into a liquid rubber or plastic compound; (2) coated and partially coated work gloves cut and sewn from fabric which has been coated or impregnated with plastics; and (3) dress gloves cut and sewn from vinyl (i.e., imitation leather). 2/ Because of the sewing process, the manufacture of these gloves is labor intensive, especially the vinyl dress gloves and the coated gloves. The manufacture of dipped supported gloves is more capital intensive.

Dipped supported and coated and partially coated work gloves are used for hand and product protection primarily by the industrial sector, including the automobile, steel, construction, and chemical industries. A small portion is sold to retailers for use in the home.

Domestic production of these gloves ranges from less expensive, general purpose gloves to more expensive, specialty work gloves. Industry sources indicated that the general purpose gloves constitute the bulk of their domestic production. Most of the imported gloves are also general purpose work gloves and are reported to be of a lesser quality and priced considerably lower than the domestic gloves.

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1/ A fourchette is a strip of material that is sewn-in between the finger of the palm-side and back-side of a glove; a sidewall is a strip sewn-in on the side from the end of the little finger to the wrist. Fourchettes and sidewalls allow for a closer and more comfortable fit.

2/ A small portion of the imports are "ski-type" vinyl mittens, which do not qualify as ski gloves imported under TSUS item 734.99.

U.S. consumption, production, and producers

U.S. consumption of the rubber and plastic gloves under consideration increased 22 percent from approximately 4.6 million dozen pairs in 1977 to 5.6 million dozen pairs in 1979, before declining 7 percent to 5.2 million dozen pairs in 1981 (table A). Consumption continued to decline, 18 percent, in January-June 1982 from the level in January-June 1981. Approximately 90 percent of total consumption during the period consisted of the dipped supported and coated and partially coated work gloves.

The share of the market supplied by imports increased from 6.4 percent in 1977 to 9.4 percent in 1979, as imports rose 80 percent while U.S. production increased 18 percent. Imports' market share declined to 8.4 percent in 1981 and to 7.8 percent in January-June 1982.

The increase in apparent consumption during 1977-79 largely reflected the increased use of rubber or plastic work gloves as substitutes for leather work gloves, which became increasingly expensive due to significant increases in hide prices during 1976-79. The decrease in apparent consumption in 1980 and 1981 was largely the result of reduced demand for all work gloves by the major industrial consumers.

Approximately 8 to 10 firms produce dipped supported work gloves and 20 to 25 firms produce coated and partially coated work gloves. These firms are located primarily in the Northeast, Southeast, and Midwest. Some of these firms produce all types of work gloves, that is--all leather, leather palm, fabric, and rubber or plastic work gloves.

There is no known U.S. production of vinyl dress gloves. U.S. producers' shipments of dipped supported and coated and partially coated work gloves closely paralleled apparent consumption, increasing 18 percent from 4.3

million dozen pairs in 1977 to 5.0 million dozen pairs in 1979, and then decreasing 6 percent to 4.7 million dozen pairs in 1981. These shipments decreased 18 percent in January-June 1982 compared with the level in the corresponding period of 1981. Industry sources indicated that demand for these items has been sluggish since 1979 and that the industry is currently operating at 65 to 70 percent of capacity.

U.S. exports

Data are not available on U.S. exports of these items, but exports are believed to have totaled less than 500,000 dozen pairs in 1981.

U.S. imports

The quantity of U.S. imports of the gloves under consideration generally paralleled the trend in U.S. consumption, increasing from 1977 to 1979 and decreasing from 1979 to 1981. However, imports increased at a much faster rate than producers' shipments, increasing 80 percent from 288,000 dozen pairs in 1977 to 519,000 dozen pairs in 1979 (table B-1). Imports then decreased 17 percent to 430,000 dozen pairs in 1981 and continued decreasing in January-June 1982 from the level in the corresponding period of 1981. The value of imports in 1979 totaled $3.6 million, an increase of 102 percent from the value in 1977. The value of imports decreased 15 percent from 1979 to 1980, before rising to $3.7 million in 1981. Approximately two-thirds of the imports during 1977-81 consisted of coated and partially coated work gloves from Barbados imported under TSUS item 807.00. 1/

1/ Item 807.000 provides that the duty assessed on articles assembled abroad with U.S.-fabricated components be applied to the full value of the imported articles less the value of the U.S. components.

Almost all of the imports during 1978-81 came from GSP-eligible countries (table B-2). However, imports from Barbados would be ineligible for GSP treatment under the "competitive-need limits," 1/ since that country supplied more than 50 percent of the total value of imports in 1981. The remainder of the imports came primarily from Hong Kong, the Philippines, and Taiwan, all GSP-eligible countries. Virtually all the imports from the Philippines and part of the imports from Taiwan are believed to be vinyl dress gloves. Three major U.S. dress glove companies own plants in the Philippines. Shipments of these gloves from the Philippines decreased from 29,000 dozen pairs in 1977 to 10,000 dozen pairs in 1981.

According to industry sources, some U.S. importers import a coated glove similar to the imported coated and partially coated glove under consideration. However, this glove is modified by adding a textile fabric fourchette, which reportedly does not serve a functional purpose, between the ring finger and the little finger. With a textile fabric fourchette, the glove is classified in TSUS item 705.85 and is dutiable at a much lower rate than those gloves entering under item 705.86; 14.6 percent ad valorem compared with 27.1 percent ad valorem. The duty savings reportedly more than offset the additional labor

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1/ The competitive-need limits pertaining to the GSP, as set forth in sec. 504(c) of the Trade Act of 1974, provide that articles imported from any one country are excluded from GSP eligibility if the imports of the article from that country in the preceding calendar year exceeded (1) a specified dollar limit, adjusted annually to reflect changes in the U.S. gross national product (GNP) ($50.9 million in 1981) or (2) 50 percent of the total value of U.S. imports of that article. The latter limit was amended by sec. 1111 of the Trade Agreements Act of 1979 giving the President discretionary authority to waive the 50-percent limit if the value of total imports of the article during the most recent calendar year did not exceed a specified dollar amount, also adjusted annually to reflect changes in the GSP ($1.2 million in 1981).

costs involved in the sewing of the fourchette. U.S. imports of these gloves classifiable under item 705.85 totaled $13.9 million in 1981 compared with $3.7 million for gloves entering under item 705.86.

Position of interested parties

The Government of Thailand submitted the request for GSP treatment on rubber and plastic gloves. Thailand's exports of these gloves, which are currently made by 4 producers, increased from $7.5 million in 1979 to $150.1 million in January-October 1981. The major markets were the United States, Norway, the Netherlands, West Germany, and Italy.

Testimony opposing Thailand's petition was received from Granet Division of WGM Safety Corp.; Edmont, Division of Becton-Dickinson; Jomac Products, Inc.; the Work Glove Manufacturers Association (WGMA); and Economic Consulting Services, consultants to WGMA. They stated that the work gloves are import sensitive and that the Department of Commerce has acknowledged this by awarding WGMA a technical assistance grant to help deal with import competition. Overall U.S. work glove production, employment, and market share have been declining as overall import penetration reached 35 percent in 1981. The import-to-consumption ratio for the gloves under consideration was an estimated 20 percent in 1981.

The industry representatives also stated that the developing countries do not need GSP treatment since they already account for most of the imports (95 percent in 1981) and have the competitive advantage of a cheap labor supply. In addition, granting GSP treatment would result in a trade shift from competing cotton work gloves and work gloves imported under item 705.85 to take advantage of the duty-free treatment and would undermine the ability of the U.S. industry to support research and development activities. They stated that, if the U.S. work glove industry is to survive, it must retain the rubber and plastic glove segment which has some ability to compete with imports and has provided some stability to the weaker cotton and leather work glove segment.

Testimony supporting Thailand's petition was submitted by Cardinal Glove Co., Inc., (Cardinal) an importer and domestic and foreign manufacturer of work gloves. It stated that the U.S. industry will not be adversely affected by granting GSP treatment, since domestic production has remained relatively stable since 1978, in spite of the many adverse economic factors affecting it. Cardinal calculated the share of the market supplied by imports at 6.2 percent in January-June 1982 and that only one-third of the imports from developing countries would qualify for duty-free treatment. 1/ It stated that the gloves are not import sensitive and should not be grouped with the import-sensitive cotton and leather work gloves and that to consider the rubber and plastic gloves imported under a competing provision (TSUSA item 705.8520)--as the domestic industry suggests-- would be to expand the scope of the investigation beyond that outlined in Thailand's petition. Cardinal indicated that, if GSP treatment could not be granted to all the gloves classified under TSUS item 705.86, it be granted only to the dipped supported gloves.

1/ Cardinal contends that some of the imports are ski-type gloves rather than work gloves. Consultations with the U.S. Customs Service by the Commission staff indicate that only a small portion of these gloves are ski-type gloves.

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*   *   *   *   *

Table A.--Certain gloves of rubber or plastics, seamed by sewing: U.S. production, foreign trade, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in thousands of dozen pairs; value in thousands of dollars; unit value per dozen pairs)

| Year | Production 1/ | Exports 2/ | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977 | 4,271 | | 288 | 4,559 | 6.4 |
| 1978 | 4,573 | | 465 | 5,038 | 9.3 |
| 1979 | 5,048 | | 519 | 5,567 | 9.4 |
| 1980 | 4,314 | | 411 | 4,725 | 8.7 |
| 1981 | 4,722 | | 430 | 5,152 | 8.4 |
| January-June-- | | | | | |
| 1981 | 2,416 | | 196 | 2,612 | 7.5 |
| 1982 | 1,985 | | 167 | 2,152 | 7.8 |
| | | | Value | | |
| 1977 | 2/ | | 1,788 | 2/ | - |
| 1978 | 2/ | | 2,544 | 2/ | - |
| 1979 | 2/ | | 3,611 | 2/ | - |
| 1980 | 2/ | | 3,061 | 2/ | - |
| 1981 | 2/ | | 3,707 | 2/ | - |
| January-June-- | | | | | |
| 1981 | 2/ | | 1,614 | 2/ | - |
| 1982 | 2/ | | 1,372 | 2/ | - |
| | | | Unit value | | |
| 1977 | - | | $6.20 | - | - |
| 1978 | - | | 5.49 | - | - |
| 1979 | - | | 6.96 | - | - |
| 1980 | - | | 7.45 | - | - |
| 1981 | - | | 8.63 | - | - |
| January-June-- | | | | | |
| 1981 | - | | 8.23 | - | - |
| 1982 | - | | 8.20 | - | - |

1/ Estimated by the Work Glove Manufacturers' Association (WGMA) using 1980 Census data as a base and adjusting the figures according to trends in shipments of WGMA members, which represented approximately *** percent of total U.S. shipments in 1980. Census data were further adjusted to exclude "plastic dot" work gloves, which are classified as cotton gloves for import purposes.

2/ Data are not available.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Table B-1.--Gloves of rubber or plastics, seamed by sewing or stitching, and other than with textile fabric fourchettes or sidewalls: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 dozen pairs) | | | | | | |
| Barbado | 115 | 244 | 358 | 306 | 276 | 134 | 79 |
| Hg Kong | 74 | 81 | 79 | 46 | 103 | 51 | 61 |
| Phil R | 29 | 14 | 17 | 14 | 10 | 2 | 1/ |
| China t | 38 | 47 | 20 | 31 | 24 | 3 | 1 |
| Canada | 16 | 1/ | 3 | 4 | 4 | 1 | 2 |
| China M | 0 | 0 | 0 | 0 | 6 | 3 | 6 |
| Kor Rep | 12 | 76 | 16 | 2 | 2 | 2 | 5 |
| Japan | 1/ | 2 | 1 | 1 | 1/ | 1/ | 1 |
| All other | 3 | 1/ | 25 | 7 | 4 | 1 | 11 |
| Total | 288 | 465 | 519 | 411 | 430 | 196 | 167 |
| | Value (1,000 dollars) | | | | | | |
| Barbado | 490 | 1,514 | 2,370 | 2,271 | 2,597 | 1,203 | 782 |
| Hg Kong | 282 | 393 | 446 | 295 | 595 | 285 | 384 |
| Phil R | 376 | 187 | 248 | 232 | 161 | 32 | 6 |
| China t | 379 | 339 | 217 | 145 | 145 | 30 | 11 |
| Canada | 133 | 2 | 42 | 11 | 88 | 16 | 58 |
| China M | - | - | - | - | 63 | 15 | 22 |
| Kor Rep | 114 | 109 | 41 | 52 | 25 | 18 | 35 |
| Japan | 5 | 7 | 7 | 8 | 9 | 8 | 10 |
| All other | 10 | 3 | 241 | 46 | 24 | 9 | 65 |
| Total | 1,788 | 2,554 | 3,611 | 3,061 | 3,707 | 1,614 | 1,372 |
| | Unit value (per dozen pair) | | | | | | |
| Barbado | $4.26 | $6.20 | $6.62 | $7.43 | $9.41 | $8.98 | $9.86 |
| Hg Kong | 3.80 | 4.83 | 5.68 | 6.44 | 5.78 | 5.62 | 6.24 |
| Phil R | 12.98 | 13.32 | 14.74 | 16.49 | 16.65 | 14.44 | 15.40 |
| China t | 9.88 | 7.14 | 10.57 | 4.74 | 5.95 | 10.92 | 7.49 |
| Canada | 8.29 | 17.50 | 13.03 | 2.62 | 22.20 | 14.78 | 23.93 |
| China M | - | - | - | - | 9.81 | 5.73 | 3.97 |
| Kor Rep | 9.22 | 1.43 | 2.67 | 22.80 | 10.52 | 8.40 | 6.99 |
| Japan | 20.90 | 4.58 | 8.49 | 7.39 | 24.16 | 65.47 | 13.09 |
| All other | 3.19 | 19.91 | 9.45 | 6.20 | 6.45 | 14.37 | 5.89 |
| Average | 6.20 | 5.49 | 6.96 | 7.45 | 8.63 | 8.23 | 8.20 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-2.--Gloves of rubber or plastics, seamed by sewing or stitching, and other than with textile fabric fourchettes or sidewalls: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan - June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January - June 1982 Imports | January - June 1982 Percentage distribution |
|---|---|---|---|---|---|---|
| | Quantity (1,000 dozen pairs) | | | | | |
| Gross imports | 465 | 519 | 411 | 430 | 167 | 100 |
| 26 developed ctries, total | 2 | 6 | 6 | 5 | 4 | 2 |
| GSP countries, total | 464 | 512 | 404 | 419 | 158 | 95 |
| Barbado | 244 | 358 | 306 | 276 | 79 | 47 |
| Hg Kong | 81 | 79 | 46 | 103 | 61 | 37 |
| Phil R | 14 | 17 | 14 | 10 | 2/ | 1/ |
| China t | 47 | 20 | 31 | 24 | 1 | 1 |
| Kor Rep | 76 | 16 | 2 | 2 | 5 | 3 |
| Panama | 0 | 0 | 0 | 2 | 0 | |
| Thailnd | 0 | 0 | 0 | 2 | 6 | 3 |
| Singapr | 0 | 0 | 0 | 2/ | 0 | |
| Other GSP | 2/ | 23 | 6 | 0 | 5 | 3 |
| Other | 0 | 0 | 2/ | 6 | 6 | 3 |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 2,554 | 3,611 | 3,061 | 3,707 | 1,372 | 100 |
| 26 developed ctries, total | 10 | 153 | 43 | 105 | 74 | 5 |
| GSP countries, total | 2,543 | 3,458 | 3,011 | 3,539 | 1,276 | 93 |
| Barbado | 1,514 | 2,370 | 2,271 | 2,597 | 782 | 57 |
| Hg Kong | 393 | 446 | 295 | 595 | 384 | 28 |
| Phil R | 187 | 248 | 232 | 161 | 6 | 1/ |
| China t | 339 | 217 | 145 | 145 | 11 | 1 |
| Kor Rep | 109 | 41 | 52 | 25 | 35 | 3 |
| Panama | - | - | - | 9 | - | |
| Thailnd | - | - | - | 7 | 32 | 2 |
| Singapr | - | - | - | 1 | - | |
| Other GSP | 1 | 137 | 16 | - | 27 | 2 |
| Other | - | - | 7 | 63 | 22 | 2 |

1/ Less than 0.5 percent.
2/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No. B401

TITLE: Mixtures of 2,4- and 2,6-toluenediisocyanate

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

(Cents per pound; percent ad valorem)

| TSUS item No. 1/ | Description | Pre-MTN col. 1 rate of duty 2/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 3/ | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 407.16A(pt.) | Mixtures of 2,4- and 2,6-toluenediisocyanate. | 1.7¢/lb. + 12.5% | 1.7¢/lb.+ 13.6%, but not less than the highest rate applicable to any component material. 6/ | 4/ | 4/ | 4/ | 4/ | 4/ | 4/ | 4/ | 7¢/lb. + 43.5%, but not less than the highest rate applicable to any component material. | *** 5/ | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences (GSP) and that all beneficiary developing countries are eligible for the GSP.
2/ Rates effective prior to July 1, 1980.
3/ Rates effective after July 1, 1980.
4/ The converted rate of duty is the final rate of duty.
5/ Estimated by the staff of the U.S. International Trade Commission.
6/ Pre-MTN duty was based on the American-selling-price method of customs valuation. When the base was converted to import transaction value, the duty rose significantly.

## II. Comment

Description and uses

Mixtures of 2,4- and 2,6-toluenediisocyanate (TDI) are synthetic organic chemicals produced from toluene which is reacted initially with nitric acid to form a nitration product containing approximately 76 percent of 2,4-dinitrotoluene and 19 percent of 2,6-dinitrotoluene. The nitration product is then reduced to the diamino isomer and finally reacted with phosgene to yield the TDI mixture which is a white to pale yellow liquid having a pungent, sharp odor. The normal product from this series of reactions is a mixture of approximately 80 percent 2,4-TDI and 20 percent 2,6-TDI; hence the use of the 80/20 ratio to distinguish it from the other commercial mixture, 65/35. The 65/35 mixture is prepared by fractional distillation of the initial nitration mixture of toluene to yield o-nitrotoluene and p-nitrotoluene. Further nitration of o-nitrotoluene yields a mixture of 65 percent 2,4- and 35 percent of 2,6-dinitrotoluene. This mixture is then reduced and phosgenated to yield the desired product (65/35 mixture).

Mixtures of 2,4- and 2,6-TDI are almost exclusively reacted with polyethers or polyester polyols to produce polyurethane products, primarily flexible foam from the 80/20 mixture and rigid foam from the 65/35 mixture. Coatings and elastomers are also produced from both mixtures. Flexible polyurethane foam is consumed mainly in the manufacture of furniture, bedding, motor vehicles, and carpetbacking. It is also used in the packaging industry. Rigid polyurethane foam is used as an insulating material and in the construction industry.

U.S. customs treatment

In May 1981, the Chemical Manufacturers Association requested the Committee of Statistical Annotation of the Tariff Schedules to break out statistics on mixtures of TDI. Currently, no final decision has been made on this request.

U.S. consumption, production, and producers

During 1977-81, U.S. consumption of mixtures of TDI decreased from 484 million pounds to 439 million pounds, or by 9 percent (table A). This decrease was due primarily to the economic slowdown in the United States coupled with increased exports. U.S. consumption of these products declined further by 2 percent in the first six months of 1982 compared with the corresponding period in 1981 due to the continuing economic slowdown in the United States.

During 1977-81, U.S. production increased slightly from 584 million pounds to 591 million pounds; however, production in 1981 was 14 percent less than the high of 687 million pounds in 1979. In the first six months of 1982, domestic production, which amounted to 278 million pounds, showed a continuing decline of 7 percent compared with the corresponding period in 1981, resulting from decreased domestic and foreign demand.

In 1981, there were 6 domestic producers of mixtures of TDI compared with 8 producers in 1977. 1/ One domestic producer recently stopped production of isocyanates citing declining profits and increasing overcapacity in the isocyanates industry as the main reasons for their decision.

1/ Source: U.S. International Trade Commission, Synthetic Organic Chemicals, United States Production and Sales, annual reports 1977, 1978, 1979, 1980, and 1981.

U.S. exports

During 1977-81, U.S. exports of mixtures of TDI increased from approximately 100 million pounds to 156 million pounds, or by 56 percent (table B). In 1981, the quantity of exports represented over 25 percent of total domestic production. Canada was the leading export market in 1981 with 23 million pounds, or 15 percent of total exports. In the first 6 months of 1982, exports of TDI mixtures declined slightly from the corresponding period in 1981 owing to the declining demand in the major export markets resulting from an economic slowdown in those countries.

U.S. imports

There were no U.S. imports of mixtures of TDI in commercial quantities during 1977-80 or through October, 1981. In the last 2 months of 1981, imports of TDI mixtures amounted to approximately * * * pounds valued at * * *, from Brazil, a GSP-designated country. At this time, the domestic product was selling at 72 cents per pound--5 cents per pound more than the imported product. During the first five months of 1982, imports of TDI mixtures amounted to approximately * * * pounds valued at * * *, from Brazil. 1/ More recent data are not available; however, industry sources believe imports from Brazil have declined sharply in the past few months due to declining domestic demand. Brazil was the only GSP country to export mixtures of TDI to the United States in the past 10 months. The recent exportation of this product to the United States is due mainly to Brazil's desire for needed foreign currency to reduce the country's foreign debt and to utilize excess capacity.

1/ Commission and industry estimates.

Position of interested parties

An ad hoc group of domestic TDI producers which includes BASF Wyandotte Corp., Olin Corp., and Rubicon Chemicals is the petitioner requesting the removal of GSP for mixtures of TDI. In their petition, this group states that the domestic TDI industry faces a continued period of overcapacity, suppressed prices, and low profits as the housing and automotive industries, which consume the majority of TDI mixtures produced in the United States, remain depressed. Recent imports of TDI mixtures from Brazil have resulted in lost sales and profits for domestic TDI producers and have suppressed prices. This group further states that the continued importation of duty-free TDI mixtures from Brazil will severely affect the ability of the domestic producers to compete effectively in the domestic market.

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Table A.--Mixtures of 2.4- and 2,6-toluenediisocyanate: U.S. production, foreign trade, apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in thousands of pounds; value in thousands of dollars; unit value per pound)

| Period | Production 1/ | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977 | 583,610 | 2/ 100,000 | 3/ | 2/ 483,610 | 3/ |
| 1978 | 626,361 | 119,364 | 3/ | 506,997 | 3/ |
| 1979 | 687,045 | 161,489 | 3/ | 525,556 | 3/ |
| 1980 | 587,550 | 164,276 | 3/ | 423,274 | 3/ |
| 1981 | 591,325 | 155,512 | 2/ *** | 2/ 438,813 | 3/ |
| January-June-- | | | | | |
| 1981 | 298,852 | 88,550 | 3/ | 210,302 | 3/ |
| 1982 | 277,736 | 77,652 | 2/ *** | 2/ 206,384 | 2/ |
| | Value | | | | |
| 1977 | 262,625 | 2/ 44,000 | 3/ | 218,625 | 3/ |
| 1978 | 269,335 | 49,959 | 3/ | 219,376 | 3/ |
| 1979 | 371,004 | 99,988 | 3/ | 271,016 | 3/ |
| 1980 | 417,160 | 115,765 | 3/ | 301,395 | 3/ |
| 1981 | 425,754 | 106,909 | 2/ *** | 2/ 320,845 | 3/ |
| January-June-- | | | | | |
| 1981 | 4/ | 62,472 | 3/ | - | - |
| 1982 | 4/ | 54,518 | 2/ *** | - | - |
| | Unit value | | | | |
| 1977 | $0.45 | $0.44 | - | - | - |
| 1978 | .43 | .42 | - | - | - |
| 1979 | .54 | .62 | - | - | - |
| 1980 | .71 | .71 | - | - | - |
| 1981 | .72 | .69 | *** | - | - |
| January-June-- | | | | | |
| 1981 | - | .71 | - | - | - |
| 1982 | - | .70 | *** | - | - |

1/ Data are for 80/20 mixture which is over *** percent of total domestic TDI mixtures production.
2/ Estimated.
3/ Negligible.
4/ Not available.

Source: U.S. production, compiled from U.S. International Trade Commission, Synthetic Organic Chemicals, United States Production and Sales, annual reports 1977, 1978, 1979, 1980, and 1981 and U.S.I.T.C., Preliminary Report on U.S. Production of Selected Synthetic Organic Chemicals (Including Plastics and Resin Materials), 1981 and 1982; imports, Commission and industry estimates; exports from the official statistics of the U.S. Department of Commerce

Table B.--Mixtures of 2,4- and 2,6-toluenediisocyanate: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Canada | 1/ | 20,149 | 19,833 | 26,552 | 22,999 | 14,584 | 12,630 |
| Netherlands | 1/ | 12,630 | 25,541 | 23,763 | 18,628 | 13,901 | 7,830 |
| Japan | 1/ | 9,478 | 13,479 | 9,755 | 14,605 | 5,647 | 5,490 |
| Australia | 1/ | 8,260 | 16,110 | 9,679 | 12,277 | 5,783 | 6,899 |
| Republic of South Africa | 1/ | 2,912 | 5,399 | 6,547 | 9,344 | 4,467 | 4,583 |
| Republic of Korea | 1/ | 1,422 | 1,691 | 4,557 | 6,116 | 2,498 | 3,086 |
| West Germany | 1/ | 2,754 | 6,449 | 9,001 | 5,784 | 5,498 | 2,269 |
| Nigeria | 1/ | 2,257 | 1,047 | 6,248 | 5,705 | 5,340 | 3,417 |
| All other | 1/ | 59,502 | 71,950 | 68,174 | 60,054 | 30,832 | 31,458 |
| Total | 2/ 100,000 | 119,364 | 161,489 | 164,276 | 155,512 | 88,550 | 77,652 |
| | Value (1,000 dollars) | | | | | | |
| Canada | 1/ | 9,678 | 13,143 | 22,010 | 20,879 | 11,672 | 11,455 |
| Netherlands | 1/ | 5,784 | 15,392 | 15,810 | 14,612 | 8,901 | 5,924 |
| Japan | 1/ | 3,675 | 7,091 | 5,582 | 8,722 | 3,150 | 3,495 |
| Australia | 1/ | 3,351 | 9,546 | 6,391 | 7,752 | 4,045 | 4,340 |
| Repiblic of South Africa | 1/ | 1,054 | 3,871 | 4,345 | 5,176 | 3,004 | 2,468 |
| Republic of Korea | 1/ | 615 | 1,136 | 3,234 | 4,106 | 1,717 | 2,140 |
| West Germany | 1/ | 937 | 3,945 | 5,533 | 3,882 | 3,601 | 1,854 |
| Nigeria | 1/ | 903 | 623 | 4,293 | 3,631 | 3,708 | 2,255 |
| All other | 1/ | 23,962 | 45,241 | 48,567 | 38,149 | 22,674 | 20,587 |
| Total | 1/ | 49,959 | 99,988 | 115,765 | 106,909 | 62,472 | 54,518 |
| | Unit value (per pound) | | | | | | |
| Canada | - | $0.48 | $0.66 | $0.83 | $0.91 | $0.80 | $0.91 |
| Netherlands | - | .46 | .60 | .67 | .78 | .64 | .76 |
| Japan | - | .39 | .53 | .57 | .60 | .56 | .64 |
| Australia | - | .41 | .59 | .66 | .63 | .70 | .63 |
| Republic of South Africa | - | .36 | .72 | .66 | .55 | .67 | .54 |
| Republic of Korea | - | .43 | .67 | .71 | .67 | .69 | .69 |
| West Germany | - | .34 | .61 | .62 | .67 | .66 | .82 |
| Nigeria | - | .40 | .60 | .69 | .64 | .69 | .66 |
| All other | - | .40 | .63 | .71 | .64 | .74 | .65 |
| Total | - | .42 | .62 | .71 | .69 | .71 | .70 |

1/ Not available.
2/ Estimated.

