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)-12
and 332-187

USITC PUBLICATION 1620

DECEMBER 1984

United States International Trade Commission / Washington, D.C. 20436

UNITED STATES INTERNATIONAL TRADE COMMISSION

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Prepared by the Office of Industries

Norris A. Lynch, Director

Address all communications to
Office of the Secretary
United States International Trade Commission
Washington, D.C. 20436

C O N T E N T S

Note.--The whole of the Commission's report to the President in November 1984 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 16, 1984, in accordance with sections 503(a) and 131(a) of the Trade Act of 1974 and section 332 of the Tariff Act of 1930, 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 U.S. Generalized System of Preferences (GSP): (1) the addition of certain articles to the list of GSP eligible articles, (2) the removal of one article 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. On August 7, 1984, the USTR sent a supplemental request adding one additional article to the investigation's scope. 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.

1/ The USTR requests, including listings of concerned articles, are contained in appendix A.

In response to the USTR request, the Commission on August 2, 1984, instituted investigation Nos. TA-503(a)-12 and 332-187 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 notices of investigation and hearing are 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 1 and 3, 1984. All interested parties were afforded an opportunity to appear by counsel or in person, to produce evidence, and to be heard. Transcripts of the hearing and copies of briefs submitted by interested parties in connection with the investigation are attached. 2/

It should be noted that TSUSA item 425.9940 contained in the USTR request has not been investigated by the Commission. It was requested that the graduation of Israel from beneficiary status for this article be considered; however the item is not currently a GSP eligible article.

1/ The following Federal Register notices have been issued by the Commission related to Investigation Nos. TA-503(a)-12 and 332-187:

Date	Notice	Subject
Aug. 8, 1984	49 F.R. 31780	Initial notice of ITC investigation and hearing
Sept. 6, 1984	49 F.R. 35256	Supplemental notice on USTR's second request

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

PRESENTATION OF PROBABLE EFFECT ADVICE

In response to the USTR request for probable effect advice, the Commission determined that an appropriate format for such an analysis would be commodity digests, each digest dealing with the effect 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 effect advice is provided in both a textual and code format. The probable effect code provides the reader with a quick summary of the probable effect 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).

DIGEST LOCATOR

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

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

Digest number	Commodity/TSUS(A) item
A1	Cabbage, packed in salt, in brine, pickled, or otherwise prepared or preserved, except sauerkraut 141.30
A2	Heliotropin 460.40
A3	Citizens band (CB) radio transceivers (except hand-held) 685.27
A4	Certain clock cases and parts 720.34
A5	Rubber and plastic apparel, including infants' pants 772.3095 772.3095(pt.)

B. Articles being considered for removal as eligible articles for the GSP

Digest number	Commodity/TSUS(A) item
B1	Trifluralin 408.22(pt.)

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 GSP

Digest number	Commodity/TSUS(A) item
C1	Saccharin (Republic of Korea) 413.24
C2	Certain inorganic compounds (Israel) 416.4540(pt.) 417.4440(pt.) 418.32(pt.) 420.02 420.3605 421.6280(pt.) 422.78(pt.)
C3	Ethylenebisbromonorbornane (Israel) 425.24(pt.)

Digest number	Commodity/TSUS(A) item
C4	Certain halogenated hydrocarbons (Israel) 429.4830(pt.) 429.4860(pt.)
C5	Dibromoneopentyl glycol (Israel) 429.9590(pt.)
C6	Mixtures that are in whole or in part of bromine (Israel) 432.25(pt.)
C7	Concrete block and brick (Mexico) 511.6120
C8	Certain locks of base metal (Hong Kong, Republic of Korea, and Taiwan) 646.92
C9	Certain fabricated products of iron or steel (Republic of Korea) 653.00
C10	Brass household and sanitary ware (Taiwan) 654.25
C11	Brass plumbing goods and other articles of copper (Taiwan) 657.35 657.3520
C12	Hand-operated and check taps, cocks, and valves, and parts thereof, of copper (Taiwan) 680.14
C13	Puzzles and parts (Hong Kong) 735.2020
C14	Acrylic sheet (Taiwan) 771.41 771.45

D. Articles being considered with respect to whether a like or directly competitive product was produced in the United States on January 3, 1975, for purposes of section 504(d) of the Trade Act of 1974

Digest number	Commodity/TSUS(A) item
D1	Hot air popcorn poppers 684.20 (pt.)

TITLE: CABBAGE, PACKED IN SALT, IN BRINE, PICKLED, OR OTHERWISE PREPARED OR PRESERVED, EXCEPT SAUERKRAUT

I. TSUS (A) item number; description; tariff rate information; U.S. imports in 1982; 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 1983 ($1,000)	Product produced in U.S. on 1/3/75
			1980	1981	1982	1983	1984	1985	1986	1987			
	Vegetables, packed in salt, in brine, pickled, or otherwise prepared or preserved:												
	Cabbage:												
141.30	Other (except sauerkraut).	8.5%	5.5%	4%	4%	4%	4%	4%	4%	4%	35%	117	Yes.

1/ Rate effective prior to Jan. 1, 1980.

II. Comments

Description and uses

Cabbage is a biennial vegetable plant grown as an annual for its tightly clustered leaves, called a head. Virtually all of the cabbage consumed in the United States is as coleslaw, sauerkraut, or as a cooked vegetable. Relatively small quantities of otherwise prepared or preserved cabbage are also consumed domestically. Since only small or negligible amounts of coleslaw enter international trade because of its high degree of perishability and regional production, it is not herein further considered.

Prepared or preserved cabbage other than sauerkraut (the subject of this digest) includes mainly sliced cabbage preserved in vinegar, cabbage provisionally preserved in brine, and cabbage otherwise prepared or preserved. All of these products are of minor importance in U.S. consumption in relation to sauerkraut. The most common domestic product other than sauerkraut is cabbage preserved in vinegar, and sold as a relish. The bulk of the imported cabbage products (including sauerkraut) differ from the domestic products in that the former are frequently packed in a light wine sauce, and sold as a gourmet item or in ethnic-food specialty shops. Imported otherwise prepared or preserved cabbage from the principal GSP-eligible supplying countries of Asia differs considerably from the domestic product because the imported product contains additional spices and seasonings not generally found in the domestic. The Asian import is used principally in oriental cuisine. For example, one imported product is "kimchee," a Korean food consisting

of chopped, fermented cabbage mixed with garlic, onions, and red (hot) pepper. 1/

U.S. producers

The extent of domestic production of otherwise prepared or preserved cabbage is unknown, but is believed to be quite small in relation to that of sauerkraut. Domestic production of cabbage for processing (mostly as sauerkraut) takes place on farms covering nearly 30,000 acres, mostly in New York, Wisconsin, and Ohio, with approximately 30 "kraut" processors concentrated in these same States. Employment levels of these processors are unknown. Although cabbage for the fresh market is sometimes stored temporarily, cabbage for processing is normally shipped immediately to processors located nearby. In recent years, over 90 percent of cabbage for processing has been mechanically harvested, and the remainder harvested by hand. Over 85 percent of the fresh product sold for processing is grown under contract between grower and processor. All processors pack in an assortment of container sizes, both institutional and retail, and in container types, including tin, glass, poly bags, and pails.

U.S. consumption and production

During 1979-83, annual U.S. consumption of prepared or preserved cabbage, including sauerkraut, fluctuated between 419 million and 493 million pounds,

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and averaged 447 million pounds (table A). Declines in fresh U.S. cabbage production have reduced domestic consumption of prepared or preserved cabbage and sauerkraut in some years, but for recent years average consumption was stable, amounting to more than 400 million pounds annually. Imports of sauerkraut and otherwise prepared or preserved cabbage supplied less than 0.5 percent of domestic consumption in recent years.

During 1979-83, U.S. production of processed cabbage (mostly sauerkraut) averaged 424 million pounds, fluctuating between 418 million and 492 million pounds. Adverse weather conditions in cabbage-growing regions in 1980 and 1983 led to a drop in the availability of fresh cabbage, and curtailed output of processed cabbage in those years. Fluctuations in domestic production of processed cabbage products have been highly related to climatic changes, and to the available supply of cabbage remaining after the needs of the fresh market have been met.

U.S. exports

Data on U.S. exports of processed cabbage products are not separately reported; however, exports are believed to be negligible.

U.S. imports

During 1979-83, about 68 percent of the value of U.S. imports of processed cabbage consisted of sauerkraut and 32 percent (the remainder) of otherwise prepared or preserved cabbage products. During 1979-83, annual imports entering under TSUS item 141.30 of otherwise prepared or preserved cabbage averaged 254,000 pounds, valued at $114,000, fluctuating between 178,000 and 412,000 pounds (tables B and C). In recent years, West Germany

has been the leading supplier of otherwise prepared or preserved cabbage, supplying 55 percent of the 117 thousand dollars' worth of imports in 1983. GSP-eligible countries supplied 15 percent of the value of U.S. imports of other prepared or preserved cabbage during 1980-83. Thailand, the petitioning country, supplied about 2,000 dollars' worth of the imports in 1983 or less than 2 percent of total imports in that year.

The imported products, particularly those from GSP-eligible countries, have not been highly competitive with domestic products in recent years. The West German sauerkraut product is perhaps the most substitutable for the domestic product, but is generally sold at premium prices and therefore has not provided strong competition to domestic products. The imported products entering under TSUS item 141.30 from GSP-eligible countries are believed to be speciality, oriental products which do not compete to a significant degree with the major domestic products. Moreover, the domestic market for these imported products is believed to be very limited.

Position of interested parties

The petitioner for granting GSP treatment to processed cabbage (except sauerkraut) is Thailand.

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Table A.--Cabbage, packed in salt, in brine, pickled, or otherwise prepared or preserved: U.S. production, imports for consumption, and apparent consumption, 1979-83, January-June 1983 and January-June 1984

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

Year	Production	Imports			Apparent consumption	Ratio (percent) of imports to consumption
		Sauerkraut 1/	Otherwise prepared or preserved cabbage 2/	Total		
	Quantity					
1979	475,600	849	228	1,077	476,700	3/
1980	418,000	962	178	1,140	419,100	3/
1981	492,200	614	186	799	493,000	3/
1982	4/ 455,300	978	412	1,390	456,700	3/
1983	4/ 446,200	984	264	1,248	447,400	3/
Jan.-June						
1983	5/	552	125	677	5/	5/
1984	5/	702	198	900	5/	5/
	Value					
1979	5/	262	108	370	5/	5/
1980	5/	309	88	397	5/	5/
1981	5/	161	97	258	5/	5/
1982	5/	249	162	412	5/	5/
1983	5/	237	117	354	5/	5/
Jan.-June						
1983	5/	142	62	204	5/	5/
1984	5/	188	76	264	5/	5/
	Unit value					
1979	5/	31	47	34	-	-
1980	5/	32	49	35	-	-
1981	5/	26	52	32	-	-
1982	5/	26	39	30	-	-
1983	5/	24	44	28	-	-
Jan.-June						
1983	5/	26	49	30	-	-
1984	5/	27	39	29	-	-

1/ Imports entering under TSUS item 141.25.
2/ Imports entering under TSUS item 141.30.
3/ Less than 0.5 percent.
4/ Estimated by the staff of the U.S. International Trade Commission based on trade sources.
5/ Not available.

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

Note.--Exports are not separately reported, but are believed to be negligible.

Table B.--Cabbage other than sauerkraut, packed in salt, in brine, pickled, or otherwise prepared or preserved: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (1,000 pounds)						
Fr Germ	101	68	78	137	151	78	140
China t	5	18	14	35	27	8	6
Poland	32	39	25	16	39	16	5
China M	22	6	22	81	25	12	20
Nethlds	4	2	4	3	8	5	5
Sweden	26	28	3	18	3	2	1
Thailnd	3	10	9	12	5	3	6
Belgium	0	0	0	2	2	1/	11
All other	36	7	30	109	4	1	4
Total	228	178	186	412	264	125	198
	Value (1,000 dollars)						
Fr Germ	58	39	43	51	64	36	48
China t	3	12	8	26	19	8	4
Poland	7	10	6	4	10	4	1
China M	9	4	11	35	10	6	11
Nethlds	1	2	1	1	4	3	1
Sweden	12	16	3	13	3	2	2/
Thailnd	1	4	5	5	2	1	3
Belgium	-	-	-	1	2	1	4
All other	17	4	20	26	3	1	3
Total	108	88	97	162	117	62	76
	Unit value (per pound)						
Fr Germ	$0.57	$0.57	$0.55	$0.38	$0.42	$0.47	$0.34
China t	.54	.64	.59	.76	.71	.91	.66
Poland	.23	.25	.25	.25	.27	.27	.27
China M	.40	.59	.47	.43	.41	.46	.55
Nethlds	.36	.75	.34	.36	.48	.59	.29
Sweden	.45	.56	.99	.69	.86	.95	.63
Thailnd	.36	.37	.55	.40	.45	.41	.61
Belgium	-	-	-	.39	.94	9.28	.39
All other	.47	.57	.66	.24	.73	.77	.67
Average	.47	.49	.52	.39	.44	.49	.39

1/ Less than 500 pounds.
2/ Less than 500 dollars.

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

Table C.--Cabbage other than sauerkraut, packed in salt, in brine, pickled, or otherwise prepared or preserved: U.S. imports by certain world areas including designated GSP countries, 1980-83 and January-June 1984

Item	1980	1981	1982	1983	January - June 1984	
					Imports	Percentage distribution
	Quantity (1,000 pounds)					
Gross imports	178	186	412	264	198	100
26 developed ctries, total	144	121	211	205	166	84
GSP countries, total	28	41	54	34	12	6
China t	18	14	35	27	6	3
Thailnd	10	9	12	5	6	3
Kor Rep	0	15	0	2	0	
Hg Kong	1/	2	7	1/	0	
Other	6	24	147	25	20	10
	Value (1,000 dollars)					
Gross imports	88	97	162	117	76	100
26 developed ctries, total	69	60	81	84	58	76
GSP countries, total	15	25	35	23	8	10
China t	12	8	26	19	4	6
Thailnd	4	5	5	2	3	4
Kor Rep	-	11	-	1	-	
Hg Kong	2/	1	4	2/	-	
Other	4	11	46	10	11	14

1/ Less than 500 pounds.
2/ Less than 500 dollars.

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

TITLE: Heliotropin

I. TSUS item number; description; tariff rate information; U.S. imports in 1983; competitive status

TSUSA item No.	Description	Pre-MTN col. 1 rate of duty 1/	Staged col. 1 rate of duty effective with respect to articles entered on or after Jan. 1—								Col. 2 rate of duty	U.S. imports in 1983 ($1,000)	Product produced in U.S. on 1/3/75
			1980	1981	1982	1983	1984	1985	1986	1987			
460.40	Heliotropin	12% ad val	11.1% ad val.	10.2% ad val.	9.3% ad val.	8.4% ad val.	7.5% ad val.	6.6% ad val.	5.7% ad val.	4.8% ad val.	45% ad val.	429	Yes.

1/ Rate effective prior to Jan. 1, 1980.

II. Comments

Description and uses

Heliotropin, also known as piperonal, is a white or colorless crystal at room temperature which has a very sweet floral odor, sometimes described as cherry-like. It is used extensively in various perfume compositions, from the very expensive types all the way through household fragrances and industrial perfumes. It also is used extensively as a flavoring agent in cherry, strawberry, cola, rum, maple, nut, and tutti-frutti flavors. The concentration used is normally between 5 and 20 parts per million (ppm), except in chewing gum in which the concentration may exceed 40 ppm.

Heliotropin may be synthesized using the extract from the plant Ocotea Cymbarum, the main constituent of which is sassafrass oil, or from a benzenoid organic intermediate, pyrocatechol 1/. Although the heliotropin derived from the benzenoid source is classified independently in the TSUSA (412.96), the two products are chemically equivalent.

U.S. producer and employment

There is presently only one domestic producer of heliotropin, American Biosynthetics Corp. of Milwaukee, Wisconsin. This firm has produced heliotropin since 1972 and has been the only domestic producer since Givaudan stopped production in 1974. 2/ [***

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1/ O-dihydroxybenzene.
2/ Givaudan continued to sell heliotropin out of inventory through 1977.

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U.S. consumption and production

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] These figures reflect consumption of both the heliotropin made from natural sources and that synthesized from benzenoid sources.

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U.S. exports

There are no reported U.S. exports of domestically produced heliotropin.

U.S. imports

U.S. imports of heliotropin under TSUSA item no. 460.40 increased from 214,800 pounds in 1979 to 429,106 pounds in 1983, or by nearly 100 percent (table B). The fluctuating trends in both the volume of these imports and their prices during 1979–83 are typical of products derived from natural sources. The price of the heliotropin is determined to a significant extent by the availability of the plant source (Ocotea cymbarum) for the "natural" starting material. For example, during Fall 1983, a shortage of the plant source for heliotropin began forcing heliotropin prices higher. The cost to the heliotropin extracter increased to approximately $7 per pound as of August 1984, from approximately $3 in early 1984. This has resulted in imported heliotropin prices ranging from $8 to $11 per pound as of Aug. 3, 1984 at the port of New York. 1/ Although no actual price data is available for comparing domestic and imported heliotropin, the unit value of imports has been consistently less than that reported by the domestic producer.

Major U.S. sources of heliotropin imports are Japan and the People's Republic of China, which together accounted for more than 99 percent of U.S. imports in 1983. Other sources are thought to be either re-exporters or reprocessors of heliotropin.

Imported heliotropin, including that which would be classified in TSUSA item No. 412.96 2/ is directly competitive with the domestic product. Foreign

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1/ Chemical Marketing Reporter, Aug. 6, 1984, pp. 28, 42. These are prices quoted by certain suppliers and may not reflect prices paid in actual transactions.

2/ No imports have been classified in TSUSA item No. 412.96 during 1979–84.

heliotropin manufacturers obtain their raw plant materials at similar prices and from the same sources as the domestic producers, primarily from Brazil. In the past, the domestic producer alleged that imports from Spain and China were being dumped on the U.S. market, however, no formal petitions for relief from unfair trade practices were actually filed.

Only during 1981 did any imports of heliotropin enter the United States from any GSP-eligible nations (table C). In 1981, 12,390 pounds arrived from Taiwan; however, it is thought that the heliotropin was manufactured in Japan. If GSP status is granted to this item, the Spanish producer, currently beginning production in Brazil, would be eligible for GSP treatment for the Brazilian product. The petitioner has stated that GSP-eligibility would help defray the plant's start-up costs. Brazilian producers of heliotropin would have certain cost advantages when compared with other import sources, as well as the U.S. producers; they would have far less transportation costs than Japanese or Chinese manufacturers, and lower labor costs than the U.S. producer.

Position of interested parties

The petitioner in this instance, Biddle-Sawyer, Inc., is a domestic firm which produces some flavor and fragrance chemicals, but is an importer of heliotropin. At the time of the original petition to the U.S. Trade Representative (USTR), this firm intended to import heliotropin from a plant now in the first stages of production in Brazil. However, at the present time, the petitioner has lost what was expected to be an exclusive contract for Brazilian-produced helitotropin. As a result, this firm is currently

planning to withdraw its original petition from USTR, as the addition of heliotropin, TSUS item No. 460.40, is no longer desired.

The only U.S. producer of heliotropin has also stated his opposition to the addition of heliotropin to the list of GSP-eligible articles. This firm would be placed in a situation, according to its president, in which they could not be competitive, and they would be forced to shut down their facilities.

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Table A.--Heliotropin: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

Period	Production 1/	Exports 2/	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	Quantity (pounds)				
1979	3/ [***]	-	214,800	3/ [***]	[***]
1980	[***]	-	321,277	[***]	[***]
1981	[***]	-	309,926	[***]	[***]
1982	[***]	-	247,052	[***]	[***]
1983	[***]	-	429,106	[***]	[***]
Jan.-June					
1983	4/	-	260,846	4/	4/
1984	4/	-	195,632	4/	4/
	Value ($1,000)				
1979	4/	-	1,020	4/	4/
1980	[***]	-	1,707	[***]	[***]
1981	[***]	-	1,964	[***]	[***]
1982	[***]	-	1,582	[***]	[***]
1983	[***]	-	2,663	[***]	[***]
Jan.-June					
1983	4/	-	1,638	4/	4/
1984	4/	-	1,316	4/	4/
	Unit value (per pound)				
1979	4/	-	$4.75	-	-
1980	[***]	-	5.31	-	-
1981	[***]	-	6.34	-	-
1982	[***]	-	6.40	-	-
1983	[***]	-	6.21	-	-
Jan.-June					
1983	4/	-	6.28	-	-
1984	4/	-	6.73	-	-

1/ Domestic production of heliotropin may be derived from both natural and benzenoid sources. Production data reported to the United States International Trade Commission for the Synthetic Organic Chemicals Report.

2/ There are no known exports of heliotropin.

3/ Estimated.

4/ Not available.

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

Table 3.--Heliotropin (piperonal): U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (pounds)						
Japan	213,700	232,500	135,500	131,058	260,000	150,000	115,000
China M	0	83,331	148,808	105,292	165,475	110,846	77,028
Italy	0	0	0	0	3,102	0	0
U King	0	0	0	672	529	0	3,604
France	0	0	0	9,920	0	0	0
Spain	1,100	0	13,228	110	0	0	0
China t	0	0	12,390	0	0	0	0
Fr Germ	0	5,446	0	0	0	0	0
Total	214,800	321,277	309,926	247,052	429,106	260,846	195,632
	Value (1,000 dollars)						
Japan	1,014	1,188	918	764	1,623	941	762
China M	-	459	886	673	1,028	697	521
Italy	-	-	-	-	7	-	-
U King	-	-	-	6	5	-	33
France	-	-	-	138	-	-	-
Spain	6	-	90	1	-	-	-
China t	-	-	70	-	-	-	-
Fr Germ	-	61	-	-	-	-	-
Total	1,020	1,707	1,964	1,582	2,663	1,638	1,316
	Unit value (per pound)						
Japan	$4.75	$5.11	$6.77	$5.83	$6.24	$6.28	$6.63
China M	-	5.50	5.96	6.40	6.21	6.29	6.76
Italy	-	-	-	-	2.34	-	-
U King	-	-	-	8.41	9.02	-	9.13
France	-	-	-	13.95	-	-	-
Spain	5.50	-	6.81	5.77	-	-	-
China t	-	-	5.68	-	-	-	-
Fr Germ	-	11.16	-	-	-	-	-
Average	4.75	5.31	6.34	6.40	6.21	6.28	6.73

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

Table 6.--Heliotropin (piperonal): U.S. imports by certain world areas including designated GSP countries, 1980-83 and Jan - June 1984

Item	1980	1981	1982	1983	January - June 1984	
					Imports	Percentage distribution
	Quantity (pounds)					
Gross imports	321,277	309,926	247,052	429,106	195,632	100
26 developed ctries, total	237,946	135,500	141,650	263,631	118,604	61
GSP countries, total	0	12,390	0	0	0	
China t	0	12,390	0	0	0	
Other	83,331	162,036	105,402	165,475	77,028	39
	Value (1,000 dollars)					
Gross imports	1,707	1,964	1,582	2,663	1,316	100
26 developed ctries, total	1,249	918	908	1,635	795	60
GSP countries, total	-	70	-	-	-	
China t	-	70	-	-	-	
Other	459	976	674	1,028	521	40

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

TITLE: Citizens Band (CB) radio transceivers (except hand-held)

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1983; 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 1983 ($1,000)	Product produced in U.S. on 1/3/75
			1980	1981	1982	1983	1984	1985	1986	1987			
685.27	Citizens Band (CB) radio transceivers (except hand-held).	6%	2/	2/	2/	2/	2/	2/	2/	2/	35%	32,847	Yes.