Source: Compiled from official statistics of the U.S. Department of Commerce.

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TITLE: Copper hydroxide

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

(Cents per pounds; percent ad valorem)

| TSUSA item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Copper compounds: | | | | | | | | | | | | |
| 418.78(pt.)A2/ | Hydroxide-------------------- | 0.637¢ per lb.+5% (AVE 5.9%) | 6.3% | 5.9% | 5.6% | 5.3% | 4.9% | 4.6% | 4.2% | 3.9% | 32.5% | 3/ *** | Yes. |

1/ Rate effective prior to Jan. 1, 1980.
2/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences (GSP) and that all beneficiary developing countries are eligible for the GSP.
3/ Estimated by the stafff of the U.S. International Trade Commission.

## II. Comment

### Description and uses

Copper compounds were first used as fungicides in the late nineteenth century in response to an epidemic of downy mildew that threatened to wipe out the French grape industry. Since that time, many copper compounds have been used as fungicides, algicides, seed disinfectants, wood preservatives, insecticides, and insect repellents.

Copper hydroxide has been used as a fungicide mainly on citrus, vegetables, and peanuts where it has proven effective against a variety of plant diseases including downy mildew, scab, bacterial blight, fruit rot, and leaf spot. Formulated copper hydroxide fungicides may contain other ingredients including enchancing agents which prevent the fungicide from washing off after the sprayed plants have dried. Small amounts of copper hydroxide are also used industrially in the production of plastics. Although the price for copper hydroxide fungicide is considerably higher than for other copper fungicides, the domestic producer claims that because of copper hydroxide's smaller particle size the field coverage and, therefore, the effectiveness of the copper hydroxide fungicide is much greater than for other copper fungicides.

### U.S. consumption, producers, and production

Apparent consumption of copper hydroxide fungicides, which contain about * * * percent copper hydroxide, decreased from * * * short tons in 1979 to * * * short tons in 1980 and than declined further to * * * short tons in 1981 (table A). It is estimated, according to data supplied by the petitioner, that apparent consumption in 1982 will again decline relative to 1981 levels to about * * * tons.

Five U.S. companies account for approximately 90 percent of U.S. production of copper fungicides of all types, which amounts to about * * * short tons per year. Four of the five companies manufacture most of their copper fungicides from copper sulfate or copper oxychloride. Only one U.S. company, the petitioner, located in Houston, Texas, and employing about * * * people, produces significant amounts of copper hydroxide. Annual production capacity is about * * * short tons of copper hydroxide.

U.S. production of copper hydroxide fungicides declined from * * * short tons in 1979 to * * * short tons in 1980 and decreased further to * * * short tons in 1981. It is estimated from data supplied by the petitioner that U.S. production of copper hydroxide fungicides in 1982 will reach about * * * short tons. The petitioner also produces a relatively small amount (about * * * percent of total copper hydroxide production) of copper hydroxide which is not formulated into fungicides.

U.S. exports

The petitioner has been exporting copper hydroxide fungicides to third-world nations under the auspices of such international agencies as the Agency for International Development (AID). Exports of copper hydroxide declined in quantity from * * * short tons, valued at * * * million, in 1979 to * * * short tons, valued at * * * million, in 1980 and increased to * * * short tons, valued at * * * million, in 1981. In 1982 (based on data from January through August supplied by the petitioner) exports will be about * * * short tons, valued at * * * million.

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U.S. imports

U.S. imports of copper hydroxide began in late 1981 with purchases by one U.S. company of * * * short tons of copper hydroxide. This company estimates it will purchase * * * short tons of cupric hydroxide fungicide from a Mexican producer in 1982. Thus, import penetration was * * * percent in 1981 and will probably rise to about * * * percent in 1982. The petitioner claims that imports of the formulated copper hydroxide fungicide are being classified in TSUS item 418.78, which includes the compound copper hydroxide.

The only foreign company exporting significant quantities of copper hydroxide to the United States is located in Tialnepanthla, Mexico. Production capacity at this plant for copper hydroxide fungicide is * * * short tons per year. For the purposes of this digest, copper hydroxide fungicides (which contain enhancing agents in addition to copper hydroxide) are considered to be classified under the same tariff number as pure copper hydroxide, namely TSUS No. 418.78. It is believed that most copper hydroxide imported into the United States is the fungicide grade.

Position of interested parties

The petitioner and sole U.S. producer has also petitioned for an unfair import practices investigation under section 337 of the Tariff Act of 1930. It also claims that although the price of copper hydroxide fungicides sold in the United States by it and by the importer are about equal, the importer gives greater rebates thus giving the imported material a price edge. The petitioner also claims it was forced to lower its price to meet import competition.

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Table A.--Copper hydroxide fungicides: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-82

(Quantity in short tons; value in millions of dollars; unit value per short ton)

| Year | Production | Exports | Imports 1/ | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1979 | *** | *** | *** | *** | *** |
| 1980 | *** | *** | *** | *** | *** |
| 1981 | *** | *** | *** | *** | *** |
| 1982 2/ | *** | *** | *** | *** | *** |
| | Value | | | | |
| 1979 | 2/ *** | *** | *** | 2/ *** | *** |
| 1980 | 2/ *** | *** | *** | 2/ *** | *** |
| 1981 | 2/ *** | *** | 3/ 2/*** | 2/ *** | *** |
| 1982 2/ | *** | *** | 3/*** | *** | *** |
| | Unit value | | | | |
| 1979 | 2/ *** | *** | - | - | - |
| 1980 | 2/ *** | *** | - | - | - |
| 1981 | 2/ *** | *** | 3/2/ *** | - | - |
| 1982 2/ | *** | *** | 3/ *** | - | - |

1/ All imports came from Mexico and were eligible for GSP.
2/ Estimated by the staff of the U.S. International Trade Commission.
3/ Determined from average estimated selling price of U.S. importer.

Source: Compiled from data provided by the petitioner and importer.

Note.--Because of round off errors unit values may be different from quotient of value and quantity.

TITLE: 1,1'-Azobis(formamide)

TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

(Percent ad valorem)

| TSUSA item No. 1/ | Description | Pre-MTN col. 1 rate of duty 2/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Nitrogenous compounds: | | | | | | | | | | | | |
| | Ethylureas, methylolureas, octamethylpyrophosphoramide and other acyclic amides | | | | | | | | | | | | |
| 425.22A(pt.) | Other acyclic amides----- | 5% | 4.8% | 4.7% | 4.5% | 4.4% | 4.2% | 4% | 3.9% | 3.7% | 2.5% | 61 | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences (GSP) and that all beneficiary developing countries are eligible for the GSP.
2/ Rate effective prior to Jan. 1, 1980.

## II. Comment

### Description and uses

Azobisformamide is a reactive, insoluble yellow powder, prepared by the reaction of sodium hydroxide, chlorine, and urea with hydrazine. Azobisformamide is used primarily as a blowing agent in the production of rubber and plastic foams, and as a maturing agent in wheat and similar flours.

### U.S. consumption, production and producers

There are three domestic producers of azobisformamide, all of which are widely diversified companies. The producing plants are located in Geismar, Louisiana; Wilmington, Massachusetts; and Newark, New Jersey.

Production data are unavailable, but total production is estimated to have been between * * * annually during 1977-81. Consumption is estimated to have been between * * * annually over the same period. It is also estimated that two of the producers account for * * * percent of domestic production.

### U.S. exports

U.S. exports are classified under Schedule B item 431.55, carboxylic acid and carbonic acid amides. Exports of these products amounted to 11.0 million pounds, valued at $14.8 million, in 1981 (table B). The percentage of these exports attributable to azobisformamide is estimated to be about 10 percent.

### U. S. imports

Azobisformamide is classified under TSUS item 425.2240, other acyclic amides. In 1981, imports under this category amounted to 30.8 million pounds, valued at $36.5 million (table C). It is not known what fraction of these imports consist of azobisformamide. The United Kingdom and West Germany together accounted for about 77 percent of total imports of other acyclic amides in 1981. The GSP imports in this category (including azobisformamide) amounted to less than 0.4 percent of such imports.

Recently, a highly competitive situation for this chemical has developed between domestic material and that imported from the Republic of Korea. According to the petitioner, azobisformamide from Korea began competing for the domestic market in 1980, when an aggregate total of 276,000 pounds was imported at prices substantially below those of domestic producers. Imports were greatly reduced in 1981 because of carry-over and product inventory, but rose to 268,438 pounds in the first 6 months of 1982. Domestic prices have been discounted in order to cope with rising imports, and lost sales are claimed by domestic producers as a result of the lower-priced Korean imports.

Position of Interested Parties

The petitioner, a leading producer of azobisformamide, has stated that continued imports from Korea would adversely affect domestic production and sales. Because of the large Korean plant capacity and the ability of the Korean product to undersell domestic azobisformamide by a wide margin, the producer feels that either GSP treatment for azboisformamide should be removed, or the Republic of Korea should be deleted from the list of eligible GSP countries.

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## III. Statistical Data

Table A.--Other acyclic amides: U.S. production, foreign trade, apparent consumption, and ratio of imports to consumption

| Period | Production 1/ | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | |
| 1977 | 1/ | 1,797 | 1/ | 1/ | 1/ |
| 1978 | 1/ | 4,695 | 8,940 | 1/ | 1/ |
| 1979 | 1/ | 20,232 | 19,867 | 1/ | 1/ |
| 1980 | 1/ | 14,246 | 14,468 | 1/ | 1/ |
| 1981 | 1/ | 11,035 | 30,813 | 1/ | 1/ |
| Jan.-June-- | | | | | |
| 1981 | 1/ | 3,808 | 15,865 | 1/ | 1/ |
| 1982 | 1/ | 6,194 | 19,763 | 1/ | 1/ |
| | Value (1,000 dollars) | | | | |
| 1977 | - | 724 | - | - | - |
| 1978 | - | 5,763 | 9,380 | - | - |
| 1979 | - | 12,961 | 17,975 | - | - |
| 1980 | - | 24,132 | 18,750 | - | - |
| 1981 | - | 14,782 | 36,475 | - | - |
| Jan.-June-- | | | | | |
| 1981 | - | 5,800 | 19,460 | - | - |
| 1982 | - | 9,843 | 24,243 | - | - |
| | Average Unit value (dollars per pound) | | | | |
| 1977 | - | .40 | - | - | - |
| 1978 | - | 1.23 | 1.05 | - | - |
| 1979 | - | .64 | .90 | - | - |
| 1980 | - | 1.69 | 1.30 | - | - |
| 1981 | - | 1.34 | 1.18 | - | - |
| Jan.-June-- | | | | | |
| 1981 | - | 1.52 | 1.23 | - | - |
| 1981 | - | 1.59 | 1.23 | - | - |

1/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B.--Other acyclic amides: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Belgium | 81 | 1,159 | 14,295 | 6,763 | 1,927 | 906 | 2,991 |
| Brazil | 79 | 141 | 143 | 348 | 907 | 652 | 102 |
| U King | 46 | 363 | 118 | 308 | 1,142 | 245 | 770 |
| Canada | 993 | 626 | 872 | 753 | 835 | 311 | 422 |
| Switzld | 21 | 1/ | 7 | 45 | 1,678 | 8 | 163 |
| Argent | 24 | 33 | 97 | 189 | 241 | 64 | 65 |
| Peru | 1 | 24 | 150 | 1,529 | 1,037 | 265 | 269 |
| China t | 54 | 288 | 627 | 392 | 599 | 151 | 127 |
| All other | 497 | 2,060 | 3,922 | 3,920 | 2,669 | 1,207 | 1,285 |
| Total | 1,797 | 4,695 | 20,232 | 14,246 | 11,035 | 3,808 | 6,194 |
| | Value (1,000 dollars) | | | | | | |
| Belgium | 51 | 2,398 | 7,972 | 16,102 | 4,345 | 1,964 | 4,429 |
| Brazil | 32 | 246 | 152 | 399 | 1,759 | 1,278 | 289 |
| U King | 48 | 309 | 185 | 401 | 1,321 | 281 | 812 |
| Canada | 297 | 546 | 901 | 956 | 1,149 | 416 | 782 |
| Switzld | 15 | 1 | 9 | 56 | 1,034 | 13 | 1,219 |
| Argent | 11 | 43 | 127 | 133 | 565 | 74 | 105 |
| Peru | 1 | 27 | 202 | 1,437 | 562 | 150 | 355 |
| China t | 6 | 240 | 592 | 522 | 547 | 129 | 151 |
| All other | 261 | 1,954 | 2,821 | 4,126 | 3,502 | 1,494 | 1,700 |
| Total | 724 | 5,763 | 12,961 | 24,132 | 14,782 | 5,800 | 9,843 |
| | Unit value (per pound) | | | | | | |
| Belgium | $0.63 | $2.07 | $0.56 | $2.38 | $2.25 | $2.17 | $1.48 |
| Brazil | 0.41 | 1.74 | 1.07 | 1.15 | 1.94 | 1.96 | 2.84 |
| U King | 1.04 | 0.85 | 1.57 | 1.30 | 1.16 | 1.15 | 1.05 |
| Canada | 0.30 | 0.87 | 1.03 | 1.27 | 1.38 | 1.34 | 1.85 |
| Switzld | 0.72 | - | 1.22 | 1.24 | 0.62 | 1.66 | 7.48 |
| Argent | 0.47 | 1.29 | 1.31 | 0.70 | 2.34 | 1.16 | 1.62 |
| Peru | 0.95 | 1.13 | 1.34 | 0.94 | 0.54 | 0.57 | 1.32 |
| China t | 0.12 | 0.83 | 0.94 | 1.33 | 0.91 | 0.86 | 1.19 |
| All other | 0.52 | 0.95 | 0.72 | 1.05 | 1.31 | 1.24 | 1.32 |
| Average | 0.40 | 1.23 | 0.64 | 1.69 | 1.34 | 1.52 | 1.59 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Other acyclic amides: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| U King | 1/ | 1,755 | 1,806 | 792 | 11,719 | 5,444 | 9,238 |
| Fr Germ | 1/ | 2,869 | 13,560 | 9,387 | 13,559 | 7,041 | 6,447 |
| Italy | 1/ | 2,663 | 2,608 | 1,685 | 2,205 | 1,954 | 1,138 |
| Japan | 1/ | 1,101 | 1,504 | 1,686 | 1,958 | 912 | 1,339 |
| Switzld | 1/ | 441 | 304 | 118 | 420 | 218 | 9 |
| Denmark | 0 | 0 | 42 | 117 | 203 | 193 | 256 |
| China M | 0 | 0 | 4 | 42 | 285 | 37 | 369 |
| Israel | 1/ | 52 | 13 | 15 | 44 | 22 | 127 |
| All other | 1/ | 58 | 26 | 628 | 420 | 43 | 841 |
| Total | 1/ | 8,940 | 19,867 | 14,468 | 30,813 | 15,865 | 19,763 |
| | Value (1,000 dollars) | | | | | | |
| U King | - | 1,621 | 1,920 | 1,220 | 14,752 | 7,080 | 11,027 |
| Fr Germ | - | 2,359 | 9,012 | 11,409 | 13,224 | 6,842 | 8,143 |
| Italy | - | 2,971 | 3,354 | 2,478 | 3,554 | 3,166 | 1,636 |
| Japan | - | 1,731 | 2,708 | 2,214 | 2,971 | 1,355 | 1,628 |
| Switzld | - | 539 | 838 | 232 | 907 | 530 | 87 |
| Denmark | - | - | 65 | 192 | 347 | 326 | 383 |
| China M | - | - | 4 | 47 | 315 | 38 | 564 |
| Israel | - | 121 | 34 | 39 | 126 | 53 | 108 |
| All other | - | 38 | 38 | 919 | 281 | 69 | 668 |
| Total | - | 9,380 | 17,975 | 18,750 | 36,475 | 19,460 | 24,243 |
| | Unit value (per pound) | | | | | | |
| U King | - | $0.92 | $1.06 | $1.54 | $1.26 | $1.30 | $1.19 |
| Fr Germ | - | 0.82 | 0.62 | 1.21 | 0.97 | 0.97 | 1.26 |
| Italy | - | 1.11 | 1.29 | 1.47 | 1.61 | 1.62 | 1.44 |
| Japan | - | 1.57 | 1.80 | 1.31 | 1.52 | 1.48 | 1.22 |
| Switzld | - | 1.22 | 2.76 | 1.96 | 2.16 | 2.43 | 9.70 |
| Denmark | - | - | 1.56 | 1.64 | 1.71 | 1.69 | 1.49 |
| China M | - | - | 1.12 | 1.11 | 1.10 | 1.04 | 1.53 |
| Israel | - | 2.34 | 2.64 | 2.57 | 2.87 | 2.37 | 0.85 |
| All other | - | 0.66 | 1.46 | 1.46 | 0.60 | 1.61 | 0.79 |
| Average | - | 1.05 | 0.90 | 1.29 | 1.18 | 1.23 | 1.23 |

1/ Not Available

Source: Compiled from official statistics of the U.S. Department of Commerce.

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Table D.—Other acyclic amides: U.S. imports by certain world areas including designated GSP countries, 1978-81 and Jan.-June 1982

| Item | 1978 | 1979 | 1980 | 1981 | January-June 1982 | |
|---|---|---|---|---|---|---|
| | | | | | Imports | Percentage description |
| | Quantity (1,000 pounds) | | | | | |
| Gross imports | 8,940 | 19,867 | 14,468 | 30,813 | 19,763 | 100 |
| 26 developed countries, total | 8,887 | 19,849 | 14,170 | 30,707 | 19,365 | 98 |
| GSP countries, total | 53 | 18 | 298 | 106 | 398 | 2 |
| Chile | - | - | - | - | 3 | - |
| Hong Kong | - | 4 | 8 | 16 | - | - |
| Israel | 52 | 13 | 15 | 44 | 127 | - |
| Korea, South | 1 | - | 276 | 46 | 268 | - |
| Other | | | | | | |
| | Value (1,000 dollars) | | | | | |
| Gross imports | 9,380 | 17,975 | 18,750 | 36,475 | 24,243 | 100 |
| 26 developed countries, total | 9,258 | 17,936 | 18,377 | 36,271 | 23,765 | 98 |
| GSP countries tries, total | 122 | 39 | 373 | 204 | 478 | 2 |
| Chile | - | - | - | - | 2 | - |
| Hong Kong | - | 4 | 14 | 17 | - | - |
| Israel | 121 | 34 | 39 | 126 | 108 | - |
| Korea, South | 1/ | - | 320 | 61 | 378 | - |
| Other | | | | | | |

1/ Less than 500 dollars.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Bolts and nuts of iron or steel

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

(Cents per pound; percent ad valorem)

| TSUSA item No. 1/ | Description | Pre-MTN col. 1 rate of duty 2/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| | Of iron or steel: | | | | | | | | | | | | |
| 646.54A | Bolts and bolts and their nuts imported in the same shipment. | 0.2¢ (AVE 0.7%) | 0.7% | 0.7% | 0.7% | 0.7% | 0.7% | 0.7% | 0.7% | 0.7% | 3.5% | 73 | Yes. |
| 646.56A | Nuts------------------------ | 0.1¢ (AVE 0.2%) | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 142 | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences. "A" indicates that all beneficiary developing countries are eligible for the GSP.
2/ Rate effective before Jan. 1, 1980.

## II. Comments

### Description and uses

Bolts and nuts of iron or steel (bolts and nuts) are mechanical devices designed specifically to hold, join, couple, or assemble multiple components. Nearly all U.S. industries require them as maintenance items or as parts for original equipment. Of the total quantity produced annually, approximately 85 percent are manufactured from ferrous raw material, i.e., of iron or steel, including alloy of iron or steel; the remaining are made principally of aluminum, brass, copper, nickel, titanium or zinc.

Bolts and nuts are referred to throughout the industry as being either standard or special fasteners. Standard fasteners have multiple applications, typically conform to published industry standards, and are inventoried in anticipation of future orders. Special fasteners are custom designed and inventoried only for the need of the original purchaser.

### U.S. consumption, shipments, and producers

The demand for bolts and nuts is derived primarily from the demand for consumer durable goods such as appliances, farm equipment, and automobiles. Since bolts and nuts are not consumed as final products but rather as components in the production of other products, a decline in the demand for durable goods results in a decline in the demand for bolts and nuts. Therefore, the depressed economic activity throughout most of 1978-81 had a dampening effect on U.S. consumption of bolts and nuts. During 1978-81 apparent U.S. consumption declined from 1 billion pounds to 784 million pounds, or by 25 percent over the period. U.S. shipments of bolts and nuts declined from 718 million pounds in 1978 to 522 million pounds in 1981, a decline of 27 percent for the 4-year period (table A).

In 1981, there were approximately 315 producers, employing about 13,000 workers, manufacturing bolts and nuts in the United States. With the exception of those producing aerospace fasteners, most were located in Illinois, Michigan, New Jersey, Ohio, and Pennsylvania. The majority of the aerospace fastener manufacturers (about 35) were located in California. Since 1977, the number of producing facilities has declined about 5 percent; the number of production workers has declined about 15 percent.

U.S. exports

U.S. exports of bolts and nuts increased from 158 million pounds in 1977 to 204 million pounds in 1978 and dropped 45 percent to 112 million pounds in 1980. During 1981, exports totaled 141 million pounds, an increase of 25 percent from the 1980 level (table B). In 1981, exports of bolts and nuts to Canada accounted for 72 percent of total exports; exports to Mexico accounted for 10 percent of the total quantity exported.

U.S. imports

U.S. imports of bolts and nuts increased from 447 million pounds in 1977 to 536 million pounds in 1978 before decreasing 31 percent to 371 million in 1980. In 1981, such imports totaled 402 million pounds (table C). During 1977-81, the major sources of imports were Japan and Taiwan, accounting for 45 percent and 31 percent of total imports, respectively.

Imported bolts and nuts compete with domestically produced bolts and nuts primarily in those markets having a demand for standard fasteners, since approximately 90 percent of the bolts and nuts imported into the United States are standard fasteners. Most imported bolts and nuts are priced below the prices of domestically produced fasteners and are of comparable quality.

On January 6, 1979, pursuant to Presidential Proclamation 4632, nuts and bolts were removed from the list of articles eligible for GSP treatment as a result of the domestic fastener industry receiving import relief. On January 5, 1982, the President elected to terminate the import relief and during January-June 1982, bolts and nuts imported duty-free from designated GSP countries totaled 61 million pounds (table D).

Position of interested parties

The United States Fastener Manufacturing Group (petitioner) has requested that GSP treatment be withdrawn with respect to bolts and nuts imported from Taiwan, South Korea, and India. The petitioner asserts that imports of bolts and nuts are adversely affecting production employment, capacity utilization, and profitability of the domestic fastener industry.

Representatives of the Korea Trade Center oppose the petition to withdrawn GSP status on imports of bolts and nuts from Korea, alledging that imports from Korea have maintained minimal growth during 1978-80.

Counsel on behalf of the Board of Foreign Trade, Republic of China oppose the petition to remove bolts and nuts from GSP eligibility. According to counsel the problems faced by the domestic industry are the results of the economic cycles and recessions and not GSP imports.

The American Association of Exporters and Importers, Industrial Fasteners Group, oppose the petition to remove bolts and nuts from the list of articles eligible to receive duty-free treatment under GSP.