1/ Rate effective prior to Jan. 1, 1980.
2/ Rate not negotiated during the Tokyo round.

Note: % denotes percent ad valorem.

II. Comment

Description and uses

The articles included in this digest cover radio telephonic transceivers designed for operating frequencies assigned to the Citizens Band Radio Service, i.e., CB transceivers. All such articles operating on these frequencies are included except hand-held units and those transceivers combined with other articles such as tape players or radio receivers.

Transceivers are generally combinations of radio transmitters and receivers which share common circuitry and provide two-way (transmit, receive) radio communications. The most common type of CB radio transceiver is a mobile unit which is designed for installation in a motor vehicle and is powered by the vehicle battery. It usually contains 23 or 40 operating channels.

CB radio transceivers are used by the operator for exchanging information, rendering assistance, and for entertainment purposes. The Federal Communications Commission (FCC) has designated channel 9 to be used exclusively for emergency reporting. No other channel has been similarly assigned by the FCC, although CB user groups often designate certain frequencies for specific types of message traffic.

U.S. customs treatment

As a result of a petition filed by a domestic manufacturer for import relief under section 201 of the Trade Act of 1974, the U.S. International Trade Commission, on August 10, 1977, instituted an investigation covering all types of CB transceivers. On February 2, 1978, the Commission recommended to

the President that increased duties should be imposed on CB transceivers to help the injured domestic industry. As a result, on April 11, 1978, the column 1 rate of duty was raised from 6 percent ad valorem to 21 percent ad valorem. Subsequently, that rate was reduced to 18 percent on April 11, 1979, to 15 percent on April 11, 1980, and reverted to the original rate of 6 percent ad valorem on April 11, 1981. These rate changes were provided for through the creation of TSUS item 923.85. On January 1, 1978, item 685.25, which had been the applicable TSUS provision for CB transceivers since 1968, was redesignated as TSUS item 685.28 with no apparent change in product classification. On April 11, 1978, in order to provide for the increased duty on CB radio transceivers (except hand-held), item 685.28 was separated with hand-held CB transceivers reclassified under TSUS item 685.29 along with other types of radio apparatus, and CB radio transceivers other than hand-held types reclassified under TSUS item 685.27. Concurrent with the increase in duty, CB radio transceivers (except hand-held) were removed as eligible articles under the GSP.

U.S. producers and employment

The number of U.S. firms producing CB transceivers declined from a high of 9 firms employing some 6,500 persons in 1978 to no domestic producers in 1983. As the demand for CB transceivers decreased in the late 1970's and early 1980's, U.S. firms ceased production and left the industry. As of June 1984, [***

] were selling CB transceivers out of the inventory that was built up during the period of high demand.

U.S. consumption and production

With a decline in demand, apparent consumption of CB tranceivers decreased from $72.9 million in 1979 to $42.1 million in 1980, or by 42 percent (table A). In 1981, a resurgence of popularity appeared and apparent consumption of CB transceivers (except hand-held) increased to $58.3 million before [***]. On average, apparent consumption of CB transceivers decreased [***] percent annually during 1979-83.

U.S. production of other than hand-held CB transceivers virtually ended by 1980. However, large inventories were built up by U.S. producers in the late 1970's and units have been shipped from these inventories since that time. U.S. producers' shipments decreased sharply from $17.9 million in 1979 to $6.5 million in 1980, and then [***

]

U.S. exports

U.S. exports of CB transceivers (other than hand-held) are estimated to have decreased from $1.8 million in 1979 to $350,000 million in 1983 (table B). Exports to Canada, the United Kingdom, and West Germany are estimated to have together accounted for 44 percent of total U.S. exports in 1983.

U.S. imports

U.S. imports of CB transceivers of the type covered by this digest followed the same trend as consumption. Imports decreased irregularly from

$56.8 million in 1979 to $32.8 million in 1983 (table C). Throughout the period 1979-83, Taiwan, Republic of Korea, and Japan were the leading sources of imports, accounting for 88 percent of total U.S. imports. In terms of value, the share of imports accounted for by GSP eligible countries increased from 71 percent in 1980 to 85 percent during January-June 1984 (table D). This is due to the increasing cost advantages (particularly labor cost) which GSP-eligible countries enjoy over developed countries.

Position of interested parties

The petitioner for GSP treatment is General Electric Co., a multinational company with production facilities abroad. The Electronic Industries Association has stated that it does not object to a grant of duty-free GSP treatment for CB transceivers classified under TSUS item 685.27.

Of the four firms accounting for over 90 percent of U.S. production during the period of high demand for CB radio transceivers, only one firm has indicated a possible objection to the institution of GSP. The firm's apparent concern is over new types of personal communication devices which may be assigned to the Citizens Band Radio Service and which could enter under item 685.27 and not be the type of equipment that is now normally considered a CB transceiver. In addition, the firm believes that CB transceivers are in competition with other communications products it produces.

* * * * *

Table A.--Citizens Band (CB) radio transceivers (except hand-held): U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

Period	Producers' shipments 1/	Exports 2/	Imports	Apparent consumption	Ratio of imports to consumption
	1,000 dollars				Percent
1979	17,892	1,789	56,824	72,927	77.9
1980	6,523	652	36,177	42,048	86.0
1981	5,612	561	53,207	58,258	91.3
1982	4,283	428	51,244	55,099	93.0
1983	2/ [***]	350	32,847	[***]	[***]
Jan.-June					
1983	3/	196	16,522	3/	3/
1984	3/	205	19,577	3/	3/

1/ Producers' shipments are comprised mostly of sales from existing inventories, particulary during 1981-83.

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

3/ Not available.

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

Table B.--Citizens Band (CB) radio transceivers: U.S. exports of domestic merchandise, by principal markets, 1979-83, January-June 1983, and January-June 1984

Market	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (1,000 units)						
Canada	1	1	2	2	4	2	1/
U King	1/	4	20	10	1	1	1/
Fr Germ	3	17	1	1/	1	1	1/
Colomb	1/	1/	1/	1	1	1/	1/
Venez	6	2	2	1	1	1/	1
Israel	1/	0	1/	1/	1/	1/	1/
Brazil	2	3	1	2	1/	1/	0
Hondura	1/	1/	1	1/	1/	0	1/
All other	76	38	41	15	5	2	6
Total	89	66	68	32	14	7	7
	Value (1,000 dollars)						
Canada	188	185	356	249	416	168	63
U King	75	176	1,377	369	261	87	37
Fr Germ	226	329	57	83	235	139	10
Colomb	30	104	93	77	130	85	72
Venez	453	176	357	96	64	11	177
Israel	41	-	22	8	56	46	16
Brazil	155	257	87	117	55	55	-
Hondura	49	11	10	2	55	-	17
All other	5,527	3,659	4,925	6,150	809	368	816
Total	6,743	4,897	7,282	7,152	2,081	957	1,208
	Unit value (per unit)						
Canada	$150.46	$242.37	$186.42	$130.96	$118.32	$77.50	$229.19
U King	168.73	45.03	69.24	35.82	175.36	146.43	183.82
Fr Germ	77.04	18.96	93.12	180.94	193.57	130.66	277.94
Colomb	190.80	246.03	219.88	119.40	225.38	191.82	308.62
Venez	75.67	88.78	151.23	78.23	47.26	182.84	327.05
Israel	566.53	-	438.82	360.17	247.06	264.64	224.56
Brazil	81.12	96.95	80.66	65.79	162.71	160.99	-
Hondura	182.29	108.96	15.23	604.67	1,062.88	-	460.11
All other	73.03	95.46	118.67	401.07	154.97	162.80	137.95
Average	76.03	74.74	106.40	225.70	148.86	134.98	165.28

1/ Less than 500.

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

Note.--Exports shown above include hand-held type CB transceivers. The staff of the U.S. International Trade Commission has estimated the exports of CB transceivers, except hand-held, amounted to $1,789,000; $652,000; $561,000; $428,000; $350,000; $196,000; and $205,000 in 1979-83, January-June 1983, and January-June 1984, respectively.

Table C.--Citizens Band (CB) radio transceivers (except hand-held): U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (1,000)						
China t-----	355	259	223	240	281	147	169
Kor Rep-----	442	262	472	742	391	175	218
Japan-------	433	259	398	167	178	85	65
Hg Kong-----	13	131	281	213	32	27	65
Mexico------	0	0	1/	1/	7	3	1
Canada------	2	1/	1	1	2	1	1/
Austria-----	0	1/	0	1	2	1	1
Ireland-----	0	0	0	2	1	1	0
All other---	36	1/	1/	1	1/	1/	1/
Total---	1,282	911	1,375	1,367	894	440	520
	Value (1,000 dollars)						
China t-----	18,719	12,154	12,960	11,419	12,787	6,490	7,871
Kor Rep-----	14,388	8,519	14,780	23,372	11,008	5,328	7,023
Japan-------	21,802	10,361	14,801	8,399	7,420	3,334	2,800
Hg Kong-----	472	5,050	10,581	7,794	1,298	1,162	1,702
Mexico------	-	-	1/	3	143	53	85
Canada------	100	58	60	45	92	82	49
Austria-----	-	5	-	38	61	38	46
Ireland-----	-	-	-	126	29	29	-
All other---	1,342	31	25	49	10	7	1
Total---	56,824	36,177	53,207	51,244	32,847	16,522	19,577
	Unit value (per unit)						
China t-----	$52.79	$47.02	$58.19	$47.60	$45.47	$44.18	$46.48
Kor Rep-----	32.54	32.49	31.32	31.49	28.13	30.46	32.16
Japan-------	50.32	40.07	37.24	50.28	41.73	39.12	42.92
Hg Kong-----	35.57	38.49	37.65	36.52	40.06	42.58	26.37
Mexico------	-	-	329.00	35.24	22.02	19.83	75.86
Canada------	41.81	176.38	58.96	57.43	48.44	76.81	215.56
Austria-----	-	48.82	-	38.10	40.40	37.76	44.09
Ireland-----	-	-	-	67.71	24.98	24.98	-
All other---	37.04	216.99	54.58	69.31	146.94	114.19	171.67
Average--	44.33	39.71	38.71	37.49	36.75	37.52	37.66

1/ Less than 500.

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

Table D.--Citizens Band (CB) radio transceivers (except hand-held): U.S. imports by certain world areas including designated GSP countries, 1980-83 and January-June 1984

Item	1980	1981	1982	1983	January - June 1984 Imports	Percent of gross total
	Quantity (1,000)					
Gross imports	911	1,375	1,367	894	520	100
26 developed countries, total	259	399	171	182	67	13
GSP countries, total	652	976	1,196	711	453	87
China t	259	223	240	281	169	33
Kor Rep	262	472	742	391	218	42
Hg Kong	131	281	213	32	65	12
Mexico	0	2/	2/	7	1	1/
Singapr	0	0	0	2/	0	0
Salvadr	2/	0	0	0	0	0
Other	0	0	0	0	0	0
	Value (1,000 dollars)					
Gross imports	36,177	53,207	51,244	32,847	19,577	100
26 developed countries, total	10,454	14,886	8,657	7,609	2,897	15
GSP countries, total	25,723	38,321	42,587	25,238	16,680	85
China t	12,154	12,960	11,419	12,787	7,871	40
Kor Rep	8,519	14,780	23,372	11,008	7,023	36
Hg Kong	5,050	10,581	7,794	1,298	1,702	9
Mexico	-	2/	3	143	85	1/
Singapr	-	-	-	2	-	-
Salvadr	1	-	-	-	-	-
Other	-	-	-	-	-	-

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

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

Title: Certain clock cases and parts

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1983; competitive status

(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 1983 ($1,000)	Product produced in U.S. on 1/3/75
			1980	1981	1982	1983	1984	1985	1986	1987			
	Clock cases and parts thereof:												
720.34	Other	13.5%	12.7%	11.9%	11%	10.2%	9.4%	8.6%	7.7%	6.9%	45%	4,323	Yes.

1/ Rate effective prior to Jan. 1, 1980.

II. Comments

Description and uses

The items under consideration for treatment under the Generalized System of Preferences (GSP) are certain clock cases and parts thereof, classified for tariff purposes in TSUS item 720.34 and defined as clock cases and parts (except outer cases for travel clocks) not over 50 percent of metal by weight and not wholly or in part of precious metal. 1/

Clock cases are containers or housings designed or suitable for the enclosure of clock movements, mechanisms, devices, or instruments, whether or not containing such movements, mechanisms, devices, or instruments, and whether finished or unfinished, complete or incomplete, except such containers as are used for shipping purposes only. Cases generally are constructed, in whole or in part, of three basic materials: wood, plastic, and metal. A small percentage of clocks are housed or enclosed in glass cases.

U.S. producers

No official data are available on the number of firms comprising the domestic industry and the number of workers employed by such firms. However, based on information provided by industry sources, the industry is believed to be quite broad. Basically, the U.S. industry consists of two groups of

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1/ The petition requests the addition of GSP treatment for wooden cabinets for wall clocks imported from Colombia under TSUS item 720.34. Articles imported under this TSUS classification include clock cases and parts made of a variety of materials (e.g., wood, metal, plastic, etc.) except outer cases for travel clocks and those cases and parts consisting of over 50 percent, by weight, of metal and not wholly or in part of precious metal. Accordingly, the addition to the list of eligible articles for duty-free treatment would not be restricted solely to wooden clock cases or to wooden clock cases for wall clocks but would include all clock cases and parts of all types that are entered under TSUS item 720.34.

producers. The primary group of producers is comprised of firms that either manufacture or purchase from others clock movements which are inserted into cases produced in their establishments. Industry sources estimate that there are approximately 24 such firms. Most of these firms manufacture cases which are constructed of both wood and plastic. The manufacture of wooden clock cases requires substantial labor input from skilled workers. The manufacture of plastic cases, which are stamped from molding machines, is capital intensive. The second group of producers consists of firms which are engaged in producing mainly furniture products of all types. These firms produce wooden clock cases only as orders are received and generally do not have a continuous production run of such products. Such firms are estimated to number between 1,500 and 2,000.

U.S. consumption and production

The estimated value of apparent U.S. consumption of clock cases and parts increased from $93.4 million in 1979 to $96.6 million in 1981. Apparent consumption declined by nearly 8 percent, to $89.0 million, in 1982, but then increased in 1983 to $97.0 million. The ratio of imports to consumption increased from 3.6 percent in 1979 to 4.5 percent in 1983.

The estimated value of producers' shipments increased from $91.1 million in 1979 to $94.8 million in 1981. Shipments declined in 1982 to $87.2 million, but then increased to $94.6 million in 1983. The overall increase in producers' shipments during 1979-83 amounted to 3.8 percent.

Plastic clock cases, which generally have a lower unit value (about 75 cents) than cases made of wood and other materials, accounted for about 20 percent of the total value of producers' shipments during 1979-83.

Conversely, the combined value of decorative wall and mantel clock cases and clock cases for floor or grandfather clocks accounted for the bulk of the value of producers' shipments over the same period. Typically, the average unit values of wooden cases for wall and mantel clocks generally range between $10-$25 per case, and wooden cases for floor clocks typically range between $225-$250 per case. 1/ For the most part, however, the unit cost of the case represents a small percentage of the overall selling price of the final product.

U.S. exports

Based on information provided by industry sources, exports of clock cases represent an insignificant share of the total value of U.S.producers' shipments, averaging about 2 percent during 1979-83. 2/ During 1979-83, exports of these articles rose from $1.1 million to $1.9 million, peaking at $2.4 million in 1981 (table B). Canada accounted for 46 percent of U.S. exports in 1983. U.S. exports compete in foreign markets principally on the basis of quality.

U.S. imports

Imports of clock cases and parts were erratic during 1979-83. Such imports declined from $3.4 million in 1979 to $3.2 million in 1980, and then increased to $4.3 million in 1981 (table C). In 1982, imports fell back to $4.1 million but then increased to $4.3 million in 1983. Japan was the largest single source of imports in the latter year, accounting for about

1/ Based on information obtained from industry sources.
2/ One large clock producer that also manufactures its own cases indicated that less than one percent of its production of cases is exported.

31 percent of the value of total imports. Following Japan, the leading suppliers in 1983 were West Germany and Taiwan, which together accounted for about 39 percent of the value of imports in that year. Virtually all of the cases imported from Japan in 1983 were low-priced (probably plastic) cases which averaged about 32 cents per unit. Although the average unit value of imported clock cases from all sources was 98 cents in 1983, 56 percent of the total value of such imports were accounted for by cases which ranged from $2 to $25 in value. The overall unit value of these cases was $4. This relatively low unit value suggests that such cases were most likely of common wood construction and were simplistic in design.

Imported clock cases and parts from countries designated as beneficiaries of the GSP totalled $1.7 million in 1983 and accounted for 39 percent of the value of total U.S. imports (table D). The combined value of imports from three designated beneficiary countries (Taiwan, Republic of Korea, and Hong Kong) accounted for the major share (82 percent) of such imports from designated beneficiary countries in 1983.

Position of interested parties

In its petition, the government of Colombia contends that U.S. producers of like or directly competitive products, as well as the consuming public, are not likely to be adversely impacted by the granting of the petition. 1/ The granting of GSP treatment, the petition contends, will assist in stimulating industrial productivity in the Colombia economy. No submissions were received from U.S. interested parties.

1/ In this connection, the petition states that present capacity of Colombian clock case producers is about [***] units annually and that current annual production is about [***] units.

* * * * *

* * * * *

Table A.--Clock cases and parts: 1/ U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Period	Producers' shipments 2/	Exports	Imports	Apparent consumption	Ratio of imports to consumption
					Percent
1979	91,114	1,098	3,405	93,421	3.6
1980	92,442	2,149	3,184	93,477	3.4
1981	94,753	2,430	4,281	96,604	4.4
1982	87,173	2,192	4,060	89,041	4.6
1983	94,582	1,911	4,323	96,994	4.5
January-June:					
1983	47,291	953	1,937	48,275	4.0
1984	49,725	838	2,749	51,636	5.3

1/ Includes TSUSA items 720.3420 and 720.3440.

2/ Estimated by the staff of the U.S. International Trade Commission from industry sources.

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

Table B.--Certain clock cases and parts: U.S. exports of domestic merchandise, by principal markets, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Market	1979	1980	1981	1982	1983	January-June-- 1983	1984
Canada	407	1,337	1,417	661	880	341	439
Fr Germ	35	69	81	218	171	86	47
Mexico	44	54	140	203	169	148	-
U King	48	86	267	128	150	59	34
Ireland	10	-	19	1	113	108	9
France	152	121	141	58	51	11	95
Rep Saf	-	-	28	18	47	28	42
Belgium	7	15	2	3	43	1	5
All other	397	468	336	901	288	171	166
Total	1,098	2,149	2,430	2,192	1,911	953	838

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

Table C.--Certain clock cases and parts: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
Japan	811	688	1,103	630	1,320	710	662
Fr Germ	809	832	1,215	1,081	914	410	526
Taiwan	222	254	394	845	752	244	928
Kor Rep	97	110	38	52	334	139	114
Hg Kong	424	307	522	525	311	102	186
Mexico	610	466	355	192	189	84	92
Canada	48	90	53	20	108	37	68
Hungary	-	-	53	101	81	55	-
All other	383	437	547	613	314	156	174
Total	3,405	3,184	4,281	4,060	4,323	1,937	2,749

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

Table D.--Certain clock cases and parts: U.S. imports by certain world areas including designated GSP countries, 1980-83 and Jan - June 1984

Item	1980	1981	1982	1983	January - June 1984 Imports	January - June 1984 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
Taiwan	0	0	0	0	0	0
Kor Rep	0	0	0	0	0	0
Hg Kong	0	0	0	0	0	0
Mexico	0	0	0	0	0	0
Singapr	0	0	0	0	0	0
Phil R	0	0	0	0	0	0
Portugl	0	0	0	0	0	0
Brazil	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	3,184	4,281	4,060	4,323	2,749	100
26 developed ctries, total	1,957	2,615	1,900	2,522	1,397	51
GSP countries, total	1,206	1,577	2,011	1,700	1,349	49
Taiwan	254	394	845	752	928	34
Kor Rep	110	38	52	334	114	4
Hg Kong	307	522	525	311	186	7
Mexico	466	355	192	189	92	3
Singapr	30	218	337	43	1	1/
Phil R	1	-	4	25	-	
Portugl	37	42	52	16	-	
Brazil	2	-	-	11	-	
Other GSP	-	8	3	17	29	1
Other	20	89	149	101	3	1/

1/ Less than 0.5 percent.

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

TITLE: Rubber and plastic apparel, including infants' diaper pants

I. TSUSA item number; description; tariff rate information; U.S. imports in 1983; 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 1983 ($1,000)	Product produced in U.S. on 1/3/75
			1980	1981	1982	1983	1984	1985	1986	1987			
	Wearing apparel of rubber or plastics:												
	[Aprons]												
	Other:												
	[Containing 50% or more by weight of cotton, wool or manmade fibers, or any combination thereof, or containing 50% or more by weight of textile materials with wool comprising 17% or more by weight:]												
772.3095	Other	12.5%	12.5%	12.5%	11.3%	10%	8.8%	7.5%	6.3%	5%	25%	89,496	Yes.
772.3095(pt.)	Infants' diaper pants	12.5%	12.5%	12.5%	11.3%	10%	8.8%	7.5%	6.3%	5%	25%	82	Yes.

1/ Rate effective prior to Jan. 1, 1980.

Note.—The part of description enclosed in brackets is included only to define the articles under consideration.

II. Comments

Description and uses

TSUSA item 772.3095 is a "basket" provision that was established on January 1, 1984, to provide for rubber and plastic apparel except for aprons and for garments in chief weight of textile fibers and subject to U.S. textile import controls. 1/ Generally, rubber and plastic apparel is made with a textile fabric substrate that has been coated or laminated with nontransparent or opaque rubber or plastics, with the opaque covering forming the outer surface of the garment.

Most of the imports under item 772.3095 so far this year have consisted of rainwear of polyvinyl chloride (PVC) and artificial leather apparel of polyurethane or PVC. The leather-like apparel consists of jackets, pants, vests, and skirts. The rainwear consists of: (1) foul-weather garments, such as raincoats and slickers, intended for streetwear; (2) rainsuits and related garments intended for recreational purposes (e.g., fishing and sailing); and (3) rainwear, chemical-resistant garments, and other protective apparel for industrial, including government, use.

Also classified under item 772.3095 and the subject of the GSP petition are infants' plastic diaper pants, usually worn over cloth diapers to protect babies' garments and bedding against wetness. Once made of rubber, these pants are now mostly made of PVC and have a wear-life of about 8 to 12 months. Demand for these low unit-valued items is derived primarily from

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1/ Articles subject to textile import-restraint agreements are not eligible for GSP treatment under sec. 503(C)(1)(A) of the Trade Act of 1974.

demand for the cloth diapers, sales of which have declined in half since the early 1970's to where they now account for less than 30 percent of total diaper sales, as consumers prefer to use convenient disposable diapers.

U.S. producers and employment

Declining demand for infants' rubber and plastic diaper pants has forced about half the domestic producers during the past decade to cease making them. From about 15 producers during the mid-1970's, only 7 firms are known to have produced the pants during early 1984, and 1 of the firms plans to stop producing them by year's end. Although the contraction of the industry has led to growing concentration, the largest producer--selling widely recognized brand-name baby products--has historically dominated the market and now supplies about [***] percent of total sales. The domestic producers, which employ an estimated [***] workers in the production of the pants and which are highly mechanized in their production processes, market an extensive line of baby products, with pants accounting for about [***] to [***] percent of each firm's sales.

Artificial leather garments are believed to be made domestically by less than five firms whose output represents only a minor share of the domestic market. The largest producer indicated that its current output is only a fraction of what it was during the 1970's, attributing it primarily to intense price competition from Korea and Taiwan. The sewing machines used in its production of the leather-like garments are now used in making fabric garments.

The domestic industry manufacturing rainwear has been shrinking in size during the past decade, with the number of firms primarily producing rainwear from purchased materials down to 95 in 1982. During 1979-83, the rainwear industry showed declines of about 30 percent in the number of plants to 131 and 25 percent in the number of employees to about 9,900. Some of the firms producing rainwear for the retail trade also make similar but heavier garments for the industrial market, especially for workers in commercial fishing fleets and on offshore drilling rigs, which has been hardhit in recent years by the economic recession and weak drilling activity. In addition, there are about four major producers specializing in making protective apparel of rubber or plastics for use primarily in the chemical and related industries and an estimated seven significant producers manufacturing firemen's protective clothing (i.e., coats and bunker pants).

U.S. consumption and production

U.S. consumption and production of infants' rubber and plastic diaper pants declined an estimated 33 percent in quantity during 1979-83, from [***] million dozen, valued at [***] million, to [***] million dozen, valued at [***] million, in 1983 (table A-1). The share of the market supplied by imports reportedly amounted to only [***] percent during 1979-83.

Although data are not available for U.S. consumption of artificial leather garments, domestic production of the garments has been supplanted by imports, which reportedly supply at least 90 percent of the domestic market. Sales of these garments, historically related to demand for genuine leather

garments, have escalated during the past 1 1/2 years because of strong demand for the highly ornamented, leather-like jackets especially popular among school-age children, and popularized by a well-known recording artist.

The domestic market for rubber and plastic rainwear sold to retail consumers reportedly totaled about $30-35 million at wholesale in 1983. Domestic production of such apparel has also been largely displaced by imports, which reportedly now supply about two-thirds of the market. By contrast, industrial rainwear has reportedly been supplied primarily by domestic producers, whose shipments in 1983 totaled an estimated $25-30 million. However, about 10 to 15 percent of the producers' sales reportedly consisted of imports, usually low-end goods. Producers sold imported rainwear in an attempt to remain competitive in the market, particularly with distributors of safety products, to whom they sell their industrial rainwear, which source their products from both domestic and foreign manufacturers.

U.S. exports

U.S. exports of infants' rubber and plastic diaper pants fluctuated within a relatively small range during 1979-82, annually averaging an estimated [***] dozen, with the value of exports reaching their highest level in 1982 at an estimated [***] (table A-1). In 1983, however,

estimated exports declined by more than half to [***] dozen, valued at [***]. Most of the decline was attributed to the strong U.S. dollar and resultant decline in price competitiveness vis-a-vis other foreign producers in major markets abroad, which during 1979-83 were Saudi Arabia and Israel.

U.S. exports of all rubber and plastic apparel rose from $10.7 million in 1979 to almost $22.0 million in 1982, and then declined to $15.1 million in 1983 (tables A-2 and B). However, the export quantity rose continuously throughout the period, from 700,300 dozen in 1979 to 1.8 million dozen in 1983. This was primarily due to an increase in shipments of relatively low-valued garments to Canada, the major export market, which accounted for 60 percent of the quantity but only 16 percent of the value of total exports in 1983.

U.S. imports

U.S. imports of infants' rubber and plastic diaper pants have historically been negligible, valued at about [***] during each of the years 1979-83 (table A-1). No imports were reported from Peru (the petitioner) in 1983 or during January-June 1984. As with U.S. production, the estimated quantity of imports also has declined in response to weak product demand, falling continuously from [***] dozen in 1979 to [***] dozen in 1983. The extremely low level of imports, virtually all of which are believed to have come from Taiwan, is due to the mechanization of the production process here that has largely offset any labor cost advantage enjoyed by developing countries. In addition, the major U.S. producers offer an extensive line of quality baby products with widely recognized and accepted brand names.

U.S. imports of rubber and plastic apparel entered under TSUSA item 722.3095 so far this year have consisted mostly of rainwear and artificial leather garments. However, officials of the U.S. Department of Commerce and the Customs Service indicated that most of these garments have been incorrectly classified for statistical purposes. They believe that most of the garments were in chief weight of the cotton or manmade-fiber fabric substrate and therefore the garments should have been reported under TSUSA items 772.3015-772.3040, which provide for rubber and plastic apparel subject to U.S. textile import controls. 1/

Imports have accelerated rapidly during the past year or so, primarily reflecting demand for the leather-like jackets and related apparel made popular by a well-known recording artist. After declining from $83.3 million in 1979 to $56.5 million in 1981 and to $61.0 million in 1982, imports climbed 53 percent in 1983 to $93.4 million. During January-June 1984, they rose another 115 percent over those in the year-earlier period to $77.3 million (table C). Approximately 95 percent of the imports in the 1984 period came from GSP-eligible countries with Taiwan and Korea generating virtually all the GSP shipments (table D). Both countries continued to accelerate their shipments during July and August 1984, with Taiwan's year-to-date shipments totaling $65.1 million and Korea's, $55.3 million. As a result, Taiwan became ineligible for the GSP because its shipments have already exceeded the

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1/ The misclassifications have occurred because, under Customs' "bypass" program, import entries involving "non-sensitive" products, such as those not under quota, are routinely excluded from inspection. Although rubber and plastic garments in chief weight of cotton, wool, or manmade fibers are subject to textile import controls, no specific quotas are currently in effect.

competitive need limit of $57,688,956 for 1984 and Korea will most likely become ineligible too.

About 90 percent of the imports of rubber and plastic apparel since 1979 have come from Taiwan and Korea, which are major manufacturing centers for the raw materials--PVC, polyurethane, and base fabric, having expanded production capacity and improved product quality in recent years. Access to the raw materials, coupled with low labor costs, have contributed importantly to their dominant position in the U.S. rubber and plastic apparel market, supplying it with all but a small part of the simulated leather garments and most of the inexpensive rainwear. In response to their competitiveness, many U.S. rainwear producers have moved up to higher priced and so-called high-tech rainwear and protective garments, made of specialty waterproof but "breathable" fabrics or for special uses, to remove themselves from direct import competition. However, the U.S. producer which first developed the high-tech rainwear fabric has recently established a sales office in Hong Kong to promote its use in the manufacture of rainwear and other outdoor products for export, presumably to the United States and other major markets.

Position of interested parties

The petition for GSP treatment on the infants' diaper pants came from an organization in Peru known as FOPEX (Fondo De Promocion De Exportaciones No Tradicionales), on behalf of one producer there, ARTESCO. The petition states that the GSP treatment would improve the producer's competitiveness and the resultant sales potential, thereby allowing it to better use its installed production capacity and create new jobs. The producer, which exports 20 percent of its output and reported sales of almost $280,000 in 1983, is operating at 40 percent of capacity and employs 12 persons. There were no submissions from domestic interests.

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Table A-1.--Infants' rubber and plastic diaper pants: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83

(Quantity in thousands of dozens; value in thousands of dollars; unit value per dozen)

Year	Producers' shipments	Exports	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	Quantity				
1979	[***]	[***]	[***]	[***]	[***]
1980	[***]	[***]	[***]	[***]	[***]
1981	[***]	[***]	[***]	[***]	[***]
1982	[***]	[***]	[***]	[***]	[***]
1983	[***]	[***]	[***]	[***]	[***]
	Value				
1979	[***]	[***]	[***]	[***]	[***]
1980	[***]	[***]	[***]	[***]	[***]
1981	[***]	[***]	[***]	[***]	[***]
1982	[***]	[***]	[***]	[***]	[***]
1983	[***]	[***]	[***]	[***]	[***]
	Unit value				
1979	[***]	[***]	[***]	-	-
1980	[***]	[***]	[***]	-	-
1981	[***]	[***]	[***]	-	-
1982	[***]	[***]	[***]	-	-
1983	[***]	[***]	[***]	-	-

Source: Estimated by the staff of the U.S. International Trade Commission from information provided by Gerber Products.

Table A-2.— Rubber and plastic apparel, including infants' diaper pants: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83

(Quantity in thousands of dozens; value in thousands of dollars; unit value per dozen)

Year	Producers' shipments 1/	Exports	Imports	Apparent consumption 1/	Ratio (percent) of imports to consumption 1/
	Quantity				
1979	1/	700	6,741	1/	1/
1980	1/	1,047	5,477	1/	1/
1981	1/	1,298	6,412	1/	1/
1982	1/	1,500	5,488	1/	1/
1983	1/	1,810	5,963	1/	1/
	Value				
1979	1/	10.7	83.3	1/	1/
1980	1/	14.5	65.6	1/	1/
1981	1/	20.2	56.5	1/	1/
1982	1/	22.0	61.0	1/	1/
1983	1/	15.1	93.4	1/	1/
	Unit value				
1979	1/	$15.26	$12.36	-	-
1980	1/	13.80	11.97	-	-
1981	1/	15.59	8.81	-	-
1982	1/	14.64	11.12	-	-
1983	1/	8.34	15.67	-	-

1/ Not available.

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

Table B.--Rubber and plastic apparel, including infants' diaper pants: U.S. exports of domestic merchandise, by principal markets, 1979-83

Market	1979	1980	1981	1982	1983
	Quantity (1,000 dozen)				
Canada	31	224	531	617	1,094
N Antil	28	11	95	178	82
Bahamas	7	6	3	20	59
Haiti	3	111	36	20	166
Japan	80	58	69	101	58
Israel	3	8	3	8	5
U King	51	49	71	30	15
Venez	45	70	69	32	16
S Arab	8	6	29	44	26
Colomb	13	63	12	16	12
All other	432	443	380	432	276
Total	700	1,047	1,298	1,500	1,810
	Value (1,000 dollars)				
Canada	1,271	1,191	1,958	2,116	2,441
N Antil	221	260	4,294	4,505	1,885
Bahamas	91	72	172	545	1,494
Haiti	117	353	119	292	1,210
Japan	1,408	1,324	694	598	926
Israel	47	60	28	1,187	639
U King	553	467	689	453	599
Venez	497	885	1,230	777	540
S Arab	108	207	627	1,252	530
Colomb	156	601	234	521	340
All other	6,216	9,034	10,184	9,712	4,493
Total	10,687	14,453	20,229	21,958	15,095
	Unit value (per dozen)				
Canada	$41.34	$5.31	$3.69	$3.43	$2.23
N Antil	7.83	24.13	45.41	25.30	22.90
Bahamas	12.98	12.76	49.07	26.82	25.22
Haiti	35.82	3.18	3.33	14.52	7.29
Japan	17.68	22.89	10.06	5.89	15.87
Israel	16.41	7.96	9.52	139.94	128.68
U King	10.87	9.54	9.66	15.04	39.88
Venez	11.06	12.67	17.90	24.08	33.47
S Arab	13.64	35.97	21.26	28.54	20.41
Colomb	11.96	9.60	19.98	31.95	27.23
All other	14.40	20.38	26.82	22.50	16.31
Average	15.26	13.80	15.59	14.64	8.34

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

Table C.--Wearing apparel of rubber or plastics, including infants' diaper pants: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (1,000 dozen)						
China t-----	2,628	2,520	2,006	2,077	3,576	1,686	2,096
Kor Rep-----	2,868	2,075	2,165	1,547	1,051	610	571
Hg Kong-----	779	489	665	912	558	253	544
Japan-------	47	20	39	16	99	15	38
China M-----	3	32	1,062	557	320	107	28
Canada------	14	9	21	11	10	8	4
Norway------	11	9	8	4	3	2	2
Sweden------	2	2	2	3	5	3	6
N Zeal------	1	1	3	1	1	1/	1
Italy-------	8	4	27	5	10	4	2
All other---	380	316	415	355	330	163	243
Total---	6,741	5,477	6,412	5,488	5,963	2,850	3,536
	Value (1,000 dollars)						
China t-----	37,492	38,006	32,992	32,049	60,365	24,704	41,528
Kor Rep-----	37,921	20,309	16,070	20,962	24,661	8,336	30,032
Hg Kong-----	3,106	3,120	1,918	2,049	1,198	620	605
Japan-------	784	414	354	444	1,071	182	721
China M-----	14	153	480	508	963	457	332
Canada------	965	479	731	1,099	936	510	514
Norway------	1,234	1,168	842	859	554	275	480
Sweden------	313	284	264	347	552	333	253
N Zeal------	78	236	444	352	348	123	304
Italy-------	178	114	136	182	322	141	130
All other---	1,250	1,296	2,273	2,165	2,466	1,139	2,409
Total---	83,335	65,580	56,504	61,018	93,434	36,819	77,309
	Unit value (per dozen)						
China t-----	$14.27	$15.08	$16.44	$15.43	$16.88	$14.65	$19.81
Kor Rep-----	13.22	9.79	7.42	13.55	23.47	13.66	52.60
Hg Kong-----	3.99	6.39	2.89	2.25	2.15	2.45	1.11
Japan-------	16.73	21.06	9.19	28.56	10.82	12.07	18.77
China M-----	5.42	4.83	0.45	0.91	3.01	4.29	11.93
Canada------	67.45	53.06	34.82	96.15	92.49	65.67	117.55
Norway------	112.66	124.73	107.15	197.99	185.78	181.94	214.04
Sweden------	129.34	124.91	121.54	130.58	109.47	116.38	45.61
N Zeal------	143.33	348.31	161.03	324.32	277.16	306.55	386.19
Italy-------	21.70	27.14	4.98	35.21	32.86	37.50	52.64
All other---	3.29	4.10	5.48	6.11	7.46	7.00	9.93
Average--	12.36	11.97	8.81	11.12	15.67	12.92	21.86

1/ Less than 500.

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

Table D.--Wearing apparel of rubber or plastics, including infants' diaper pants: U.S. imports by certain world areas including designated GSP countries, 1980-83 and Jan.-June 1984

Item	1980	1981	1982	1983	January - June 1984	
					Imports	Percentage distribution
	Quantity (1,000 dozen)					
Gross imports	5,477	6,412	5,488	5,963	3,536	100
26 developed ctries, total	345	389	259	358	230	6
GSP countries, total	5,099	4,962	4,671	5,285	3,279	93
China t	2,520	2,006	2,077	3,576	2,096	59
Kor Rep	2,075	2,165	1,547	1,051	571	16
Hg Kong	489	665	912	558	544	15
Haiti	3	10	54	67	31	1
Portugl	0	2/	0	2	3	1/
Phil R	1	82	44	6	10	1/
Mexico	1	1	1	13	19	1
Romania	2/	0	1	1	0	
Other GSP	12	32	35	12	3	1/
Other	32	1,062	558	320	28	1
	Value (1,000 dollars)					
Gross imports	65,580	56,504	61,018	93,434	77,309	100
26 developed ctries, total	3,814	3,968	4,288	5,314	3,921	5
GSP countries, total	61,606	52,050	56,153	87,146	73,056	95
China t	38,006	32,992	32,049	60,365	41,528	54
Kor Rep	20,309	16,070	20,962	24,661	30,032	39
Hg Kong	3,120	1,918	2,049	1,198	605	1
Haiti	11	35	204	247	155	1/
Portugl	-	2	-	181	368	1/
Phil R	36	737	439	179	171	1/
Mexico	32	26	28	133	145	1/
Romania	3	-	106	83	-	
Other GSP	89	270	316	98	52	1/
Other	160	487	576	974	332	1/

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

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

TITLE: Trifluralin

I. TSUS item number; description; tariff rate information; U.S. imports in 1983; competitive status

TSUSA item No. 1/	Description	Pre-MTN col. 1 rate of duty 2/	Staged col. 1 rate of duty effective with respect to articles entered on or after Jan. 1—								Col. 2 rate of duty	U.S. imports in 1983 ($1,000)	Product produced in U.S. on 1/3/75
			1980 3/	1981	1982	1983	1984	1985	1986	1987			
A 408.22(pt.)	Trifluralin (α',α',α',-Trifluoro-2,6-dinitro-N,N-dipropyl-p-toluidine)	1.7¢ + 12.5% ad val.	1.3¢ + 15.1% ad val.	0.9¢ + 15.1% ad val.	0.5¢ + 15.1% ad val.	0.1¢ + + 15.1% ad val.	14.8% ad val.	14.4% ad val.	13.9% ad val.	13.5% ad val.	7¢ + 48.5% ad val.	[***]	Yes.

1/ The designation "A" indicated that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preference (GSP) and that all beneficiary developing countries are eligible for the GSP.

2/ Rate effective prior to July 1, 1980. In some cases, this was the rate to which the American selling price (ASP) was applied and then converted to a non-ASP rate which was used as a basis for staging.

3/ Rate effective after July 1, 1980.

II. Comments

Description and uses

Trifluralin, α,α,α-trifluoro-2,6-dinitro-N,N-dipropyl-p-toluidine, is a synthetic organic chemical derived from petroleum-based products such as p-chlorotoluene and p-chlorobenzotrifluoride. The final product is a yellow-orange crystal which is insoluble in water and is nontoxic to humans.

The major use for this product is as a herbicide on many crops. It is used to control 28 different species of grasses and broadleaf weeds. In the United States, the largest crop use for trifluralin, by far, is on soybeans and cotton. Since it was introduced in the United States in 1964, trifluralin has been applied to more than [***] acres of cotton, [***] acres of soybeans, and more than [***] acres of other crops for which it is recommended.

U.S. producers and employment

There is currently only one producer of trifluralin in the United States, Eli Lilly and Co., Indianapolis, Indiana, which manufactures this product at its plant in [***]. According to the producer, there are approximately [***] people employed in the production, development, sales, and support of trifluralin. In addition, there are approximately [***] workers employed by other firms that are directly engaged in manufacturing intermediates used in the production of this herbicide.

U.S. consumption and production

U.S. consumption of trifluralin during 1979-83 increased from [***] to [***] pounds with a high of [***] in 1980.

There were essentially no imports from other foreign producers not associated with Eli Lilly because this firm has the patent on trifluralin in the United States. In 1982-83, the only imports of trifluralin were from [***

] Although U.S. exports of this product for consumption in foreign markets [***] during this period from [***] pounds in 1979 to [***] in 1983, Eli Lilly's total international sales of trifluralin [***] from [***] pounds in 1979 to [***] pounds in 1983 for a number of reasons which are enumerated in the following section. Thus, in 1983, U.S. exports of trifluralin accounted for [***

].

U.S. production of trifluralin during this period [***] from [***] pounds in 1979 to a [***] of [***] pounds in 1980 before [***] to a [***] of [***] pounds in 1982. In 1983, U.S. production of trifluralin [***] to [***] pounds, or by [***] percent over 1982. The changes in production during 1979-83 were due to many factors, the most important of which are an increasing number of competitive products, Government programs (i.e., payment in kind) 1/, weather conditions, the economic downturn of 1981-82, and crop prices.

U.S. exports

Official export data for this product are not readily available as it is classified in a residual "basket" Schedule B number. However, Eli Lilly and

1/ Briefly payment in kind is a Government program which pays farmers in surplus crops for not planting acreage of the specified crop (i.e., corn).

Co. estimates that during 1978-83 U.S. exports of trifluralin [***] from [***] pounds because of the elimination of their overseas production facilities. [***

]. Eli Lilly's loss of its patents in several countries during 1980-83, high tariffs on the importation of intermediate chemicals to their manufacturing plants in certain countries, the denial of certain import licenses, and low production costs, were factors which accounted for the increasing competitiveness of the foreign product in the overseas markets.

The major GSP-beneficiary countries producing trifluralin are Israel, Mexico, Brazil, and Argentina. These countries have a combined excess capacity of approximately [***] pounds available for export. The producers in these countries are quite sophisticated and have experience in marketing their product in export markets.

U.S. imports

In 1983, U.S. imports of trifluralin amounted to 12.4 million pounds (table A). The principal source of this product that year was [***].

The only other year during this period in which imports of this product were identified was 1982 with 7.2 million pounds also from [***].

[***

].

There were no imports of this product from GSP-beneficiary countries in 1983. This product is still under U.S. patent by Eli Lilly and Co. until September 1985. However, GSP-beneficiary countries which currently produce trifluralin such as, Israel, Mexico, Brazil, and Argentina, have an estimated excess capacity of [***] pounds which is available for export to major world markets.

Position of interested parties

The petitioner, Eli Lilly and Co., is requesting that trifluralin, entered under item 408.22, be removed from GSP status; or as an alternative, that Argentina, Brazil, Israel, and Mexico be removed from GSP status for this product. According to the petitioner, the continuation of GSP status will have a serious adverse effect on the domestic producer after 1985 when its patent expires because this product is import sensitive. In addition, the foreign producers of trifluralin in GSP-beneficiary countries are sophisticated producers who do not need the benefits of GSP treatment to compete effectively in the United States. Foreign producer's prices are already below the petitioner's price because of the cost advantage enjoyed by foreign producers as a result of lower priced intermediates.

Virginia Chemicals stated in a written brief and in public testimony that it is in agreement with Eli Lilly's petition to remove trifluralin from GSP eligibility. If GSP status for this herbicide is not removed, there will be large quantities of trifluralin imports from GSP-beneficiary countries to the United States after the patent expires in 1985. These imports would seriously injure chemical intermediate producers such as Virginia Chemicals, as well as the U.S. manufacturer of trifluralin, Eli Lilly and Co. The decline in U.S. production of trifluralin would probably force the closing of their older Portsmouth, Virginia plant, and the laying off of 25 workers.

Makhteshim Agan (America), Inc. stated in a written brief and in public testimony that it is against the removal of GSP status for trifluralin. GSP benefits would not give trifluralin imports from Israel an advantage over Eli Lilly's product. Agan cannot have a major impact on the U.S. market because it has high production costs and a limited capacity.