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## IV. Statistical Data

Table A.--Bolts and nuts of iron or steel: U.S. shipments, exports, imports, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in thousands of pounds; value in thousands of dollars)

| Period | Shipments | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977---------- | 1/ | 157,553 | 446,966 | 1/ | 1/ |
| 1978---------- | 2/ 717,754 | 203,642 | 536,297 | 1,050,409 | 51 |
| 1979---------- | 2/ 758,563 | 190,193 | 468,067 | 1,036,437 | 45 |
| 1980---------- | 2/ 535,173 | 112,263 | 370,766 | 793,676 | 47 |
| 1981---------- | 3/ 522,297 | 140,508 | 401,808 | 3/ 783,597 | 3/ 51 |
| January-June-- | | | | | |
| 1981----- | 1/ | 71,200 | 192,193 | 1/ | 1/ |
| 1982----- | 1/ | 91,578 | 219,870 | 1/ | 1/ |
| | | | Value | | |
| 1977---------- | 1/ | 81,279 | 170,183 | 1/ | 1/ |
| 1978---------- | 3/ 714,760 | 107,274 | 240,752 | 3/ 848,238 | 3/ 28 |
| 1979---------- | 3/ 856,919 | 113,687 | 240,180 | 3/ 983,412 | 3/ 24 |
| 1980---------- | 3/ 739,284 | 123,230 | 199,656 | 3/ 815,710 | 3/ 24 |
| 1981---------- | 3/ 724,499 | 133,442 | 215,321 | 3/ 806,713 | 3/ 27 |
| January-June-- | | | | | |
| 1981----- | 1/ | 68,703 | 107,246 | 1/ | 1/ |
| 1982----- | 1/ | 60,405 | 115,809 | 1/ | 1/ |

1/ Not available.
2/ Compiled from questionnaires submitted to the U.S. International Trade Commission.
3/ Estimated by the staff of the U.S. International Trade Commission.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B.--Nuts and bolts of iron or steel: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Canada | 141,651 | 178,821 | 149,828 | 71,486 | 101,863 | 51,069 | 45,856 |
| Mexico | 888 | 2,703 | 16,627 | 16,584 | 15,268 | 8,916 | 32,317 |
| U King | 1,398 | 2,242 | 5,944 | 4,109 | 1,157 | 623 | 798 |
| S Arab | 3,310 | 5,432 | 4,461 | 4,324 | 7,267 | 3,040 | 4,258 |
| France | 464 | 503 | 641 | 769 | 375 | 205 | 306 |
| Venez | 577 | 1,415 | 1,265 | 586 | 2,165 | 605 | 1,896 |
| Fr Germ | 416 | 845 | 856 | 1,553 | 1,011 | 768 | 250 |
| Japan | 238 | 698 | 647 | 823 | 535 | 234 | 296 |
| All other | 8,610 | 10,982 | 9,925 | 12,029 | 10,866 | 5,739 | 5,601 |
| Total | 157,553 | 203,642 | 190,193 | 112,263 | 140,508 | 71,200 | 91,578 |
| | Value (1,000 dollars) | | | | | | |
| Canada | 58,224 | 69,678 | 62,161 | 50,585 | 58,530 | 30,271 | 25,964 |
| Mexico | 818 | 2,841 | 8,373 | 15,096 | 15,424 | 8,713 | 6,451 |
| U King | 4,491 | 6,592 | 9,432 | 14,576 | 12,697 | 6,817 | 4,031 |
| S Arab | 2,577 | 4,209 | 5,604 | 4,446 | 8,216 | 4,167 | 4,156 |
| France | 1,328 | 2,047 | 3,647 | 5,525 | 6,023 | 2,152 | 3,494 |
| Venez | 855 | 1,310 | 1,637 | 859 | 3,022 | 982 | 1,503 |
| Fr Germ | 929 | 2,021 | 2,993 | 3,484 | 2,718 | 1,300 | 1,140 |
| Japan | 788 | 2,006 | 2,529 | 3,142 | 2,519 | 1,306 | 1,655 |
| All other | 11,269 | 16,570 | 17,311 | 25,518 | 24,293 | 12,996 | 12,011 |
| Total | 81,279 | 107,274 | 113,687 | 123,230 | 133,442 | 68,703 | 60,405 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Nuts and bolts of iron or steel: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 pounds) | | | | | | |
| Japan | 308,514 | 304,790 | 230,648 | 198,261 | 183,633 | 85,202 | 107,380 |
| China t | 30,395 | 82,344 | 100,556 | 74,747 | 123,655 | 57,325 | 63,433 |
| Canada | 39,425 | 55,789 | 36,825 | 33,616 | 31,408 | 18,060 | 17,707 |
| Fr Germ | 6,101 | 8,746 | 8,211 | 6,179 | 9,327 | 4,846 | 6,070 |
| Nethlds | 7,478 | 13,366 | 11,838 | 6,709 | 9,125 | 4,321 | 3,131 |
| Kor Rep | 3,570 | 5,018 | 6,079 | 6,009 | 15,895 | 7,055 | 11,719 |
| U King | 1,845 | 2,026 | 700 | 562 | 697 | 342 | 240 |
| Italy | 6,192 | 9,216 | 8,200 | 4,885 | 4,813 | 3,124 | 1,975 |
| All other | 43,445 | 55,003 | 65,009 | 39,797 | 23,255 | 11,918 | 8,217 |
| Total | 446,966 | 536,297 | 468,067 | 370,766 | 401,808 | 192,193 | 219,870 |
| | Value (1,000 dollars) | | | | | | |
| Japan | 113,978 | 145,203 | 133,301 | 110,725 | 109,295 | 53,325 | 60,461 |
| China t | 7,406 | 26,760 | 39,639 | 28,487 | 44,244 | 20,956 | 23,205 |
| Canada | 20,341 | 27,621 | 20,223 | 20,013 | 19,753 | 11,351 | 11,477 |
| Fr Germ | 5,061 | 7,601 | 8,540 | 9,174 | 9,373 | 4,902 | 5,449 |
| Nethlds | 2,861 | 6,088 | 6,764 | 4,481 | 6,083 | 3,016 | 1,915 |
| Kor Rep | 1,499 | 2,223 | 2,744 | 2,475 | 5,835 | 2,649 | 4,224 |
| U King | 2,606 | 3,502 | 3,630 | 3,895 | 5,458 | 2,862 | 2,800 |
| Italy | 2,599 | 4,480 | 3,898 | 3,816 | 3,931 | 2,469 | 1,732 |
| All other | 13,832 | 17,274 | 21,442 | 16,589 | 11,350 | 5,717 | 4,547 |
| Total | 170,183 | 240,752 | 240,180 | 199,654 | 215,321 | 107,246 | 115,809 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D .--Nuts and bolts of iron or steel: U.S. imports for consumption under the Generalized System of Preferences, by principal sources, 1978-81, January-June 1981, and January-June 1982

(Quantity in thousands of pounds; value in thousands of dollars)

| Source | 1978 | 1979 1/ | 1980 1/ | 1981 1/ | January-June-- 1981 1/ | January-June-- 1982 |
|---|---|---|---|---|---|---|
| | Quantity | | | | | |
| Argentina | 842 | | | | | 47 |
| Brazil | 180 | | | | | 35 |
| Hong Kong | 88 | | | | | 120 |
| India | 30,056 | | | | | 1,209 |
| Korea Republic | 4,716 | | | | | 9,165 |
| Mexico | 423 | | | | | - |
| China Taiwan | 77,520 | | | | | 50,824 |
| Yugoslavia | 934 | | | | | 84 |
| All other | 99 | | | | | 14 |
| Total | 114,860 | | | | | 61,499 |
| | Value | | | | | |
| Argentina | 275 | | | | | 21 |
| Brazil | 209 | | | | | 87 |
| Hong Kong | 80 | | | | | 63 |
| India | 5,949 | | | | | 468 |
| Korea Republic | 2,103 | | | | | 3,286 |
| Mexico | 271 | | | | | 1 |
| China Taiwan | 25,204 | | | | | 18,501 |
| Yugoslavia | 238 | | | | | 24 |
| All other | 27 | | | | | 22 |
| Total | 34,356 | | | | | 22,473 |

1/ Imports removed from the list of articles eligible for GSP treatment because of import relief granted by Presidential Proclamation 4632.

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Ale, Porter, Stout, and Beer

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. 1/ | Brief product description | Rates of duty 2/ Current col. 1 (1/1/82) | Rates of duty 2/ Current col. 2 (1/1/82) | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|
| 167.05A | Ale, porter, stout, and beer | 6¢/gal (AVE 2.4%) | 50¢/gal. (AVE 21%) | 396,535 | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences (GSP), and that all beneficiary developing countries are eligible for the GSP.
2/ Rate not modified in the Tokyo round of Multilateral Trade Negotiations.

Note.--Imports under TSUS item 167.05 are subject to a Federal Excise Tax (26 U.S.C. 5051) of $9 per barrel of 31 gallons and at a like rate for any other quantity or for fractional parts of a barrel.

## II. Comment

Description and uses

Ale, porter, stout, and beer are malt beverages and are defined in the regulations of the Bureau of Alcohol, Tobacco, and Firearms (27 CFR 7.10) as beverages

> "made by the alcoholic fermentation of an infusion or decoction, or combination of both in potable brewing water, of malted barley with hops, or their parts, or their products, and with or without the addition of unmalted or prepared cereals, other carbohydrates or products prepared therefrom, and with or without the addition of carbon dioxide, and with or without other wholesome products suitable for human consumption."

The U.S. Bureau of Alcohol, Tobacco, and Firearms regulations (27 CFR 7.24) also provide that no product shall bear the designation "beer," "lager beer," "lager," "ale," "porter," or "stout" unless they contain one-half percent or more of alcohol by volume. Most of the malt liquor produced in the United States is beer of the Pilsener type. In its production, barley malt comprises about two-thirds of the fermentable material used; the balance is made up of such products as corn, rice, wheat, sorghum grain, soybeans, soybean products, and sugar. The malt base is a low-roast type without strong caramel flavor. Hop content is high. Fermentation for beer is generally at temperatures lower than those used for ale, porter, or stout. Alcohol content is from 3.2 to 3.8 percent by weight.

Characteristically, ale is similar to beer in color, has a pronounced hop taste and aroma, and an alcohol content of 4 to 5 percent; porter is dark brown, sweeter and less "hoppy" than ale, and has an alcohol content of about 5 percent; stout is very dark, sweeter than porter, with a more pronounced hop and malt flavor, and alcohol content ranging from 5 to 6.5 percent. All, except ale, are heavier bodied than beer, having a greater proportionate content of unfermented extractive material in the finished beverage.

U.S. consumption, production, and producers

Annual U.S. consumption and production of beer and other malt beverages increased steadily during 1977-80 from 4.9 billion gallons to 6.0 billion gallons and then declined slightly to 5.6 billion gallons in 1981 (table A). It is estimated that in 1981, 43 companies produced malt beverages valued at $9.0 billion while employing about 40,000, with a payroll of about $1 billion. Breweries are located in over half of the 50 States with the principal producing States being Wisconsin, California, New York, and Colorado. Domestic manufacturers supplied about 97 percent of the malt beverages consumed in the United States in 1981. Imported beers are generally higher in price than the domestic product and generally appeal to specific consumers.

U.S. exports

U.S. exports of beer and other malt beverages increased irregularly from 11.3 million gallons, valued at $16.6 million, in 1977 to 20.4 million gallons, valued at $38.9 million, in 1981 (table B). In 1981, Canada accounted for 19 percent, by value, of U.S. exports, while Hong Kong and Japan accounted for 16 percent and 12 percent, respectively.

U.S. imports

U.S. imports of beer and other malt beverages increased steadily from 79 million gallons, valued at $157 million, in 1977 to 162 million gallons, valued at $397 million, in 1981 (table C). The Netherlands was the leading supplier in 1981, accounting for about 44 percent of imports, by value. Other major suppliers were Canada and the Federal Republic of Germany, accounting for 25 percent and 13 percent, respectively. GSP countries supply only a small share of the imports, with Mexico the principal supplier of such imports (table D). Imports from Mexico in 1981 amounted to 10.8 million gallons, valued at $26.3 million (about 7 percent of total imports, by value), compared with 5.2 million gallons, valued at $9.4 million (about 6 percent of total imports) in 1977. Mexico's share of total imports (by quantity) in 1981 was the same as that in 1977.

Position of interested parties

The United States Brewers Association, Inc. is the petitioner requesting the removal of the duty-free status on beer from Mexico.

The United States-Mexico Chamber of Commerce (USMCOC) supports Mexico's continued eligibility under the GSP because that country has never approached either of the two competitive need limitations contained in the GSP. The significance of Mexican beer in the U.S. market is small and removing Mexico's GSP benefits would do harm to American consumers by putting upward price pressure on Mexican brands and decrease competition in the concentrated U.S. beer markets, according to the USMCOC. The U.S. supplier industry to Mexican brewers would also be adversely affected if GSP benefits were removed.

Mexico's National Association of Beer Manufacturers (NABM) opposes the removal of duty-free status on beer from Mexico because imports from that source are so insignificant that they constitute no threat to the U.S. beer industry. NABM contends that the U.S. industry is highly concentrated and needs foreign competition to make it responsive to U.S. consumers, and that denial of GSP to the Mexican beer industry will diminish U.S. exports of brewing equipment and other materials, such as hops, to Mexican brewers, who buy much more from the United States than they export. Denial of GSP will also weaken an important Mexican industry and it will not contribute to Mexico's economic stability, according to the NABM. The association states that Mexican beer exports to the United States have never approached the statutory criteria for defining competitiveness.

*          *          *          *          *

Table A.--Ale, porter, stout, and beer: U.S. production, foreign trade, apparent consumption, and ratio of imports to consumption, 1977-81, January-June 1981 and January-June 1982

(Quantity in thousands of gallons; value in thousands of dollars; unit value per gallon)

| Period | Production 1/ | Exports | Imports | Apparent consumption 2/ | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977---------- | 4,932,629 | 11,332 | 78,924 | 4,943,261 | 1.6 |
| 1978---------- | 5,124,214 | 25,847 | 107,354 | 5,151,236 | 2.1 |
| 1979---------- | 5,273,998 | 19,655 | 137,730 | 5,327,982 | 2.6 |
| 1980---------- | 5,985,500 | 35,175 | 141,589 | 6,091,914 | 2.3 |
| 1981---------- | 5,561,429 | 20,365 | 161,847 | 5,638,885 | 2.9 |
| January-June: | | | | | |
| 1981-------- | 2,811,438 | 12,903 | 75,790 | 2,849,924 | 2.7 |
| 1982-------- | 3/ 2,773,975 | 8,832 | 82,708 | 2,820,126 | 2.9 |
| | | | Value | | |
| 1977---------- | 6,062,201 | 16,578 | 156,771 | 4/ | 4/ |
| 1978---------- | 6,902,318 | 35,401 | 237,180 | 4/ | 4/ |
| 1979---------- | 7,773,872 | 29,330 | 336,813 | 4/ | 4/ |
| 1980---------- | 9,157,800 | 60,952 | 366,740 | 4/ | 4/ |
| 1981---------- | 9,009,500 | 38,915 | 396,535 | 4/ | 4/ |
| January-June: | | | | | |
| 1981-------- | 4,526,400 | 24,881 | 185,843 | 4/ | 4/ |
| 1982-------- | 4,654,700 | 18,173 | 214,542 | 4/ | 4/ |
| | | | Unit value | | |
| 1977---------- | $1.23 | $1.46 | $1.99 | - | - |
| 1978---------- | 1.35 | 1.37 | 2.21 | - | - |
| 1979---------- | 1.47 | 1.49 | 2.45 | - | - |
| 1980---------- | 1.53 | 1.73 | 2.59 | - | - |
| 1981---------- | 1.61 | 1.91 | 2.45 | - | - |
| January-June: | | | | | |
| 1981-------- | 1.61 | 1.93 | 2.45 | - | - |
| 1982-------- | 1.68 | 2.06 | 2.59 | - | - |

1/ Total withdrawals from bond, tax-paid, and tax free. 2/ Tax-paid withdrawals plus imports. 3/ Estimated.
4/ Not meaningful because values at different trade levels are not comparable.

Source: Production and consumption compiled from official statistics of the U.S. Department of the Treasury; value of production based on official statistics of the U.S. Department of Commerce and the U.S. Bureau of Labor Statistics; imports and exports compiled from official statistics of the U.S. Department of Commerce.

Table B.--Ale, porter, stout, and beer: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | | | Quantity (gallons) | | | | |
| Canada | 1,313,460 | 13,506,488 | 2,169,395 | 17,386,797 | 4,027,433 | 2,844,588 | 1,144,600 |
| Hg Kong | 1,691,721 | 2,723,773 | 3,407,142 | 4,947,858 | 3,762,283 | 2,488,154 | 1,407,433 |
| Japan | 447,080 | 650,495 | 1,061,835 | 1,830,452 | 2,502,855 | 1,427,320 | 2,190,714 |
| China t | 4,040 | 9,114 | 7,047,944 | 4,048,590 | 1,714,169 | 1,710,621 | 0 |
| T Pac I | 673,667 | 681,000 | 705,031 | 868,103 | 1,293,725 | 663,987 | 735,854 |
| Bahamas | 493,958 | 500,574 | 797,055 | 889,841 | 837,197 | 405,457 | 490,164 |
| N Antil | 220,048 | 229,462 | 638,189 | 495,370 | 595,186 | 315,023 | 693,688 |
| Lw WW I | 160,503 | 74,761 | 108,219 | 157,557 | 577,433 | 290,140 | 330,134 |
| Colomb | 132,846 | 300,431 | 677,864 | 783,792 | 618,754 | 298,041 | 277,629 |
| Sweden | 0 | 0 | 0 | 630 | 639,622 | 535,365 | 12,172 |
| All other | 6,194,411 | 7,170,852 | 3,042,720 | 3,766,215 | 3,797,159 | 1,924,008 | 1,549,935 |
| Total | 11,331,734 | 25,846,950 | 19,655,394 | 35,175,205 | 20,365,816 | 12,902,704 | 8,832,323 |
| | | | Value (1,000 dollars) | | | | |
| Canada | 1,709 | 17,392 | 3,326 | 32,440 | 7,531 | 5,421 | 2,064 |
| Hg Kong | 2,112 | 3,539 | 4,536 | 7,151 | 6,094 | 3,919 | 2,522 |
| Japan | 580 | 972 | 1,523 | 2,892 | 4,733 | 2,663 | 5,104 |
| China t | 8 | 18 | 10,023 | 6,267 | 4,345 | 4,338 | - |
| T Pac I | 920 | 949 | 1,116 | 1,484 | 2,422 | 1,220 | 1,431 |
| Bahamas | 715 | 767 | 1,380 | 1,535 | 1,738 | 773 | 1,091 |
| N Antil | 309 | 424 | 1,247 | 919 | 1,264 | 635 | 1,623 |
| Lw WW I | 338 | 152 | 225 | 286 | 1,174 | 590 | 553 |
| Colomb | 195 | 469 | 1,075 | 1,291 | 1,035 | 526 | 504 |
| Sweden | - | - | - | 1 | 1,035 | 857 | 37 |
| All other | 9,693 | 10,721 | 4,879 | 6,686 | 7,542 | 3,938 | 3,243 |
| Total | 16,579 | 35,401 | 29,330 | 60,952 | 38,915 | 24,881 | 18,173 |
| | | | Unit value (per gallon) | | | | |
| Canada | $1.30 | $1.29 | $1.53 | $1.87 | $1.87 | $1.91 | $1.80 |
| Hg Kong | 1.25 | 1.30 | 1.33 | 1.45 | 1.62 | 1.58 | 1.79 |
| Japan | 1.30 | 1.49 | 1.43 | 1.58 | 1.89 | 1.87 | 2.33 |
| China t | 2.04 | 1.93 | 1.42 | 1.55 | 2.53 | 2.54 | - |
| T Pac I | 1.37 | 1.39 | 1.58 | 1.71 | 1.87 | 1.84 | 1.94 |
| Bahamas | 1.45 | 1.53 | 1.73 | 1.72 | 2.08 | 1.91 | 2.23 |
| N Antil | 1.40 | 1.85 | 1.95 | 1.85 | 2.12 | 2.01 | 2.34 |
| Lw WW I | 2.11 | 2.03 | 2.08 | 1.81 | 2.03 | 2.03 | 1.68 |
| Colomb | 1.47 | 1.56 | 1.59 | 1.65 | 1.67 | 1.77 | 1.82 |
| Sweden | - | - | - | 2.25 | 1.62 | 1.60 | 3.06 |
| All other | 1.56 | 1.50 | 1.60 | 1.78 | 1.99 | 2.05 | 2.09 |
| Average | 1.46 | 1.37 | 1.49 | 1.73 | 1.91 | 1.93 | 2.06 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Ale, porter, stout, and beer: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (gallons) | | | | | | |
| Nethlds | 31,950,012 | 47,511,321 | 61,660,303 | 55,517,695 | 65,230,861 | 31,210,049 | 34,141,609 |
| Canada | 23,554,343 | 30,876,128 | 40,343,293 | 47,495,168 | 51,854,791 | 24,746,691 | 25,910,835 |
| Fr Germ | 10,135,832 | 11,989,071 | 14,208,999 | 14,792,823 | 18,228,341 | 7,374,459 | 9,929,604 |
| Mexico | 5,278,196 | 6,344,816 | 9,094,305 | 10,248,550 | 10,851,696 | 5,590,316 | 4,793,372 |
| U King | 1,383,848 | 2,308,636 | 2,836,547 | 3,087,138 | 3,256,421 | 1,522,687 | 1,755,409 |
| Ireland | 1,474,592 | 1,853,685 | 1,931,243 | 2,017,300 | 2,218,327 | 1,133,762 | 1,193,769 |
| France | 169,587 | 264,687 | 417,699 | 982,478 | 1,594,213 | 527,938 | 557,597 |
| Japan | 728,657 | 924,330 | 1,171,921 | 1,247,957 | 1,585,291 | 709,432 | 803,842 |
| Austral | 1,167,973 | 1,595,820 | 2,223,678 | 2,048,348 | 1,859,073 | 782,488 | 932,013 |
| Phil R | 847,625 | 878,105 | 877,875 | 666,465 | 1,160,501 | 486,099 | 507,099 |
| All other | 2,233,359 | 2,808,050 | 2,963,777 | 3,484,946 | 4,008,724 | 1,705,946 | 2,182,364 |
| Total | 78,924,024 | 107,354,649 | 137,729,640 | 141,588,868 | 161,848,239 | 75,789,867 | 82,707,513 |
| | Value (1,000 dollars) | | | | | | |
| Nethlds | 74,551 | 126,601 | 184,591 | 178,934 | 174,567 | 86,563 | 96,334 |
| Canada | 33,806 | 44,388 | 65,364 | 86,734 | 99,822 | 46,404 | 53,794 |
| Fr Germ | 24,152 | 31,396 | 39,126 | 43,383 | 52,976 | 21,303 | 29,922 |
| Mexico | 9,622 | 12,923 | 18,821 | 22,659 | 26,597 | 12,985 | 12,398 |
| U King | 2,607 | 5,219 | 7,220 | 8,689 | 9,604 | 4,626 | 5,262 |
| Ireland | 2,507 | 4,086 | 5,062 | 5,760 | 6,845 | 3,535 | 3,497 |
| France | 473 | 681 | 1,381 | 3,100 | 5,310 | 1,697 | 1,981 |
| Japan | 1,596 | 2,125 | 2,839 | 3,330 | 4,579 | 2,031 | 2,433 |
| Austral | 1,659 | 2,509 | 3,725 | 4,021 | 4,116 | 1,678 | 2,017 |
| Phil R | 1,268 | 1,391 | 1,404 | 1,068 | 1,983 | 767 | 952 |
| All other | 4,530 | 5,860 | 7,278 | 9,063 | 10,135 | 4,254 | 5,952 |
| Total | 156,771 | 237,179 | 336,813 | 366,740 | 396,535 | 185,843 | 214,542 |
| | Unit value (per gallon) | | | | | | |
| Nethlds | $2.33 | $2.66 | $2.99 | $3.22 | $2.68 | $2.77 | $2.82 |
| Canada | 1.44 | 1.44 | 1.62 | 1.83 | 1.93 | 1.88 | 2.08 |
| Fr Germ | 2.38 | 2.62 | 2.75 | 2.93 | 2.91 | 2.89 | 3.01 |
| Mexico | 1.82 | 2.04 | 2.07 | 2.21 | 2.45 | 2.32 | 2.59 |
| U King | 1.88 | 2.26 | 2.55 | 2.81 | 2.95 | 3.04 | 3.00 |
| Ireland | 1.70 | 2.20 | 2.62 | 2.86 | 3.09 | 3.12 | 2.93 |
| France | 2.79 | 2.57 | 3.31 | 3.16 | 3.33 | 3.21 | 3.55 |
| Japan | 2.19 | 2.30 | 2.42 | 2.67 | 2.89 | 2.86 | 3.03 |
| Austral | 1.42 | 1.57 | 1.67 | 1.96 | 2.21 | 2.15 | 2.16 |
| Phil R | 1.50 | 1.58 | 1.60 | 1.60 | 1.71 | 1.58 | 1.88 |
| All other | 2.03 | 2.09 | 2.46 | 2.60 | 2.53 | 2.49 | 2.73 |
| Average | 1.99 | 2.21 | 2.45 | 2.59 | 2.45 | 2.45 | 2.59 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Ale, porter, stout, and beer: U.S. GSP imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June 1981 | January-June 1982 |
|---|---|---|---|---|---|---|---|
| | | | | Quantity (gallons) | | | |
| Mexico | 5,154,464 | 6,255,566 | 9,048,607 | 10,152,934 | 10,717,874 | 5,540,026 | 4,717,615 |
| Philippine Republic | 343,503 | 874,631 | 855,447 | 650,265 | 1,105,025 | 477,459 | 488,091 |
| Other GSP | 214,418 | 315,588 | 285,154 | 507,083 | 513,983 | 151,091 | 329,751 |
| Total | 6,212,385 | 7,445,785 | 10,189,208 | 11,310,282 | 12,336,882 | 6,168,576 | 5,535,457 |
| | | | | Value (1,000 dollars) | | | |
| Mexico | 9,404 | 12,739 | 18,754 | 22,416 | 26,201 | 12,852 | 12,208 |
| Philippine Republic | 1,262 | 1,386 | 1,368 | 1,042 | 1,686 | 754 | 914 |
| Other GSP | 351 | 689 | 627 | 1,182 | [illegible] | 387 | 725 |
| Total | 11,017 | 14,814 | 20,849 | 24,640 | [illegible] | 13,993 | 13,847 |
| | | | | Unit value (per gallon) | | | |
| Mexico | $1.82 | $2.04 | $2.07 | $2.21 | $2.45 | $2.32 | $2.59 |
| Philippine Republic | 1.50 | 1.58 | 1.60 | 1.60 | 1.71 | 1.58 | 1.87 |
| Other GSP | 1.64 | 2.18 | 2.19 | 2.33 | 2.53 | 2.56 | [illegible] |
| Average | 1.77 | 1.99 | 2.05 | 2.18 | 2.39 | 2.27 | 2.50 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No.
C201

TITLE: Plywood, whether or not face finished, with a face ply of birch

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS item No. 1/ | Description | Pre-MTN col. 1 rate of duty | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| | Plywood, whether or not face finished: | | | | | | | | | | | | |
| | Not face finished, or face finished with a clear or transparent material which does not obscure the grain, texture, or markings of the face ply: | | | | | | | | | | | | |
| 240.14A | With a face ply of birch (Betula spp.) | 7.5% ad val. | 6.9% | 6.4% | 5.8% | 5.3% | 4.7% | 4.1% | 3.6% | 3.0% | 50% | 67,114 | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences and that all beneficiary developing countries are eligible for the GSP.

## II. Comment

### Description and uses

Plywood is a rigid wood-veneer assembly bonded together with adhesive substances, having a central ply or core of wood veneer or lumber with the same number of plies (one or more) of wood veneer on each side thereof. These assemblies, therefore, have an odd number of plies (three, five, seven, etc.); the grain of at least one ply is at an angle (usually a right angle) to the grain of the other plies.

Plywoods are classified according to the species of wood in the face ply, it is common for the central ply or core to contain wood of a different genus than the face ply. The plywood included in TSUS item 240.14 has a face ply of one of any species within the genus Betula, and is known as birch plywood. 1/

The principal uses for birch plywood in the United States are wall panels, door faces (door skins), and parts for furniture and cabinets. Other uses include display stands, containers, and novelty boxes.

### U.S. tariff treatment

On February 6, 1976, the U.S. Department of the Treasury issued an antidumping order (T.D. 76-48) applicable to birch three-ply door skins (birch plywood door skins) from Japan. The effect of the order was the imposition of antidumping duties against imports from individual Japanese firms. Currently,

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1/ Birch plywood door skins, TSUS item 240.1420, are a statistical subdivision of birch plywood TSUS item 240.14. They are also referred to as birch three-ply door skins.

these duties range from 0.0 to 4.3 percent ad valorem, above the current column 1 rates of duty. In July 1982, the U.S. International Trade Commission found that an industry in the United States would be injured if the order were to be revoked, thereby continuing the order.

U.S. consumption, production, and producers

Consumption during 1977-81 peaked in 1978 at 659 million square feet and then declined steadily to 550 million square feet in 1981, a drop of 16 percent (table A). The decline reflects high interest rates and the associated low level of housing and other construction activities in the late 1970's and currently in the 1980's. Approximately 45 percent of the U.S. consumption of birch plywood was supplied by imports during 1977-81. During the same period, production declined steadily from 383 million square feet in 1977 to 315 million square feet in 1981—a decline of 18 percent.

Domestic shipments of birch plywood door skins declined from 8.7 million square feet (4.2 percent of U.S. consumption) in 1979 to 5.9 million square feet (3.6 percent of U.S. consumption) in 1981.

In the United States approximately 50 firms manufacture birch plywood. They are located primarily in the Southeastern and Great Lakes States. All known U.S. production of birch plywood door skins is accounted for by three domestic producers; Patat Plywood Corp., Weber Veneer and Plywood Corp., and Paine Lumber Co. Patat's production in 1981 accounted for about 97 percent of such domestic production.

U.S. exports

U.S. exports of birch plywood during 1977-80 were small compared with domestic production, accounting for from 1 to 2 percent, by quantity, of production in those years (table A). However, such exports rose dramatically to almost 13.9 million square feet, valued at $2.3 million, in 1981, and took about 4 percent of production in that year. This rise was largely due to increased exports to Canada. Exports during the first half of 1982 totaled 5.7 million square feet, 4 percent above the 5.5 million square feet entered during the corresponding period of 1981.