* * * * *

* * * * *

Table A.--Trifluralin: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83

Period	Production	Exports 1/	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	Quantity (1,000 pounds)				
1979	[***]	[***]	-	[***]	-
1980	[***]	[***]	-	[***]	-
1981	[***]	[***]	-	[***]	-
1982	[***]	[***]	2/ 7,190	2/ [***]	-
1983	[***]	[***]	2/ 12,399	2/ [***]	-
	Value ($1,000)				
1979	[***]	3/	-	3/	-
1980	[***]	3/	-	3/	-
1981	[***]	3/	-	3/	-
1982	[***]	3/	[***]	3/	-
1983	[***]	3/	[***]	3/	-
	Unit value (per pound)				
1979	[***]	-	-	-	-
1980	[***]	-	-	-	-
1981	[***]	-	-	-	-
1982	[***]	-	4/ [***]	-	-
1983	[***]	-	4/ [***]	-	-

1/ Estimated by Eli Lilly and Co.
2/ [***
]
3/ Not available.
4/ [***
].

Source: U.S. production, compiled from U.S. International Trade Commission, Synthetic Organic Chemicals, United States Production and Sales, annual reports, 1979-83; U.S. imports compiled from U.S. International Trade Commission, Imports of Benzenoid Chemicals and Products, annual reports, 1979-83.

TITLE: Saccharin (Republic of Korea)

I. TSUS item number; description; tariff rate information; U.S. imports in 1983; competitive status

TSUSA item No.	Description	Pre-MTN col. 1 rate of duty	Staged col. 1 rate of duty effective with respect to articles entered on or after Jan. 1—								Col. 2 rate of duty	U.S. imports in 1983 ($1,000)	Product produced in U.S. on 1/3/75
			1980	1981	1982	1983	1984	1985	1986	1987			
413.24	Saccharin	1.5¢ per lb + 12.9% ad val	12.9% ad val.	12% ad val.	11.2% ad val.	10.3% ad val.	9.5% ad val.	8.6% ad val.	7.8% ad val.	6.9% ad val.	7¢ per lb + 61% ad val.	[***]	Yes.

II. Comments

Description and uses

Saccharin, both in its acid state and its most common form, sodium saccharin, are artificial sweeteners manufactured from petroleum-based organic chemicals. They are usually white and powdery in appearance, although a clear crystalline form may exist for a short time immediately after the manufacturing process, before impurities lend a white color. A calcium salt of saccharin also exists but is rarely used domestically. Approximately 97 percent of the saccharin consumed in the United States is the sodium salt.

Saccharin has been used for nearly a century as an alternative to sugar mainly for weight control purposes. Because it has a tendency to leave a bitter aftertaste when used in high concentrations, saccharin has often been used in conjunction with another artificial sweetener. At one time cyclamates were used, both to decrease the concentrations of saccharin needed, and to dispel the bitter aftertaste. However, between 1969 (when cyclamates were removed from the domestic market because of suspected carcinogenicity) and 1981, saccharin was the only artificial sweetener which had FDA approval for use in the United States. In July 1981, aspartame received FDA approval for use in dry forms and entered into competition with saccharin for the sugar substitute market. In July 1983, aspartame was approved by the FDA for use in liquid applications such as diet soft drinks. Instead of replacing saccharin in liquid applications, aspartame filled the role previously held by cyclamates, allowing a reduced concentration of saccharin and masking the bitter aftertaste.

U.S. customs treatment

Saccharin enters the United States under the "eo nomine" TSUSA provision 413.24 and is currently designated as an eligible article for duty-free treatment under the GSP, so that all beneficiary developing countries are eligible for GSP treatment for saccharin.

Korean saccharin has been eligible for GSP treatment since 1976. The column 1 duty rate which was applicable to imported saccharin during 1976-80 was 1.5 cents per pound plus 9.5 percent ad valorem. The introductory table shows the staged rates of duty negotiated during the Tokyo Round of the GATT which took effect on July 1, 1980. Additionally, as of July 1, 1980, imports were no longer valued under the American Selling Price (ASP) system of valuation for tariff purposes.

The only interruption in GSP eligibility for Korean saccharin came during March 1982-March 1983, as Korea exceeded the 50 percent competitive need limit during 1981.

U.S. producer and employment

There is only one domestic firm, the Sherwin-Williams Company, which manufactures saccharin; they are the petitioner for this investigation. They have been producers of saccharin since 1968 when they purchased the Maumee Chemical Company's Cincinnati saccharin plant.

Sherwin-Williams reports a [***

]

U.S. consumption and production

U.S. consumption of saccharin [***

]

[***

]

U.S. exports

There are no export data collected by the Department of Commerce on saccharin as it is included in a basket provision. However, the [***

] of domestically produced saccharin is exported. The following tabulation shows the amounts of saccharin exported during 1979-83, according to the petitioner.

Year	Amount exported (1,000 pounds)
1979	[***]
1980	[***]
1981	[***]
1982	[***]
1982	[***]

U.S. imports

U.S. imports of saccharin remained relatively stable during 1979-81, declining slightly from 2.9 million pounds to 2.5 million pounds. However, during 1981-83, imports increased by 140 percent, reaching 5.9 million pounds (see table B). These increased imports are primarily related to the increased consumption of diet soft drinks. The unit value of saccharin imports decreased during 1981-83, from $2.85 per pound to $2.27 per pound, as foreign producers attempted to capture a major share of the expanding domestic saccharin market.

The major sources of saccharin remain the Republic of Korea and Japan, which together accounted for 86 percent of imports during 1983. All of the imports of saccharin from Korea are currently eligible for GSP treatment, and therefore enter the United States duty-free (table C). In 1983, Korea's imports of saccharin were valued at $6.1 million and accounted for 46 percent of all saccharin imports. These Korean imports have a significant price advantage when compared with the domestic product, primarily owing to lower labor costs and the duty-free treatment accorded under the GSP. According to the domestic producer the Korean saccharin was priced at [***

] when Korea temporarily lost GSP eligibility. During the same period, the price of the domestic material was [***] per pound.

Position of interested parties

The domestic industry, the petitioner, has stated that it would be more competitive with imported saccharin if Korea were to be removed from the list

of eligible nations for GSP treatment for saccharin. A representative for three Korean manufacturers, Choheung Chemical Ind. Co., Seil Moolsan Co., and Kum Yang Co., Ltd. appeared at the ITC hearing claiming that imports of Korean saccharin under GSP are not injuring the U.S. producer and that Korea should retain GSP eligibility.

* * * * *

* * * * *

Table A.—Saccharin: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979–83, January-June 1983, and January-June 1984

Period	Production 1/	Exports	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	Quantity (pounds)				
1979	[***]	[***]	2,858	[***]	[***]
1980	[***]	[***]	3,157	[***]	[***]
1981	[***]	[***]	2,458	[***]	[***]
1982	[***]	[***]	1/ 4,335	[***]	[***]
1983	[***]	[***]	5,889	[***]	[***]
Jan.–June					
1983	[***]	[***]	2,770	[***]	[***]
1984	[***]	[***]	1,837	[***]	[***]
	Value ($1,000)				
1979	2/	2/	8,387	2/	2/
1980	2/	2/	9,475	2/	2/
1981	2/	2/	6,999	2/	2/
1982	2/	2/	3/ 7,118	2/	2/
1983	2/	2/	13,368	2/	2/
Jan.–June					
1983	2/	2/	6,474	2/	2/
1984	2/	2/	4,161	2/	2/
	Unit value (per pound)				
1979	2/	2/	$2.93	2/	2/
1980	2/	2/	3.00	2/	2/
1981	2/	2/	2.85	2/	2/
1982	2/	2/	3/ 2.42	2/	2/
1983	2/	2/	2.27	2/	2/
Jan.–June					
1983	2/	2/	2.34	2/	2/
1984	2/	2/	2.26	2/	2/

1/ 1,414 pounds entered under TSUS item No. 413.28.
2/ Not available.
3/ Represents saccharin imports under TSUSA item No 413.24.

Source: Production and export data from Sherwin Williams Co., imports are compiled from official statistics of the U.S. Department of Commerce.

Table 4.--Saccharin: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (1,000 pounds)						
Kor Rep	939	1,289	1,356	1,196	2,697	1,375	623
Japan	1,675	1,561	1,011	1,463	2,340	1,087	782
China M	0	2	0	0	546	128	313
China T	242	300	73	280	304	179	95
Fr Germ	0	0	0	0	1/	0	1/
Nethlds	0	0	1	1	1	0	0
All other	2	5	17	1	1/	0	24
Total	2,858	3,157	2/ 2,458	2,941	5,889	2,770	1,837
	Value (1,000 dollars)						
Kor Rep	2,630	3,825	3,741	2,849	6,106	3,151	1,497
Japan	5,036	4,806	2,936	3,586	5,383	2,512	1,823
China M	-	7	-	-	1,039	254	593
China T	668	746	229	680	839	558	195
Fr Germ	-	-	-	-	1	-	2
Nethlds	-	-	1/	1	1	-	-
All other	53	92	92	2	1/	-	51
Total	8,387	9,475	6,999	7,118	13,368	6,474	4,161
	Unit value (per pound)						
Kor Rep	$2.80	$2.97	$2.76	$2.38	$2.26	$2.29	$2.40
Japan	3.01	3.08	2.90	2.45	2.30	2.31	2.33
China M	-	3.00	-	-	1.90	1.99	1.89
China T	2.76	2.49	3.14	2.43	2.76	3.11	2.05
Fr Germ	-	-	-	-	465.00	-	14.29
Nethlds	-	-	0.59	0.70	0.59	-	-
All other	30.76	17.73	5.51	2.26	10.88	-	2.14
Average	2.93	3.00	2.85	2.42	2.27	2.34	2.26

1/ Less than 500.

2/ The actual quantity of saccharin imported into the United States during 1982 was 4.355 million pounds.

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

Table C.--Saccharin: U.S. imports for consumption under the GSP by principal GSP countries, 1979-83, January-June 1983, and January-June 1984

Countries	1979	1980	1981	1982	1983	Jan.-June	
						1983	1984
	Quantity (1,000 pounds)						
Israel	--	--	119	--	--	--	--
South Korea	884,085	1,288,770	1,356,194	281,128	2,001,350	679,606	623,349
Taiwan	242,000	300,000	73,000	279,577	300,000	175,000	60,000
Total	1,126,085	1,588,770	1,429,313	560,705	2,301,350	854,606	683,349
	Value (1,000 dollars)						
Israel	--	--	5	--	--	--	--
South Korea	2,450	3,825	3,741	735	4,535	1,580	1,497
Taiwan	668	746	229	680	753	472	129
Total	3,118	4,571	3,976	1,415	5,289	5,051	1,626
	Unit value (per pound)						
Israel	--	--	$45.37	--	--	--	--
South Korea	$2.77	$2.96	2.75	$2.61	$2.26	$2.32	$2.40
Taiwan	2.76	2.48	3.14	2.89	2.51	2.69	2.14
Total	2.76	2.87	2.78	2.85	2.29	2.39	2.37

TITLE: Certain Inorganic Compounds (Israel)

I. TSUSA item number; description; tariff rate information; U.S. imports in 1983; competitive status

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 1983 ($1,000)	Product produced in U.S. on 1/3/75
			1980	1981	1982	1983	1984	1985	1986	1987			
416.4540A(pt)	Hydrobromic acid	6%	5.8%	5.6%	5.3%	5.1%	4.9%	4.7%	4.4%	4.2%	25%	3,311	Yes
417.4440A(pt)	Ammonium bromide	4%	3.9%	3.8%	3.7%	3.6%	3.4%	3.3%	3.2%	3.1%	25%	7,180	Yes.
418.3200A(pt.)	Calcium bromide	5%	4.4%	3.8%	3.1%	2.5%	1.9%	1.3%	0.6%	Free	25%	3,311	Yes.
420.02A	Potassium bromide	2¢/lb 2.9% 3/	1.9¢/lb 2.8% 4/	1.9¢/ lb 2.5% 4/	1.8¢/lb 2.5% 4/	1.7¢/ lb 2.4% 4/	1.7¢/ lb 2.3% 4/ 5/	1.6¢/ lb	1.5¢/ lb	1.5¢/ lb	10¢/lb	303	Yes.
420.3605A	Potassium bromate	4%	3.9%	3.8%	3.7%	3.6%	3.4%	3.3%	3.2%	3.1%	25%	572	Yes.
421.6280A(pt.)	Sodium bromate	5%	4.8%	4.7%	4.5%	4.4%	4.2%	4%	3.9%	3.7%	25%	14,938	Yes.
422.78A(pt.)	Zinc Bromide	5%	4.8%	4.7%	4.5%	4.4%	4.2%	4%	3.9%	3.7%	25%	1,716	Yes.

1/ The designation "A" indicated that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preference (GSP) and that all beneficiary developing countries are eligible for the GSP.

2/ Rate effective prior to July 1, 1980. In some cases, this was the rate to which the American selling price (ASP) was applied and then converted to a non-ASP rate which was used as a basis for staging.

3/ Ad valorem equivalent rate for 1979.

4/ Ad valorem equivalent rate.

5/ Ad valorem equivalent rate effective January-June 1984.

II. Comments

Description and uses

The inorganic bromine compounds that are covered in this digest include the inorganic acid, hydrobromic acid (TSUS 416.4540(pt.)); the inorganic bromide salts, ammonium bromide (TSUS 417.4440(pt.)), calcium bromide (TSUS 418.32(pt.)), potassium bromide (TSUS 420.02) and zinc bromide (TSUS 422.78(pt.)); and the inorganic bromate salts, potassium bromate (TSUS 420.3605), and sodium bromate (TSUS 421.6280(pt.)).

Virtually all the inorganic bromine compounds covered in this digest are prepared in the United States from elemental bromine that is extracted from bromine wells or brines located in the states of Arkansas and Michigan. Hydrobromic acid, in the free state an irritating colorless gas known as hydrogen bromide, is prepared commercially by burning a mixture of hydrogen and bromine vapor. Hydrobromic acid is a basic intermediate used in the synthesis of inorganic and organic bromine compounds, and is also used as a catalyst in the petroleum industry.

The bromide salts are prepared by the neutralization of hydrobromic acid with a hydroxide or a carbonate containing the desired metallic ion or by reacting ammonia with elemental bromine and a carbonate. Bromide salts can also be prepared from organic bromine chemicals such as ethylene dibromide. Calcium bromide, for example, can be prepared by reacting [***

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Calcium bromide, the most economically important bromide salt, and zinc bromide are used principally in oil field applications. A solution of calcium

bromide or zinc bromide functions as a weighting agent to control well pressures in oil and gas wells during drilling and well preparation. More expensive than other widely used oil-field chemicals such as sodium or calcium chloride, the higher density bromide chemicals are used in wells where the pressures are especially high such as in many offshore sites. Because zinc bromide has a greater density than calcium bromide it is used in wells with extremely high pressures.

Ammonium bromide is used in photography to prepare light-sensitive silver bromide emulsions and also is used as a flame retardant additive. Potassium bromide, also used in photographic applications, is principally used in the treatment of textile fibers such as nylon. Bromide salts are also used in medicine (where they function as a sedative) and in food processing.

The bromate salts are prepared by the electrolysis of a bromide solution or by passing bromine into a solution containing a hydroxide or a carbonate. Most applications of bromates relate to their properties as an oxidant. Sodium bromate is used to treat textiles, [***], and is also used as a neutralizer or oxidizer in hair-wave preparations. One of potassium bromate's principal uses is in flour to improve its baking characteristics. Potassium bromate is also used as an analytical reagent and as a source of bromine.

U.S. customs treatment

Except for potassium bromide (TSUS 420.02), U.S. imports of all the other chemicals that are covered in this digest have been eligible for duty-free treatment from all GSP eligible countries since January 1976. U.S. imports of

potassium bromide from GSP eligible countries were also duty-free after January 1976 except during March 1, 1978--February 28, 1979. During this period, U.S. imports of potassium bromide from Israel were dutiable because U.S. imports of potassium bromide from Israel during the previous year had exceeded the 50 percent import limit set by U.S. trade regulations.

U.S. producers

There are at least 5 domestic producers of the inorganic bromine chemicals covered by this digest. Among themselves, these producers currently produce all the inorganic bromine chemicals covered by this digest except for sodium and potassium bromate. Most of the plants producing these inorganic bromine chemicals are located near bromine wells or bromine brine sources located in Arkansas or Michigan.

These five producers produce many other chemicals, brominated as well as non-brominated, in addition to the inorganic bromine chemicals covered in this digest. Except for one company which is heavily concentrated in the production of bromine chemicals, sales of the inorganic bromine chemicals covered in this digest amounted to no more than several percent of total company revenues during 1980-84.

There are approximately two hundred employees directly involved in the production of the inorganic bromine chemicals included in this digest. In addition to these workers, there are at least twice as many persons employed who provide support services to these workers. According to industry sources, there are currently no U.S. producers of sodium and potassium bromate. One

company was producing sodium and potassium bromate up to March 1982 but ceased producing these chemicals reportedly because of competition from Israeli imports.

U.S. consumption and production

Demand for hydrobromic acid increased from about [***] million pounds in 1980 to an estimated [***] million pounds in 1984 (table A). The percent of domestic demand accounted for by sales from Israel ranged from an estimated [***] percent in 1981 to an estimated [***] percent in 1983.

According to the domestic producers of ammonium bromide in the United States, demand for ammonium bromide used principally as a precipitating agent for silver in photographic emulsions is expected to be flat because of increased imports of film and because new photographic processes were recently developed that use silver more efficiently. Estimated demand for ammonium bromide in 1983 was [***] million pounds. The percentage of domestic demand for ammonium bromide accounted for by sales from Israel grew from an estimated [***] percent in 1980 to [***] percent in 1983 (table B).

Demand for potassium bromide was approximately [***] million pounds a year in 1983. According to one user, demand for potassium bromide is expected to grow at about 2 to 3 percent per year. U.S. sales of potassium bromide from Israel accounted for about [***] percent of domestic demand during 1980-mid 1984.

Demand for sodium and potassium bromate in 1983 was about [***] pounds and 700,000 pounds respectively. U.S. production of sodium bromate and potassium bromate ceased abruptly in March, 1982 when the sole U.S. producer

shut down production of these chemicals. According to a U.S. importer, who is a wholly-owned subsidiary of the Israeli producer, and is currently a major supplier of sodium and potassium bromate to the United States, demand for these chemicals is expected to remain strong in the next few years.

Industry estimates of projected demand for calcium bromide and zinc bromide which are used principally in oil-field applications differed widely. According to one source, apparent consumption of calcium bromide and zinc bromide, which in 1983 amounted to about 100 million pounds (table C) and 25 million pounds, respectively, is expected to grow very slowly if at all in the next few years because of the high price of these chemicals. In contrast, other industry sources maintain that demand for calcium bromide and zinc bromide will grow rapidly by about 9-15 percent per year as new gas and oil fields are developed, especially offshore, that require high density weighting agents for use in completion and workover fluids. Sales of calcium bromide and zinc bromide from Israel accounted for less than one percent of domestic consumption of these chemicals during 1980-83.

U.S. exports

According to industry sources, most U.S. exports of the inorganic bromine chemicals covered in this summary consist of the oil field chemicals, calcium bromide and zinc bromide. Calcium bromide is believed to be the only inorganic bromine chemical covered in this summary for which annual exports exceeded [***] pounds during 1980-83. A major portion of these exports went to Europe. Export data for these chemicals cannot be obtained from Census figures because these chemicals are classified in basket categories.

U.S. imports and conditions of competition

Except for potassium bromide (tables D and E) and potassium bromate (tables F and G), U.S. import data for the other inorganic bromine chemicals covered in this digest cannot be obtained directly from U.S. Bureau of Census data because these other chemicals are classified in basket categories. U.S. imports of these other inorganic bromine chemicals from Israel can, however, be estimated using an industry assumption that virtually all U.S. imports from Israel for each basket category are in fact imports of the bromine chemicals included in this digest. Information provided by the importer, has however, revealed than in several instances U.S. imports from Israel did not approximate sales in the United States.

Hydrobromic acid.--U.S. imports of hydrobromic acid from Israel fluctuated between 700,000 and 1.7 million pounds during 1979-83 and the value of these imports fluctuated between $181,000 and $600,000. There appears to be no pattern of either decreasing or increasing imports during this period. The percentage of hydrobromic acid consumed in the United States accounted for by sales from Israel ranged from [XXX] percent in 1981 to [XXX] percent in 1983.

Ammonium bromide.--U.S. imports of ammonium bromide from Israel which peaked at 2.7 million pounds, valued at $1.7 million, in 1979 declined sharply in 1980 to 282,000 pounds, valued at $184,000 but then increased steadily to 1.6 million pounds, valued at $962,000, in 1983. According to a [XXX

]. According to industry sources, price was a major consideration in causing imports of ammonium bromide from

Israel to increase, since the price of the Israeli produced product in mid-1984 was about [***] per pound whereas the domestic product was priced at about [***] per pound. The percentage of ammonium bromide consumed in the United States that was accounted for by sales from Israel rose from an estimated [***] percent in 1980 to [***] percent in 1983.

Potassium bromide.--U.S. imports of potassium bromide from Israel declined from 761,000 pounds, valued at $514,000, in 1979 to 293,000 pounds, valued at $206,000, in 1983. The percentage of potassium bromide consumed in the United States accounted for by sales from Israel declined from approximately [***] percent in 1981 to [***] percent in 1983. U.S. imports of potassium bromide from Israel declined in part because of sluggish domestic demand, despite substantial differences in the price between the U.S. produced potassium bromide [***] and the Israeli product at about [***] per pound.

Calcium bromide and zinc bromide.--U.S. imports of calcium bromide from Israel, which were zero or very small during 1979-81, increased to 1.7 million pounds, valued at $900,000, in 1983. Using industry estimates, Israeli imports accounted for about 1.7 percent of domestic demand in 1983. According to the importer, sales of calcium bromide from Israel to the United States did not approximate imports. These sales amounted to about [***] pounds in 1981 and in 1983.

In contrast to U.S. imports of calcium bromide which had been increasing through 1983, U.S. imports of zinc bromide, also used in oil field completion fluids, has remained zero or very small during 1979-June 1984.

Sodium and potassium bromate.--U.S. sales and imports of both sodium and potassium bromate increased during the period under consideration. U.S. sales of sodium bromate from Israel increased from [***] pounds in 1981 to [***] million pounds in 1983. U.S. imports of potassium bromate from Israel, which were zero in 1979, increased to 292,000 pounds, valued at $265,000, in 1983. U.S. imports of sodium and potassium bromate increased during 1979-84 in part because the former sole U.S. producer ceased producing these chemicals in 1982. Israel is currently a major supplier of sodium and potassium bromate to the United States.

According to the producer, the decision to shut down production of sodium and potassium bromate in March of 1982 was based on the inability of the producer to negotiate price increases because of competition from low priced Israeli imports. In 1980-81 the domestic prices of sodium and potassium bromate was [***] and [***] per pound, respectively, whereas the price of these chemicals imported from Israel was [***] and [***], respectively. Production of sodium and potassium bromate in 1981, the last full year of production by the domestic producer was about [***] million pounds and [***] million pounds respectively.

Position of interested parties

The petitioners for this GSP investigation are three U.S. bromine producers who organized themselves into a trade association known as the Bromine Alliance. According to U.S. bromine producers, imports of bromine chemicals from Israel pose a serious threat to the viability of the bromine industry. U.S. producers allege that Israel will be attempting to triple

exports of bromine chemicals to the United States so that by 1989 U.S. imports of bromine chemicals from Israel will amount to about $230 million.

Of the inorganic chemicals covered in this digest, U.S. imports of calcium bromide from Israel constitute by far the greatest source of concern to U.S. bromine chemicals producers. U.S. chemical producers are especially concerned that a new and more competitive process for providing calcium bromide reportedly being developed in Israel could greatly increase the ability of the importer to increase his level of shipments to the United States. In this new process, according to a trade journal, calcium bromide will be produced directly from brine. It is claimed this new process could give the Israelis a competitive cost advantage over U.S. producers who produce calcium bromide from the intermediate products, bromine and hydrogen bromide.

Imports of calcium bromide from Israel are also a source of concern to U.S. firms which have specialized in providing oil-field completion fluids and related services to the petroleum industry. According to a representative of such a firm, [***

] He claims this new action by the Israelis could pose a threat to his company since it may indicate that the Israeli importer is getting into retail operations that could compete with his company and other oil field service firms.

The industry source also expressed concern about a new storage facility established by the importer [***] which could greatly increase

the ability of the importer to increase sales of calcium bromide. According to the industry source, the importer's ability to favorably compete in the United States in selling calcium bromide is aided by low prices which are typically less than the lowest U.S. producer's price by about 5–10 percent.

According to the importer, a subsidiary of the Israeli bromine producer, Israeli exports of bromine chemicals to the United States do not pose a threat to the U.S. bromine industry because U.S. imports of bromine chemicals from Israel are limited by strict trade controls. The importer asserts that a limited increase in exports of bromine chemicals from Israel to the United States would not hurt the U.S. bromine industry, since U.S. demand for bromine chemicals [***] are growing at such a rapid rate that exports of bromine chemicals from Israel to the United States may be needed to prevent a shortage. The importer cited recent annual and semi-annual reports of Great Lakes Chemical Co., a company that is allegedly almost exclusively involved with bromine chemicals, as proof that demand for bromine chemicals in the United States, [***] is growing rapidly.

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Table A.—Hydrobromic acid: production, imports for consumption, and apparent consumption 1/, 1980–84

(Millions of pounds)

Period	Production 2/	Imports 2/	Apparent consumption	Ratio (percent) of imports to apparent consumption
1980	[***]	3/ [***]	[***]	[***]
1981	[***]	[***]	[***]	[***]
1982	[***]	3/ [***]	[***]	[***]
1983	[***]	[***]	[***]	[***]
1984 3/	[***]	[***]	[***]	[***]

1/ Exports are believed to be small.
2/ In terms of sales.
3/ Estimated.

Source: Based on information provided by census and industry sources.

Table B.—Ammonium bromide: production, imports for consumption, and apparent consumption 1/, 1980–84

(Millions of pounds)

Period	Production 2/	Imports 2/	Apparent consumption	Ratio (percent) of imports to apparent consumption
1980	[***]	3/ [***]	[***]	[***]
1981	[***]	[***]	[***]	[***]
1982	[***]	3/ [***]	[***]	[***]
1983	[***]	[***]	[***]	[***]
1984 3/	[***]	[***]	[***]	[***]

1/ Exports are believed to be small.
2/ In terms of sales.
3/ Estimated.

Source: Based on information provided by industry sources.

Table C.--Calcium bromide: production, imports for consumption, exports, and apparent consumption, 1980-84

(millions of pounds)

Period	Production 1/	Imports 1/	Exports	Apparent consumption	Ratio (percent) of imports to apparent consumption
1980	[***]	-	[***]	[***]	-
1981	[***]	[***]	[***]	[***]	[***]
1982	[***]	2/ [***]	[***]	[***]	[***]
1983	[***]	[***]	[***]	[***]	[***]
1984 2/	[***]	[***]	[***]	[***]	[***]

1/ In terms of sales.
2/ Estimated.

Source: Based on information provided by users, the importer, and two of the three major calcium bromide producers.

Table D.--Potassium bromide: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (thousand pounds)						
Israel	761	460	91	151	293	293	115
France	0	194	6	87	118	38	54
Fr Germ	1	1/	1/	1	6	1/	1/
U King	0	1/	0	37	3	1/	1/
Japan	22	11	9	3	5	1	0
China t	0	0	0	0	7	0	0
Belgium	0	0	0	1/	2	0	0
Italy	2	2	1	1	2	2	1
All other	9	0	0	1/	1/	0	3
Total	794	667	107	281	436	335	173
	Value (1,000 dollars)						
Israel	514	311	63	106	206	206	88
France	-	134	4	56	74	25	35
Fr Germ	2	1	7	12	8	4	3
U King	-	2	-	26	4	1	1
Japan	15	8	5	1	4	1/	-
China t	-	-	-	-	3	-	-
Belgium	-	-	-	1/	1	-	-
Italy	1	2	1	2	1	1	1
All other	4	-	-	1	1	-	2
Total	536	457	80	204	303	237	129
	Unit value (per pound)						
Israel	$0.68	$0.68	$0.69	$0.70	$0.70	$0.70	$0.77
France	-	0.69	0.68	0.64	0.63	0.65	0.64
Fr Germ	3.04	25.57	17.48	15.56	1.35	21.80	24.69
U King	-	50.24	-	0.72	1.41	106.57	53.57
Japan	0.68	0.68	0.61	0.23	0.85	0.24	-
China t	-	-	-	-	0.44	-	-
Belgium	-	-	-	0.83	0.57	-	-
Italy	0.47	0.95	1.63	1.14	0.52	0.33	0.86
All other	0.44	-	-	7.56	548.00	-	0.69
Average	0.68	0.69	0.75	0.73	0.70	0.71	0.75

1/ Less than 500.

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

Table E.--Potassium bromide: U.S. GSP imports from Israel, 1979-83, January-June 1983, and January-June 1984

1979	1980	1981	1982	1983	January-June	
					1983	1984
Quantity (pounds)						
760,329	459,680	91,480	150,722	293,390	293,390	114,730
Value (1,000 dollars)						
510	311	63	106	206	206	88
Unit value (cents per pound)						
67	68	69	70	70	70	77

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

Note: U.S. GSP imports of potassium bromide during the period covered in this table came only from Israel.

Table F.--Potassium bromate: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (thousand pounds)						
Israel	0	38	106	189	292	173	148
U King	40	133	257	186	332	149	121
China M	0	0	0	0	41	5	0
Japan	11	36	0	0	5	0	0
Ireland	0	0	0	0	2	0	0
Fr Germ	0	0	1/	15	7	0	0
Italy	0	0	0	0	1/	1/	0
Nethlds	233	40	0	0	0	0	6
Total	284	246	363	390	679	327	275
	Value (1,000 dollars)						
Israel	-	33	92	185	265	157	134
U King	52	119	229	144	257	130	113
China M	-	-	-	-	38	5	-
Japan	12	36	-	-	6	-	-
Ireland	-	-	-	-	3	-	-
Fr Germ	-	-	2	8	3	-	-
Italy	-	-	-	-	1/	1/	-
Nethlds	230	34	-	-	-	-	6
Total	293	221	323	336	572	293	253
	Unit value (per pound)						
Israel	-	$0.87	$0.87	$0.98	$0.91	$0.91	$0.90
U King	1.30	0.89	0.89	0.77	0.77	0.87	0.93
China M	-	-	-	-	0.93	0.93	-
Japan	1.07	0.99	-	-	1.25	-	-
Ireland	-	-	-	-	1.38	-	-
Fr Germ	-	-	5.12	0.51	0.38	-	-
Italy	-	-	-	-	7.05	7.05	-
Nethlds	0.98	0.86	-	-	-	-	1.06
Average	1.03	0.90	0.89	0.86	0.84	0.89	0.92

1/ Less than 500.

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

Table G.—Potassium bromate: U.S. GSP imports from Israel, 1979–83, January–June 1983, and January–June 1984

1979	1980	1981	1982	1983	January–June	
					1983	1984
Quantity (pounds)						
0	37,588	105,644	188,935	291,988	172,950	147,929
Value (1,000 dollars)						
–	33	92	185	265	157	134
Unit value (cents per pound)						
–	87	87	98	91	91	90

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

Note.—U.S. GSP imports of potassium bromate during the period covered in this table came only from Israel.

TITLE: Ethylenebisbromonorbornane (Israel)

I. TSUS item number; description; tariff rate information; U.S. imports in 1982; competitive status

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 1983 ($1,000)
			1980	1981	1982	1983	1984	1985	1986	1987		
425.24(pt.)A	Ethylenebisbromonorbornane	5	4.8	4.7	4.5	4.4	4.2	4	3.9	3.7	25	0

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. Comments

Description and uses

Ethylenebisbromonorbornane (EBBN) is an industry term used to describe the chemical N,N-ethylenebis (5,6-dibromo-2,3,-norbornane dicarboximide). EBBN is an off white solid with a melting point of 310^{0} celsius, and is produced in a complex series of synthetic steps by reacting norbornane dicarboxylic acid with bromine and ethylenediamine. EBBN is used primarily as a flame retardant in different types of plastic materials, particularly in some home applicances.

U.S. producers and employment

There is one domestic producer of EBBN, a widely diversified chemical firm, with a plant located in Magnolia, Arkansas. The approximate number of employees required in the production of this chemical is not known, but is estimated to be [***].

U.S. consumption and production

Total U.S. consumption of EBBN is estimated to have been about [***] during 1979-82 and approximately [***] in 1983. U.S. consumption was largely supplied by domestic production during 1979-82. U.S. consumption is estimated to have been totally supplied by U.S. production in 1983, as it is believed there were no imports of EBBN in that year.

Total U.S. production gradually increased from an estimated [***] pounds, valued at [***] in 1979 to [***] pounds, valued at [***] in 1983, representing an increase of [***] percent by quantity from 1979.

U.S. customs treatment

Ethylenebisbromonorbornane is classified under TSUSA item 425.2400, imides from nitrogenous compounds. Treatment of these imports under the Generalized System of Preferences was designated on January 1, 1976. Since that time, no exclusions of countries or products from GSP treatment have occurred within this category.

U.S. exports

U.S. exports of ethylenebisbromonorbornane are classified under Schedule B item number 431.5750, other nitrogen function compounds. Although exports of these products amounted to 1.8 million pounds, valued at $5.5 million, in 1983, the percentage of these exports attributable to EBBN is estimated to have been negligible.

U.S imports

Separate official import data are not available for ethylenebisbromonorbornane, but it is estimated such imports were less than 1 million pounds annually during 1979-81. Estimated imports of EBBN in 1982 amounted to about 177,000 pounds, valued at $261,000, a decrease of 81 percent from an estimated level of 926,000 pounds, valued at $933,000 in 1979. Estimated imports in 1983 were negligible or nil, based on negligible recorded imports of this chemical from Israel, the only known foreign producer of EBBN. Based on estimated imports and production, the imports-to-consumption ratio in 1982 was about [***] percent, although in 1983 it was very low or zero. The overall estimated imports-to-consumption ratio has decreased since 1979, when imports accounted for about [***] percent of apparent consumption.

The large decreases in imports of EBBN from Israel result primarily from demand from one-time commercial purchases, as well as increased availability of domestic material during 1979-83. The Israeli product is considered to meet all manufacturing standards associated with the domestic product. However, bromine, an essential reactant to produce EBBN, is more available and can be produced at a lower cost in Israel. This results in a relative price advantage over domestically produced EBBN. In 1982, the last year of record for imported EBBN, imported material was valued at $1.47 per pound, whereas domestic EBBN was priced at [***] per pound.

Positions of interested parties

A group of major bromine chemical producers forming the Bromine Alliance made written submissions to the Commission. These firms asserted that the effect of granting duty-free status for EBBN has resulted in a contraction of domestic production and thus has limited capital investment and potential growth in the domestic bromine chemicals industry. Further, they opined that a continued flow of these imports would have a severe economic impact on Columbia and Union Counties in the state of Arkansas, areas which provide nearly [***] percent of total domestic capacity for bromine and bromine chemicals.

* * * * *

Table A.—Ethylenebisbromonorbornane: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979–83.

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

Period	Production 1/	Exports 1/	Imports 1/	Apparent consumption 1/	Ratio (percent) of imports to consumption 1/
	Quantity				
1979	[***]	2/	926	[***]	[***]
1980	[***]	2/	265	[***]	[***]
1981	[***]	2/	176	[***]	[***]
1982	[***]	2/	177	[***]	[***]
1983	[***]	2/	2/	[***]	[***]
	Value				
1979	[***]	2/	933	[***]	[***]
1980	[***]	2/	401	[***]	[***]
1981	[***]	2/	283	[***]	[***]
1982	[***]	2/	261	[***]	[***]
1983	[***]	2/	2/	[***]	[***]
	Unit value				
1979	[***]	—	1.01	—	-
1980	[***]	—	1.51	—	-
1981	[***]	—	1.61	—	-
1982	[***]	—	1.47	—	-
1983	[***]	—	-	—	-

1/ Estimated.
2/ Negligible.

Source: Production, Synthetic Organic Chemicals, United States Production and Sales, U.S. International Trade Commission, except as noted; imports and exports, compiled from official statistics of the U.S. Department of Commerce.

TITLE: Certain halogenated hydrocarbons (Israel)

I. TSUS(A) items number; description; tariff rate information; U.S. imports in 1983, competitive status

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 1983 ($1,000)
			1980 3/	1981	1982	1983	1984	1985	1986	1987		
429.4830(pt.)A	Trichlorofluoromethane, dichlorodifluoromethane, chlorodifluoromethane, bromotrifluoromethane, and chlorobromodifluoromethane.	5% ad val.	4.8%	4.7%	4.5%	4.4%	4.2%	4%	3.9%	3.7%	25% ad val.	18,303
429.4860(pt.)A	Acetylene tetrabromide, alkyl bromides, bromochloromethane, ethyl bromide, 1,3,5,7,9,11-hexabromocyclododecane, methyl bromide, methylene, dibromide, and vinyl bromide.	5% ad val.	4.8%	4.7%	4.5%	4.4%	4.2%	4%	3.9%	3.7%	25% ad val.	6,187

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 July 1, 1980.

3/ Rate effective July 1, 1980.

II. Comments

Description and uses

The halogenated hydrocarbons covered by this digest are divided into two categories. The first category is described as those aliphatic organic chemical compounds containing atoms of carbon, bromine, and fluorine, such as bromotrifluoromethane and chlorobromodifluoromethane. Compounds in this category may also contain atoms of hydrogen, although hydrogen is not present in the completely halogenated hydrocarbons mentioned above. These products are primarily used as refrigerants and fire-extinguishing products as well as reactants in organic syntheses.

The second category is described as those aliphatic organic chemical compounds containing atoms of carbon, bromine, and chlorine and/or hydrogen. The compounds in this category must contain carbon to be considered organic. The other constituents are incorporated by substitution reactions on the appropriate hydrocarbon framework. Examples of compounds classified in this category are acetylene tetrabromide, bromochloromethane, 1-bromohexadecane, 1-bromohexane, 1-bromo-octadecane, 1-bromopentane, 2-bromopentane, 1-bromopropane, bromotrichloromethane, ethyl bromide, hexabromocyclododecane, methyl bromide, methylene dibromide, and vinyl bromide. The chief uses of these products are as fire-extinguishing products and flame retardants. These products are also used as alkylating agents, solvents, refrigerants, and fumigants.

U.S. producers and employment

Data reported to the Commission in 1983 indicate that 10 companies produced chemicals covered by this digest during 1982. These products

amounted to [***] percent of the production of synthetic organic chemicals reported by these companies that year. Based on the ratio of employment to sales provided by the U.S. Bromine Alliance, the number of employees associated with the products covered by this digest is approximately 300. These employees cover many different duties including production, sales, and administration. Plants to produce brominated hydrocarbons are located in Arkansas, California, Connecticut, Michigan, and New Jersey.

U.S. consumption and production

U.S. consumption of all brominated hydrocarbons is estimated to have been 100 million pounds, valued at $57 million, in 1982 (table A). U.S. consumption peaked in 1979 at an estimated 150 million pounds, valued at $85 million. During the recession of 1980 consumption was approximately 500,000 pounds more than in 1982. U.S. consumption was approximately 120 million pounds, valued at $70 million, during 1981. These fluctuations are primarily the result of fluctuations in the production of refrigerators and air conditioners. U.S. consumption was also affected by changes in the demand for flame retardant plastics and fibers.

Based on these estimates of U.S. consumption, the ratio of imports to apparent consumption increased irregularly from 8.0 percent in 1979 to 21.6 percent in 1983. Import penetration in 1984 has receded from the 1983 level.

Production was reported to be on an identical trend with consumption, falling from 196 million pounds, valued at $121 million, in 1979 to 139 million pounds, valued at $93 million, in 1983, although production was aided by export markets.

U.S. exports

Exports of brominated hydrocarbons increased from 58 million pounds, valued at $49 million, in 1979 to 72 million pounds, valued at $65 million, in 1980 and then fell to 57 million pounds, valued at $63 million, in 1981. Exports further declined in 1982 to 52 million pounds, valued at $54 million, then rose to 59 million pounds, valued at $62 million, in 1983. The international market for these products peaked in 1980. Worldwide demand for refrigerants and flame retardants is recovering from the low level of 1982 as a result of increased demand for home appliances and residential construction particularly in Japan and the European Community. The primary markets for U.S. exports of these products are Japan, Singapore, and Canada.

U.S. imports

Imports of brominated hydrocarbons increased from 12 million pounds, valued at $13 million, in 1979 to 16 million pounds, valued at $16 million, in 1980 and then fell to less than 14 million pounds, valued at $20 million, in 1981. Imports then increased from 14 million pounds, valued at $21 million, in 1982 and to 22 million pounds, valued at $24 million, in 1983. During January-June 1984, imports of brominated hydrocarbons amounted to 9 million pounds, valued at $14 million, compared with 14 million pounds, valued at $14 million, during the corresponding period in 1983. The primary sources of brominated hydrocarbons are Belgium, Israel, and the United Kingdom.

Imports of brominated hydrocarbons from Israel increased from 1.6 million pounds, valued at $703,000, in 1979 to 2.1 million pounds, valued at $994,000,

in 1981. Imports of these products from Israel dropped to 1.6 million pounds, valued at $831,000, in 1982, and then increased to 2.9 million pounds, valued at $1.6 million in 1983.

The price of brominated hydrocarbons from Israel has been consistently below the average unit value of sales by U.S. producers. The margins of underselling ranged from [***] percent in 1980 to [***] percent in 1983. The U.S. producers reportedly reduced prices to meet the Israeli price during 1984. The f.a.s. unit value for brominated hydrocarbons from Israel increased from 33 cents per pound in 1980 to 53 cents per pound in 1983. The specific products imported from Israel are believed to be the commodity chemicals that form a product grouping which is essentially identical to the product lines available from the U.S. producers as a group. The capacity of the Israel bromine industry to produce brominated hydrocarbons is estimated to be 110 million pounds. Although they are reportedly running very close to capacity, expansion of capacity is unlikely within the next few years because the Israel producer has considerable flexibility in managing the production of these brominated hydrocarbons.

Position of interested parties

The petitioner to remove GSP status from certain halogenated hydrocarbons is the U.S. Bromine Alliance. The U.S. Bromine Alliance, consisting of the three largest U.S. producers of brominated hydrocarbons, stated that Israel's bromine industry is just as developed as the U.S. industry and clearly is receiving an unfair competitive advantage with the current GSP benefits available to them. No comments were received for the record from any importer of brominated hydrocarbons outside of the U.S. Bromine Alliance.

* * * * *

Table A.—Certain halogenated hydrocarbons: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979–83, January–June 1983, and January–June 1984

Period	Production 1/	Exports	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	Quantity (million pounds)				
1979	196	58	12	150	8.0
1980	[***]	72	16	[***]	[***]
1981	163	57	14	120	11.7
1982	138	52	14	100	14.0
1983	139	59	22	102	21.6
Jan.–June 1983	2/ 70	28	14	56	25.0
Jan.–June 1984	2/ 92	38	9	63	14.3
	Value (1,000) (million dollars)				
1979	121	49	13	85	15.3
1980	[***]	65	16	[***]	[***]
1981	113	63	20	70	28.6
1982	90	54	21	57	36.8
1983	93	62	24	55	43.6
Jan.–June 1983	2/ 47	30	14	31	45.2
Jan.–June 1984	2/ 52	32	14	34	41.2
	Unit value (cents per pound)				
1979	62	84	108	–	–
1980	[***]	90	100	–	–
1981	69	111	143	–	–
1982	65	104	150	–	–
1983	67	105	109	–	–
Jan.–June 1983	67	107	100	–	–
Jan.–June 1984	57	84	155	–	–

1/ Production value estimated by multiplying production quantity by the unit value of sales.

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

Source: Production, U.S. International Trade Commission, Synthetic Organic Chemicals, U.S. Production and Sales; imports and exports, compiled from official statistics of the U.S. Department of Commerce.

TITLE: Dibromoneopentyl glycol (Israel)

I. TSUS item number; description; tariff rate information; U.S. imports in 1983; competitive status

TSUSA item No. 1/	Description	Pre-MTN col. 1 rate of duty 2/	Staged col. 1 rate of duty effective with respect to articles entered on or after Jan. 1—							Col. 2 rate of duty	U.S. imports in 1983 ($1,000)
			1980 3/	1981	1982	1983	1984	1985	1986	1987		
429.9590 (pt.) A	Dibromoneopentyl glycol.	5% ad val.	4.8% ad val.	4.7% ad val.	4.5% ad val.	4.4% ad val.	4.2% ad val.	4% ad val.	3.9% ad val.	3.7% ad val.	25% ad val.	6

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 July 1, 1980.
3/ Rate effective after July 1, 1980.

II. Comments

Description and uses

Dibromoneopentyl glycol is a toxic liquid chemical compound used primarily as a flame retardant for polyester fibers and plastics. It is also possible to use this compound within styrene-acrylonitrile-based plastics.

The glycol part of the compound reacts with the raw materials of the fibers or plastics and the resulting copolymer contains the desired amount of flame retardant as an inherent part of the fibers or plastics. If the article is ignited, the bromine that is part of the article reacts at the flame front to form products that retard combustion.

The specific requirements for different articles of fibers or plastics are still very much an art of blending commodity monomers and special performance additives. Dibromoneopentyl glycol is the flame retardant additive preferred by producers of polyester fibers and plastics because it is effective and very similar in structure to the monomers that provide the properties that are inherent in polyester products.

U.S. producer and employment

Dow Chemical Company, Inc., of Midland, MI, is the holder of the Belgian patent for the production of dibromoneopentyl glycol but [***

] Dow owns a number of plants capable of producing dibromoneopentyl glycol within the United States and uses them when necessary to meet demand. The United States recognizes the Belgian patent as enforceable in this country.

The employees affected by trade in this product are the salesmen and warehousemen involved in Dow's sales to the fibers and plastics industries.