U.S. exports of birch plywood to Canada traditionally have outpaced exports of this product to other countries (table B). In 1981, such exports accounted for 62 percent of all U.S. exports of birch plywood. The other leading export market is Mexico. The Republic of South Africa, the United Kingdom, and the Trust Territory of the Pacific Islands are market countries of note.

U.S. imports

U.S. imports of birch plywood increased from 272 million square feet, valued at $51 million, in 1977, to 314 million square feet, valued at $67 million, in 1978, but, thereafter, steadily declined to 250 million square feet, valued at $67 million, in 1981. The share of the quantity of such imports supplied by Japan steadily declined from 62 percent in 1977 to 21 percent in 1981 (table C). In 1976, U.S. imports of birch plywood became eligible for duty-free entry under the GSP when entered from GSP eligible countries. Largely as a result of that action, the resulting price differential, and the imposition of dumping duties on birch plywood door skins from Japan, Taiwan's share of birch plywood imports increased from 2 percent in 1977 to 46 percent in 1981. That country supplied virtually all of the imports that entered under the GSP during the period.

In 1977, only 2 percent of all imports of birch plywood entered duty free. However, by 1981, 46 percent of such plywood was so entered. The trend has continued in the first half of 1982 when 50 percent of the imports entered under the GSP. This is largely explained by the major trade shift which occurred between Japan and Taiwan during the period. Imports from LDDC countries were nonexistent.

Taiwan consistently has accounted for over 98 percent of all U.S. imports of birch plywood receiving duty-free treatment under the GSP (table D-1). In 1981, imports of birch plywood door skins (item 240.1420) from Taiwan, under GSP provisions, totaled 92 million square feet, valued at $23 million, or 56 percent by value of all birch plywood imports, and 58 percent by quantity. During the first half of 1982, the percentages were even higher, with Taiwanese birch plywood door skins accounting for 61 percent, by value, of all birch plywood imports, and 64 percent by quantity (table D-2).

The level of imports of birch plywood, excluding doorskins, (items 240.1440 and 240.1460) peaked, as a share of all birch plywood imports, in 1979, when imports of these items accounted for about 16 percent of all birch plywood imported in that year. That share has slowly decreased since 1979 and amounted to less than 14 percent in the first half of 1982.

Domestically produced birch plywood and birch plywood doorskins compete with the imports from Taiwan primarily on the basis of price. These products differ only slightly in quality between the United States and Taiwan, and both countries use comparable grading systems. The level of imports of both birch plywood and birch plywood doorskins from Taiwan, under the GSP have increased as a percentage of U.S consumption by underselling the American products.

Position of interested parties

Patat Plywood Corporation (the petitioner), Truax Veneer Company Inc., Anderson Trading Inc., and Weber Veneer and Plywood Corporation are in favor of the petition to remove GSP eligibility for birch plywood from Taiwan.

Those opposing the petition include the Board of Foreign Trade of the Republic of China (Taiwan), and the International Hardwood Products Association.

*    *    *    *    *

*          *          *          *          *

Table A.--Birch plywood, whether or not face finished: U.S. production, foreign trade, apparent consumption, and ratio of imports to consumption, 1977-81 and January-June 1981 and January-June 1982

(Quantity in thousands of square feet; value in thousands of dollars; unit value per thousand square feet)

| Period | Production | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977 | 383,312 | 2/ 6,148 | 272,033 | 649,197 | 42 |
| 1978 | 348,869 | 3,863 | 313,959 | 658,960 | 48 |
| 1979 | 338,059 | 2,941 | 305,895 | 641,013 | 48 |
| 1980 | 333,126 | 6,350 | 253,095 | 579,871 | 44 |
| 1981 | 314,596 | 13,886 | 249,589 | 550,299 | 45 |
| January-June: | | | | | |
| 1981 | 1/ | 5,497 | 133,848 | 1/ | 1/ |
| 1982 | 1/ | 5,737 | 106,656 | 1/ | 1/ |
| | | | Value | | |
| 1977 | 1/ | 2/ 770 | 51,431 | 1/ | 1/ |
| 1978 | 1/ | 798 | 66,592 | 1/ | 1/ |
| 1979 | 1/ | 705 | 73,228 | 1/ | 1/ |
| 1980 | 1/ | 1,157 | 68,627 | 1/ | 1/ |
| 1981 | 1/ | 2,349 | 67,114 | 1/ | 1/ |
| January-June: | | | | | |
| 1981 | 1/ | 920 | 36,411 | 1/ | 1/ |
| 1982 | 1/ | 855 | 28,707 | 1/ | 1/ |
| | | | Unit value | | |
| 1977 | 1/ | 2/$125.24 | $189.06 | - | - |
| 1978 | 1/ | 206.63 | 212.10 | - | - |
| 1979 | 1/ | 239.76 | 239.39 | - | - |
| 1980 | 1/ | 182.14 | 271.15 | - | - |
| 1981 | 1/ | 169.16 | 268.90 | - | - |
| January-June: | | | | | |
| 1981 | 1/ | 167.32 | 272.03 | - | - |
| 1982 | 1/ | 148.96 | 269.15 | - | - |

1/ Not available.
2/ Estimated by the staff of the U.S. International Trade Commission.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B.--Birch plywood, whether or not face finished: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 1/ | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (m. square feet) | | | | | | |
| Canada | 4,270 | 1,117 | 698 | 2,113 | 8,652 | 2,998 | 3,669 |
| Mexico | 248 | 715 | 675 | 1,855 | 1,827 | 649 | 756 |
| Rep Saf | 0 | 0 | 0 | 0 | 354 | 0 | 0 |
| U King | 82 | 32 | 151 | 28 | 471 | 275 | 75 |
| T Pac I | 49 | 222 | 693 | 378 | 338 | 264 | 212 |
| All other | 1,498 | 1,777 | 724 | 1,976 | 2,244 | 1,371 | 1,025 |
| Total | 6,148 | 3,863 | 2,941 | 6,350 | 13,886 | 5,497 | 5,737 |
| | Value (1,000 dollars) | | | | | | |
| Canada | 306 | 133 | 129 | 361 | 1,101 | 382 | 466 |
| Mexico | 26 | 105 | 133 | 298 | 204 | 97 | 114 |
| Rep Saf | - | - | - | - | 196 | - | - |
| U King | 19 | 5 | 17 | 10 | 120 | 57 | 29 |
| T Pac I | 11 | 84 | 137 | 112 | 119 | 69 | 46 |
| All other | 408 | 472 | 240 | 356 | 529 | 314 | 199 |
| Total | 770 | 798 | 705 | 1,157 | 2,349 | 920 | 855 |
| | Unit value (per m. square feet) | | | | | | |
| Canada | $71.66 | $119.50 | $184.52 | $180.21 | $127.22 | $127.51 | $126.98 |
| Mexico | 104.84 | 146.77 | 196.65 | 160.69 | 155.60 | 150.14 | 151.00 |
| Rep Saf | - | - | - | - | 552.50 | - | - |
| U King | 231.71 | 147.00 | 114.69 | 357.86 | 254.65 | 206.51 | 390.00 |
| T Pac I | 224.49 | 376.21 | 269.46 | 296.21 | 352.41 | 336.95 | 216.03 |
| All other | 272.36 | 265.37 | 330.86 | 180.03 | 235.87 | 229.39 | 194.40 |
| Average | 125.24 | 206.63 | 239.76 | 182.14 | 169.16 | 167.32 | 145.96 |

1/ Estimated by staff of the U.S. International Trade Commission

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Birch plywood, whether or not faced finished: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (m. square feet) | | | | | | |
| China 1/ | 3,757 | 84,034 | 118,352 | 102,378 | 116,669 | 58,312 | 55,155 |
| Japan | 170,119 | 124,522 | 82,340 | 63,515 | 52,636 | 31,322 | 20,018 |
| Canada | 58,702 | 65,104 | 70,448 | 59,810 | 48,128 | 27,443 | 27,371 |
| Finland | 15,174 | 17,461 | 16,734 | 19,703 | 16,190 | 9,992 | 5,145 |
| USSR | 23,597 | 20,934 | 17,210 | 6,695 | 15,277 | 6,461 | 3,613 |
| All other | 684 | 1,904 | 811 | 994 | 689 | 611 | 114 |
| Total | 272,033 | 313,959 | 305,895 | 253,095 | 249,589 | 133,848 | 106,456 |
| | Value (1,000 dollars) | | | | | | |
| China 1/ | 577 | 14,729 | 24,050 | 21,640 | 24,028 | 11,995 | 11,051 |
| Japan | 31,990 | 28,038 | 22,586 | 18,907 | 16,321 | 9,289 | 6,885 |
| Canada | 10,672 | 13,081 | 16,137 | 14,629 | 12,567 | 7,168 | 6,501 |
| Finland | 5,998 | 8,364 | 8,480 | 11,882 | 10,781 | 6,612 | 3,257 |
| USSR | 2,039 | 2,136 | 1,703 | 1,272 | 3,207 | 1,186 | 930 |
| All other | 156 | 243 | 272 | 296 | 209 | 160 | 83 |
| Total | 51,431 | 66,592 | 73,228 | 68,627 | 67,114 | 36,411 | 28,707 |
| | Unit value (per m. square feet) | | | | | | |
| China 1/ | $153.54 | $175.28 | $203.21 | $211.37 | $205.95 | $205.71 | $200.36 |
| Japan | 188.05 | 225.16 | 274.30 | 297.68 | 310.07 | 296.57 | 343.94 |
| Canada | 181.80 | 200.93 | 229.06 | 244.60 | 261.11 | 261.21 | 237.52 |
| Finland | 395.27 | 479.02 | 506.78 | 603.08 | 665.68 | 661.75 | 632.95 |
| USSR | 86.39 | 102.02 | 98.93 | 190.03 | 210.07 | 133.54 | 257.36 |
| All other | 227.39 | 127.81 | 335.88 | 297.56 | 303.45 | 261.51 | 731.57 |
| Average | 189.06 | 212.10 | 239.39 | 271.15 | 268.90 | 272.03 | 269.15 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-1.--Birch plywood: U.S. imports under the provisions of the GSP by certain designated GSP countries, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June 1981 | January-June 1982 |
|---|---|---|---|---|---|---|---|
| | | | | Quantity (M. square feet) | | | |
| Taiwan | 3,721 | 80,906 | 116,966 | 99,064 | 113,148 | 56,413 | 53,687 |
| Philippines | 0 | 18 | 32 | 0 | 519 | 519 | 0 |
| Malaysia | 67 | 965 | 257 | 199 | 100 | 42 | 111 |
| Korea, South | 526 | 529 | 324 | 0 | 0 | 0 | 0 |
| India | 0 | 130 | 0 | 0 | 0 | 0 | 0 |
| Total | 4,314 | 82,548 | 117,579 | 99,263 | 113,767 | 56,974 | 53,798 |
| | | | | Value (1,000 dollars) | | | |
| Taiwan | 559 | 14,131 | 23,792 | 21,094 | 23,374 | 11,707 | 10,697 |
| Philippines | - | 6 | 9 | - | 106 | 106 | - |
| Malaysia | 33 | 37 | 145 | 109 | 60 | 28 | 80 |
| Korea, South | 93 | 133 | 84 | - | - | - | - |
| India | - | 14 | - | - | - | - | - |
| Total | 685 | 14,321 | 24,030 | 21,203 | 23,540 | 11,842 | 10,777 |
| | | | | Unit value (per M. square feet) | | | |
| Taiwan | $150.13 | $174.67 | $203.41 | $212.93 | $206.58 | $207.52 | $199.25 |
| Philippines | - | 325.39 | 287.28 | - | 204.52 | 204.52 | - |
| Malaysia | 496.87 | 37.99 | 563.06 | 549.81 | 599.04 | 676.57 | 716.40 |
| Korea, South | 176.62 | 251.64 | 259.29 | - | - | - | - |
| India | - | 109.41 | - | - | - | - | - |
| Average | 158.74 | 173.49 | 204.37 | 213.60 | 206.91 | 207.84 | 200.31 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D-2.--Birch plywood: U.S. imports under the provisions of the GSP by certain designated GSP countries, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June | |
|---|---|---|---|---|---|---|---|
| | | | | | | 1981 | 1982 |
| | (Quantity (M. square feet) | | | | | | |
| Taiwan | 3,357 | 68,016 | 94,266 | 78,194 | 92,303 | 47,623 | 44,925 |
| Philippines | 0 | 0 | 32 | 0 | 519 | 519 | 0 |
| Korea, South | 0 | 0 | 100 | 0 | 0 | 0 | 0 |
| Malaysia | 0 | 965 | 0 | 0 | 0 | 0 | 0 |
| Total | 3,357 | 68,981 | 94,398 | 78,194 | 92,822 | 48,142 | 44,925 |
| | Value (1,000 dollars) | | | | | | |
| Taiwan | 489 | 11,688 | 18,753 | 16,281 | 18,635 | 9,653 | 8,831 |
| Philippines | - | - | 9 | - | 106 | 106 | - |
| Korea, South | - | - | 18 | - | - | - | - |
| Malaysia | - | 37 | - | - | - | - | - |
| Total | 489 | 11,724 | 18,780 | 16,281 | 18,741 | 9,759 | 8,831 |
| | Unit value (per M. square feet) | | | | | | |
| Taiwan | $145.58 | $171.84 | $198.94 | $208.21 | $201.89 | $202.70 | $196.58 |
| Philippines | - | - | 287.28 | - | 204.52 | 204.52 | - |
| Korea, South | - | - | 180.57 | - | - | - | - |
| Malaysia | - | 37.99 | - | - | - | - | - |
| Average | 145.58 | 169.96 | 198.95 | 208.21 | 201.91 | 202.72 | 196.58 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Certain vises

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

(Percent ad valorem)

| TSUSA item No. 1/ | Description | Pre-MTN col. 1 rate of duty 2/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Vises and clamps (except parts of, or accessories for, machine tools): | | | | | | | | | | | | |
| | Vises: | | | | | | | | | | | | |
| 649.3716A | Other | 5% | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | 1/ | 45% | 15 | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences. "A" indicates that all benefciary developing countries are eligible for the GSP.

2/ Rate effective prior to Jan. 1, 1980.

## II. Comment

### Description and uses

This digest includes certain types of vises, except pipe vises and woodworking vises, used for holding an article in a fixed position to permit work, such as planing, sawing, drilling, and shaping. They are made in a variety of sizes, ranging from small, hand-held vises weighing less than one pound to large machinists' vises weighing over 200 pounds. Machinists' vises have either a stationary or swivel base for bolt-mounting to a work bench and different types of jaws, such as pipe jaws, arched jaws, or smooth jaws. Small hand vises and pin vises are used for work on jewelry and small instruments.

### U.S. consumption, shipments, and producers

Apparent consumption of vises fluctuated mildly during 1977-80, increasing from $19 million to $21 million. In 1981, however, apparent consumption increased to $26 million, or by 24 percent from the 1980 level. U.S. shipments of vises increased annually from $12 million in 1977 to $16 million in 1981, an increase of 33 percent (table A).

Vises are manufactured in the United States by approximately 5 producers which are located primarily in the Middle Atlantic, New England, and Mid-western States. The number of producers has remained about the same since 1977, however, the number of production workers has declined by about 25 percent.

U.S. exports

U.S. exports of vises increased from an estimated $2 million in 1977 to $4 million in 1981 (table B). Although exports were shipped to more than 15 countries, exports to Canada acounted for 25 percent of total vise exports.

U.S. imports

U.S. imports of vises increased from $10 million in 1977 to $12 million in 1978, before decreasing to $9 million in 1979. During 1980, total imports were valued at $10 million and increased to $15 million in 1981; an increase of 50 percent from the 1977 level (table C). The ratio of imports to apparent consumption increased from 51 percent in 1977 to 55 percent in 1978 before falling to 47 percent in 1979. During 1980-81, the ratio of imports to consumption increased from 48 percent to 57 percent.

In 1981, vises were imported from more than 20 countries, however, those imported from Taiwan under TSUSA item 649.3716 accounted for 54 percent of total imports. Vises imported from Japan accounted for 32 percent of total imports during the same period. Throughout 1977-81, these two countries were the principal sources of vise imports.

According to industry officials the hardware distribution market has been dominated by lower quality imports. Domestic producers find it difficult to compete in this market where the selling price for imports of certain vises (3 1/2 inch home vise) is as much as 25 to 50 percent lower than the domestic price. Domestically produced vises are generally sold to the industrial market where high-quality is essential to the consumer.

Imports of vises from all designated GSP countries accounted for an average of 61 percent of total imports during 1978-81 (table D).

Position of interested parties

Mr. William J. Ferrick , Executive Vice President, Wilton Corporation, (petitioner) request that duty exemption be withdrawn from Taiwan and that the maximum duty be imposed on all vises, particularly those imported from Taiwan under item 649.3716. According to Mr. Ferrick the domestic vise industry has been severly impacted from the volume of these imports.

* * * * *

Digest No.
C601--Con.

Table A .--Certain vises: U.S. shipments, exports of domestic merchandise, imports for consumption, and apparent consumption 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Year | Shipments | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| 1977 | 11,778 | 2/ 2,205 | 2/ 9,820 | 19,393 | 51 |
| 1978 | 12,134 | 2/ 2,542 | 2/ 11,899 | 21,491 | 55 |
| 1979 | 13,089 | 2,798 | 9,102 | 19,393 | 47 |
| 1980 | 14,567 | 3,582 | 10,233 | 21,218 | 48 |
| 1981 | 15,558 | 4,423 | 15,119 | 26,254 | 57 |
| January-June— | | | | | |
| 1981 | 1/ | 1,981 | 7,235 | 1/ | 1/ |
| 1982 | 1/ | 2,009 | 6,869 | 1/ | 1/ |

1/ Not available.
2/ Estimated by the staff of the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Source: Shipments compiled from Hand Tools Institute Reports; imports and exports compiled from official statistics of the U.S. Department of Commerce, except as indicated.

Table B.--Certain vises: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Market | 1977 1/ | 1978 1/ | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| Canada | 431 | 578 | 772 | 644 | 1,128 | 498 | 544 |
| Iran | 83 | 166 | --- | --- | --- | --- | --- |
| Venez | 258 | 149 | 198 | 255 | 437 | 151 | 132 |
| Fr Germ | 27 | 132 | --- | 68 | --- | 9 | 8 |
| Nethlds | 85 | 129 | 155 | --- | --- | 47 | 6 |
| Mexico | 53 | 112 | 236 | 515 | 454 | 200 | 216 |
| S Arab | 157 | 94 | 120 | 287 | 524 | 291 | 145 |
| U King | 79 | 90 | --- | --- | --- | 6 | 27 |
| All other | 962 | 1,092 | 1,317 | 1,814 | 1,880 | 779 | 931 |
| Total | 2,205 | 2,542 | 2,798 | 3,583 | 4,423 | 1,981 | 2,009 |

1/ Estimated by the staff of the U.S. International Trade Commission.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Certain vises: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|---|
| | | | | | | 1981 | 1982 |
| China t | 2,659 | 4,106 | 4,879 | 5,777 | 8,144 | 2,886 | 3,667 |
| Japan | 5,559 | 5,621 | 2,030 | 2,569 | 4,889 | 3,419 | 2,084 |
| India | 633 | 770 | 1,178 | 823 | 517 | 301 | 299 |
| China M | 16 | 32 | - | 108 | 350 | 112 | 240 |
| Switzld | 215 | 277 | 244 | 364 | 279 | 134 | 58 |
| France | 101 | 151 | 226 | 143 | 229 | 70 | 147 |
| Poland | 160 | 178 | 219 | 102 | 152 | 25 | 6 |
| Italy | 2 | 6 | 11 | 64 | 133 | 111 | 6 |
| All other | 475 | 758 | 314 | 283 | 427 | 176 | 362 |
| Total | 9,820 | 11,899 | 9,102 | 10,233 | 15,119 | 7,235 | 6,869 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Vises: U.S. imports for consumption under the Generalized System of Preferences, by principal sources, 1978-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|
| | | | | | 1981 | 1982 |
| Brazil | 78 | - | 4 | 23 | 5 | 28 |
| Guatemala | 5 | - | - | - | - | - |
| Hong Kong | 6 | 21 | 36 | 47 | 22 | 81 |
| India | 904 | 1,163 | 821 | 512 | 301 | 299 |
| Israel | 19 | - | 47 | 77 | 33 | 16 |
| Korea Republic | 125 | 27 | 35 | 91 | 41 | 36 |
| Mexico | 316 | - | - | - | - | - |
| China Taiwan | 4,796 | 4,870 | 5,754 | 8,033 | 2,869 | 3,665 |
| All other | 1 | 11 | 16 | 2 | - | 30 |
| Total | 6,250 | 6,092 | 6,713 | 8,785 | 3,271 | 4,155 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

TITLE: Copper cooking and kitchen ware

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

(Percent ad valorem)

| TSUSA item No. 1/ | Description | Pre-MTN col. 1 rate of duty 2/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| 654.0525A | Copper cooking and kitchen ware | 7.5% | 7.2% | 6.9% | 6.5% | 6.2% | 5.9% | 5.6% | 5.2% | 4.9% | 40% | 19,716 | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences. "A" indicates that all beneficiary developing countries are eligible for the GSP.

2/ Rate effective prior to Jan. 1, 1980.

## II. Comment

### Description and uses

Copper cooking and kitchen ware of the type under consideration to remove duty-free status of certain beneficiary developing countries includes the following four categories: tea kettles; accessories, such as cannisters, molds and salt and pepper shakers; cookingware; and serving dishes. All of this ware is either solid copper, copper-plated or copper laquered. Despite shortcomings such as being easily corroded, copper is the preferred metal for pots used by chefs.

### U.S. consumption, shipments, and producers

Estimated apparent U.S. consumption of copper cooking and kitchen ware increased from $9.1 million in 1977 to $27 million in 1981 (table A). Consumption further increased in the first six months of 1982, primarily due to increased imports of these articles. The ratio of imports to consumption during this period has jumped from 40 to 73 percent.

Shipments in 1981 amounted to an estimated $8.4 million, down 12.7 percent from 1980. Shipments for the first six months of 1982 were about two-thirds of what they were for the same six month period for 1981 indicating a still further decline in shipments from the 1980 peak. Such a decline is largely caused by the cost competiveness of the imported article in an economically depressed market.

There are at least 7 U.S. manufacturers of copper cooking and kitchen ware located throughout the country. Not all of these companies manufacture all categories of copper cooking and kitchen ware. In addition, several of the larger companies also import certain wares. Employment has been decreasing during the 1977-81 period and is estimated at 400 production and related workers in 1981.

U.S. exports

U.S. exports of copper cooking and kitchen ware are relatively small, amounting to only $1.1 million in 1981, a peak year for the period 1977-81 (table B). Of these exports in 1981, 26 percent, or $296,000 were shipped to Venezuela. During the first six months of 1982, U.S. exports declined 63 percent over the similar period for 1981. Much of this decline is accounted for by a decline in exports to Venezuela.

U.S. imports

Imports amounted to $19.7 million in 1981, representing the high point for the period 1977-81 and a 20 percent increase from 1980 (table C). During the first half of 1982, imports of copper cooking and kitchen ware continued an upward trend, and amounted to $9.3 million, or almost 19 percent more than the comparable 1981 period.

In 1981, Korea was the largest supplier accounting for over 47 percent of total imports. Taiwan the largest supplier in 1980, accounted for over 30 percent of total imports in 1981.

For the most part, imported copper cooking and kitchen ware competes directly with domestically made articles in terms of price, variety, and style. One exception is copper tea kettles which according to industry sources tend to be imported and not produced domestically.

GSP imports have increased 169 percent during the period 1978-1981, or from $6.6 million in 1978 to $17.8 million in 1981 (table D). Imports during the first six months of 1982 were 21 percent higher than for the comparable six month 1981 period. Korea, Taiwan, and Portugal were the principal suppliers of such imports.

Position of Interested Parties

The domestic industry, including the petitioner (American Trading and Production Corporation of Baltimore, MD) favors the removal of Korea, Taiwan and Portugal from duty-free status for articles under this TSUSA item. The importers favor retention of GSP treatment for these countries.

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Digest No.
C602--Con.

Table A.--Copper cooking and kitchenware: U.S. shipments, exports of domestic merchandise, imports for consumption, and apparent consumption 1977-81

(In thousands of dollars)

| Year | Shipments 1/ | Exports | Imports | Apparent consumption 1/ | Ratio (percent) of import to consumption |
|---|---|---|---|---|---|
| 1977---------- | 5,383 | - | 3,673 | 9,056 | 40.5 |
| 1978---------- | 6,269 | 492 | 9,656 | 15,433 | 67.6 |
| 1979---------- | 9,964 | 542 | 13,523 | 22,945 | 58.9 |
| 1980---------- | 9,597 | 816 | 16,454 | 25,235 | 65.2 |
| 1981---------- | 8,377 | 1,124 | 19,716 | 26,969 | 73.1 |
| Jan.-June-- | | | | | |
| 1981-------- | 4,189 | 757 | 7,840 | 11,272 | 69.5 |
| 1982-------- | 2,816 | 279 | 9,297 | 11,834 | 78.6 |

1/ Estimated by the staff of the U.S. International Trade Commission.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as indicated.

Table B.--Copper cooking and kitchen ware: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| Venez | - | 132 | 132 | 121 | 296 | 187 | 40 |
| Japan | - | 62 | 118 | 112 | 137 | 119 | 19 |
| S Arab | - | 3 | 11 | 114 | 130 | 126 | 6 |
| Canada | - | 83 | 47 | 47 | 108 | 67 | 14 |
| Norway | - | - | - | 30 | 84 | 84 | - |
| N Antil | - | 1 | 9 | 9 | 76 | 28 | 53 |
| Austral | - | 13 | 84 | 82 | 59 | 45 | - |
| China t | - | - | - | - | 37 | 35 | - |
| All other | - | 197 | 142 | 302 | 196 | 65 | 148 |
| Total | - | 492 | 542 | 816 | 1,124 | 757 | 279 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Copper cooking and kitchen ware: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| Kor Rep | 286 | 2,064 | 3,029 | 4,297 | 9,277 | 3,655 | 4,528 |
| China t | 575 | 1,833 | 3,924 | 5,645 | 6,097 | 2,220 | 2,822 |
| Portugl | 1,389 | 2,248 | 3,144 | 3,476 | 2,021 | 987 | 1,002 |
| France | 784 | 1,914 | 1,343 | 1,126 | 728 | 335 | 249 |
| Mexico | 6 | 35 | 28 | 74 | 301 | 74 | 149 |
| Nethlds | 13 | 95 | 132 | 112 | 150 | 86 | 45 |
| Italy | 29 | 93 | 351 | 166 | 128 | 55 | 42 |
| U King | 109 | 238 | 265 | 183 | 124 | 41 | 93 |
| All other | 482 | 1,137 | 1,308 | 1,375 | 890 | 387 | 367 |
| Total | 3,673 | 9,656 | 13,523 | 16,454 | 19,716 | 7,840 | 9,297 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Copper cooking and kitchen ware: U.S. imports for consumption, under the Generalized System of Preferences by principal sources, 1978-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Source | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|
| | | | | | 1981 | 1982 |
| Korea Republic | 2,012 | 3,018 | 4,273 | 9,201 | 3,631 | 4,418 |
| China Taiwan | 1,821 | 3,904 | 5,577 | 5,988 | 2,151 | 2,777 |
| Portugal | 2,207 | 3,123 | 3,471 | 2,015 | 983 | 993 |
| Mexico | 27 | 22 | 68 | 289 | 65 | 139 |
| Chile | 247 | 285 | 189 | 81 | 48 | - |
| Turkey | 98 | 132 | 298 | 78 | 54 | 50 |
| Hong Kong | 35 | 24 | 36 | 61 | 23 | 41 |
| Thailand | 8 | 12 | 21 | 41 | 9 | 19 |
| All other | 180 | 248 | 88 | 96 | 26 | 36 |
| Total | 6,635 | 10,768 | 14,021 | 17,850 | 6,990 | 8,473 |

Source: Compiled from official statistics of the Department of Commerce.