U.S. consumption and production

Prior to 1983, U.S. consumption of dibromoneopentyl glycol is estimated to be approximately equal to the U.S. imports of this product from Belgium. Official statistics of the U.S. Department of Commerce indicate that importation of this product from Israel has not occurred between 1979 and 1983. There were no other known sources of this product for the U.S. market in 1983. The Israeli producer of dibromoneopentyl glycol is believed to have obtained its technology under a license agreement which initially limited competition with the licensor on a geographic basis. This license agreement is believed to have expired already; the patent is scheduled to expire in early 1985. Dow reported that U.S. production of the product amounted to [***] pounds during 1983. Increased demand will require additional production in 1984.

U.S. exports

Exports of this product in 1983 are believed to have been negligible.

U.S. imports

Belgium and Israel are the only known sources of dibromoneopentyl glycol. Imports from Belgium declined from 30,439 pounds, valued at $131,521, in 1979 to 5,519 pounds, valued at $5,905, in 1983. [***

]. From January-June 1983 to

January-June 1984, imports from Belgium increased more than 70-fold from 179 pounds to 12,810 pounds. Imports from Israel amounted to 5,074 pounds, valued at $5,683, during January-June 1984. Subsidiaries of the Israeli producer own or lease warehouses in Europe. It is believed that the European fiber producers' requirements have exceeded the capacity of the Israeli producer by several fold. Transportation costs also made it more economical to market this product in Europe and southwest Asia than in the United States. Since dibromoneopentyl glycol is a fungible product, the Belgian and Israeli products are interchangeable.

Position of interested parties

The petitioner to remove GSP status from dibromoneopentyl glycol is the U.S. Bromine Alliance. The U.S. Bromine Alliance, of which Dow Chemical, U.S.A., is a member, stated that Israel's bromine industry is just as developed as the U.S. industry, and clearly is receiving an unfair competitive advantage with the current GSP benefits available to them. No comments were received for the record from any importer of dibromoneopentyl glycol outside of the U.S. Bromine Alliance.

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Digest No.
C5--Con.

Dibromoneopentyl glycol: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

Period	Production 1/	Exports	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	Quantity (pounds)				
1979	[***]	0	30,439	[***]	[***]
1980	[***]	0	[***]	[***]	[***]
1981	[***]	0	[***]	[***]	[***]
1982	[***]	0	[***]	[***]	[***]
1983	[***]	2/	5,519	[***]	[***]
Jan.-June					
1983	[***]	2/	179	[***]	[***]
1984	[***]	2/	17,884	[***]	[***]
	Value				
1979	[***]	-	$131,521	[***]	[***]
1980	[***]	-	[***]	[***]	[***]
1981	[***]	-	[***]	[***]	[***]
1982	[***]	-	[***]	[***]	[***]
1983	[***]	2/	5,905	[***]	[***]
Jan.-June					
1983	[***]	2/	181	[***]	[***]
1984	[***]	2/	20,030	[***]	[***]
	Unit value (per pound)				
1979	[***]	-	$4.32	-	-
1980	[***]	-	[***]	-	-
1981	[***]	-	[***]	-	-
1982	[***]	-	[***]	-	-
1983	[***]	4/	1.07	-	-
Jan.-June					
1983	[***]	4/	1.01	-	-
1984	[***]	4/	1.12	-	-

1/ Production value estimated by multiplying production quantity by the unit value of sales.
2/ Less than 500,000.
3/ Less than 0.05 percent.
4/ Not available.

Source: Communication with industry.

TITLE: Mixtures in whole or in part of bromine (Israel)

I. TSUS item number; description; tariff rate information; U.S. imports in 1983; competitive status

TSUSA item No. 1/	Description	Pre-MTN col. 1 rate of duty 2/	Staged col. 1 rate of duty effective with respect to articles entered on or after Jan. 1—								Col. 2 rate of duty	U.S. imports in 1983 ($1,000)
			1980	1981	1982	1983	1984	1985	1986	1987		
432.2500A (pt.)	Mixtures in whole or in part of bromine.	5% ad val., but not less than the highest rate applicable to any component material	4.8%, but not less than the highest rate applicable to any component material	4.7%, but not less than the highest rate applicable to any component material	4.5%, but not less than the highest rate applicable to any component material	14.4%, but not less than the highest rate applicable to any component material	4.2%, but not less than the highest rate applicable to any component material	4%, but not less that the highest rate applicable to any component material	3.9%, but not less than the highest rate applicable to any component material	3.7% but not less than the highest rate applicable to any component material	25% ad val., but not less than the highest rate applicable to any component material	950

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 January 1, 1980.

II. Comments

Description and uses

Mixtures that are in whole or in part of bromine is a product category which is more a tariff concept than an identifiable industry classification. The chemical mixtures covered by this digest are products which are not classified as mixtures of inorganic compounds nor as mixtures of organic compounds. Also excluded are any mixtures that have a specified end use, such as drugs, fertilizers, and pesticides. Accordingly the mixtures under consideration generally consist of one or more inorganic compounds and one or more organic compounds. The number of possible chemical mixtures covered by this definition is, thus, very large. The actual products of commerce are specialty chemical performance additives produced by blending specific proprietary formulations to obtain the properties designated by the customer. The types of products which may contain the performance additives covered by this digest include gasoline, bleaches, water purifiers, fumigants, fire extinguishers, articles of plastic, dyes, pharmaceutical preparations, photographs, and clothing.

U.S. producers and employment

Trade publications indicate that there are approximately 45 suppliers of domestically produced performance additives. Based on the ratio of employment to sales provided by the U.S. Bromine Alliance, the number of employees associated with the products covered by this digest is approximately 1,800.

These employees perform many different duties including production, sales, and administration. Plants to produce these specialty blends are located in Arkansas, Indiana, Maryland, Michigan, New Jersey, New York, Ohio, and Pennsylvania.

U.S. consumption and production

U.S. consumption of brominated performance additives amounted to approximately 290 million pounds, valued at $170 million, in 1979. During the recession of 1980, consumption was approximately 20 million pounds less than in 1979 but returned to the 1979 level in 1981. U.S. consumption amounted to 250 million pounds, valued at $210 million, in 1982. U.S. consumption in 1983 is believed to have exceeded the level of 1980 but not that of 1981. Prior to 1983, consumption is believed to have been supplied almost entirely by domestic merchandise.

U.S. exports

U.S. exports of the products covered by this digest amounted to 720 million pounds, valued at $490 million, in 1979 and declined in line with the world economy to 590 million pounds, valued at $540 million, in 1983. The primary market for these products is Canada accounting for approximately 14 percent of U.S. exports in 1983. The other industrialized nations account for approximately 15 percent of U.S. exports. Israel has reportedly been gaining market share throughout the world, especially in industrialized markets.

U.S. imports

U.S. imports of the products covered by this digest increased from 3,000 pounds, valued at $4,000, in 1979 to 736,000 pounds, valued at $950,000, in 1983. Imports accounted for 0.2 percent of consumption in 1983. The reason imports are so small is that these products are specialty chemicals with proprietary formulations that are supplied to the specifications of a particular U.S. company in each case. This type of technology does not allow easy competition from imports. The primary sources of these products are France, Belgium, and Israel. There were no imports of these products from Israel in 1979. Imports from Israel increased from 264 pounds, valued at $2,658, in 1980 to 221,000 pounds, valued at $282,000, in 1983.

Position of interested parties

The petitioner to remove GSP status from mixtures in whole or in part of bromine is the U.S. Bromine Alliance. The first and [***] largest U.S. producers of the products covered by this digest are members of that organization and stated that Israel's bromine industry is just as developed as the U.S. industry and clearly is receiving an unfair competitive advantage with the current GSP benefits available to them.

* * * * *

Table A.—Mixtures in whole or in part of bromine: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979–83, January–June 1983, and January–June 1984

Period	Production 1/	Exports	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	Quantity (million pounds)				
1979	1,009	720	2/	289	3/
1980	910	640	2/	270	3/
1981	1,030	740	2/	290	3/
1982	900	650	0.7	250	0.3
1983	875	590	0.7	285	0.2
Jan.–June					
1983	440	295	2/	145	3/
1984	500	180	2/	320	3/
	Value (million dollars)				
1979	660	490	2/	170	3/
1980	820	580	2/	240	3/
1981	900	660	2/	240	3/
1982	808	598	0.6	210	0.3
1983	858	540	0.9	318	0.3
Jan.–June					
1983	431	266	2/	697	3/
1984	490	158	2/	648	3/
	Unit value (cents per pound)				
1979	66	68	133	–	–
1980	90	91	49	–	–
1981	98	89	36	–	–
1982	90	92	82	–	–
1983	98	92	129	–	–
Jan.–June					
1983	98	90	72	–	–
1984	98	88	185	–	–

1/ Production value estimated by multiplying production quantity times the unit value of sales.
2/ Less than 0.5.
3/ Less than 0.05 percent.

Source: Communication with industry.

TITLE: Concrete block and brick (Mexico)

I. TSUS item number; description; tariff rate information; U.S. imports in 1982; competitive status

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 1983 ($1,000)
			1980	1981	1982	1983	1984	1985	1986	1987		
	Articles, including terrazzo, of concrete, with or without reinforcement:											
	Other:											
	Other											
511.6120A	Not decorated:											
	Block and brick	7.5%	7.2% ad val.	6.9% 40 ad val.	6.5% ad val.	6.2% ad val.	5.9% ad val.	5.6% ad val.	5.2% ad val.	4.9% ad val.	30% ad val.	1,622.

1/ The designation of "A" indicatesthat 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. Comments

Description and uses

This digest covers concrete block and brick. Concrete block and brick are made of portland cement, water, and sized aggregates, such as gravel, sand or expanded shale. This concrete mix is molded in automated machines that consolidate and compact the concrete into a variety of shapes. The industry standard shape for block is an 8" high x 8" wide x 16" long rectangular masonry unit that contains vertical hollow cores. The standard shape for concrete brick is a solid concrete masonry unit, usually 4" x 4" x 8" but not larger than 4" x 4" x 12". Once the blocks or bricks are molded, the units are cured in an accelerated process. Concrete block and brick generally conform to the standards established by the American Society for Testing Materials (ASTM). About 65 percent of the concrete block and brick are used in residential construction and about 35 percent are used in nonresidential construction. The majority of the block and brick are used in new construction in such applications as exterior walls, "back-up" for various facade materials, stairwells, partitions and elevator shafts.

U.S. customs treatment

Mexico first received GSP status for TSUS item 511.61 in 1976. There have been no exclusions or automatic competitive need graduations since 1976.

U.S. producers and employment

The concrete block and brick industry is comprised of about 1,000 companies operating about 1,100 plants dispersed throughout the United States

in 1983, down from 1,162 companies operating 1,273 plants in 1979. The major producing States were Pennsylvania, California, Michigan, Ohio and Texas. No firms dominate the market as reflected by the large number of producers. The industry is considered to be localized, generally serving only area markets due to high shipping costs. Average employment in the concrete block and brick industry in 1983 was 17,300 workers, 11,700 of which were production and related workers, compared with 19,300 total workers and 12,300 production and related workers in 1979.

U.S. consumption and shipments

Estimated apparent U.S. consumption of concrete block and bricks fluctuated in a narrow range during 1979-83, declining from $1.5 billion in 1979-80 to $1.3 billion in 1981 and then increasing to $1.6 billion in 1983 (table A). U.S. imports of concrete block and brick accounted for less than one percent of apparent consumption during the period. The high weight-to-value ratio of concrete block and brick discourages long-distance shipment of these items. As a result, estimated U.S. producers' shipments are approximately the same in value as apparent U.S. consumption. The rise in apparent consumption and producers shipments is attributed to the strong U.S. housing market.

U.S. exports

During 1978-83, estimated U.S. exports of concrete block and brick accounted for about 1 percent or less of U.S. producers' shipments. Exports are negligible primarily because of the localized nature of the market and

high transportation costs. U.S. exports increased from $749,000 in 1979 to $1.7 million in 1980, and then declined to $1.2 million in 1983 (table B). Somalia 1/ was the principal market in 1983 accounting for 22 percent of this total. Canada (20 percent) and the Bahamas (19 percent) were the other principal markets in 1983.

U.S. imports

U.S. imports of concrete block and brick more than doubled from $737,000 in 1981 to $1.6 million in 1983 (table C). The principal U.S. supplier in 1983 was Mexico, which accounted for about 84 percent of imports compared to a 42 percent share of total imports in 1979. Imports from Mexico increased annually from $239 thousand in 1979 to $1.4 million in 1983.

Due to the prohibitive cost of transporting concrete block and brick, most import trade in the industry is limited to border shipments from Mexico and Canada. Generally, imports from these countries most seriously compete with the domestic concrete block and brick plants that serve the border area markets. Both the foreign and domestic material are ususally of like quality and for the same end-use. A significantly lower price is generally the determining factor when purchasing imported concrete block and brick. For a

1/ It is believed that the 1983 exports to Somalia were a one time sale and is not to be considered as a future market.

standard 8" concrete block, the U.S.-border delivered domestic price is $0.89 compared with $0.52 for the average U.S. border price delivered for comparable Mexican concrete block. Only imports of concrete blocks and brick from Mexico receive duty free treatment under the GSP. GSP imports from Mexico represented 66 percent of total Mexican imports in 1979 compared with 95 percent in 1983. GSP imports from Mexico more than doubled in 1983 to $1.3 million compared with $444,000 in 1982 (table D).

Position of interested parties

John McCoy, president of Valley Builders Supply Company of Pharr, Texas, spoke in behalf of the National Concrete Masonry Association and 4 other block and brick companies 1/, located in California, New Mexico, and Arizona. He testified in favor of GSP graduation of Mexico, citing increased Mexican imports in a shrinking market, artificial government conferred benefits and the potential injury to his and other block manufacturing operations if GSP treatment for Mexico continues.

1/ R.C.P., INC.
Marvin Finch, President
Lemon Grove, California 92045

BUILDERS BLOCK AND SUPPLY CO., INC.
Jerry Griffin, President
Las Cruces, New Mexico 88004

BUILDERS BLOCK AND STONE CO., INC.
Jerry Griffin, President
Roswell, New Mexico 88201

BEST BLOCK & PIPE, INC.
Phil Williams, President
Yuma, Arizona 85364

* * * * *

Table A.—Concrete block and brick: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979–83

(Value in thousands of dollars)

Year	Producer's shipments	Exports	Imports	Apparent consumption	Ratio (percent) of imports to consumption
1979	1,495,000	749	571	1,495,000	2/
1980	1,524,000	1,710	855	1,523,000	2/
1981	1,404,000	1,530	737	1,403,000	2/
1982	1/ 1,307,000	1,284	691	1,306,000	2/
1983	1/ 1,576,000	1,198	1,622	1,577,000	2/
January–June -					
1983	3/	599	765	3/	3/
1984	3/	613	729	3/	3/

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

Source: U.S. Department of Commerce.

Table B.--Concrete block and brick: U.S. exports of domestic merchandise, by principal markets, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Market	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
Somalia	-	-	-	-	261	-	-
Canada	149	94	201	235	240	156	25
Bahamas	65	138	185	119	233	169	160
Lw WW I	37	21	42	152	114	36	68
Turk Is	12	23	28	59	80	36	156
S Arab	12	192	220	193	59	26	122
U King	2	-	2	-	57	45	-
Ghana	-	-	-	121	39	39	-
All other	472	1,241	852	404	116	91	83
Total	749	1,710	1,530	1,284	1,198	599	613

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

Table C.--Concrete block and brick: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
Mexico	239	264	354	492	1,360	653	614
Canada	329	585	375	198	229	79	96
Fr Germ	-	-	1/	1	32	32	-
France	-	-	-	-	1	1	17
Sweden	-	2	-	-	1	-	1
Italy	2	-	6	1/	-	-	1/
Japan	-	1	-	1/	-	-	-
Yugoslv	-	-	1	-	-	-	-
All other	1	4	1/	-	-	-	-
Total	571	855	737	691	1,622	765	729

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

Table D.--Concrete block and brick: U.S. imports for consumption under the GSP, by princpal GSP sources, 1979-82, January-June 1983, and January-June 1984

(Value in thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June 1983	
						1983	1984
	Value						
Mexico	158	176	339	444	1,293	617	600
Total	158	176	339	444	1,293	617	600

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

TITLE: Certain locks of base metal (Hong Kong, Republic of Korea, and Taiwan)

I. TSUSA item number; description; tariff rate information; U.S. imports in 1983; competitive status

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 1983 ($1,000)
			1980	1981	1982	1983	1984	1985	1986	1987		
646.92A	Locks, lock parts, and lock keys, not elsewhere specified	9.5%	9%	8.6%	8.1%	7.6%	7.1%	6.7%	6.2%	5.7%	45%	72,519

1/ The designation "A" indicated that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preference (GSP). "A" indicates that all all beneficiary developing countries are eligible for the GSP.

2/ Rate effective for Jan. 1, 1980.

II. Comment

Description and uses

Certain locks of base metal include a wide range of products, such as door locks, lock sets, locks suitable for use with chests, drawers and similar items, locks designed for motor-vehicles, and lock keys. 1/ Certain locks of base metal are universally used products that have grown in use during recent years owing principally to an increasing awareness of security by purchasers in various consuming markets.

U.S. customs treatment

Certain locks of base metal (TSUS item 646.92) became eligible for GSP treatment in 1980 and have remained eligible since then.

U.S. producers and employment

Certain locks of base metal are produced by approximately 60 establishments with production facilities located throughout the United States and the majority concentrated in the Midwest and the Northeast region of the country. During 1979-83, the number of production workers in the industry declined from an estimated 4,480 workers to approximately 3,780 workers, or by 16 percent. The decline in the number of production workers is partially the result of an increasing use of automated equipment, plant closings and the restructuring of operations as producers sought to improve their competitiveness. Some companies diversified into products other than locks while others merged or were acquired by large metal working firms which

1/ This digest does not cover padlocks, cabinet locks, or luggage locks and parts thereof, as covered under TSUS items 646.80-.90.

enhanced their overall operational performance and improved capital availability. In addition, some major producers have established operations in foreign countries while others have supplemented their product line with lower priced foreign-made products.

Although the manufacturing of certain locks of base metal requires a relatively large labor input, the industry has become capital intensive in an effort to offset increased costs of labor, raw material, and energy; greater automation will also facilitate manufacture of high-quality, sophisticated security products. Electrically controlled door locks and complex multiple locking mechanisms, for example, provide unique characteristics that are relatively new in the U.S. market and generally free of direct import competition; however, these products represent probably less than 10 percent of total industry shipments.

U.S. consumption and shipments

Apparent U.S. consumption of certain locks of base metal declined slightly during 1979-81, from $360 million to $355 million, or by 1 percent. In 1982, the value of apparent consumption increased to $461 million and totaled $465 million in 1983 (table A). The ratio of imports to consumption increased from 7.8 percent in 1979 to 10.6 percent in 1981, declined to 9.7 percent in 1982, and increased to 15.5 percent in 1983.

U.S. producers' shipments of certain locks of base metal remained at about $388 million during 1979-81. However, during 1982-83, U.S. shipments

increased from $423 million to $475 million. The stability in U.S. shipments during 1979-81, and the growth in 1982-83, in a reflection of an increasing awareness of security by consumers.

U.S. exports

U.S. exports of certain locks of base metal increased from $55 million in 1979 to $83 million in 1983, or by 48 percent (table B). In 1983, exports to Canada and Mexico, the largest export markets, accounted for 36 percent and 25 percent, respectively, of total U.S. exports.

U.S. imports

The value of U.S. imports of certain locks of base metal increased substantially during 1979-83, from $28 million to $73 million, or by approximately 160 percent (table C). The increase in imports during the period can be attributed to the increasing awareness of security by consumers and the rising popularity of the generally lower priced imported product in meeting basic security needs. During 1979-83, certain locks of base metal imported from Taiwan, the leading foreign source, increased its share of total imports by 24 percentage points, from 8.6 percent to 32.2 percent. The share of imports from Hong Kong to total imports declined 3 percentage points, from 13.2 percent to 9.8 percent, while imports from the Republic of Korea increased about 2 percentage points, from 0.6 percent to 2.3 percent.

The value of imports of certain locks of base metal imported under the GSP increased from $4.4 million in 1980 to $31.5 million in 1983, or by 617

percent (table D). Imports from Taiwan, the principal foreign source, increased its share of total GSP imports from 42 percent in 1980 to 73 percent in 1983. During the same period, the share of imports from Hong Kong to total GSP imports declined from 47 percent to 18 percent, whereas imports from the Republic of Korea accounted for less than 1 percent of total GSP imports.

Imports of certain locks of base metal currently account for approximately one-half of the locks sold in the retail market, which is a major marketing outlet for domestic producers. In addition, imports are improving in quality and design features and are penetrating the new construction and mobile home markets with lower priced products. Certain locks of base metal offered by domestic producers have an advantage compared to imports which do not generally offer removable cores that are interchangeable. This standardization of domestically produced locks permits the consumer to change a combination number or key of a particular lock without disturbing the overall masterkeyed system.

Prices made available by [***

]

Position of interested parties

Counsel representing the Lock Manufacturers Committee (petitioner) requests that immediate action be taken to withdraw GSP treatment for certain locks of base metal imported from Taiwan, Hong Kong, and the Republic of Korea. Counsel asserted that manufacturers in these countries have a cost advantage which allows them to offer locks at prices substantially lower than those offered by domestic producers.

Counsel on behalf of Hyundae Metal Industrial Company, of the Republic of Korea, maintained that imports of certain locks of base metal from that country should continue to receive GSP treatment since such imports account for less than 1 percent of domestic consumption and about 2 percent of total U.S. imports of locks. Counsel also stated that locks imported from the Republic of Korea are limited to the inexpensive retail market and are not sold in significant quantities to the commercial hardware, office building, or the residential home construction market.

Representatives of the Republic of China (ROC) on Taiwan asserted that loss of GSP treatment for certain locks of base metal imported from Taiwan would cause ROC manufacturers to lose market share in the United States. Locks manufactured by ROC companies were alleged to be suited for the low end of the U.S. market and are less expensive and of lower quality than locks produced domestically.

* * * * *

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Table A.--Certain locks of base metal: U.S. shipments, exports, imports, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

Year	Producers' shipments 1/	Exports 2/	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	1,000 dollars				
1979	387,060	55,483	28,401	359,978	7.8
1980	387,840	61,499	31,449	357,790	8.7
1981	388,200	71,320	37,767	354,647	10.6
1982	423,225	70,181	44,883	460,927	9.7
1983	475,200	82,587	72,519	465,132	15.5
January-June					
1983	3/	39,312	28,906	3/	3/
1984	3/	51,510	52,699	3/	3/

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

2/ Export data contain cabinet locks which could not be separated from official statistics.

3/ Not available.

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

Table R.--Certain locks of base metal: U.S. exports of domestic merchandise, by principal markets, 1979-83, January-June 1983, and January-June 1984 1/

(In thousands of dollars)

Market	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
Canada	24,239	25,148	30,110	26,734	29,583	14,711	19,739
Mexico	4,804	5,180	6,100	6,495	20,661	8,613	14,601
U King	3,639	3,657	5,179	7,425	5,813	3,103	2,945
S Arab	2,193	1,780	2,937	3,639	3,694	1,836	2,163
Hg Kong	469	916	1,327	2,801	1,945	992	577
Austral	1,799	2,150	2,665	2,548	1,555	663	1,406
Belgium	840	1,900	1,638	1,514	1,199	635	592
Japan	755	643	653	868	1,196	457	559
All other	16,745	20,125	20,711	18,157	16,942	8,302	8,930
Total	55,483	61,499	71,320	70,181	82,587	39,312	51,510

1/ Export data contain cabinet locks which could not be separated from official statistics.