Digest No.
C603

TITLE: Transformers rated at 40 va or more but less than lkva

I. TSUS(A) item number; description; tariff rate information ; U.S. imports in 1981; competitive status

| TSUSA Item No. | Description | Pre-MTN col. 1 rate of duty | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| 682.0540 A | Transformers rated at 40 va or more but less than lkva. | 12.5% | 11.8% | 11.0% | 10.3% | 9.6% | 8.8% | 8.1% | 7.3% | 6.6% | 35.0% | 15,790 | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences. "A" indicates that all beneficiary developing countries are eligible for the GSP.

## II. Comment

### Description and uses

Transformers rated at 40 volt-amperes (va) or more but less than 1 kva (hereinafter referred to as small transformers) are electromechanical devices consisting of two or more windings of insulated wire, which by magnetic induction, are capable of transferring alternating current from one winding to the other. In the process of this energy transfer, the incoming voltage value is either raised or lowered in proportion to the ratio of the number of turns in the windings. The 40 va to less than 1 kva rating is a measure of the power-handling capability of the device.

Small transformers are used in electrical circuits to raise or lower voltages. Voltages are lowered for safety in equipment operation and for utilization of low voltage-rated components. Voltages are raised when high voltage is needed for metering or illuminating. Small transformers are also used as audio output devices in such products as television receivers and radios.

### U.S. consumption, shipments, and producers

Apparent U.S. consumption of small transformers increased from an estimated $97 million in 1977 to $137 million in 1981, or by 41 percent (table A). Apparent consumption was 12 percent higher during January-June 1982 compared with January-June 1981, when consumption was valued at $63 million.

U.S. shipments of small transformers grew at a slower rate during 1977-81 than apparent U.S. consumption. U.S. shipments during the period increased by

28 percent rising from an estimated $110 million in 1977 to $141 million in 1981. Shipments were valued at $71 million during January-June 1982 compared with $65 million during the corresponding period in 1981.

About 48 firms produce small transformers in the United States although all types of small transformers are not produced by each of these firms. In 1980, there were 3 reported producers of luminous tube transformers ranging upward to 26 producers of machine tool transformers and 19 producers of metering transformers. About 400 workers are currently employed in U.S. establishments producing luminous tube transformers.

U.S. exports

U.S. exports of small transformers increased from $19 million in 1977 to $22 million in 1980, and then decreased to $20 million in 1981 (table B). Exports were valued at $8.8 million during January-June 1982 compared with $9.5 million during January-June 1981. During 1977-81, four countries accounted for 40 to 45 percent of U.S. export shipments. Canada was the largest market followed by Mexico, the United Kingdom, and West Germany. Canada accounted for 19 to 23 percent of export shipments during the period.

U.S. imports

U.S. imports of small transformers rose by 139 percent during 1977-81 increasing from $6.6 million in 1977 to $15.8 million in 1981 (table C). During January-June 1982, imports rose by 10 percent compared with the corresponding period in 1981 increasing to $7.9 million. Canada was the largest supplier during 1980-81 having displaced Japan in 1979. In 1981, Hong Kong and Taiwan were the largest suppliers after Canada and Japan. The ratio of imports to consumption (based on value) increased from 6.8 percent in 1977 to 12.9 percent in 1980, and then decreased to 11.5 percent in 1981.

Imports from Hong Kong reached $2.4 million in 1981, accounting for about 15 percent of total imports. According to an industry source, the transformers imported from Hong Kong are largely transformers dedicated for use in luminous tube applications which are interchangeable with those produced by the petitioner. Imports from Hong Kong were value at $762,000 in 1977.

Position of interested parties

Firms which have expressed the most concern over increased imports of small transformers from Hong Kong are U.S. producers of luminous tube transformers, which are used in advertising signs. * * *.

* * * * *

Table A.--Transformers rated at 40 va or more but less than 1 kva: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, 1977-81, January-June 1981, and January-June 1982

| Period | Producers' shipments 1/ | Exports | Imports | Apparent consumption 1/ | Ratio of imports to consumption 1/ |
|---|---|---|---|---|---|
| | 1,000 dollars | | | | Percent |
| 1977 | 110,000 | 19,177 | 6,610 | 97,433 | 6.8 |
| 1978 | 118,000 | 19,027 | 7,794 | 106,767 | 7.3 |
| 1979 | 122,000 | 15,052 | 12,807 | 119,305 | 10.7 |
| 1980 | 132,000 | 22,003 | 16,329 | 126,326 | 12.9 |
| 1981 | 141,000 | 19,678 | 15,790 | 137,112 | 11.5 |
| Jan.-June-- | | | | | |
| 1981 | 65,000 | 9,473 | 7,129 | 62,656 | 11.4 |
| 1982 | 71,000 | 8,768 | 7,867 | 70,099 | 11.2 |

1/ Estimated by the staff of the U.S. International Trade Commission.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Table B.--Transformers rated at 40va or more but less than 1kva: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Market | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|---|
| | | | | | | 1981 | 1982 |
| Mexico | 734 | 7,401 | 3,579 | 9,757 | 4,839 | 1,941 | 1,544 |
| Canada | 4,035 | 2,502 | 2,559 | 2,171 | 2,517 | 1,586 | 1,619 |
| S Arab | 3,166 | 641 | 692 | 1,464 | 2,345 | 1,454 | 1,004 |
| Japan | 180 | 311 | 884 | 649 | 1,087 | 498 | 449 |
| Italy | 285 | 283 | 278 | 251 | 944 | 504 | 146 |
| Fr Germ | 751 | 1,131 | 1,447 | 1,287 | 881 | 428 | 225 |
| U King | 583 | 1,054 | 468 | 969 | 830 | 375 | 350 |
| France | 268 | 521 | 637 | 524 | 798 | 298 | 315 |
| All other | 9,175 | 5,183 | 4,508 | 4,930 | 5,436 | 2,388 | 3,117 |
| Total | 19,177 | 19,027 | 15,052 | 22,003 | 19,678 | 9,473 | 8,768 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Transformers rated at 40va or more but less than 1kva: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| Canada------- | 426 | 1,536 | 2,550 | 3,784 | 4,442 | 1,658 | 1,637 |
| Japan-------- | 1,581 | 1,769 | 2,617 | 2,397 | 3,061 | 1,386 | 1,599 |
| Hg Kong------ | 762 | 1,690 | 1,688 | 1,905 | 2,419 | 1,363 | 957 |
| China t------ | 1,150 | 496 | 1,266 | 1,266 | 1,388 | 784 | 668 |
| France------- | 16 | 166 | 88 | 404 | 899 | 419 | 247 |
| Fr Germ------ | 137 | 182 | 1,504 | 1,579 | 764 | 412 | 265 |
| U King------- | 57 | 298 | 1,007 | 2,260 | 680 | 255 | 578 |
| Mexico------- | 1,606 | 1,096 | 296 | 449 | 589 | 239 | 519 |
| All other---- | 876 | 561 | 1,792 | 2,285 | 1,549 | 612 | 1,397 |
| Total--- | 6,610 | 7,794 | 12,807 | 16,329 | 15,790 | 7,129 | 7,867 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Transformers rated at 40 va or more but less than 1 kva: U.S. imports for consumption under the GSP from designated beneficiary countries, 1978-81, January June 1981, and January-June 1982

(In thousands of dollars)

| Source | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|
| | | | | | 1981 | 1982 |
| Hong Kong | 1,217 | 1,489 | 1,849 | 2,303 | 1,306 | 932 |
| China T | 432 | 1,043 | 1,198 | 1,059 | 526 | 612 |
| Singapore | 174 | 456 | 730 | 169 | 64 | 121 |
| Kor Rep | 28 | 285 | 111 | 228 | 23 | 797 |
| Haiti | 4 | 56 | 184 | 132 | 65 | 28 |
| Mexico | 40 | 9 | 1 | - | - | - |
| Israel | 40 | 90 | 43 | 43 | 28 | 12 |
| Barbado | - | - | 2 | - | - | - |
| Other GSP | 31 | 1 | 121 | 11 | - | 36 |
| Total | 1,966 | 3,429 | 4,239 | 3,944 | 2,012 | 2,538 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No.
C701

TITLE: Certain Cartridges Containing A Projectile

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUSA item No. 1/ | Description | Pre-MTN col. 1 rate of duty 2/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1 2/-- | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | | | |
| 730.9035A | Cartridges containing a projectile, for rifles or pistols, except .22 caliber. | 12.5% | 11.6% | 10.6% | 9.7% | 8.8% | 7.8% | 6.9% | 5.9% | 5% | 30% | 5,497 | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences (GSP) and that all beneficiary developing countries are eligible for the GSP.
2/ The symbol % represents percent ad valorem.

## II. Comments

Description and uses

This digest covers products entered under TSUSA item 730.9035, cartridges containing a projectile, for rifles or pistols, except .22 caliber. Due to the nature of the petition to the TPSC, it is also necessary to discuss the larger category in which these products fall--all cartridges containing a projectile (TSUSA items 730.9025, 730.9035, 730.9040, and 730.9060), including all pistol or rifle cartridges, shotgun shells, and miscellaneous ammunition such as artillery shells. 1/

Cartridges containing a projectile, for rifles or pistols, other than .22 caliber, consist of ready-to-fire, centerfire 2/ ammunition including a metal shell casing, primer, powder, and a bullet. Such ammunition is used for sporting, hunting, and target-shooting, as well as by law enforcement and military forces. However, the primary use of the imported ammunition under investigation is for nonmilitary, high-volume target-shooting. This is a market segment that developed in the mid-1970's, ostensibly because Vietnam

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1/ The petition, filed by the Sporting Arms and Ammunition Manufacturers Institute (SAAMI) and two non-member producers, requests the withdrawal of GSP treatment for imports from Korea entering under TSUSA items 730.9025, 730.9035, 730.9040 and 730.9060. The purpose of the petition is to create a new five digit TSUS item for cartridges containing a projectile, with the probable result that imports from Korea will either lose GSP treatment under the 50 percent rule or be graduated from such treatment.

However, the request for advice from the U.S. Trade Representative asked the Commission only for the probable economic effect of retaining duty-free status on imports from Korea entering under one TSUSA item, 730.9035. This digest provides information on TSUSA items 730.9025, 730.9035, 730.9040 and 730.9060 as a group, as well as information with respect to only TSUSA item 730.9035.

2/ Most of the cartridges covered in this digest are known as centerfire ammunition; so called because it is fired by a firing pin striking the rear center of the cartridge.

veterans returning to the United States continued an interest in such shooting. Such ammunition is paramilitary in nature, being directly comparable to military types and calibers.

Although the commercial production of centerfire ammunition is relatively capital-intensive in the United States, labor can be effectively substituted for capital, especially at the assembly point in the production process. For example, handloading equipment, priced within the reach of sportsmen who prefer to handload or reload their own ammunition rather than purchase factory loads, is available in sophistication that can rival the efficiency of commercial loading. As such, the production of centerfire ammunition is not technologically complicated or prohibitive to any nation.

U.S. consumption, production, and producers

Apparent U.S. consumption of cartridges containing a projectile or centerfire cartridges over .22 caliber can not be calculated because complete producers' shipments and export data are not available. Although imports of sporting ammunition generally account for only a small percentage of U.S. consumption, industry sources indicate that, since 1980, imported centerfire ammunition over .22 caliber has captured as much as 25 percent of the market for certain types of cartridges.

Although shipments data for both the overall group and for centerfire cartridges over .22 caliber are not available, shipments of four types of centerfire rifle ammunition (5.56mm, 30 Carbine, 308 Winchester, and 30-06 Springfield) and three types of centerfire pistol ammunition (9mm Luger, 45 Automatic, and 38 Special) by five U.S. manufacturers (including the three largest) * * *. Most of the imports of centerfire ammunition prior to 1982 consisted of these seven types of ammunition.

There are approximately 12 to 15 manufacturers of centerfire ammunition in commercial quantities and numerous other manufacturers of custom ammunition located throughout the United States. However, the three largest manufacturers, located in Connecticut, Illinois, and Minnesota, accounted for 70 to 80 percent of total annual U.S. nonmilitary shipments. Data on U.S. employment over the period are not available.

U.S. exports

Data on U.S. exports of centerfire ammunition other than .22 caliber are not reported separately in official statistics. U.S. exports of all ammunition suitable for use in pistols, revolvers, or rifles increased irregularly from $53.0 million in 1978 to $79.0 million in 1981. Exports for the period January-June 1982 were $26.5 million, down 30 percent from exports in the comparable period of 1981 (table B). Nearly all the variation in U.S. exports was caused by changes in exports of pistol, revolver, and military rifle ammunition, which accounted for 74 to 86 percent of the total value exported annually. Although the market for military ammunition is normally volatile, at least part of the decline in U.S. exports of such military ammunition may be due to competition in third country markets from the only

Korean ammunition producer. The Korean producer has aggressively sought to export its product.

Exports of nonmilitary ammunition (rifle ammunition) increased annually from $9.9 million in 1978 to $17.6 million in 1980, and then declined slightly to $17.3 million in 1981. Canada, Australia, and West Germany were the largest markets for the nonmilitary ammunition over the period, accounting for 53 percent of the value of nonmilitary rifle ammunition exported in 1981.

U.S. imports

U.S. imports of all cartridges containing a projectile increased from 83.2 million units in 1977 to 127.8 million units in 1979, and then declined to 103.9 million units in 1981. The value imported increased annually from $3.2 million in 1977 to $7.4 million in 1981. Imports during the first six months of 1982 of 90.0 million units valued at $10.0 million were 78 percent greater in quantity and nearly three times greater in value than imports during the comparable period of 1981 (table C-1). The Republic of Korea has been the largest source of imports since 1979, accounting for 34 percent of the quantity and 55 percent of the value in 1981. Imports from Korea in January-June 1982 were 45.3 million units valued at $4.7 million, up 135 percent in quantity and 126 percent in value over imports during the first half of 1981. Since it is this category (TSUSA items 730.9025-.9060) that the petitioners propose to be broken out on the assumption that imports from Korea will be eliminated from GSP treatment under the competitive need limitation (50 percent rule), it should be noted that Korea accounted for only 47 percent of the value imported during the first six months of 1982. However, Korea's share was reduced during this period by an anomalous importation of miscellaneous nonsporting cartridges from the United Kingdom and, if imports follow the trends predicted by both the U.S. producers and the Korean producer, Korea's share should exceed 50 percent for the year.

Of the total value of cartridges containing a projectile imported in 1981, those for rifles or pistols other than .22 caliber accounted for 74.1 percent, .22 caliber for 9.5 percent, shotgun shells for 0.2 percent, and miscellaneous ammunition for 16.1 percent.

Imports of cartridges containing a projectile, for rifles or pistols, other than .22 caliber, fluctuated in quantity over the period 1977-81 from a low of 39.9 million units in 1978 to a high of 81.8 million units in 1979. The value of imports increased annually from $2.1 million in 1977 to $5.5 million in 1981. Imports in the first six months of 1982 were 68.6 million units valued at $6.9 million, up 124 percent in quantity and 192 percent in value over imports in the comparable period of 1981 (table C-2). Since 1979, Korea has been the largest source of these entries; imports from Korea increased annually between 1977 and 1980, rising from 2.3 million units valued at $220,000 in 1977 to 58.3 million units valued at $4.0 million in 1980. Although such imports declined in 1981 (to 38.2 million units valued at $3.8 million), imports from Korea during the first six months of 1982 increased more than two and one-half times over imports in the first six months of 1981, to 45.3 million units (66 percent of the total) valued at $4.7 million (68 percent).

Duty-free imports under the Generalized System of Preferences (GSP) of all cartridges containing a projectile increased from 13.2 million units in 1977 to 60.7 million units in 1980, and then declined slightly to 59.7 million units in 1981. The value imported under the GSP increased annually over the period, from $510,000 to $4.7 million (63 percent of the total value). Imports during January-June 1982 were 72.9 million units valued at $6.5 million, an increase of 22 percent in quantity and 38 percent in value over imports in all of 1981 (table D-1). Korea was the largest source of these imports over the period, accounting for 57 percent of the quantity and 83 percent of the value in 1981. Nearly all the imports from Korea are centerfire cartridges. The Philippines was another large source of imports under the GSP, but most of these imports were .22 caliber cartridges.

Imports of cartridges containing a projectile, for rifles or pistols, other than .22 caliber under the GSP increased from 2.8 million units in 1977 to 60.2 million units in 1980, and then declined to 34.9 million units in 1981. The value imported increased annually over the period, rising from $280,000 to $4.1 million (74 percent of the total value). Imports of 56.7 million units valued at $6.2 million for the first six months of 1982 were up 62 percent in quantity and 54 percent in value over imports for the full year 1981 (table D-2). As in the larger category, Korea was the largest source of these imports over the period, accounting for 90 percent of the quantity and value in 1981.

In general, there is a strong market resistance to imported sporting ammunition in the United States. U.S. manufacturers, particularly the three largest, enjoy strong brand name identification. As such, imports generally compete in specialty products such as low-volume calibers or types of ammunition not produced domestically. Imports from Korea have developed counter to this trend for a number of reasons. Initially, the sole Korean manufacturer, which supplies military ammunition to the Korean government, began exporting sporting ammunition in an effort to counteract the fluctuations inherent in the military market. The first imports in volume from Korea in the mid-1970's consisted of full metal jacket centerfire rifle ammunition in a limited number of calibers. These products were aimed at an emerging market segment--that of the high-volume target-shooters using military-type ammunition and weapons. Since then, the Korean producer has expanded its product line for sporting use, first into other centerfire rifle ammunition and later into centerfire pistol ammunition. This product line expansion continues today and industry sources believe that the Korean producer will begin to export .22 caliber rimfire ammunition (a high-volume market) in the new future. Two factors enabling the Korean ammunition to overcome the market resistance to imports were quality and price. When first introduced, Korean ammunition was generally considered inferior to domestic ammunition in performance; however, since then the trade has gradually begun to rate the Korean product equal in accuracy to the domestic. This is a prime factor for target shooters. In addition, Korean ammunition has generally sold at about two-thirds of the price of the domestic at the distributor level.

The list distributor prices for Korean ammunition in 1982 ranged from 25 to 35 percent below the lowest list prices offered by any major domestic manufacturer and from 29 to 41 percent below the average domestic prices. However, when the discounting programs used by the major domestic manufacturers are factored in, the Korean ammunition appears to sell 15 to 20 percent less then the domestic at the wholesale level. Regardless of the actual level of discount, the continual cost increases for ammunition over the past five years have made price an important consideration for the high-volume user.

Position of interested parties

Spokesmen for the Sporting Arms and Ammunition Manufacturers Institute (SAAMI) and two non-member U.S. producers of centerfire cartridges, the petitioners in this investigation, request that Korea be withdrawn from duty-free treatment under the GSP. The petitioner alleges that the Korean ammunition industry is fully developed and would not be harmed by removal of such treatment; and that, because of low priced imports, Korea has captured an emerging U.S. market segment and threatens to enlarge its share of other ammunition segments to the detriment of the U.S. industry.

Counsel for Patton and Morgan Corp., an importer of small arms ammunition from Korea, opposes the petition, citing, among other factors, the health of the U.S. industry and Korea's dependence on GSP treatment as a source of revenue to counteract its trade deficit with the U.S.

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Digest No.
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Table A.--Cartridges containing a projectile for rifles of pistols, except .22 caliber: U.S. producers' shipments, exports, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

(Quantity in thousands of units; value in thousands of dollars, unit value in dollars per thousand)

| Period | Producers' shipments 1/ | Exports 2/ | Imports | Apparent consumption 2/ | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | | | Quantity | | |
| 1977---------- | *** | | 51,177 | | |
| 1978---------- | *** | | 39,917 | | |
| 1979---------- | *** | | 81,834 | | |
| 1980---------- | *** | | 75,662 | | |
| 1981---------- | *** | | 60,165 | | |
| January-June-- | | | | | |
| 1981-------- | 2/ | | 30,619 | | |
| 1982-------- | 2/ | | 68,606 | | |
| | | | Value | | |
| 1977---------- | 2/ | | 2,097 | | |
| 1978---------- | 2/ | | 2,543 | | |
| 1979---------- | 2/ | | 3,618 | | |
| 1980---------- | 2/ | | 5,341 | | |
| 1981---------- | 2/ | | 5,497 | | |
| January-June-- | | | | | |
| 1981-------- | 2/ | | 2,358 | | |
| 1982-------- | 2/ | | 6,897 | | |
| | | | Unit value | | |
| 1977---------- | 2/ | | $40.97 | | |
| 1978---------- | 2/ | | 63.70 | | |
| 1979---------- | 2/ | | 44.21 | | |
| 1980---------- | 2/ | | 70.59 | | |
| 1981---------- | 2/ | | 91.37 | | |
| January-June-- | | | | | |
| 1981-------- | 2/ | | 77.02 | | |
| 1982-------- | 2/ | | 100.53 | | |

1/ Data represents shipments by five domestic ammunition producers (including the 3 largest) of only 4 rifle cartridge calibers and 3 pistol cartridge calibers, and therefore are not comparable to import data.
2/ Not available.

Source: Producers' shipments compiled from information supplied by the Sporting Arms and Ammunition Manufacturers' Institute; imports compiled from official statistics of the U.S. Department of Commerce.

Table B.--Ammunition suitable for use in pistols, revolvers and rifles: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

(In thousands of dollars)

| Market | 1977 1/ | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| Military--all countries--- | | 43,110 | 60,308 | 49,834 | 61,648 | 30,148 | 18,922 |
| Canada------ | | 1,982 | 2,136 | 1,902 | 4,344 | 2,247 | 1,834 |
| Austral----- | | 488 | 762 | 1,781 | 2,454 | 1,305 | 1,514 |
| Fr Germ----- | | 503 | 2,224 | 4,460 | 2,344 | 1,174 | 1,710 |
| Thailnd----- | | 169 | 558 | 963 | 1,353 | 548 | 317 |
| U King------ | | 396 | 204 | 530 | 864 | 459 | 160 |
| France------ | | 314 | 839 | 967 | 775 | 212 | 247 |
| Ireland----- | | 8 | - | - | 715 | - | 9 |
| All other--- | | 6,067 | 3,534 | 6,980 | 4,457 | 1,758 | 1,760 |
| Total--- | | 53,038 | 70,565 | 67,418 | 78,954 | 37,852 | 26,473 |

1/ Not available.
2/ Includes exports of pistol, revolver, and military rifle ammunition.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-1.--Cartridges containing a projectile: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 units) | | | | | | |
| Kor Rep------ | 4,511 | 9,602 | 33,809 | 58,265 | 35,291 | 19,278 | 45,319 |
| Sweden------- | 4,112 | 6,919 | 4,008 | 3,386 | 2,648 | 1,376 | 3,466 |
| Fr Germ------ | 8,840 | 5,631 | 5,016 | 3,344 | 20,913 | 14,558 | 8,626 |
| U King------- | 8,537 | 21,488 | 18,834 | 13,931 | 9,209 | 5,052 | 1,627 |
| Phil R------- | 9,236 | 31,044 | 20,097 | 50 | 22,627 | 4,750 | 17,663 |
| Portugl------ | 636 | 1,398 | 888 | 414 | 2,723 | 297 | 279 |
| Canada------- | 32,013 | 12,521 | 6,005 | 8,978 | 2,558 | 140 | 1,586 |
| Israel------- | 927 | 0 | 0 | 0 | 743 | 0 | 4,459 |
| All other---- | 14,398 | 23,199 | 39,104 | 16,025 | 7,173 | 5,018 | 6,977 |
| Total---- | 83,210 | 111,802 | 127,761 | 104,393 | 103,885 | 50,469 | 90,002 |
| | Value (1,000 dollars) | | | | | | |
| Kor Rep------ | 451 | 869 | 1,414 | 3,977 | 4,086 | 2,082 | 4,711 |
| Sweden------- | 675 | 1,195 | 1,039 | 1,166 | 1,162 | 507 | 373 |
| Fr Germ------ | 335 | 469 | 287 | 460 | 499 | 352 | 287 |
| U King------- | 201 | 759 | 685 | 650 | 435 | 223 | 2,572 |
| Phil R------- | 103 | 439 | 376 | 4 | 407 | 62 | 423 |
| Portugl------ | 5 | 13 | 6 | 7 | 229 | 7 | 8 |
| Canada------- | 1,059 | 524 | 273 | 246 | 178 | 28 | 117 |
| Israel------- | 65 | - | - | - | 98 | - | 630 |
| All other---- | 288 | 603 | 1,477 | 654 | 320 | 103 | 896 |
| Total---- | 3,181 | 4,871 | 5,556 | 7,166 | 7,415 | 3,362 | 10,016 |
| | Unit value (per 1,000 units) | | | | | | |
| Kor Rep------ | $99.97 | $90.50 | $41.81 | $68.26 | $115.79 | $108.01 | $103.95 |
| Sweden------- | 164.08 | 172.74 | 259.20 | 344.50 | 438.97 | 368.51 | 107.55 |
| Fr Germ------ | 37.87 | 83.29 | 57.29 | 137.60 | 23.86 | 24.15 | 33.32 |
| U King------- | 23.50 | 35.32 | 36.35 | 46.68 | 47.29 | 44.04 | 1,580.55 |
| Phil R------- | 11.17 | 14.13 | 18.70 | 88.74 | 17.99 | 13.00 | 23.95 |
| Portugl------ | 7.75 | 9.28 | 7.00 | 17.63 | 84.12 | 22.91 | 28.54 |
| Canada------- | 33.07 | 41.86 | 45.41 | 27.43 | 69.47 | 200.29 | 73.60 |
| Israel------- | 69.76 | - | - | - | 131.90 | - | 141.31 |
| All other---- | 20.03 | 25.99 | 37.78 | 40.80 | 44.62 | 20.45 | 128.39 |
| Average-- | 38.23 | 43.57 | 43.49 | 68.64 | 71.38 | 66.62 | 111.29 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C-2.--Cartridges containing a projectile, for rifles or pistols, except .22 caliber: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 units) | | | | | | |
| Kor Rep | 2,311 | 8,152 | 32,607 | 58,265 | 32,836 | 16,823 | 45,319 |
| Sweden | 2,659 | 3,989 | 1,135 | 1,435 | 848 | 489 | 3,221 |
| Portugl | 636 | 1,398 | 888 | 414 | 2,723 | 297 | 279 |
| Canada | 30,495 | 12,502 | 5,978 | 8,335 | 2,434 | 77 | 1,535 |
| Fr Germ | 2,233 | 1,328 | 2,918 | 827 | 12,374 | 7,978 | 6,087 |
| Israel | 927 | 0 | 0 | 0 | 743 | 0 | 4,459 |
| U King | 822 | 1,658 | 612 | 5 | 1,479 | 318 | 210 |
| Austria | 466 | 0 | 934 | 0 | 800 | 0 | 21 |
| All other | 10,628 | 10,890 | 36,762 | 6,381 | 5,928 | 4,637 | 7,475 |
| Total | 51,177 | 39,917 | 81,834 | 75,662 | 60,165 | 30,619 | 68,606 |
| | Value (1,000 dollars) | | | | | | |
| Kor Rep | 220 | 726 | 1,274 | 3,977 | 3,821 | 1,817 | 4,711 |
| Sweden | 438 | 751 | 486 | 663 | 673 | 287 | 303 |
| Portugl | 5 | 13 | 6 | 7 | 229 | 7 | 8 |
| Canada | 1,046 | 504 | 266 | 235 | 143 | 11 | 96 |
| Fr Germ | 82 | 53 | 45 | 52 | 142 | 98 | 170 |
| Israel | 65 | - | - | - | 98 | - | 630 |
| U King | 6 | 41 | 21 | 6 | 81 | 52 | 17 |
| Austria | 5 | - | 10 | - | 80 | - | 4 |
| All other | 231 | 455 | 1,511 | 400 | 230 | 87 | 957 |
| Total | 2,097 | 2,543 | 3,618 | 5,341 | 5,497 | 2,358 | 6,897 |
| | Unit value (per 1,000 units) | | | | | | |
| Kor Rep | $95.16 | $89.04 | $39.06 | $68.26 | $116.37 | $108.01 | $103.95 |
| Sweden | 164.63 | 188.39 | 427.84 | 461.91 | 794.08 | 587.04 | 94.03 |
| Portugl | 7.75 | 9.28 | 7.00 | 17.63 | 84.12 | 22.91 | 28.54 |
| Canada | 34.30 | 40.30 | 44.45 | 28.17 | 58.61 | 143.52 | 62.78 |
| Fr Germ | 36.76 | 39.71 | 15.39 | 63.10 | 11.49 | 12.26 | 27.96 |
| Israel | 69.76 | - | - | - | 131.90 | - | 141.31 |
| U King | 6.73 | 24.50 | 33.58 | 1,266.80 | 54.90 | 162.59 | 82.72 |
| Austria | 10.83 | - | 10.83 | - | 100.00 | - | 197.05 |
| All other | 21.72 | 41.80 | 41.11 | 62.73 | 38.77 | 18.75 | 128.01 |
| Average | 40.97 | 63.70 | 44.21 | 70.59 | 91.37 | 77.02 | 100.53 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