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

Table C.--Certain locks of base metal: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
China t-----	2,432	3,619	6,336	11,433	23,394	8,131	18,035
Mexico------	3,127	3,687	3,508	5,322	12,237	4,939	8,311
Canada------	7,910	6,609	6,727	6,828	9,445	3,766	6,500
Hg Kong-----	3,749	3,619	3,685	3,863	7,072	2,663	5,689
Japan-------	4,145	4,583	4,581	5,142	5,216	2,311	4,372
Fr Germ-----	2,175	3,145	3,311	3,219	2,518	1,147	1,602
U King------	648	773	1,108	706	2,178	1,090	1,949
Spain-------	1,039	1,256	1,659	1,448	1,756	1,017	-
All other---	3,175	4,158	6,852	6,923	8,704	3,842	6,242
Total---	28,401	31,449	37,767	44,883	72,519	28,906	52,699

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

Table D.- Certain locks of base metal: U.S. imports for consumption under the GSP, by principal GSP sources, 1980-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1980	1981	1982	1983	January-June	
					1983	1984
Taiwan	1,848	6,230	11,382	23,066	8,083	17,913
Hong Kong	2,051	3,584	3,734	5,805	1,964	5,671
South Korea	26	50	120	1,649	512	1,079
Singapore	-	-	353	406	99	2
Brazil	23	103	292	293	114	137
Portugal	135	259	207	131	66	146
Mexico	11	80	48	124	14	97
Israel	264	153	179	35	20	57
All other	43	97	54	55	15	17
Total	4,401	10,556	16,369	31,565	10,887	25,119

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

TITLE: Certain fabricated products of iron or steel (Republic of Korea)

I. TSUS item number; description; tariff rate information; U.S. imports in 1983; competitive status

TSUS item No. 1/	Description	Pre-MTN col. 1 rate of duty 2/	Staged col. 1 rate of duty effective with respect to articles entered on or after Jan. 1—								Col. 2 rate of duty	U.S. imports in 1983 ($1,000)
			1980	1981	1982	1983	1984	1985	1986	1987		
693.00A	Certain fabricated products of iron or steel.	9.5% ad val.	9.0% ad val.	8.6% ad val.	8.1% ad val.	7.6% ad val.	7.1% ad val.	6.7% ad val.	6.2% ad val.	5.7% ad val.	45% ad val.	33,527

1/ The designation "A" indicates that all beneficiary developing countries are eligible for the Generalized System of Preferences.
2/ Rate effective after Jan. 1, 1980.

II. Comments

Description and uses

This digest covers certain fabricated products of iron or steel such as hangars and other buildings, bridges, bridge sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, shutters, balustrades, and other structures and parts of structures classified in TSUS item 653.00. Included in this digest are all fabricated structural iron or steel products (excluding oil platforms) which enter the United States as an entirety (i.e., complete, or substantially complete).

U.S. customs treatment

The Republic of Korea became eligible for GSP duty-free treatment in 1976 when item 652.98 encompassed the material presently covered under item 653.00. Subsequently, item 652.98 was changed to item 652.99 on March 1, 1979, then reclassified to item 653.00 on July 26, 1979.

U.S. producers and employment

U.S. producers of certain fabricated products of iron or steel are geographically dispersed due to the relatively small marketing areas of most of the establishments, with Texas and California having the largest number of firms. The number of fabricators of iron and steel products increased from over 9,000 firms in 1979 to nearly 10,000 firms in 1983, with less than one-half employing fewer than 20 workers. The average annual employment in the industry rose from over 300,000 persons in 1979 to approximately 320,000 persons in 1983.

U.S. consumption and shipments

Domestic consumption of certain fabricated products of iron or steel rose annually from an estimated $16.2 billion in 1979 to $18.6 billion in 1982, before decreasing to $18.4 billion in 1983 (table A). Domestic consumption of buildings (which comprise an increasing percentage of shipments) rose annually from 363,000 tons ($398 million) in 1979 to 442,000 tons ($487 million) in 1981, before declining to 362,000 tons ($385 million) in 1983. The ratio of imports to apparent consumption increased from 0.2 percent in 1979 to 0.4 percent in 1981, before declining to 0.1 percent in 1983.

U.S. producers' shipments (considered to be equivalent to production) increased from an estimated $16.5 billion in 1979 to about $19.1 billion in 1981, before declining to $18.6 billion in 1983. Shipments of buildings increased from 358,000 tons ($394 million) in 1979 to 410,000 tons ($536 million) in 1980, before declining to 295,000 tons ($343 million) in 1983.

U.S. exports

U.S. exports of certain fabricated products of iron or steel increased from 190,000 tons ($365 million) in 1979 to 281,000 tons ($700 million) in 1981, before decreasing to 108,000 tons ($240 million) in 1983 (table B). U.S. exports of buildings were believed to be negligible during 1979-83.

U.S. imports

U.S. imports of certain fabricated products rose from 28,000 tons ($41 million) in 1979 to 43,000 tons ($69 million) in 1980, then declined to 19,000 tons ($34 million) in 1983 (table C). However, imports have risen more than three-fold to 27,000 tons ($29 million) during January-June 1984 compared to

8,000 tons ($17 million) in January-June 1983. U.S. imports of buildings rose annually from 5,000 tons ($4 million) in 1979 to 40,000 tons ($20 million) in 1981, before increasing to 67,000 tons ($42 million) in 1983.

GSP imports of these products fluctuated widely during 1979-83, peaking at 10,035 tons ($11.1 million) in 1980, and then reached 10,797 tons ($7.9 million) during January-June 1984, about 39 times the 276 tons ($279,000) of GSP imports in January-June 1983 (table D). Imports from the Republic of Korea reached a high of 3,927 tons ($3.7 million) in 1981, but have risen to 10,164 tons ($7.4 million) during January-June 1984, an increase attributable to a rising number of shipments destined for the west coast construction market.

Industry sources indicate that lower price on bids for major construction projects was the principal reason for the competitive advantage of foreign fabricated products in the building frame segment of the U.S. market, and that domestically-produced products are generally of higher quality.

Position of interested parties

The American Institute of Steel Construction, the petitioner, is in favor of graduation for the Republic of Korea on imports of certain fabricated products of iron or steel. The petitioner believes that the domestic industry has suffered injury due to increased imports, both in the form of lost contracts and suppression in the price of contracts secured by domestic firms. The petitioner claims that the Korean industry has achieved world class stature and that imports from Korea have captured an increasing share of the domestic market. The petitioner believes that the impact of graduation on consumers will be modest.

* * * * *

IV. Statistical Data

Table A.--Certain fabricated products of iron or steel: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984
(Quantity in thousands of short tons; value in millions of dollars)

Year	U.S. producers' shipments		Exports		Imports		Apparent consumption		Ratio (percent) of imports to consumption	
	Total	Buildings	Total 1/	Buildings	Total 1/	Buildings	Total	Buildings	Total	Buildings
	Quantity									
1979	2/	358	190	3/	28	5	2/	363	2/	1 3
1980	2/	410	247	3/	43	6	2/	416	2/	1 4
1981	2/	402	281	3/	37	40	2/	442	2/	9 0
1982	2/	349	184	3/	23	27	2/	376	2/	7 1
1983	2/	295	108	3/	19	67	2/	362	2/	18.5
Jan.-June										
1983	2/	2/	54	3/	8	2/	2/	2/	2/	2/
1984	2/	2/	58	3/	27	2/	2/	2/	2/	2/
	Value									
1979	16,547	394	365	0	41	4	16,223	398	0.2	1 0
1980	17,840	536	498	0	69	4	17,411	540	0.3	0.7
1981	19,120	467	700	0	77	20	18,497	487	0.4	4.1
1982	18,955	446	451	0	48	18	18,552	464	0.2	3.8
1983	18,585	343	230	0	34	42	18,379	385	0.1	10.9
Jan.-June										
1983	2/	2/	127	3/	17	2/	2/	2/	2/	2/
1984	2/	2/	109	3/	29	2/	2/	2/	2/	2/

1/ Total for certain fabricated products of iron or steel.
2/ Not available.
3/ Negligible.

Source: Estimated by the staff of the U.S. International Trade Commission and from official statistics of the U.S. Department of Commerce.

Table B.--Certain fabricated products of iron or steel: U.S. exports of domestic merchandise, by principal markets, 1979-83, January-June 1983, and January-June 1984

Market	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (short tons)						
S Arab	33,720	43,362	43,898	37,808	25,996	15,429	9,211
Canada	18,093	18,376	23,305	15,930	11,430	5,170	7,443
Mexico	31,996	71,762	80,561	15,263	5,737	3,628	3,294
Egypt	3,116	7,064	8,174	7,101	5,729	3,160	2,142
Kor Rep	1,358	749	977	1,351	3,078	1,401	15,925
Nigeria	1,059	2,121	5,699	1,372	1,243	326	66
China t	7,837	8,906	5,520	2,487	4,562	946	493
Indnsia	886	289	270	2,161	751	259	102
All other	91,776	93,931	113,066	100,622	50,089	24,021	19,126
Total	189,841	246,560	281,470	184,095	108,615	54,340	57,802
	Value (1,000 dollars)						
S Arab	73,588	104,894	89,042	91,532	66,552	38,691	37,862
Canada	34,756	37,722	46,234	33,355	23,022	11,111	11,375
Mexico	52,705	134,936	221,941	33,431	14,533	7,041	3,940
Egypt	8,946	13,439	17,250	14,457	11,498	8,459	3,672
Kor Rep	3,656	3,491	3,974	6,068	10,824	5,398	6,321
Nigeria	1,630	3,899	22,756	5,604	8,946	4,388	380
China t	14,535	21,957	9,369	5,053	6,700	1,324	1,483
Indnsia	1,200	527	438	6,491	6,265	4,535	567
All other	174,482	177,424	288,553	254,572	92,140	46,357	43,199
Total	365,499	498,290	699,556	450,563	240,479	127,303	108,798
	Unit value (per short ton)						
S Arab	$2,182.34	$2,419.03	$2,028.38	$2,420.98	$2,560.08	$2,507.67	$4,110.47
Canada	1,920.98	2,052.79	1,983.85	2,093.87	2,014.16	2,149.10	1,528.35
Mexico	1,647.23	1,880.33	2,754.94	2,190.33	2,533.15	1,940.69	1,195.99
Egypt	2,870.95	1,902.47	2,110.30	2,035.87	2,007.05	2,676.88	1,714.16
Kor Rep	2,691.96	4,661.52	4,067.38	4,491.35	3,516.53	3,853.05	396.91
Nigeria	1,539.49	1,838.44	3,992.93	4,084.58	7,197.20	13,459.66	5,761.03
China t	1,854.69	2,465.45	1,697.37	2,031.69	1,468.54	1,399.09	3,008.51
Indnsia	1,354.78	1,822.23	1,621.09	3,003.60	8,342.25	17,508.19	5,561.65
All other	1,901.17	1,888.88	2,552.08	2,529.99	1,839.52	1,929.87	2,258.63
Average	1,925.29	2,020.97	2,485.37	2,447.45	2,214.05	2,342.71	1,882.26

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

Table C.--Certain fabricated products of iron or steel: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (short tons)						
Canada	19,964	11,167	26,959	13,872	12,492	6,245	7,056
Italy	282	69	104	527	684	428	421
Japan	2,718	19,443	3,884	4,393	438	291	210
Kor Rep	0	869	3,927	430	2,663	99	10,506
U King	303	255	544	796	467	96	140
Fr Germ	664	461	382	1,071	416	142	694
France	236	492	60	119	216	182	62
Nethlds	840	312	195	364	293	126	177
All other	2,653	9,837	1,130	1,911	1,467	715	7,241
Total	27,660	42,905	37,185	23,483	19,136	8,324	26,507
	Value (1,000 dollars)						
Canada	29,814	22,571	63,226	30,410	22,211	12,394	14,555
Italy	335	35	116	2,340	2,718	1,772	641
Japan	2,525	31,767	5,362	5,395	1,700	1,131	537
Kor Rep	0	568	3,662	465	1,436	88	7,543
U King	539	294	668	806	1,087	123	293
Fr Germ	2,525	897	1,412	2,153	1,027	328	1,108
France	432	744	116	228	501	423	87
Nethlds	1,449	913	322	708	498	187	370
All other	3,645	11,595	1,893	5,075	2,349	897	4,265
Total	41,264	69,383	76,776	47,580	33,527	17,343	29,400

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

Table D.—Certain fabricated products of iron or steel: U.S. imports for consumption under the GSP, by principal GSP sources, 1979–83, January–June 1983, and January–June 1984

(Quantity in short tons, value in thousands of dollars)

Source	1979	1980	1981	1982	1983	January–June 1983	January–June 1984
	Quantity						
Republic of Korea	—	868	3,927	430	2,030	98	10,164
Mexico	365	980	360	162	322	73	521
Portugal	—	44	56	89	84	59	54
Taiwan	—	1	37	2	43	36	29
Israel	—	—	—	1/	10	1/	2
India	—	57	6	—	17	10	8
Argentina	—	—	—	30	—	—	—
All other	72	8,085	2	—	—	—	18
Total	437	10,035	4,388	713	2,506	276	10,797
	Value						
Republic of Korea	0	567	3,662	464	1,171	87	7,378
Mexico	439	951	630	232	305	56	372
Portugal	0	68	86	148	164	77	84
Taiwan	0	3	26	7	64	46	34
Israel	0	0	0	1	31	1/	12
India	0	23	6	0	19	13	6
Argentina	0	0	0	2,016	0	0	0
All other	113	9,440	2	—	—	—	7
Total	552	11,052	4,412	2,869	1,753	279	7,893

1/ Less than 0.5 units.

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

TITLE: Brass household and sanitary ware (Taiwan)

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1983, competitive status

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 1983 ($1,000)
			1980	1981	1982	1983	1984	1985	1986	1987		
	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:											
654.25A 3/	Of brass	5% ad val.	4.8%	4.7%	4.5%	4.4%	4.2%	4%	3.9%	3.7%	40%	93,444

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) for all beneficiary developing countries.

2/ Rate effective prior to Jan. 1, 1980.

3/ Formerly TSUS item 654.03, transferred to TSUS item No. 654.25 on April 9, 1984.

II. Comments

Description and uses

This digest covers brass household and sanitary ware such as decorator articles, sanitary pipe fittings, and bath fixtures. These goods are used as decorator articles or in the sanitary systems of homes, offices, factories, and institutions.

U.S. customs treatment

Taiwan first received GSP status for TSUS item 654.25 (item 654.00 during 1976-79 and items 654.03 during 1980-83) in 1976. There have been no exclusions or automatic competitive need graduations since 1976.

U.S. producers and employment

Plumbing products classified as brass household and sanitary ware are produced by the plumbing fittings and brass goods industry (SIC 3432). The number of producers of plumbing fittings and brass goods declined from 191 companies with 213 establishments in 1977 to an estimated 158 companies with 182 establishments in 1983. Many of these manufactures are small local and regional firms; however, several large firms with national distribution manufacture virtually all types of plumbing products. Total employment in the plumbing fittings and brass goods industry declined 24 percent from 20,100 in 1979 to approximately 15,200 in 1983. Employment of production workers in the plumbing fittings and brass goods industry declined 28 percent from 16,000 in 1979 to approximately 11,500 in 1983.

U.S. consumption and shipments

Apparent consumption of brass household and sanitary ware was on an upward trend during 1979-83, rising in all years except 1982. Apparent consumption rose 30 percent overall from $577.0 million in 1979 to $750.8 million in 1983 (table A). The bulk of the rise in consumption was in the replacements and additions market for plumbing, which benefitted from the growing inventory of housing units and other structures, tax incentives which improved prospects for new plumbing work in fixing up older nonresidential buildings, and the sizeable number of conversions of housing units from rental to owner-occupied status which require new plumbing equipment. The decline in 1982 reflects reduced construction activity levels, especially new housing construction. The ratio of imports to consumption rose in all years except 1983, increasing from 8.7 percent in 1979 to a peak of 13.0 percent in 1982 before declining slightly to 12.4 percent in 1983.

U.S. shipments followed the same trend as apparent consumption, rising in all years except 1982. U.S. shipments rose 24 percent overall from $532.1 million in 1979 to $662.0 million in 1983. Shipments increased with the rising levels of new housing construction and replacements and additions in existing buildings.

U.S. exports

U.S. exports of brass household and sanitary ware declined 9 percent overall during 1979-83. U.S. exports rose from $5.1 million in 1979, to a

peak of $6.5 million in 1981, before declining to $4.6 million in 1983 (table B). The principal export markets during the period were Canada, Australia, the United Kingdom, and West Germany.

U.S. imports

U.S. imports of brass household and sanitary ware followed the same trend as apparent consumption, rising in all years except 1982. U.S. imports rose 87 percent overall from $49.9 million in 1979 to $93.4 million in 1983. The principal import sources were Taiwan and India (table C).

The quality of Taiwan plumbing products varies greatly but the price is consistently lower than and widely undersells the price of domestic products according to industry sources. According to testimony presented by the petitioners at the GSP hearing, most of the market penetration from Taiwan plumbing goods has occurred in lower priced merchandise where GSP tariff savings are considered to be an important component in pricing. Industry sources indicated that Taiwan price advantages over domestic products can be as much as 30 to 40 percent.

GSP imports of brass household and sanitary ware more than doubled during 1979-83, rising in all years except 1982 from $36.5 million in 1979 to $78.9 million in 1983 (table D). The principal GSP import sources were Taiwan, India, South Korea, and Hong Kong. GSP imports from Taiwan increased from approximately one-third of the total in 1979 to almost one-half of the total in 1983.

Position of interested parties

The petitioner, the Plumbing Manufacturers Institute, favors graduation of Taiwan from GSP eligibility for TSUS item 654.25 for the following

reasons: Taiwan's development level has become far more characteristic of an industrialized rather than less developed country; Taiwan continues to strengthen its competitive position in U.S. plumbing product imports; and the U.S. national economic interest lies in the application of normal tariffs to plumbing product imports from Taiwan. The Board of Foreign Trade, Republic of China on Taiwan (ROC), opposes graduation of Taiwan from GSP eligibility for TSUS item 654.25 for the following reasons: ROC imports have not exceeded competitive need limits and are decreasing as a percentage of total imports; ROC imports are not competitive with developed country trade; the domestic industry has not been injured or threatened with injury by GSP imports; and removal of the ROC from GSP treatment would not be in the best interests of the United States. The Taiwan Association of the Machinery Industry and Taiwan Regional Association of Metal Smelters also opposes graduation of Taiwan from GSP eligibility for TSUS item 654.25 for the following reasons: the U.S. industry is not adversely affected by GSP imports from Taiwan; the Taiwan industry would be adversely affected by the loss of GSP benefits; removal of Taiwan from GSP eligibility would not enhance the ability of other beneficiary countries to export to the United States; and the overall economic interests of the United States favor retention of GSP benefits for Taiwan.

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Table A.—Brass household and sanitary ware: U.S. shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979–83, January–June 1983, and January–June 1984

(Value in thousands of dollars)

Year	U.S. Shipments 1/	Exports	Imports	Apparent Consumption	Ratio (percent) of Imports to Consumption
1979	532,120	5,088	49,924	576,956	8.7
1980	539,600	6,082	61,406	594,924	10.3
1981	570,280	6,472	78,354	642,162	12.2
1982	516,000	4,873	76,044	587,171	13.0
1983	662,000	4,635	93,444	750,809	12.4
Jan.–June					
1983	331,100	7,038	37,036	365,998	10.1
1984	364,100	2,046	42,167	404,221	10.4

1/ Estimated from 1982 Census of Manufactures and 1984 Industrial Outlook.

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

Table B.--Brass household and sanitary ware: U.S. exports of domestic merchandise, by principal markets, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Market	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
Austral-----	722	679	410	557	1,105	205	215
Canada------	1,205	999	1,079	841	906	387	657
U King------	515	456	438	409	250	169	47
Switzld-----	205	190	270	167	216	91	105
Fr Germ-----	324	898	466	406	200	147	174
France------	161	174	179	192	161	53	66
S Arab------	85	201	188	206	147	108	44
Spain-------	231	153	178	142	131	63	-
All other---	1,642	2,331	3,264	1,954	1,519	814	739
Total---	5,088	6,082	6,472	4,873	4,635	2,038	2,046

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

Table C.--Brass household and sanitary ware: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June-- 1983	1984
China t-----	13,586	21,875	29,158	29,098	39,155	14,863	15,692
India-------	10,289	13,973	20,589	20,713	23,135	9,740	10,439
Hg Kong-----	4,670	6,289	8,211	6,338	6,916	3,088	3,066
Kor Rep-----	4,009	2,846	4,438	5,958	6,896	2,319	3,987
Italy-------	2,394	2,370	1,612	1,736	2,569	1,087	1,578
Japan-------	1,709	1,481	1,772	1,626	2,263	959	1,231
U King------	3,221	3,384	2,528	1,863	1,955	664	818
Nethlds-----	1,268	1,290	1,651	1,453	1,842	606	977
All other---	8,777	7,897	8,395	7,258	8,713	3,710	4,379
Total---	49,924	61,406	78,354	76,044	93,444	37,036	42,167

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

Table D.--Brass household and sanitary ware: GSP imports, by principal sources, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June	
						1983	1984
Taiwan	13,501	21,733	28,886	28,811	38,766	14,634	14,468
India	10,163	13,832	20,357	20,504	22,861	9,667	9,749
South Korea	3,947	2,776	4,425	5,885	6,862	2,299	3,630
Hong Kong	4,497	6,100	7,678	6,079	6,154	2,486	2,660
Portugal	256	440	483	867	1,223	768	356
Mexico	1,702	1,382	1,602	974	1,154	418	224
Thailand	280	955	1,124	700	615	231	211
Israel	451	512	410	277	300	167	134
All other	1,697	865	815	866	967	389	397
Total	36,494	48,595	65,780	64,963	78,902	31,059	31,829

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

TITLE: Brass plumbing goods and other articles of copper (Taiwan)

I. TSUS(A) item numbers; description; tariff rate information; U.S. imports in 1983, competitive status

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 1983 ($1,000)
			1980	1981	1982	1983	1984	1985	1986	1987		
	Articles of copper, not coated or plated with precious metal:											
657.35A	Other	0.6¢ per lb. + 7.5% ad val.	7.4%	7%	6.7%	6.4%	6%	5.7%	5.3%	5%	46%	77,211
657.3520A	Brass plumbing goods, not specially provided for.	0.6¢ per lb. + 7.5% ad val.	7.4%	7%	6.7%	6.4%	6%	5.7%	5.3%	5%	46%	10,879

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) for all beneficiary developing countries.

2/ Rate effective prior to January 1, 1980.