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Table D-1.--Cartridges containing a projectile: U.S. imports for consumption under the Generalized System of Preferences, by countries, 1977-81, January-June 1981 and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (1,000 units) | | | | | | |
| Republic of Korea | 3,501 | 9,602 | 33,409 | 58,265 | 33,879 | 17,866 | 45,319 |
| Philippines | 9,214 | 31,044 | 20,097 | 50 | 22,627 | 11,430 | 17,663 |
| Portugal | 0 | 0 | 0 | 0 | 1,950 | 0 | 0 |
| Israel | 500 | 0 | 0 | 0 | 743 | 0 | 4,459 |
| Singapore | 0 | 1,000 | 1,000 | 0 | 500 | 0 | 500 |
| Mexico | 0 | 0 | 1,026 | 2,375 | 0 | 0 | 0 |
| Egypt | 0 | 0 | 3,235 | 0 | 0 | 0 | 0 |
| Yugoslavia | 0 | 10,000 | 0 | 0 | 0 | 0 | 0 |
| Taiwan | 0 | 0 | 0 | 0 | 0 | 0 | 4,972 |
| Total | 13,215 | 51,646 | 58,767 | 60,690 | 59,699 | 29,296 | 72,913 |
| | Value ($1,000) | | | | | | |
| Republic of Korea | 349 | 869 | 1,412 | 3,977 | 3,924 | 1,919 | 4,711 |
| Philippines | 101 | 439 | 376 | 4 | 407 | 247 | 423 |
| Portugal | - | - | - | - | 205 | - | - |
| Israel | 60 | - | - | - | 98 | - | 630 |
| Singapore | - | 101 | 203 | - | 75 | - | 68 |
| Mexico | - | - | 84 | 164 | - | - | - |
| Egypt | - | - | 409 | - | - | - | - |
| Yugoslavia | - | 72 | - | - | - | - | - |
| Taiwan | - | - | - | - | - | - | 684 |
| Total | 510 | 1,480 | 2,484 | 4,145 | 4,708 | 2,166 | 6,516 |
| | Unit value (dollars per thousand) | | | | | | |
| Republic of Korea | $99.72 | 87.37 | 42.25 | 68.26 | 115.81 | 107.43 | 103.95 |
| Philippines | 10.96 | 14.13 | 18.70 | 88.74 | 17.99 | 21.59 | 23.95 |
| Portugal | - | - | - | - | 105.00 | - | - |
| Israel | 120.00 | - | - | - | 131.90 | - | 141.31 |
| Singapore | - | 101.00 | 203.08 | - | 149.67 | - | 135.00 |
| Mexico | - | - | 81.95 | 69.04 | - | - | - |
| Egypt | - | - | 126.48 | - | - | - | - |
| Yugoslavia | - | 7.20 | - | - | - | - | - |
| Taiwan | - | - | - | - | - | - | 137.63 |
| Average | 38.60 | 28.67 | 42.26 | 68.30 | 78.87 | 73.94 | 89.36 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Columns may not add to totals shown due to rounding.

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Table D-2.--Cartridges containing a projectile, for rifles and pistols, except .22 caliber: U.S. imports for consumption under the Generalized System of Preferences, by countries, 1977-1981, January-June 1981 and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- | |
|---|---|---|---|---|---|---|---|
| | | | | | | 1981 | 1982 |
| | Quantity (1,000 units) | | | | | | |
| Republic of Korea | 2,301 | 8,152 | 32,207 | 58,265 | 31,436 | 15,423 | 45,319 |
| Portugal | 0 | 0 | 0 | 0 | 1,950 | 0 | 0 |
| Israel | 500 | 0 | 0 | 0 | 743 | 0 | 4,459 |
| Singapore | 0 | 1,000 | 1,000 | 0 | 500 | 0 | 500 |
| Philippines | 14 | 967 | 1,762 | 50 | 247 | 0 | 1,413 |
| Mexico | 0 | 0 | 776 | 1,875 | 0 | 0 | 0 |
| Egypt | 0 | 0 | 3,235 | 0 | 0 | 0 | 0 |
| Taiwan | 0 | 0 | 0 | 0 | 0 | 0 | 4,972 |
| Total | 2,815 | 10,119 | 38,980 | 60,190 | 34,876 | 15,423 | 56,663 |
| | Value ($1,000) | | | | | | |
| Republic of Korea | 219 | 726 | 1,272 | 3,977 | 3,660 | 1,655 | 4,711 |
| Portugal | - | - | - | - | 205 | - | - |
| Israel | 60 | - | - | - | 98 | - | 630 |
| Singapore | - | 101 | 203 | - | 75 | - | 68 |
| Philippines | 1 | 87 | 165 | 4 | 24 | - | 157 |
| Mexico | - | - | 81 | 156 | - | - | - |
| Egypt | - | - | 409 | - | - | - | - |
| Taiwan | - | - | - | - | - | - | 684 |
| Total | 280 | 914 | 2,129 | 4,137 | 4,062 | 1,655 | 6,249 |
| | Unit value (dollars per thousand) | | | | | | |
| Republic of Korea | $95.10 | 89.04 | 39.48 | 68.26 | 116.41 | 107.43 | 103.95 |
| Portugal | - | - | - | - | 105.00 | - | - |
| Israel | 120.00 | - | - | - | 131.90 | - | 141.31 |
| Singapore | - | 101.00 | 203.08 | - | 149.67 | - | 135.00 |
| Philippines | 72.29 | 90.10 | 93.38 | 88.74 | 98.54 | - | 110.87 |
| Mexico | - | - | 103.89 | 83.26 | - | - | - |
| Egypt | - | - | 126.48 | - | - | - | - |
| Taiwan | - | - | - | - | - | - | 137.63 |
| Average | 99.41 | 90.32 | 54.62 | 68.74 | 116.46 | 107.34 | 110.29 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Columns may not add to totals shown due to rounding.

TITLE: Certain inner tubes

1. TSUS item number; description; tariff rate information; U.S. imports in 1981; competitive status

(Percent ad valorem)

| TSUS item No. 1/ | Description | Pre-MTN col. 1 rate of duty 2/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Jan. 1-- 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 772.60A | Inner tubes other than those designed for bicycle tires or tires provided for in TSUS item 772.50. | 5% | 4.8% | 4.7% | 4.5% | 4.4% | 4.2% | 4% | 3.9% | 3.7% | 25% | 42,159 | Yes. |

1/ The designation "A" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences (GSP) and that all beneficiary developing countries are eligible for the GSP.
2/ Rate effective prior to Jan. 1, 1980.

Description and uses

The primary purpose of an inner tube is to hold air under pressure. In order to successfully fulfill this requirement, inner tubes must not stretch or flow excessively to avoid bubble formation; they must not harden or crack with age; they should be tear resistant; and they should have a low diffusion rate with respect to air.

The last major change in the production or formulation of inner tubes occurred approximately 30 years ago, when butyl rubber replaced nitrile rubber as the material of choice. The basic production technology has remained unchanged since the mass production of inner tubes began. The procedure consists of extruding lengths of tubing material, and then cutting and splicing the material into the inner tube structure. This remains the simplest and most cost-efficient method of production.

The advent of the radial tire has not radically changed either the construction or production procedures. There are, however, specific inner tubes designed for use in radial tires; special care is necessary during the production of these tubes because of the increased amount of punishment that the radial tire absorbs. 1/

Inner tubes are currently being produced mainly in passenger car sizes, truck and bus sizes, and industrial sizes.

U.S. consumption, production, and producers

The consumption of inner tubes is determined to a significant degree by the demand for tires which require inner tubes. The demand for tubed tires

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1/ The radial tire is designed to withstand more stress and strain than bias-ply tires, thus tubes eclosed in radial tires tend to experience more stress than tubes used in bias-ply tires.

persists in the original equipment (OE) markets of 4-wheel drive vehicles, trucks, buses, heavier industrial and agricultural tires, and to a lesser degree in passenger cars. The replacement market for inner tubes is larger than the corresponding market for replacement tires, owing to the multiple retreading of tires and the resulting increase in road life of the tires. The increased preference for radial tires has increased the size of the replacement market, since the inner tubes used in radial tires are subject to greater stress and strain than tubes in bias-ply tires.

Domestic consumption (table A) of the inner tubes subject to this GSP review increased between 1975 and 1979, although exact figures are not available for this period. However, between 1979 and 1981, consumption declined from 48 million units to 43 million units, or by approximately 10.5 percent. This decline has continued, as consumption declined to 17 million units for the period January-June 1982 or by more than 16 percent when compared with the corresponding period in 1981. These declines in consumption may be related to the decrease in the number of miles traveled by U.S. motorists since 1979. These figures represent the only data available concerning the domestic inner tube industry, according to the petitioner, the Rubber Manufacturers Association (RMA).

Domestic production (table A) also declined between 1979 and 1981, from 39 million units to 34 million units, or by approximately 12.3 percent, and further declined during the period January-June 1982 by more than 23 percent when compared with data for January-June 1982.

The petitioner represents the major part of the domestic industry; there are at present 11 firms actively producing inner tubes in the United States, 8 of which are members of RMA. These firms range from companies whose sole product lines are included in the items in question to companies which produce other rubber products such as tires as their main product.

U.S. exports

The Schedule B item number 772.6000 corresponds exactly to the TSUS item number with which this digest is concerned. Exports of the subject inner tubes (table B) increased from 2.5 million units in 1978 to 4.0 million units in 1980, or by approximately 62 percent. However, the number of inner tubes exported in 1981 declined to less than 3 million units, or approximately 26 percent below the 1980 level mainly because of decreased world demand. Data for January-June 1982 indicate that exports are declining at an even faster rate than in 1981; exports for this period totaled 837,626 units while exports for the corresponding period in 1981 totaled 1,516,061 units, reflecting a decline of 45 percent. The average unit values of inner tube exports have steadily increased since 1978, from $5.14 to $8.53 in 1981. Average unit values continued to increase through June 1982, reaching an average unit value of $9.51.

The major markets for the U.S.-produced inner tubes are presently Mexico, Venezuela, and Canada. Together these three nations accounted for approximately 58 percent of U.S. exports of the subject inner tubes in 1981.

U.S. imports

Imports of the subject inner tubes (table C) increased from 7.9 million units in 1978 to 8.0 million units in 1981, or by approximately 1 percent. During January-June 1982, imports of these inner tubes numbered less than 4.1

million units, compared with 3.9 million units during the corresponding period of 1981.

The principal sources of imports of inner tubes have been the Far Eastern nations of Korea, Japan, and Taiwan. Although imports from Japan and Taiwan have remained at a fairly constant level since 1977, imports from Korea under the GSP (table D) increased from 475,799 units in 1977 to 2,901,643 in 1981, or by 510 percent. These increased imports may be related to increased Korean capacity coupled with decreased Korean demand. The largest increase in Korean imports came between 1980 and 1981 when the quantity tripled and the value increased by approximately 242 percent. These large increases in the amount of imports of inner tubes originating in Korea increased Korea's share of the import market from 6.2 percent in 1977 to 40.0 percent in 1981. Korea's share of the import market continued to increase during January-June 1982, increasing to 40.8 percent compared with 32.4 percent during the corresponding period of 1981.

The imported tube is of comparable quality to the U.S.-manufactured product.

Position of interested parties

The petitioner, the Rubber Manufacturers Association, represents the majority of U.S.-based producers of inner tubes classified within item No. 772.60 of the TSUS. In addition to the petition filed with respect to this investigation, several firms have contacted their representatives in Congress seeking to influence the decision related to the removal of Korea from the list of GSP-eligible nations for this particular TSUS item.

The Korea Tire Industrial Association appeared before the Commission in opposition to the petition filed by RMA. They contend that they have not contributed to any damage to U.S. inner tube manufacturers because of GSP status.

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Digest No.
C702--Con.

## IV. Statistical Data

Table A.--Certain inner tubes: U.S. Shipments, exports, imports, and apparent consumption, 1977-81, January-June 1981, and January-June 1982

| Period | Ship-ments 1/ | Exports | Imports | Apparent consumption | Ratio (percent) of imports to consumption |
|---|---|---|---|---|---|
| | Quantity | | | | |
| 1977---------- | 2/ | 2/ | 5,745 | 2/ | 2/ |
| 1978---------- | 2/ | 2,483 | 7,935 | 2/ | 2/ |
| 1979---------- | 40,022 | 3,031 | 7,829 | 47,851 | 16.4 |
| 1980---------- | 37,265 | 4,020 | 7,625 | 44,890 | 17.0 |
| 1981---------- | 34,830 | 2,973 | 8,017 | 42,847 | 18.7 |
| Jan.-June-- | | | | | |
| 1981-------- | 17,639 | 1,516 | 3,903 | 20,026 | 19.5 |
| 1982-------- | 13,527 | 838 | 4,051 | 16,740 | 24.2 |
| | Value (1,000 dollars) | | | | |
| 1977---------- | 2/ | 2/ | 20,985 | 2/ | 2/ |
| 1978---------- | 2/ | 12,769 | 31,091 | 2/ | 2/ |
| 1979---------- | 2/ | 16,414 | 38,683 | 2/ | 2/ |
| 1980---------- | 2/ | 26,658 | 38,651 | 2/ | 2/ |
| 1981---------- | 2/ | 25,372 | 42,159 | 2/ | 2/ |
| Jan.-June-- | | | | | |
| 1981-------- | 2/ | 14,276 | 21,188 | 2/ | 2/ |
| 1982-------- | 2/ | 7,967 | 19,016 | 2/ | 2/ |
| | Unit value 1/ | | | | |
| 1977---------- | 2/ | 2/ | 3.65 | 2/ | 2/ |
| 1978---------- | 2/ | 5.14 | 3.92 | 2/ | 2/ |
| 1979---------- | 2/ | 5.41 | 4.94 | 2/ | 2/ |
| 1980---------- | 2/ | 6.63 | 5.07 | 2/ | 2/ |
| 1981---------- | 2/ | 8.53 | 5.26 | 2/ | 2/ |
| Jan.-June-- | | | | | |
| 1981-------- | 2/ | 9.42 | 5.43 | 2/ | 2/ |
| 1981-------- | 2/ | 9.51 | 4.69 | 2/ | 2/ |

1/ Estimated by Rubber Manufacturers' Association.
2/ Data not available.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B.--Certain inner tubes: U.S. exports of domestic merchandise, by principal markets, 1977-81, January-June 1981, and January-June 1982

| Market | 1977 1/ | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (units) | | | | | | |
| Mexico | - | 95,538 | 531,711 | 783,986 | 667,706 | 341,129 | 100,175 |
| Venez | - | 355,654 | 295,243 | 997,743 | 480,041 | 231,968 | 269,735 |
| Canada | - | 751,907 | 502,221 | 724,567 | 928,108 | 464,543 | 150,902 |
| S Arab | - | 251,313 | 346,712 | 159,679 | 90,061 | 16,133 | 42,881 |
| U King | - | 34,904 | 92,872 | 106,984 | 69,306 | 57,902 | 17,108 |
| Peru | - | 12,399 | 5,199 | 30,360 | 32,743 | 18,959 | 6,912 |
| Chile | - | 5,552 | 93,564 | 21,454 | 25,837 | 13,340 | 1,001 |
| Arab Em | - | 9,456 | 12,539 | 9,057 | 39,439 | 37,477 | 2,570 |
| Nigeria | - | 24,544 | 3,895 | 28,144 | 32,671 | 26,654 | 5,335 |
| Austral | - | 9,966 | 27,592 | 23,109 | 25,161 | 8,186 | 10,555 |
| All other | - | 932,182 | 1,119,816 | 1,135,216 | 582,076 | 299,770 | 230,452 |
| Total | - | 2,483,415 | 3,031,364 | 4,020,299 | 2,973,149 | 1,516,061 | 837,626 |
| | Value (1,000 dollars) | | | | | | |
| Mexico | - | 526 | 2,267 | 4,853 | 6,675 | 4,314 | 1,052 |
| Venez | - | 2,466 | 1,770 | 7,333 | 4,303 | 2,336 | 2,097 |
| Canada | - | 2,653 | 2,500 | 2,977 | 3,533 | 2,161 | 849 |
| S Arab | - | 1,390 | 2,215 | 1,242 | 943 | 287 | 430 |
| U King | - | 420 | 417 | 860 | 836 | 396 | 375 |
| Peru | - | 47 | 45 | 128 | 653 | 300 | 60 |
| Chile | - | 57 | 289 | 339 | 566 | 362 | 5 |
| Arab Em | - | 55 | 59 | 116 | 464 | 315 | 99 |
| Nigeria | - | 194 | 14 | 226 | 413 | 306 | 89 |
| Austral | - | 116 | 216 | 287 | 366 | 156 | 138 |
| All other | - | 4,844 | 6,623 | 8,298 | 6,621 | 3,345 | 2,773 |
| Total | - | 12,769 | 16,414 | 26,658 | 25,372 | 14,276 | 7,967 |
| | Unit value | | | | | | |
| Mexico | - | $5.51 | $4.26 | $6.19 | $10.00 | $12.65 | $10.50 |
| Venez | - | 6.93 | 5.99 | 7.35 | 8.96 | 10.07 | 7.77 |
| Canada | - | 3.53 | 4.98 | 4.11 | 3.81 | 4.65 | 5.62 |
| S Arab | - | 5.53 | 6.39 | 7.78 | 10.47 | 17.80 | 10.03 |
| U King | - | 12.04 | 4.49 | 8.04 | 12.07 | 6.83 | 21.92 |
| Peru | - | 3.81 | 8.64 | 4.23 | 19.94 | 15.82 | 8.76 |
| Chile | - | 10.21 | 3.08 | 15.82 | 21.91 | 27.13 | 4.57 |
| Arab Em | - | 5.87 | 4.69 | 12.80 | 11.75 | 8.39 | 38.47 |
| Nigeria | - | 7.89 | 3.54 | 8.02 | 12.63 | 11.46 | 16.61 |
| Austral | - | 11.65 | 7.83 | 12.40 | 14.55 | 19.09 | 13.07 |
| All other | - | 5.20 | 5.91 | 7.31 | 11.38 | 11.16 | 12.03 |
| Average | - | 5.14 | 5.41 | 6.63 | 8.53 | 9.42 | 9.51 |

1/ Not available

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table C.--Certain inner tubes: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (units) | | | | | | |
| Kor Rep | 475,799 | 811,540 | 796,208 | 1,023,313 | 2,901,643 | 1,099,486 | 1,613,795 |
| Japan | 1,268,031 | 1,936,349 | 1,645,722 | 1,355,310 | 1,022,750 | 572,264 | 631,952 |
| China t | 2,379,319 | 3,065,085 | 2,960,776 | 3,242,645 | 2,869,440 | 1,493,400 | 1,421,597 |
| Italy | 995,510 | 1,018,059 | 879,106 | 597,925 | 426,657 | 255,858 | 147,824 |
| France | 234,173 | 183,090 | 424,782 | 412,865 | 263,362 | 158,907 | 67,505 |
| U King | 64,150 | 196,407 | 334,990 | 256,495 | 208,371 | 134,255 | 41,575 |
| Canada | 88,770 | 338,778 | 249,009 | 141,428 | 68,963 | 34,577 | 43,477 |
| Spain | 1,839 | 24,254 | 146,793 | 166,817 | 66,041 | 49,865 | 10,670 |
| India | 9,227 | 26,605 | 90,627 | 18,501 | 5,555 | 5,555 | 330 |
| Fr Germ | 50,979 | 50,166 | 69,367 | 47,679 | 40,435 | 18,070 | 20,305 |
| All other | 177,234 | 281,946 | 231,167 | 361,719 | 142,911 | 80,604 | 51,468 |
| Total | 5,745,031 | 7,935,279 | 7,829,047 | 7,624,727 | 8,016,683 | 3,902,844 | 4,050,550 |
| | Value (1,000 dollars) | | | | | | |
| Kor Rep | 1,297 | 1,645 | 2,517 | 4,935 | 16,860 | 6,859 | 7,759 |
| Japan | 5,248 | 8,426 | 8,837 | 8,613 | 8,890 | 4,779 | 4,757 |
| China t | 2,428 | 3,351 | 3,334 | 4,673 | 4,721 | 2,474 | 2,234 |
| Italy | 7,651 | 9,282 | 10,589 | 7,610 | 4,640 | 2,792 | 1,559 |
| France | 1,630 | 1,612 | 4,862 | 4,322 | 2,906 | 1,680 | 868 |
| U King | 385 | 1,742 | 2,935 | 2,939 | 1,442 | 836 | 363 |
| Canada | 1,189 | 3,743 | 2,747 | 1,912 | 852 | 444 | 457 |
| Spain | 31 | 163 | 1,360 | 1,530 | 753 | 550 | 146 |
| India | 48 | 99 | 104 | 156 | 329 | 329 | 4 |
| Fr Germ | 238 | 170 | 394 | 323 | 193 | 85 | 126 |
| All other | 838 | 857 | 1,005 | 1,587 | 573 | 359 | 694 |
| Total | 20,985 | 31,091 | 38,683 | 38,651 | 42,159 | 21,188 | 17,016 |
| | Unit value | | | | | | |
| Kor Rep | $2.73 | $2.03 | $3.16 | $4.82 | $5.81 | $6.24 | $4.81 |
| Japan | 4.14 | 4.35 | 5.37 | 6.35 | 8.69 | 8.35 | 7.53 |
| China t | 1.02 | 1.09 | 1.13 | 1.44 | 1.65 | 1.66 | 1.61 |
| Italy | 7.69 | 9.12 | 12.05 | 12.73 | 10.85 | 10.91 | 10.54 |
| France | 6.96 | 8.80 | 11.45 | 10.47 | 11.01 | 10.57 | 12.35 |
| U King | 6.02 | 8.87 | 8.76 | 11.46 | 6.92 | 6.23 | 8.74 |
| Canada | 13.40 | 11.05 | 11.03 | 13.52 | 12.35 | 12.83 | 10.51 |
| Spain | 16.70 | 6.72 | 9.27 | 9.47 | 11.40 | 11.03 | 13.67 |
| India | 5.24 | 3.73 | 1.14 | 8.44 | 59.26 | 59.26 | 11.05 |
| Fr Germ | 4.67 | 3.39 | 5.63 | 6.78 | 4.76 | 4.72 | 6.21 |
| All other | 4.73 | 3.04 | 4.35 | 4.39 | 4.01 | 4.45 | 13.49 |
| Average | 3.65 | 3.92 | 4.94 | 5.07 | 5.26 | 5.43 | 4.67 |

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table D.--Certain inner tubes: U.S. imports for consumption under the Generalized System of Preferences, by principal sources, 1977-81, January-June 1981, and January-June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | Quantity (units) | | | | | | |
| Kor Rep | 473,360 | 799,722 | 776,393 | 991,620 | 2,841,027 | 1,076,061 | 1,582,028 |
| China t | 2,346,743 | 2,986,480 | 2,901,136 | 3,213,901 | 2,844,579 | 1,472,700 | 1,373,687 |
| Hg Kong | 7,660 | 115 | 2,686 | - | 42,080 | 15,350 | 184 |
| India | 9,022 | 26,265 | 90,627 | 18,481 | 5,555 | 5,555 | 360 |
| Brazil | 7,096 | - | 100 | - | - | - | 19,018 |
| Yugosl | 10,456 | 25,819 | 77,386 | 280,429 | 30,670 | 19,830 | 13,531 |
| Israel | 7,735 | 6,850 | 3,531 | 232 | 6,304 | 2,441 | - |
| All other | 1,310 | 17,980 | 11,771 | 14,100 | 200 | - | - |
| Total | 2,863,382 | 3,863,231 | 3,863,630 | 4,518,763 | 5,770,415 | 2,591,937 | 2,988,808 |
| | Value (dollars) | | | | | | |
| Kor Rep | 1,286,271 | 1,569,411 | 2,383,841 | 4,792,476 | 16,564,511 | 6,780,014 | 7,563,803 |
| China t | 2,375,477 | 3,284,716 | 3,267,568 | 4,636,111 | 4,683,036 | 2,446,069 | 2,206,692 |
| Hg Kong | 10,587 | 2,915 | 11,069 | - | 33,190 | 28,935 | 309 |
| India | 47,732 | 98,040 | 103,537 | 155,825 | 329,174 | 329,174 | 3,973 |
| Brazil | 43,419 | - | 3,673 | - | - | - | 378,394 |
| Yugosl | 76,987 | 171,683 | 302,647 | 1,206,046 | 184,473 | 129,380 | 262,163 |
| Israel | 27,352 | 23,320 | 36,023 | 5,012 | 36,645 | 27,434 | - |
| All other | 5,975 | 38,266 | 16,271 | 24,208 | 1,808 | - | - |
| Total | 3,873,710 | 5,188,341 | 6,124,629 | 10,819,678 | 21,832,837 | 9,741,006 | 10,415,338 |
| | Unit value | | | | | | |
| Kor Rep | $2.72 | $1.96 | $3.07 | $4.83 | $5.83 | $6.30 | $4.78 |
| China t | 1.01 | 1.10 | 1.13 | 1.44 | 1.64 | 1.66 | 1.61 |
| Hg Kong | 1.38 | 25.35 | 4.12 | - | 0.79 | 1.89 | 1.68 |
| India | 5.29 | 3.73 | 1.14 | 8.43 | 59.26 | 59.26 | 11.04 |
| Brazil | 6.12 | - | 36.73 | - | - | - | 19.90 |
| Yugosl | 7.36 | 6.65 | 3.90 | 4.30 | 6.01 | 6.52 | 19.37 |
| Israel | 3.54 | 3.40 | 10.20 | 21.60 | 5.81 | 11.24 | - |
| All other | 4.56 | 2.13 | 1.38 | 1.71 | 9.04 | - | - |
| Average | 1.35 | 1.34 | 1.59 | 2.39 | 3.78 | 3.75 | 3.48 |

Source: Compiled from official statistics of the U.S. Department of Commerce

Digest No.
D101

TITLE: Mescal, in containers each holding not over 1 gallon

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS(A) item No. 1/ | Brief product description | Rates of duty 2/ | | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|
| | | Current col. 1 (1/1/82) | Current col. 2 (1/1/82) | | |
| 169.46 (pt.)A* | Mescal, in containers each holding not over 1 gallon. | $2.56 per proof gal. | $6.72 per proof gal. | 3/ | No. |

1/ The designation "A*" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences (GSP), but that certain countries specified in general headnote 3(c) of the Tariff Schedules of the United States, are not eligible.
2/ Rate not modified in the Tokyo round of Multilateral Trade Negotiations.
3/ Not available.

II. Comment on Mescal, in Containers Each Holding Not Over 1 Gallon

Mescal is an alcoholic beverage distilled from pulque which is a product of the agave plant (also referred to as maguey). The heart of the agave plant contains a sweet sap which is fermented to form pulque. Pulque is then distilled to produce mescal. The Mexican Government has decreed that only a superior mescal produced in a carefully delineated section of the State of Jalisco may be called Tequila.

U.S. trade

Data are not available on domestic consumption of mescal; however, consumption is believed to have increased in recent years as a result of the increased popularity of "light" alcoholic beverages such as tequila, rum, and vodka.

Trade sources indicate there is no production of mescal or tequila in the United States; exports are believed to be nil.

U.S. imports of all items (including mescal) entered under item 169.46 in 1981 amounted to 127,377 proof gallons, valued at $1.4 million, of which Mexico accounted for 75,149 proof gallons, valued at $873,000 (table A). The majority of the imports from Mexico is believed to be mescal. Mexico is believed to be the primary supplier of mescal.

Position of interested parties

Capital Importers of Los Angeles and Barton Brands, Ltd. of Chicago, the petitioners, favor the granting of GSP treatment to mescal because it is a distinctive product, which is not like or directly competitive with any article produced in the United States.

There were no other representations from interested parties concerning mescal during the investigations.

III. Determination of Whether an Eligible Article Under GSP Is Like or Directly Competitive With any Article Produced in the United States on January 3, 1975.

Mescal is not believed to have been produced in the United States on January 3, 1975, nor is mescal like or directly competitive with any article produced in the United States on that date. Mescal is most similar to tequila as an alcoholic beverage and tequila is not produced in the United States.

Table A.--Certain spirits (item 169.46), in containers each holding not over 1 gallon: U.S. imports for consumption, by principal sources, 1977-81, January-June 1981, and January- June 1982

| Source | 1977 | 1978 | 1979 | 1980 | 1981 | January-June-- 1981 | January-June-- 1982 |
|---|---|---|---|---|---|---|---|
| | | | Quantity (proof gallons) | | | | |
| Mexico------ | 37,251 | 29,613 | 24,244 | 40,564 | 75,149 | 36,193 | 34,617 |
| Colomb------ | 2,244 | 715 | 0 | 2,425 | 12,908 | 5,075 | 4,044 |
| Canada------ | 17,944 | 25,543 | 14,483 | 233 | 17,390 | 0 | 0 |
| China t----- | 3,421 | 3,232 | 2,158 | 3,071 | 4,746 | 1,337 | 5,677 |
| Dom Rep----- | 0 | 0 | 0 | 0 | 3,309 | 0 | 0 |
| China M----- | 1,736 | 1,025 | 4,887 | 44 | 2,723 | 1,534 | 2,579 |
| All other--- | 641,123 | 1,083,989 | 1,335,037 | 4,906 | 11,152 | 3,023 | 5,558 |
| Total--- | 703,724 | 1,144,117 | 1,380,809 | 51,243 | 127,377 | 47,162 | 52,475 |
| | | | Value (1,000 dollars) | | | | |
| Mexico------ | 97 | 57 | 150 | 392 | 873 | 393 | 473 |
| Colomb------ | 6 | 2 | - | 34 | 132 | 36 | 120 |
| Canada------ | 72 | 118 | 67 | 2 | 63 | - | - |
| China t----- | 25 | 18 | 15 | 33 | 56 | 14 | 78 |
| Dom Rep----- | - | - | - | - | 52 | - | - |
| China M----- | 10 | 5 | 28 | 1 | 47 | 22 | 48 |
| All other--- | 2,775 | 5,507 | 7,240 | 64 | 142 | 39 | 105 |
| Total--- | 2,985 | 5,709 | 7,500 | 526 | 1,367 | 503 | 825 |
| | | | Unit value (per proof gallon) | | | | |
| Mexico------ | $2.61 | $1.94 | $6.18 | $9.66 | $11.62 | $10.86 | $13.66 |
| Colomb------ | 2.55 | 3.00 | - | 13.96 | 10.24 | 7.02 | 29.59 |
| Canada------ | 4.03 | 4.62 | 4.65 | 6.76 | 3.62 | - | - |
| China t----- | 7.36 | 5.71 | 6.85 | 10.70 | 11.90 | 10.42 | 13.34 |
| Dom Rep----- | - | - | - | - | 15.75 | - | - |
| China M----- | 5.68 | 5.09 | 5.68 | 22.00 | 17.36 | 14.07 | 18.56 |
| All other--- | 4.33 | 5.08 | 5.42 | 13.14 | 12.76 | 12.75 | 19.50 |
| Average-- | 4.24 | 4.99 | 5.43 | 10.26 | 10.73 | 10.66 | 15.72 |

1/ Less than 500.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Digest No.
D701

TITLE: Furniture of Unspun Fibrous Vegetable Material (Buri)

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1981; competitive status

| TSUS item No. | Description | Pre-MTN col. 1 rate of duty 1/ | Staged col. 1 rates of duty effective with respect to articles entered on or after Apr. 1 1/-- | | | | | | | | | | Col. 2 rate of duty | U.S. imports in 1981 ($1,000) | Product produced in U.S. on 1/3/75 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | | | |
| 727.12(pt.) | Furniture of unspun fibrous vegetable material other than rattan (buri). | 16% | 16% | 16% | 14.9% | 13.9% | 12.8% | 11.8% | 10.7% | 9.6% | 8.6% | 7.5% | 60% | 2/ 15,000 | No. |

1/ The symbol % represents percent ad valorem.
2/ Estimated by the staff of the U.S. International Trade Commission.

## II. Comments

### Description and uses

Furniture of unspun fibrous vegetable material is manufactured from variations of raw materials that come from members of the palm family. These plants are primarily found in tropical or semi-tropical areas, particularly in the Far East.

Buri furniture (TSUS item 727.12(pt.), the type of furniture of unspun fibrous vegetable material covered by this digest, is produced from the buri tree, scientifically known as Corypha elata, which is a large and stately palm found exclusively in the Philippines. The tree has very large, fan-shaped leaves and the furniture is woven from the skeleton, or midrib, of the leaf or the very stout petioles (leaf stalk), which attach the leaf to the tree. Frequently, the less desirable parts of a rattan pole may be woven in with buri to give it added strength. Most buri furniture consists of chairs, tables, and racks and is believed to be manufactured by hand in small factories or homes scattered throughout the Philippines as a "cottage-type" industry. Most of the workers are unskilled. There are no known producers of buri furniture in the United States.

Wicker furniture, the other principal type of furniture classified under TSUS item 727.12, is principally made from the willow fiber grown in Europe and Asia. Trunks, suitcases and baskets are the primary articles manufactured from wicker; thus, this type of furniture generally is not competitive with that made from buri. Wicker is generally more expensive and also of superior quality than most buri furniture.

Rattan furniture, classified separately under TSUS item 727.11, is the single largest type of furniture of unspun fibrous vegetable material. It is produced from a vine-like climbing palm which is similar in shape and appearance to bamboo. It is found principally in the Philippines, but also is grown in Malaysia and Indonesia. This furniture is produced from rattan poles of varying thicknesses, which are desirable because of their durability and attractiveness. Rattan is used for the production of complete lines of furniture from matched chairs and tables to bedroom suites and is generally not competitive with buri furniture because of its superior quality and much higher price.

U.S. consumption, production, and producers

U.S. consumption of buri furniture is supplied entirely by imports, since there are no domestic producers of this type of furniture. Consumption is estimated to have been approximately $6.5 million in 1977 and to have increased to $15.0 million 1981 in (table A).

There is no known U.S. production of buri furniture, nor was buri furniture produced in the United States on January 3, 1975.

There are no known U.S. producers of buri furniture, although some importers may do some finishing work such as painting, varnishing or adding cushions.

U.S. exports

There are no U.S. exports of buri furniture.

U.S. imports

Since imports of buri furniture are classified in a 'basket' provision (TSUS item 727.12, furniture of unspun fibrous material other than rattan), they have been estimated. Imports of buri furniture increased from approximately $6.5 million in 1977 to $15.0 million in 1981, with the Philippines as the only known source. Imports are believed to supply the entire U.S. consumption of buri furniture.

Conditions of competition

U.S. industry sources, including both importers and producers of furniture, agree that buri furniture is not directly competitive with other furniture of unspun fibrous vegetable material. In terms of both quality and price, furniture made from buri is considered to be at the very low end. Compared with furniture of rattan and wicker, buri furniture is not as sturdy or as well crafted and is generally sold in discount or bargain-type stores at much lower prices.

Position of interested parties

The petitioner, the Government of the Philippines, and a supporting statement filed by the Kmart Corporation, both support the granting of GSP to buri furniture. Neither the petitioner not Kmart believe that there is domestic production of this article and both believe the granting GSP would result in lower prices for the U.S. consumer.

### III. Determination of Whether an Eligible Article Under GSP Is Like or Directly Competitive With any Article Produced in the United States on January 3, 1975

Buri furniture is not believed to have been produced in the United States on January 3, 1975, nor is buri furniture like or directly competitive with any article of furniture of comparable price and similar construction produced in the United States on that date.

Digest No.
D701--Con.

Table A.--Furniture of unspun fibrous vegetable material (buri): U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1977-81

| Year | Producers' shipments | Exports | Imports 1/ | Apparent consumption | Ratio of imports to consumption |
|---|---|---|---|---|---|
| | 1,000 of dollars | | | | Percent |
| 1977 | 0 | 0 | 6,500 | 6,500 | 100 |
| 1978 | 0 | 0 | 7,800 | 7,800 | 100 |
| 1979 | 0 | 0 | 9,000 | 9,000 | 100 |
| 1980 | 0 | 0 | 11,500 | 11,500 | 100 |
| 1981 | 0 | 0 | 15,000 | 15,000 | 100 |

1/ Estimated by the staff of the U.S. International Trade Commission.

Source: U.S. International Trade Commission, based on information obtained from industry and government (U.S. Customs Service) sources.

## APPENDIX A

U.S. Trade Representative Request of
July 9, 1982, for Probable Economic Effect Advice

RECEIVED

THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON
20506

82 JUL 12 P2:07

July 9, 1982

COMMISSIONER ECKES
USITC

82 JUL 13 A9:21

DOCKET NUMBER
853
Office of the Secretary
Int'l Trade Commission

The Honorable Alfred E. Eckes, Jr.
Chairman
United States International Trade Commission
701 E Street, N.W.
Washington, D.C. 20436

Dear Chairman Eckes:

In accordance with sections 503(a) and 131(a) of the Trade Act of 1974 (the Act) and pursuant to the authority of the President delegated to the United States Trade Representative by sections 4(c) and 8(c) and (d) of Executive Order 11846 of March 31, 1975, as amended, I hereby notify the International Trade Commission that the articles identified in Part A of the attached list are being considered for designation as eligible articles for purposes of the United States Generalized System of Preferences (GSP), set forth in Title V of the Act.

Pursuant to sections 503(a) and 131(a) of the Act, I request that the Commission provide its advice, with respect to each article listed in Part A of the attached list, as to the probable economic effect on United States industries producing like or directly competitive articles and on consumers of the elimination of United States import duties under the GSP. With respect to the several instances in the list where a 5-digit item of the tariff schedules is followed by a 7-digit statistical annotation or other indication that only part of the item may be considered for designation as an eligible article, advice is requested both as to the effect of designating the whole item as an eligible article, and as to the effect of designating as an eligible article only that part of the item specified. The Commission, in Investigation No. TA-503(a)-7, recently submitted advice on several items in the attached list. In these cases, it will be necessary to submit new advice only for those items for which the Commission would now modify the advice reported in that investigation.

In providing its advice, I request the Commission to assume that benefits of the GSP would not apply to imports that would be excluded from receiving such benefits by virtue of the "competitive-need" limits specified in section 504(c) of the Act.

At the direction of the President, pursuant to section 332(g) of the Tariff Act of 1930, I further request, with respect to each article listed in Parts B and C of the attached list, that the Commission provide its advice as to the probable economic effect on United States industries producing like or directly competitive articles and on consumers (1) of the removal of articles in Part B of the list from eligibility for duty-free treatment under the GSP and (2) of the removal of the GSP duty-free status from articles in Part C of the list which are imported from the respective countries specified.

Section 504(d) of the Act exempts from one of the competitive-need limits in section 504(c) articles for which no like or directly competitive article was being produced in the United States on the date of enactment of the Trade Act of 1974. Accordingly, pursuant to the authority of section 332(g) of the Tariff Act of 1930, I request that the Commission provide advice with respect to whether products like or directly competitive with those described in Parts A and D of the attached list were being produced in the United States on January 3, 1975.

Under provisions of the Act, the Commission has six months to provide the advice requested herein on Part A of the attached list. However, it would be greatly appreciated if all of the requested advice could be provided by November 15, 1982, in order to permit any actions to be taken on these items to be included in the Executive Order which should be issued in early March.

Very truly yours,

WILLIAM E. BROCK

WEB:stmbw

| TSUS or TSUSA item | Article |
|---|---|
| | [The bracketed language in this list has been included only to clarify the scope of the numbered items which are being considered, and such language is not itself intended to describe articles which are under consideration.] |
| | Fish prepared or preserved in any manner, in oil, in airtight containers: |
| | Sardines: |
| 112.54 | Valued not over 18 cents per pound (including weight of immediate container) |
| | Valued over 23 but not over 30 cents per pound (including weight of immediate container): |
| | Neither skinned nor boned: |
| 112.71 | Smoked |
| 112.73 | Not smoked |
| 112.74 | Skinned or boned |
| | Valued over 30 cents per pound (including weight of immediate container): |
| | Neither skinned nor boned: |
| | Smoked: |
| 112.79 | Valued 45 cents or more per pound in tin-plate containers or 50 cents or more per pound in other containers |
| 112.80 | Other |
| | Milled grain products: |
| | Not fit for human consumption: |
| | Wheat: |
| 131.75pt. | Bran |
| | Vegetables fresh, chilled, or frozen (but not reduced in size nor otherwise prepared or preserved): |
| | [Products provided for in item numbers 135.10 through 137.66] |
| | Other: |
| | [Brussels sprouts; chayote (<u>sechium edule</u>); fiddlehead ferns; jicamas, fresh or chilled; parsnips; water chestnuts, frozen; yams and sweet potatoes] |

A. Petitions to add products to the list of eligible articles for the Generalized System of Preferences--Con.

| TSUS or TSUSA item | Article |
|---|---|
| | Vegetables fresh, chilled, etc. (con.): |
| | Other (con.): |
| | Other: |
| | Fresh or chilled: |
| | [Asparagus; broccoli] |
| 137.9575 or 137.9575pt. or 137.9575pt. | Other or Pumpkins or Breadfruit |
| | Other edible nuts, shelled or not shelled, blanched, or otherwise prepared or preserved: |
| | Not shelled: |
| 145.26 | Pistache |
| | Berries, fresh, or prepared or preserved: |
| | Frozen: |
| 146.74 | Raspberries |
| | Cherries, fresh, or prepared or preserved: |
| | Fresh: |
| 146.90 | Not in airtight containers or watertight containers |
| | [Dried; in brine; frozen] |
| 146.99 | Otherwise prepared or preserved |
| | Figs, fresh, or prepared or preserved: |
| | [Fresh or in brine] |
| | Dried: |
| 147.51 | In immediate containers weighing with their contents over 1 pound each |
| 147.53 | Other |
| 147.54 | Otherwise prepared or preserved |
| | Grapes, fresh, or prepared or preserved: |
| | Fresh (in bulk, or in crates, barrels or other packages): |
| | Other than hothouse: |
| 147.61 | If entered during the period from February 15 to March 31, inclusive, in any year |
| | [If entered during the period from April 1 to June 30, inclusive, in any year] |

A. Petitions to add products to the list of eligible articles for the Generalized System of Preferences--Con.



| TSUS or TSUSA item | Article |
|---|---|
| | Grapes, fresh, or prepared or preserved (con.): |
| | Fresh (in bulk, or in crates, etc. (con.): |
| | Other than hothouse (con.): |
| 147.64 | If entered at any other time |
| | Olives, fresh, or prepared or preserved: |
| | In brine, whether or not pitted or stuffed: |
| | Not ripe and not pitted or stuffed: |
| | [Not green in color and not packed in airtight containers of glass, metal, or glass and metal] |
| 148.44 | Other |
| | Pears, fresh, or prepared or preserved: |
| | Fresh or in brine: |
| 148.81 | If entered during the period from April 1 to June 30, inclusive, in any year |
| | Plums, prunes, and prunelles, fresh, or prepared or preserved: |
| | Fresh: |
| 149.18 | If entered during the period from January 1 to May 31, inclusive in any year |
| | [In brine; dried] |
| 149.28 | Otherwise prepared or preserved |
| | Fruit pastes and fruit pulps: |
| | [Apricot; cashew apple, mamey colorado, sapodilla, soursop and sweet sop] |
| 152.50 | Fig |
| | [Guava; mango; tamarind; orange; papaya; banana and plantain; pear] |
| 152.8140pt. | Quince and apple |
| | All jellies, jams, marmalades, and fruit butters: |
| 153.06pt. | Mulberry |
| 153.20 | Papaya |
| | Basil: |
| | [Crude or not manufactured] |
| 161.05 | Other |
| | Hops, hop extract, and lupulin: |
| 192.25 | Hops |

| TSUS or TSUSA item | Article |
|---|---|
| | Wool: |
| | Aleppo, Arabian, Bagdad, Black Spanish, Chinese, Cordova, Cyprus, Donskoi, East Indian, Ecuadorean, Egyptian, Georgian, Haslock, Iceland, Kerry, Manchurian, Mongolian, Oporto, Persian, Pyrenean, Sardinian, Scotch Blackface, Sistan, Smyrna, Sudan, Syrian, Thibetan, Turkestan, Valparaiso, and Welsh Mountain Wool; similar wool not improved by the admixture of merino or English blood; and other wool of whatever blood or origin not finer than 40s; all the foregoing: |
| | In the grease or washed: |
| 306.11 | Not sorted |
| | Waste of wool or hair and advanced waste of wool or hair: |
| | Noils, whether or not advanced: |
| 307.08 | Advanced |
| | Belting and belts, for machinery, of textile fibers or of such fibers and rubber or plastics: |
| | [V-belts] |
| | Other: |
| | Of vegetable fibers, or of such fibers and rubber or plastics: |
| 358.06 | In part of rubber or plastics |
| 358.14 | Of man-made fibers |
| | Floor covering underlays: |
| | [Over 50 percent by weight of wool] |
| 361.85 | Other |
| | Articles not specially provided for, of textile materials: |
| | [Lace or net articles, whether or not ornamented, and other articles ornamented] |
| | Other articles not ornamented: |
| | Of man-made fibers: |
| | [Knit (except pile or tufted construction)] |

| TSUS or TSUSA item | Article |
|---|---|
| | Articles not specially provided for, etc. (con.): |
| | Other articles not ornamented (con.): |
| | Of man-made fibers (con.): |
| | Pile or tufted construction: |
| 389.50pt. | Fasteners consisting of two mating knit or woven textile strips |
| | Other: |
| | [Artificial flowers] |
| | Other: |
| 389.6265pt. | Fasteners consisting of two mating knit or woven textile strips |
| | Cyclic organic chemical products in any physical form having a benzenoid, quinoid, or modified benzenoid structure, not provided for in subpart A or C of part 1 of schedule 4 of the Tariff Schedules of the United States: |
| | [Articles provided for in items 402.00 thru 402.32] |
| | Other: |
| | Alcohols, phenols, ethers (including epoxides and acetals), aldehydes, ketones, alcohol peroxides, ether peroxides, ketone peroxides, and their derivatives: |
| 403.28pt. | α-Naphthol |
| | Carboxylic acids, anhydrides, halides, acyl peroxides, peroxyacids, and their derivatives: |
| | Other: |
| | Carboxylic acids with alcohol, phenol, aldehyde, or ketone function and other single or complex oxygen-function carboxylic acids and their anhydrides, halides, peroxides, and peracids, and their halogenated, sulfonated, nitrated, or nitrosated derivatives: |
| 404.44pt. | p-Hydroxybenzoic acid |

| TSUS or TSUSA item | Article |
|---|---|
| | Cyclic organic chemical products, etc. (con.):<br>Other (con.):<br>Carboxylic acids, anhydrides, etc. (con.):<br>Other (con.):<br>Carboxylic acids with alcohol, phenol, etc. (con.): |
| 404.46pt. | Methylparaben; propylparaben |
| | Amides and their derivatives: |
| 405,32pt. | N-Acetylsulfanilyl chloride |
| | All other products, by whatever name known, not provided for in subpart A or C of part 1, schedule 4 of the Tariff Schedules of the United States including acyclic organic chemical products, which are obtained, derived, or manufactured in whole or in part from any of the cyclic products having a benzenoid, quinoid, or modified benzenoid structure provided for in the foregoing provisions of subpart B or in subpart A of part 1 of schedule 4 of the Tariff Schedules of the United States: |
| 406.81 | Cyclohexanone |
| | Products suitable for medicinal use, and drugs:<br>Obtained, derived, or manufactured in whole or in part from any product provided for in subpart A or B of part 1 of schedule 4 of the Tariff Schedules of the United States:<br>Drugs: |
| 411.24 | Sulfamethazine |
| 411.28pt. | Sulfamerazine |
| | Other:<br>Anti-infective agents:<br>Anti-infective sulfonamides: |
| 411.80 | Sulfathiazole and sulfathiazole, sodium |

| TSUS or TSUSA item | Article |
|---|---|
| | Products suitable for medicinal use, and drugs: |
| | Obtained, derived, or manufactured in whole or in part, etc. (con.): |
| | Drugs (con.): |
| | Other (con.): |
| | Anti-infective agents (con.): |
| | Anti-infective sulfonamides (con.): |
| 411.84pt. | Sulfadimidine, sodium; sulfamethoxazole; sulfisoxazole; sodium sulfacetamide; sulfanilamide; and sulfagunioxaline |
| | Anti-infective agents, not specially provided for: |
| 411.94pt. | Mandelic acid |
| | Hormones, synthetic substitutes and antagonists: |
| | Other: |
| 412.48pt 1/ | Tolbutamide |
| | Other: |
| 412.68pt. | Hydrochlorothiazide |
| 412.68pt.1/ | Tolbutamide |
| | Alcohols, polyhydric (including glycols, polyglycols, diols, and polyols), and esters, ethers, and ether-esters and substituted derivatives of any of the foregoing: |
| | Glycerine: |
| 428.38 | Refined |
| | Articles chiefly used in the household or elsewhere for preparing, serving, or storing food or beverages, or food or beverage ingredients; smokers' articles, household articles, and art and ornamental articles, all the foregoing not specially provided for: |
| | [Glassware provided for in items 546.11 thru 546.25] |

1/ The classification of this article is in question and is under review.

| TSUS or TSUSA item | Article |
|---|---|
| | Articles chiefly used in the household or elsewhere for preparing, etc. (con.): |
| | Glassware, other than the foregoing, colored prior to solidification, and characterized by random distribution of numerous bubbles, seeds, or stones, throughout the mass of the glass: |
| 546.3540pt. | Hand-blown votives |
| | [Glassware, other than the foregoing, pressed and toughened (specially tempered), chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients] |
| | Other glassware: |
| | Other: |
| | Valued over $0.30 but not over $3 each: |
| 546.6060pt. | Hand-blown votives |
| | Locks and padlocks (whether key, combination, or electrically operated), luggage frames incorporating locks, all the foregoing, and parts thereof, of base metal; lock keys: |
| | Padlocks: |
| | Not of cylinder or pin tumbler construction: |
| 646.80 | Not over 1.5 inches in width |
| | Of cylinder or pin tumbler construction: |
| 646.83 | Not over 1.5 inches in width |
| 646.84 | Over 1.5 but not over 2.5 inches in width |
| | Electrical capacitors, fixed or variable: |
| | Fixed capacitors: |
| | Ceramic: |
| | Multilayer: |
| 685.8013 | Axial leads |
| 685.8016 | Radial leads |
| 685.8017 | Chips |

| TSUS or TSUSA item | Article |
|---|---|
| | Other footwear: |
| | [Of wood] |
| | Other: |
| 700.90 | Disposable footwear, designed for one-time use |
| | Headwear, of man-made fibers: |
| | Not in part of braid: |
| | Not knit: |
| 703.1510 | Non-woven disposable apparel designed for use in hospitals, clinics, laboratories or in contaminated areas |
| | Gloves of rubber or plastics: |
| | [Seamless] |
| | [With textile fabric fourchettes or sidewalls; or with the outer surface thereof (except as to applied cuffs, if any) wholly of plastics, and the seams of which are heat sealed and not sewn or stitched] |
| 705.86 | Other |

B. Articles being considered for removal as eligible articles for purposes of the Generalized System of Preferences



| TSUS or TSUSA item | Article |
|---|---|
| | Mixtures in whole or in part of any of the products provided for in subpart B of part 1 of schedule 4 of the Tariff Schedules of the United States: |
| | [Solvents which contain over 25 percent by weight of any of the products provided for in this subpart] |
| | Other: |
| 407.16pt. | Mixtures of Toluene-2,4-diisocyanate and Toluene-2,6-diisocyanate |
| | Copper compounds: |
| 418.78pt. | Hydroxide |
| | Nitrogenous compounds: |
| 425.22pt. | 1,1′-Azobisformamide |
| | Bolts, nuts, studs and studding, screws, and washers (including bolts and their nuts imported in the same shipment, and assembled bolts or screws and washers, with or without nuts); screw eyes, screw hooks and screw rings; turnbuckles; all the foregoing not described in the foregoing provisions of subpart D of part 3 of schedule 6 of the Tariff Schedules of the United States, of base metal: |
| | Of iron or steel: |
| 646.54 | Bolts and bolts and their nuts imported in the same shipment |
| 646.56 | Nuts |

C. Articles being considered to remove duty-free status from a beneficiary country for a product on the list of eligible articles for the Generalized System of Preferences

| TSUS or TSUSA item | Article |
|---|---|
| 167.05 (Mexico) | Ale, porter, stout, and beer |
| | Plywood, whether or not face finished: |
| | Not face finished, or face finished with a clear or transparent material which does not obscure the grain, texture, or markings of the face ply: |
| 240.14 (Taiwan) | With a face ply of birch (Betula spp.) |
| | Polysaccharides, rare saccharides, and their polyhydric alcohols: |
| | [Lactose; levulose; salicine] |
| | Other: |
| 493.6820 (Republic of Korea, Mexico) | Sorbitol |
| | Vises and clamps (except parts of, or accessories for, machine tools): |
| | Vises: |
| | [Pipe; woodworking] |
| 649.3716 (Taiwan) | Other |
| | Articles not specially provided for of a type used for household, table, or kitchen use; toilet and sanitary wares; all the foregoing and parts thereof, of metal: |
| | Articles, wares, and parts, of base metal, not coated or plated with precious metal: |
| | Of copper: |
| | [Of brass] |
| | Other: |
| 654.0525 (Republic of Korea, Portugal, Taiwan) | Cooking and kitchen ware |

| TSUS or TSUSA item | Article |
|---|---|
| | Generators, motors, motor-generators, converters (rotary or static), transformers, rectifiers and rectifying apparatus, and inductors; all the foregoing which are electrical goods, and parts thereof: |
| | Transformers: |
| | Rated at less than 1 kva: |
| 682.0520 (Hong Kong) | Rated at less than 40 va |
| | Bombs, grenades, torpedoes, mines, guided weapons and missiles and similar munitions of war, and parts thereof; ammunition, and parts thereof: |
| | Cartridges and empty cartridge shells: |
| | Containing a projectile: |
| | For rifles or pistols: |
| | [.22 caliber] |
| 730.9035 (Republic of Korea) | Other |
| | Tires, and tubes for tires, of rubber or plastics: |
| | Tubes: |
| | [Bicycle; designed for tires provided for in item 772.50] |
| 772.60 (Republic of Korea) | Other |

D. Articles being considered for designation as not like or directly competitive with any article produced in the United States on January 3, 1975, for purposes of section 504(d) of the Trade Act of 1974



| TSUS or TSUSA item | Article |
|---|---|
| | Other spirits, and preparations in chief value of distilled spirits, fit for use as beverages or for beverage purposes: |
| | Spirits: |
| 169.46pt. | Mescal, in containers each holding not over 1 gallon |
| | Furniture, and parts thereof, not specially provided for: |
| | Of unspun fibrous vegetable materials: |
| 727.12pt. | Of buri |

APPENDIX B

U.S. International Trade Commission
Notices of Investigation and Hearing

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

(TA-503(a)-10 and 332-146)

PRESIDENT'S LIST OF ARTICLES WHICH MAY BE DESIGNATED OR MODIFIED AS ELIGIBLE ARTICLES FOR PURPOSES OF THE U.S. GENERALIZED SYSTEM OF PREFERENCES

AGENCY: United States International Trade Commission

ACTION: In accordance with the provisions of sections 503(a) and 131(b) of the Trade Act of 1974 (hereinafter referred to as "the Act") (19 U.S.C. 2463(a) and 2151(b)) and section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)), the Commission has instituted investigation No. TA-503(a)-10 and 332-146 for the purpose of obtaining, to the extent practicable, information of the kind described in section 131(d) of the Act. This information is for use in connection with the preparation of advice requested by the U.S. Trade Representative (USTR) with respect to certain listed articles as to the probable economic effect on U.S. industries producing like or directly competitive articles and on consumers of the modification of the list of articles eligible for duty-free treatment under the United States Generalized System of Preferences (GSP), set forth in Title V of the Act.

EFFECTIVE DATE: July 23, 1982

FOR FURTHER INFORMATION CONTACT:
(1) Agricultural products, Mr. Edward Furlow (202-724-0068).
(2) Textile products, Mr. Reuben Schwartz, (202-523-0114).
(3) Chemical products, Dr. Aimison Jonnard (202-523-0423).
(4) Minerals and metals, Mr. Larry Brookhart (202-523-0275).
(5) Machinery and equipment, Mr. Aaron Chesser (202-523-0353).
(6) Miscellaneous manufactures, Mr. Walter Trezevant (202-724-1719).

All of the above are in the Commission's Office of Industries. For information on legal aspects of the investigation contact Mr. William Gearhart of the Commission's Office of the General Counsel at 202-523-0487.

SUPPLEMENTARY INFORMATION: On July 12, 1982, in accordance with sections 503(a) and 131(a) of the Act and pursuant to the authority of the President delegated to the USTR by Executive Order 11846, as amended by Executive Order 11947, the USTR requested advice in four areas related to the GSP: (1) the addition of certain articles to the list of GSP eligible articles (see Annex, Part A), (2) the removal of certain articles from the GSP list (see Annex, Part B), (3) the removal of duty-free status under the GSP for certain beneficiary developing countries for certain articles ("graduation") (See Annex, Part C), and (4) a determination of whether or not certain articles are like or directly competitive with any article produced in the United States on January 3, 1975, for purposes of section 504(d) of the Act (see Annex, Parts A and D).

For each article being considered for addition to the list of eligible articles, the Commission will advise the USTR as to the probable economic effect of the addition on U.S. industries producing like or directly competitive articles and on consumers. For each article being considered for removal or graduation, the Commission will advise the USTR as to the impact on U.S. industries producing like or directly competitive articles and on consumers of continued GSP status for the articles and countries in question.

In providing its advice, the USTR requested the Commission to assume that benefits of the GSP would not apply to imports that would be excluded from receiving such benefits by virtue of the "competitive need" limitations specified in section 504(c) of the Act.

Section 504(d) of the Act exempts from one of the competitive-need limits in section 504(c) articles for which no like or directly competitive article was being produced in the United States on the date of enactment of the Act. Accordingly, pursuant to the authority of section 332(g) of the Tariff Act of 1930, and in conformity with the delegation of authority from the President to him of Executive Order 11846 as amended by Executive Order 11947, the USTR requested that the Commission also provide advice with respect to whether products like or directly competitive with any articles contained in the TSUS(A) items in the Annex, Parts A and D, were being produced in the United States on January 3, 1975.

A list giving detailed descriptions of the articles contained in the TSUS(A) items identified in the Annex is available upon request from the Secretary, U.S. International Trade Commission, 701 E Street NW., Washington, D.C. 20436 (202-523-5178).

The USTR announced the items which have been sent to the Commission for probable effects advice in the July 16, 1982 Federal Register (47 F.R. 31099).

Public hearing

A public hearing in connection with the investigation will be held in the Commission Hearing Room, 701 E Street NW., Washington, D.C. 20436, beginning at 10:00 a.m., e.d.t., on October 4, 1982, to be continued on October 6, 1982, if required. All persons shall have the right to appear by counsel or in person, to present information, and to be heard. Requests to appear at the public hearing should be filed with the Secretary, United States International Trade Commission, 701 E Street NW., Washington, D.C. 20436, not later than noon, September 28, 1982.

Written submissions

In lieu of or in addition to appearances at the public hearing, interested persons are invited to submit written statements concerning the investigation. Commercial or financial information which a submitter desires the Commission to treat as confidential must be submitted on separate sheets of paper, each clearly marked "Confidential Business Information" at the top. All submissions requesting confidential treatment must conform with the requirements of section 201.6 of the Commission's Rules of Practice and Procedure (19 CFR 201.6). All written submissions, except for confidential business information, will be made available for inspection by interested persons. To be ensured of consideration by the Commission, written statements should be submitted at the earliest practicable date, but no later than October 5, 1982. All submissions should be addressed to the Secretary at the Commission's office in Washington, D.C.

By order of the Commission.

Kenneth R. Mason
Secretary



Attachment

Issued: July 26, 1982

A. Petitions to add products to the list of eligible articles for the Generalized System of Preferences

| TSUS or TSUSA Item | TSUS or TSUSA Item | TSUS or TSUSA Item |
|---|---|---|
| 112.54 | 152.50 | 412.48(pt.) 15/ |
| 112.71 | 152.8140(pt.) 4/ | 412.68(pt.) 16/ |
| 112.73 | 153.06(pt.) 5/ | 428.38 |
| 112.74 | 153.20 | 546.3540(pt.) 17/ |
| 112.79 | 161.05 | 546.6060(pt.) 17/ |
| 112.80 | 192.25 | 646.80 |
| 131.75(pt.) 1/ | 306.11 | 646.83 |
| 137.9575 | 307.08 | 646.84 |
| 137.9575(pt.) 2/ | 358.06 | 685.8013 |
| 137.9575(pt.) 3/ | 358.14 | 685.8016 |
| 145.26 | 361.85 | 685.8017 |
| 146.74 | 389.50(pt.) 6/ | 700.90 |
| 146.90 | 389.6265(pt.) 7/ | 703.1510 |
| 146.99 | 403.28(pt.) 8/ | 705.86 |
| 147.51 | 404.44(pt.) 9/ | |
| 147.53 | 404.46(pt.) 10/ | |
| 147.54 | 405.32(pt.) 11/ | |
| 147.61 | 406.81 | |
| 147.64 | 411.24 | |
| 148.44 | 411.28(pt.) 12/ | |
| 148.81 | 411.80 | |
| 149.18 | 411.84(pt.) 13/ | |
| 149.28 | 411.94(pt.) 14/ | |

1/ Bran.
2/ Pumpkins.
3/ Breadfruit.
4/ Quince and apple.
5/ Mulberry.
6/ Fasteners consisting of two mating knit or woven textile strips (pile or tufted construction).
7/ Fasteners consisting of two mating knit or woven textile strips.
8/ α-Naphthol.
9/ p-Hydroxybenzoic acid.
10/ p-Hydroxybenzoic acid, methyl ester (methylparaben); p-Hydroxybenzoic acid, propyl ester (propylparaben).
11/ N-Acetylsulfanilyl chloride.
12/ Sulfamerazine.
13/ Sulfamethazine (sulfadimidine), sodium; sulfamethoxazole; sulfisoxazole; sodium sulfacetamide; sulfanilamide; and sulfaquinoxaline.
14/ Mandelic acid.
15/ The classification for tolbutamide (either 412.48 (pt.) or 412.68(pt.)) is in question and is under review.
16/ Hydrochlorothiazide.
17/ Hand-blown votives.

Annex

B. Articles being considered for removal as eligible articles for the Ceneralized System of Preferences

| TSUS Item |
|---|
| 407.16(pt.) 1/ |
| 418.78(pt.) 2/ |
| 425.22(pt.) 3/ |
| 646.54 |
| 646.56 |

C. Articles being considered for removal of duty-free status from a beneficiary country for a product on the list of eligible articles for the Generalized System of Preferences

| TSUS or TSUSA Item |
|---|
| 167.05 (Mexico) |
| 240.14 (Taiwan) |
| 493.6820 (Republic of Korea, Mexico) |
| 649.3716 (Taiwan) |
| 654.0525 (Republic of Korea, Portugal, Taiwan) |
| 682.0520 (Hong Kong) |
| 730.9035 (Republic of Korea) |
| 772.60 (Republic of Korea) |

D. Articles being considered for designation as not like or directly competitive with any article produced in the United States on January 3, 1975, for purposes of section 504(d) of the Trade Act of 1974

| TSUS Item |
|---|
| 169.46(pt.) 4/ |
| 727.12(pt.) 5/ |

1/ Mixtures of 2,4- and 2,6-Toluenediisocyanate.
2/ Copper hydroxide.
3/ 1,1'-Azobis(formamide).
4/ Mescal, in containers each holding not over 1 gallon.
5/ Furniture of buri.

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

(TA-503(a)-10 and 332-146)

**PRESIDENT'S LIST OF ARTICLES WHICH MAY BE DESIGNATED OR MODIFIED AS ELIGIBLE ARTICLES FOR PURPOSES OF THE U.S. GENERALIZED SYSTEM OF PREFERENCES**

AGENCY: United States International Trade Commission

ACTION: The notice of investigation Nos. TA-503(a)-10 and 332-146, issued July 26, 1982, is hereby amended to indicate a due date of October 12, 1982, for written statements from interested parties concerning the investigation. The initial notice erroneously indicated a due date of October 5, 1982.

By order of the Commission.

Kenneth R. Mason
Secretary

Issued: July 28, 1982

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

(TA-503(a)-10 and 332-146)

PRESIDENT'S LIST OF ARTICLES WHICH MAY BE DESIGNATED OR MODIFIED AS ELIGIBLE ARTICLES FOR PURPOSES OF THE U.S. GENERALIZED SYSTEM OF PREFERENCES

AGENCY: United States International Trade Commission

ACTION: At the request of the U.S. Trade Representative, the scope of Commission investigation Nos. TA-503(a)-10 and 332-146 is hereby amended as follows:

(1) Items withdrawn from investigation:

TSUSA item

389.50(pt.)
389.6265(pt.)
493.6820
682.0520
685.8013
685.8016
685.8017

(2) Items added to investigation:

TSUSA item

682.0540

The initial notice of investigation, outlining total investigation coverage, contact persons, and other related information, appeared in the August 4, 1982 Federal Register (47 F.R. 33817).

By order of the Commission.

Kenneth R. Mason
Secretary

Issued: October 13, 1982

## Appendix C

## List of Witnesses Appearing at the Commission Hearing

# TENTATIVE CALENDAR OF PUBLIC HEARING

Those listed below appeared as witnesses at the United States International Trade Commission's public hearing on the President's List of Articles which may be Designated or Modified as Eligible Articles for Purposes of the U. S. Generalized System of Preferences, Investigation Nos. TA-503(a)-10 and 332-146. Sessions were held in connection with the investigation in the Hearing Room of the United States International Trade Commission, 701 E Street, N.W., in Washington, beginning at 10:00 a.m., e.d.t., on October 4, 1982.

| Witness and organization: | Subject: |
|---|---|
| Heron, Burchette & Ruckert--Counsel<br>Washington, D.C.<br>on behalf of | |
| Sun-Diamond Growers of California | Plums and prunes |
| Frank Light, President | |
| James M. Lyons--OF COUNSEL | |
| California Prune Advisory Board | Prunes |
| James M. Lyons--OF COUNSEL | |
| Tri/Valley Growers | Olives |
| Gary Oberti, Manager of Oberti Olives and President, California Olive Association | |
| James M. Lyons--OF COUNSEL | |
| Kaplan, Russin & Vecchi--Counsel<br>Washington, D.C.<br>on behalf of | |
| Shan Olives Ltd. (Hazayith) | Olives |
| K. Haas, Shan Olives Ltd., Beit Shan, Israel | |
| Dennis James--OF COUNSEL | |

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| Witness and organization: | Subject: |
|---|---|
| California Table Grape Commission, Fesno, California | Grapes |
| Bruce J. Obbink, President | |
| Marine Sardine Council, Brewer, Maine | |
| James L. Warren, Executive Director | |
| Associated Fisheries of Maine, Boothbay, Maine | |
| Ronald W. Green, President | Sardines |
| Stein, Shostak, Shostak & O'Hara--Counsel Washington, D.C. on behalf of | |
| Capital Importers of Los Angeles, California and Barton Brands, Ltd., Chicago, Illinois | Mezcal |
| Irwin P. Altschuler) David R. Amerine )--OF COUNSEL | |
| United States-Mexico Chamber of Commerce, Washington, D.C. | |
| G. J. Van Heuven, Executive Vice President | Beer |
| Andres Escobar Y Cordova, Director General of NABM | |
| Manuel G. Ramos, President and Chief Operating Officer of CIBCO Importing Company | |
| Victor Padilla, Director of the Export Department of the Cuauhtemoc Brewery of Mexico | |
| Gary L. Stanley) Bart S. Fisher )--OF COUNSEL | |



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| Witness and organization: | Subject: |
|---|---|
| Superior Farming Company, Washington, D.C. | Pistachio |
| Robert Schramm, Reprsenting the California Association of Pistachio Growers | |
| Maraschino Cherry & Glace Fruit Processors, New York, New York | Cherries |
| Richard J. Sullivan, Executive Vice President | |
| Michigan Farm Bureau, Lansing, Michigan | Cherries |
| Harry A. Foster, Representing the Red Tart Cherry Growers of Michigan, New York, Pennsylvania, Wisconsin, Utah and Oregon | |
| Patat Plywood Corporation, Rockmart, Georgia | |
| Claud T. Patat, Jr., President | Plywood |
| Harold Arend Lenderink, President, Truax Veneer Company, Inc. | |
| John R. Anderson, President, Anderson Trading Inc. | |
| Italo H. Ablondi--Counsel Washington, D.C. <u>on behalf of</u> | |
| Board of Foreign Trade of the Republic of China (Taiwan) | Doorskins |
| F. David Foster--OF COUNSEL | |
| Barnes, Richardson & Colburn--Counsel New York, N.Y. <u>on behalf of</u> | |
| Aplix, Inc., a Delaware Corporation | Fasteners consisting of two mating knit or woven strips |
| Patrick Billarant, President and General Manager | |
| Michael A. Johnson--OF COUNSEL | |

| Witness and organization: | Subject: |
|---|---|
| Velcro, USA, Inc., New York | Fasteners consisting of two mating knit or woven strips |
| G. Lynn Scott, Senior Vice President for Marketing | |
| William D. Pellechia, General Counsel | |
| Baker & McKenzie--Counsel Washington, D.C. on behalf of | |
| Minnesota Mining and Manufacturing Co. (3M) | " " |
| Paul L. Steege, Marketing Manager | |
| Thomas P. Ondeck--OF COUNSEL | |
| Maloney, Williams and Baer--Counsel Boston, Massachusetts on behalf of | |
| Oui-Lok Corporation of Wareham, Mass. | Cloth fasteners |
| Richard G. Maloney--OF COUNSEL | |
| Economic Consulting Services, Inc., Washington, D.C. | Work gloves |
| John A. Casey, Vice President & Manager, Granet Division, WGM Safety Corporation, Framingham, Mass., and Past President, Work Glove Manufacturers Association | |
| Robert M. Thomas, SEnior Vice President of Edmont, Division of Becton Dickinson | |
| William J. Grundy, President, Jomac Products Inc., Warriangton, Pennsylvania and Board Member | |
| William Irmscher, Administrative Assistant, The Best Manufacturing Company, Menlo, Georgia, and Board Member, WGMA | |
| Craig A. Schultz, Executive Director, WGMA | |
| Economic Consulting Services, Inc., Washington, D.C. | |
| Stanley Nehmer, President | |
| Terry Ferrell | |

| Witness and organization: | Subject: |
|---|---|
| Kaplan, Russin & Vecchi--Counsel<br>Washington, D.C.<br>on behalf of | |
| Solchem, Inc., New York, N.Y. | Alpha-Naphthol |
| Melvin Goldberg | |
| Solchem, Inc., New York, N.Y. | Para-Hydroxybenzoic acid |
| Melvin Goldberg | |
| Dennis James--OF COUNSEL | |
| Sharretts, Paley, Carter & Blauvelt--Counsel<br>New York, N.Y.<br>on behalf of | |
| Ad Hoc Group of Domestic TDI Producers | Diisocyanate |
| Lennis E. Record, Market Manager, Mobay Chemical Corporation, Pittsburgh, Pennsylvania | |
| John Morgan, Business Manager for Flexible Urethanes, Urethane and Organic Chemicals Department, Chemicals Group, Olin Corp., Stamford, Connecticut | |
| William A. McGregor, Director of Marketing, Rubicon Chemicals, Inc., Wilmington, Delaware | |
| Frederick L. Fletcher, Manager, Distrubition Services & Development, BASF Wyandotte Corporation, Parshippany, New Jersey | |
| Donald W. Paley )<br>Peter O. Suchman)--OF COUNSEL<br>Ned H. Marshak ) | |

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CONTINUATION OF TA-503-10 and 332-146 - OCTOBER 6, 1982

| Witness and organization: | Subject: |
|---|---|
| Dow, Lohnes & Albertson--Counsel<br>Washington, D.C.<br>on behalf of | |
| Pliva Pharmaceutical, Chemical, Food and Cosmetic Industry of Zagreb, Yugoslavia (Pliva) | Sulfa |
| William Silverman)<br>John Yost )--OF COUNSEL | |
| Korea Trade Center, Washington, D.C. | N-Acetyl Sulfanilyl Chloride |
| On behalf of: Jeil Mooslan Company, Inc. | |
| J. W. Lee, Assistant Director, Korea Trade Center | |
| Hang Duk Jang, Assistant Manager | |
| Johnston, McGeorge & Davidson--Counsel<br>Washington, D.C.<br>on behalf of | |
| Union Carbide Corporation, Danbury, Conn. | Cyclohexanone |
| Mark L. Davidson )<br>Eric L. Hirschhorn)--OF COUNSEL | |
| Allied Corporation, Morristown, New Jersey | " |
| Joseph Haddad, Marketing Manager, Intermediate Chemicals, Allied Corp., Fibers & Plastics Division | |
| Mark L. Davidson )<br>Eric L. Hirschhorn)--OF COUNSEL | |
| Badische Corporation, Williamsburg, Virginia | " |
| Mark L. Davidson )<br>Eric L. Hirschhorn)--OF COUNSEL | |

| Witness and organization: | Subject: |
|---|---|
| Johnston, McGeorge & Davidson--Counsel | |
| (Continued) | |
| Nipro, Inc., Augusta, Georgia | Cyclohexanone |
| Mark L. Davidson )<br>Eric L. Hirschhorn)--OF COUNSEL | |
| Kaplan and Pellegrini--Counsel<br>New York, N.Y.<br>on behalf of | |
| Glass Products, Inc. | Glass products |
| Harold Blankemeyer, President | |
| Ms. Diana Hines | |
| John B. Pellegrini--OF COUNSEL | |
| Korea Trade Center, Washington, DC | Bolts and nuts |
| Korea Metal Industry Cooperative | |
| J. W. Lee, Assistant Director, Korea Trade Center | |
| Hang Duk Jang, Assistant Manager | |
| Italo H. Ablondi--Counsel<br>Washington, D.C.<br>on behalf of | |
| Board of Foreign Trade of the Republic of China (Taiwan) | Bolts and nuts |
| F. David Foster--OF COUNSEL | |
| Board of Foreign Trade of the Republic of China (Taiwan) | Cooking and kitchen ware |
| F. David Foster )<br>Sturgis M. Sobin)--OF COUNSEL | |

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| Witness and organization: | Subject: |
| --- | --- |
| Kilpatrick & Cody--Counsel<br>Washington, D.C.<br>on behalf of | |
| Revere Copper and Brass, Incorporated | Cooking & Kitchen ware |
| John M. Eikenberg, President | |
| Joseph W. Dorn )<br>Thomas R. Graham)--OF COUNSEL | |
| American Trading and Production Corporation,<br>Baltimore, Maryland | Cooking & Kitchen ware |
| Alvin D. Schaffer, Director of Marketing,<br>Housewares-Giftwares Division | |
| Jack Yeoman, Corporate Counsel | |
| Daniels, Houlihan & Palmeter--Counsel<br>Washington, D.C.<br>on behalf of | |
| Korea Federation of Handicrafts Cooperative | Cooking & Kitchen ware |
| Martin J. Lewin )<br>N. David Palmeter)--OF COUNSEL | |
| Verner, Liipfert, Bernhard and McPherson--Counsel<br>Washington, D.C.<br>on behalf of | Cooking & Kitchen ware |
| Old Dutch International | |
| Benjamin Kan | |
| John D. Greenwald)<br>Felix Lopez )--OF COUNSEL | |

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| Witness and organization: | Subject: |
|---|---|
| Sutherland, Asbill & Brennan--Counsel<br>Washington, D.C.<br>on behalf of | |
| Transco, Inc. | Transformers |
| Henry A. Brown, III, President | |
| James R. McGibbon)<br>Arthur T. Downey )--OF COUNSEL | |
| Cleary, Gottlieb, Steen & Hamilton--Counsel<br>Washington, D.C.<br>on behalf of | |
| SAAMI, Cascade Catridge Corporation and<br>Frontier Bullet Corporation | Centerfire cartridges |
| Brian T. Kelly, Vice President and<br>General Manager | |
| Nicholas C. Gladding, Group Counsel | |
| R. Bruce Dickson--OF COUNSEL | |
| Arent, Fox, Kintner, Plotkin & Kahn--Counsel<br>Washington, D.C.<br>on behalf of | |
| Patton and Morgan Corporation | Centerfire cartridges |
| Thomas Kossl--OF COUNSEL | |
| Frederick L. Ikenson--Counsel<br>Washington, D.C.<br>on behalf of | |
| Rubber Manufacturers Association (RMA) | Inner tubes |
| Bobby Johnson, Vice President, Sales<br>of Robbins Tire & Rubber Co., Inc. | |
| Frederick L. Ikenson--OF COUNSEL | |

| Witness and organization: | Subject: |
| --- | --- |
| Cole & Corette--Counsel<br>Washington, D.C.<br>on behalf of | |
| Korea Tire Industrial Association | Inner tubes |
| Jong K. Lee, President, Amko Rubber International, Inc. | |
| W. K. Jun, Director, Tube Division, Hankook Tire Mfg. Co., Ltd. | |
| Minn Kim, Manager, Business Dept., Korea Tire Industrial Association | |
| David A. Gantz--OF COUNSEL | |
| Plaia & Schaumberg--Counsel<br>Washington, D.C.<br>on behalf of | |
| Kocide Chemical Corporation | Hydroxide |
| Herbert C. Shelley--OF COUNSEL | |
| Stein, Shostak, Shostak & O'Hara--Counsel<br>Washington, D.C.<br>on behalf of | |
| Cuproquim, S.A. of Tlalnepantla, Mexico | Copper hydroxide |
| Irwin P. Altschuler)<br>David R. Amerine )--OF COUNSEL | |
| Lamb & Lerch--Counsel<br>New York, N.Y.<br>on behalf of | |
| The Industrial Products Division of Rubber Manufacturers Association, Inc. (RMA) | Machine belting |
| William Campbell, Vice President, Industrial and Consumer Products for the Rubber Manufacturers Association, Inc., & Chairman of its Industrial Products Division | |
| Richard J. Kaplan--OF COUNSEL | |