II. Comments

Description and uses

This digest covers articles of alloys of copper including brass plumbing goods. The articles of alloys of copper include various decorative shapes and other miscellaneous articles. Brass plumbing goods include showerheads, water traps, plumbing vacuum breakers, plumbers' interceptors, plumbers' nozzles, plumbing fixture fittings and trim, and other plumbers' goods used in the plumbing systems of homes, offices, factories, and institutions.

U.S. customs treatment

Taiwan first received GSP status for TSUS item 657.35 in 1976. There have been no exclusions or automatic competitive need graduations since 1976.

U.S. producers and employment

Brass plumbing goods and other articles of copper are produced primarily by the plumbing, fitting, and brass goods industry (SIC 3432).

The number of producers of plumbing fittings and brass goods declined from 191 companies with 213 establishments in 1977 to an estimated 158 companies with 182 establishments in 1983. Many of these manufacturers are small local and regional firms; however, several large firms with national distribution manufacture virtually all types of plumbing products. Total employment in the plumbing fixtures and brass goods industry declined 24 percent from 20,100 in 1979 to approximately 15,200 in 1983. Employment of

production workers in the plumbing fixtures and brass goods industry declined 28 percent from 16,000 in 1979 to approximately 11,500 in 1983.

U.S. consumption and shipments

Apparent consumption of brass plumbing goods and other articles of copper was on an upward trend during 1979-83, rising in all years except 1982 (table A-1). Brass plumbing goods represent about 80 percent of consumption (table A-2). Apparent consumption rose 30 percent from $804 million in 1979 to $1.0 billion in 1983. The bulk of the rise in consumption was in the replacements and additions market for plumbing, which benefitted from the growing inventory of housing units and other structures, tax incentives which improved prospects for new plumbing work in fixing up older nonresidential buildings, and the sizeable number of conversions of housing units from rental to owner-occupied status which requires much new plumbing equipment. The decline in 1982 reflects reduced construction activity levels, especially new housing construction. The ratio of imports to consumption rose in all years except 1983, increasing from 4.2 percent in 1979 to a peak of 7.8 percent in 1982 before declining slightly to 7.4 percent in 1983.

U.S. shipments followed the same trend as apparent consumption, rising in all years except 1982. Brass plumbing goods represent about 83 percent of total shipments. U.S. shipments rose 24 percent from $798 million in 1979 to $993 million in 1983. Shipments increased with the rising levels of new housing construction and replacements and additions in existing buildings.

U.S. exports

U.S. exports of brass plumbing goods and other articles of copper were sporadic, although changing little overall during 1979-83 (table B). Exports maintained a level of $26-$28 million during 1979, 1981, and 1983, while dropping to $24 million in 1980 and $21 million in 1982. The principal export markets during the period were Canada, Mexico, and Saudi Arabia. It is estimated that exports of brass plumbing goods account for 83 percent of total exports.

U.S. imports

U.S. imports of brass plumbing goods and other articles of copper more than doubled during 1979-83, rising annually from $34 million in 1979 to $77 million in 1983 (table C-1). The principal import sources were Taiwan, Korea, and India. Imports of brass plumbing goods alone followed the same upward trend, rising annually from $4 million in 1979 to $11 million in 1983 (table C-2). The principal import sources for brass plumbing goods were Taiwan, Canada, Italy, and Israel.

The quality of Taiwan plumbing products varies greatly, but their price consistently undersells that of the domestic products according to industry sources. According to testimony presented by the petitioners at the GSP hearing, most of the market penetration of Taiwan plumbing goods has occurred in lower priced merchandise where GSP tariff savings are considered to be an important component in pricing. Industry sources indicate that the price of Taiwan products can range from 30 to 40 percent lower than U.S. products.

GSP imports of brass plumbing goods and other articles of copper nearly tripled during 1979-83, rising annually from $20 million in 1979 to $58 million in 1983. The principal GSP import sources were Taiwan, South Korea, and India. GSP imports from Taiwan increased from $9.8 million in 1979 to $36.8 million in 1983. GSP imports of brass plumbing goods alone more than doubled during 1979-83, rising from $2.5 million in 1979 to $6.8 million in 1983 and in all years except 1980. The principal GSP import sources were Taiwan and Israel. GSP imports from Taiwan increased from 61 percent of the total in 1979 to 82 percent of the total in 1983.

Position of interested parties

The petitioner, the Plumbing Manufacturers Institute, favors graduation of Taiwan from GSP eligibility for TSUS item 657.35 for the following reasons: Taiwan's development level has become far more characteristic of an industrialized rather than less developed country; Taiwan continues to strengthen its competitive position in U.S. plumbing product imports; and the U.S. national economic interest lies in the application of normal tariffs to plumbing product imports from Taiwan. The importers, the Board of Foreign Trade-Republic of China on Taiwan (ROC) and the Taiwan Association of the Machinery Industry and Taiwan Regional Association of Metal Smelters, opposes graduation of Taiwan from GSP eligibility for TSUS item 657.35 for the following reasons: ROC imports have not exceeded competitive need limits and are decreasing as a percentage of total imports; ROC imports are not

competitive with developed country trade; the U.S. industry is not adversely affected by GSP imports from Taiwan; the Taiwan industry would be adversely affected by the loss of GSP benefits; removal of Taiwan from GSP eligibility would not enhance the ability of other beneficiary countries to export to the United States; and the overall economic interests of the United States favor retention of GSP benefits for Taiwan.

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Table A-1.—Brass plumbing goods and other articles of copper: U.S. shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

(Value, in thousands of dollars)

Year	U.S. shipments 1/	Exports	Imports	Apparent consumption	Ratio (percent) of imports to consumption
1979	798,180	27,756	33,846	804,270	4.2
1980	809,400	24,240	43,813	828,973	5.3
1981	855,420	26,189	59,404	888,635	6.7
1982	774,000	21,091	63,920	816,829	7.8
1983	993,000	27,187	77,211	1,043,024	7.4
Jan.-June -					
1983	496,500	14,611	32,727	514,616	6.4
1984	546,150	12,210	50,701	584,641	8.7

1/ Estimated from 1982 Census of Manufactures and 1984 Industrial Outlook.

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

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Table A-2.- Brass plumbing goods: U.S shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

(Value, in thousands of dollars)

Year	U.S. shipments 1/	Exports 2/	Imports	Apparent consumption	Ratio (percent) of imports to consumption
1979	665,150	23,280	3,728	645,598	0.6
1980	674,500	20,235	4,136	658,401	0.6
1981	712,850	22,098	5,699	696,451	0.8
1982	645,000	17,415	6,654	634,239	1.0
1983	827,500	22,342	10,879	816,037	1.3
Jan.-June -					
1983	413,750	11,999	4,675	406,426	1.2
1984	455,125	10,013	11,782	456,894	2.6

1/ Estimated from 1982 Census of Manufactures and 1984 U.S. Industrial Outlook.
2/ Not separately reported in official U.S. export statistics. Estimated by Commission staff.

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

Table B.--Brass plumbing goods and other articles of copper: U.S. exports of domestic merchandise, by principal markets, 1979-83, January-June 1983, and January-June 1984

Market	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (pounds)						
Canada	9,185,122	8,447,445	9,397,875	4,194,702	5,538,611	2,739,202	3,329,813
Mexico	166,575	328,626	366,423	138,766	7,927,914	5,258,752	43,776
S Arab	1,083,581	1,119,045	1,078,819	890,170	1,036,976	836,117	56,040
U King	107,325	58,093	166,310	134,814	358,120	157,410	131,611
Fr Germ	25,250	139,922	32,941	114,727	160,109	104,508	73,734
Switzld	9,886	2,800	2,297	14,805	53,737	8,689	43,810
Phil R	24,584	119,523	139,979	90,736	65,448	28,824	3,116
Jamaica	21,721	93,153	172,707	206,324	177,590	131,255	50,265
All other	6,495,482	2,575,455	2,109,318	2,538,550	3,171,588	1,615,428	1,191,819
Total	17,119,526	12,884,062	13,466,669	8,323,594	18,490,093	10,880,185	4,923,984
	Value (1,000 dollars)						
Canada	11,909	13,140	14,476	9,391	12,815	6,162	7,395
Mexico	673	1,043	1,413	356	3,187	2,273	136
S Arab	2,878	2,968	2,549	1,729	2,564	1,557	301
U King	482	357	506	553	701	343	393
Fr Germ	106	340	267	354	584	361	313
Switzld	67	13	13	48	584	126	696
Phil R	157	373	433	335	539	309	17
Jamaica	85	50	374	499	537	379	220
All other	11,400	5,956	6,158	7,825	5,674	3,101	2,739
Total	27,756	24,240	26,189	21,091	27,187	14,611	12,210
	Unit value (per unit)						
Canada	$1.30	$1.56	$1.54	$2.24	$2.31	$2.25	$2.22
Mexico	4.04	3.17	3.86	2.57	0.40	0.43	3.12
S Arab	2.66	2.65	2.36	1.94	2.47	1.86	5.37
U King	4.49	6.15	3.04	4.10	1.96	2.18	2.99
Fr Germ	4.19	2.43	8.10	3.09	3.65	3.45	4.24
Switzld	6.75	4.78	5.65	3.27	10.87	14.52	15.88
Phil R	6.39	3.12	3.09	3.69	8.24	10.72	5.50
Jamaica	3.91	0.54	2.17	2.42	3.02	2.89	4.38
All other	1.76	2.31	2.92	3.08	1.79	1.92	2.30
Average	1.62	1.88	1.94	2.53	1.47	1.34	2.48

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

Table C-1 Brass plumbing goods and other articles of copper: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (pounds)						
China t-----	4,719,721	6,840,553	9,004,049	10,783,507	16,932,237	6,863,414	9,311,363
Kor Rep-----	714,317	1,119,557	2,274,977	2,878,796	3,716,987	1,467,254	2,776,153
India-------	887,862	1,314,636	1,681,761	1,670,361	1,446,350	607,254	683,234
Japan-------	219,300	294,609	711,105	600,233	504,801	175,125	203,048
Canada------	258,462	328,795	530,070	517,283	902,892	244,463	1,250,374
U King------	509,589	482,446	583,878	390,086	914,192	359,255	508,277
Italy-------	597,261	543,453	711,729	749,238	669,871	393,951	531,908
Fr Germ-----	100,866	126,846	273,148	399,381	499,596	222,890	363,997
All other---	3,699,091	3,420,598	3,643,587	2,930,763	3,584,654	1,526,850	2,530,452
Total---	11,706,469	14,471,493	19,414,304	20,919,648	29,171,580	11,860,456	18,158,806
	Value (1,000 dollars)						
China t-----	10,040	16,041	22,743	25,960	37,292	15,673	23,300
Kor Rep-----	1,870	3,083	6,478	8,324	10,533	4,014	7,093
India-------	2,282	3,613	4,848	4,817	4,035	1,673	1,948
Japan-------	1,778	1,947	2,995	3,537	2,867	1,218	1,665
Canada------	888	1,098	1,662	2,178	2,842	1,062	2,309
U King------	2,036	2,216	2,227	1,671	2,554	1,019	2,163
Italy-------	2,218	2,219	2,767	2,801	2,457	1,394	1,901
Fr Germ-----	944	1,206	1,921	2,140	2,311	1,235	1,338
All other---	11,789	12,389	13,765	12,492	12,320	5,439	8,983
Total---	33,846	43,813	59,404	63,920	77,211	32,727	50,701
	Unit value (per unit)						
China t-----	$2.13	$2.34	$2.53	$2.41	$2.20	$2.28	$2.50
Kor Rep-----	2.62	2.75	2.85	2.89	2.83	2.74	2.56
India-------	2.57	2.75	2.88	2.88	2.79	2.75	2.85
Japan-------	8.11	6.61	4.21	5.89	5.68	6.95	8.20
Canada------	3.44	3.34	3.13	4.21	3.15	4.35	1.85
U King------	3.99	4.59	3.81	4.28	2.79	2.84	4.26
Italy-------	3.71	4.08	3.89	3.74	3.67	3.54	3.57
Fr Germ-----	9.36	9.51	7.03	5.36	4.63	5.54	3.68
All other---	3.19	3.62	3.78	4.26	3.44	3.56	3.55
Average--	2.89	3.03	3.06	3.06	2.65	2.76	2.79

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

Table C-2 Brass plumbing goods: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
	Quantity (pounds)						
China t-----	776,907	496,503	520,357	812,247	2,392,852	967,729	2,563,304
Canada-----	118,879	82,005	199,919	294,410	648,530	144,899	790,076
Italy-------	32,882	9,236	85,201	260,963	249,437	147,665	261,549
Israel-----	268,341	322,809	387,385	218,481	185,200	91,214	122,493
Spain-------	58,097	91,544	106,931	99,711	87,991	38,592	0
Fr Germ-----	19,936	18,458	77,076	94,729	110,400	38,319	61,187
Kor Rep-----	36,068	81,969	64,499	83,921	114,419	36,656	44,445
U King------	8,573	46,744	103,778	40,008	91,606	3,435	1,385
All other---	360,799	219,573	352,160	217,236	253,735	119,331	332,810
Total---	1,680,482	1,368,841	1,897,306	2,121,706	4,134,170	1,587,840	4,177,249
	Value (1,000 dollars)						
China t-----	1,526	1,208	1,253	1,829	5,722	2,476	6,934
Canada-----	276	255	725	936	1,409	432	1,455
Italy-------	128	86	302	1,027	840	459	986
Israel-----	546	786	992	697	698	332	484
Spain-------	574	1,016	992	843	640	313	-
Fr Germ-----	81	120	371	399	416	201	303
Kor Rep-----	35	118	90	165	227	59	42
U King------	26	86	142	63	159	10	9
All other---	537	460	833	694	768	393	1,569
Total---	3,728	4,136	5,699	6,654	10,879	4,675	11,782
	Unit value (per unit)						
China t-----	$1.96	$2.43	$2.41	$2.25	$2.39	$2.56	$2.71
Canada-----	2.32	3.11	3.63	3.18	2.17	2.98	1.84
Italy-------	3.89	9.30	3.54	3.94	3.37	3.11	3.77
Israel-----	2.03	2.44	2.56	3.19	3.77	3.64	3.95
Spain-------	9.88	11.10	9.28	8.46	7.27	8.11	-
Fr Germ-----	4.08	6.52	4.82	4.21	3.76	5.24	4.95
Kor Rep-----	0.96	1.44	1.39	1.97	1.99	1.62	0.94
U King------	3.05	1.84	1.37	1.58	1.74	2.93	6.55
All other---	1.49	2.09	2.36	3.19	3.03	3.29	4.71
Average--	2.22	3.02	3.00	3.14	2.63	2.94	2.82

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

Table D-1.- Brass plumbing goods and other articles of copper: GSP import by principal sources, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June	
						1983	1984
Taiwan	9,846	15,767	22,486	25,748	36,840	15,410	22,949
South Korea	1,851	3,043	6,408	8,154	10,426	3,990	7,077
India	2,266	3,567	4,777	4,785	3,988	1,657	1,909
Hong Kong	1,262	1,970	2,268	2,206	2,107	816	1,216
Israel	835	985	1,304	1,173	1,009	512	876
Thailand	1,393	1,765	1,729	1,445	874	349	572
Mexico	1,056	982	1,596	855	768	368	845
Chile	642	800	697	744	709	341	176
All other	924	718	1,055	1,082	1,287	370	832
Total	20,075	29,597	42,320	46,192	58,008	23,813	36,452

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

Table D-2. --Brass plumbing goods: GSP imports, by principal sources, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June	
						1983	1984
Taiwan	1,509	1,199	1,236	1,821	5,619	2,401	6,839
Israel	546	782	992	677	698	332	484
South Korea	35	118	90	164	214	59	41
Brazil	144	-	35	37	52	22	57
Argentina	1	3	37	42	48	22	119
Mexico	14	12	11	5	40	0	8
Portugal	11	14	20	165	28	18	73
Chile	-	-	-	-	26	26	-
All other	232	143	221	120	122	54	104
Total	2,492	2,271	2,642	3,031	6,847	2,934	7,725

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

TITLE: Hand-operated and check taps, cocks, and valves, and parts thereof, of copper (Taiwan)

I. TSUSA item number; description; tariff rate information; U.S. imports in 1983

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 1983 ($1,000)
			1980	1981	1982	1983	1984	1985	1986	1987		
	Taps cocks, valves, and similiar devices, however operated, used to control the flow of liquids, gases, or solids, all the foregoing and parts thereof:											
680.14A 3/	Hand-operated and check, and parts thereof, of copper.	0.6¢ per lb. + 9%	8.8%	8.4%	7.9%	7.5%	7%	6.5%	6.1%	5.6%	47%	58,190

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.

2/ Rate effective prior to Jan. 1, 1980.

3/ Prior to Jan. 1, 1980 this item was numbered 680.20.

Note: % denotes percent ad valorem.

II. Comment

Description and uses

The type of valves covered in this digest are hand-operated and check taps, cocks, and valves, and parts thereof, of copper. These products are used in operations requiring less than 125 pounds of working pressure. This category includes check, gate, globe, plug, ball, and butterfly valves which are exclusively used in controlling the flow of fluids through pipes or piping systems. These valves normally contain a handle, handwheel, or a lever which is used not only to stop or start the flow of fluids, but in addition serves to adjust or to regulate the quantity, rate, and direction of the material flow. These particular valves, which are imported from Taiwan, normally range in size from one-half inch to nearly four inches in diameter and are normally utilized by the plumbing industry in home construction and replacement applications.

U.S. customs treatment

Hand-operated and check taps, cocks, and valves, and parts thereof, of copper were designated for duty-free treatment under the Generalized System of Preferences (GSP) on January 1, 1976. Within the last 5 years, the U.S. International Trade Commission has instituted four statutory investigations relating to import competition of taps, cocks, and valves. These investigations were conducted under the provisions of the Tariff Act of 1930, as amended. The investigations covered an unfair trade complaint filed under section 337, two antidumping complaints filed under section 731, and one

countervailing duty complaint filed under section 701. All of the investigations involved imports from Japan or Italy. The results of the investigations are listed below:

(1) Certain valves (inv. No. 337-TA-173): on August 9, 1984, the Commission terminated the investigation because of a mutual settlement agreement between both parties.

(2) Valves and parts from Italy and Japan (inv. Nos. 701-TA-4, 5): the Commission terminated the investigations as a result of the withdrawal of the petition by the complainant.

(3) Certain steel valves and certain parts thereof from Japan (inv. No. 731-TA-145, final): on July 23, 1984, the Commission determined that there was no injury or threat of injury to domestic producers by imports from Japan.

(4) Certain valves, nozzles, and connectors of brass from Italy (inv. No. 731-TA-165, preliminary); on March 1, 1984, the Commission determined that there was a reasonable indication on that the U.S. industry was being materially injured. Final determination is due by January 5, 1985.

U.S. producers and employment

Currently about 52 U.S. firms produce a wide assortment of check taps, cocks, and valves and parts thereof, of copper. It is believed that few of these firms produce all of the products covered by this digest. Major producing States include California, Ohio, Illinois, and Indiana. Producers employed an estimated 15,200 workers in 1983, but employment declined by 25 percent since 1979, at which time the industry employed 20,100 workers.

U.S. consumption and shipments

Estimated U.S. apparent consumption of hand-operated and check taps, cocks, and valves, and parts thereof, of copper increased from $94.4 million in 1979 to less than $126.9 million in 1983, or by 34 percent (table A).

Apparent consumption reached $85.2 million during January–June 1984 compared with $61.1 million during January–June 1983. Imports as a share of apparent consumption increased from 42.8 percent in 1979 to 53.2 percent in 1980, and then decreased steadily to 45.8 percent in 1983. During January–June 1983, imports accounted for 44.2 percent of U.S. apparent consumption, increasing to 44.7 percent during the corresponding period in 1984. U.S. producers' shipments of these products also increased from an estimated $83.3 million in 1979 to $102.9 million in 1981, before declining to $96.1 million in 1983. The increase in apparent consumption for 1983 was a result of the economic recovery in the United States and an increase in residential construction.

U.S. exports

U.S. exports of hand-operated and check taps, cocks, and valves, and parts thereof, of copper increased from $29.4 million in 1979 to $55.2 million in 1980. However, exports of these products decreased steadily thereafter, from $49.2 million in 1981 to $27.4 million in 1983 (table B). Industry sources attribute the decline to worldwide economic recession. During the period in review, Mexico, Canada, and Saudi Arabia together accounted for an average of 41 percent of total U.S. exports. Beginning in 1980, exports of these products to Mexico and Saudi Arabia decreased due to problems with their national economies.

U.S. imports

U.S. imports of hand-operated and check taps, cocks, and valves, and parts thereof, of copper, increased from $40.4 million in 1979 to $58.2 million in 1983 (table C). Imports were valued at $38.1 million in

January–June 1984, compared with $27.0 million during the corresponding period of 1983, representing a rise of 41 percent. During the 5-year period, much of the increase in imports of these products was accounted for by low-priced hand-operated and check taps, cocks, and valves, and parts thereof, of copper, imported from Taiwan which were sold as replacement parts to the consumer market. According to testimony presented by the petitioners at the GSP hearing, imported prices of these products can be as much as 30–40 percent lower than U.S. producers' prices. Taiwan's share of total U.S. imports of these products increased from 31 percent, in 1980 to 43 percent, in 1983.

The value of U.S. imports of hand operated and check, taps, cocks and valves, and parts thereof, of copper, under GSP increased from $16.3 million, in 1979 to $30.0 million, in 1983 or by 84 percent over the 5-year period (table D). In 1979, imports of these products from Taiwan accounted for 76 percent ($12.4 million) of total GSP imports; by 1983, this figure increased to 82 percent ($24.6 million). Other suppliers of note of these products under the GSP were Israel and Portugal, which together accounted for nearly 11 percent of total GSP imports in 1983.

Position of interested parties

The Plumbing Manufacturers Institute (PMI) on behalf of more than 57 of its associated members has requested that Taiwan be graduated from the Generalized System of Preferences (GSP). The Institute pointed out that Taiwan's exports of hand-operated and check taps, cocks, and valves (including parts) have not only been priced consistently below similar products offered by U.S. producers, but have also captured a major share of the U.S. valve

products market. Importers concur that these valve products may be priced below those produced by U.S. manufacturers, in part, as a result of the strength of the U.S. dollar, coupled with lower foreign labor costs.

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Table A.--Hand-operated and check taps, cocks, and valves, and parts thereof, of copper: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

Year	Producers' shipments 1/	Exports	Imports	Apparent consumption 1/	Ratio of imports to consumption 1/
	1,000 dollars				Percent
1979	83,340	29,387	40,430	94,383	42.8
1980	92,300	55,232	42,297	79,365	53.2
1981	102,880	49,188	52,961	106,653	49.6
1982	101,500	45,872	52,034	107,662	48.3
1983	96,120	27,444	58,190	126,866	45.8
January-June					
1983	48,900	14,788	27,028	61,140	44.2
1984	58,965	11,903	38,105	85,167	44.7

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.--Hand-operated and check taps, cocks, and valves, and parts thereof, of copper: U.S. exports of domestic merchandise, by principal markets, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Market	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
Canada	5,303	6,540	7,804	6,963	5,002	2,707	3,228
S Arab	3,014	8,042	3,518	4,240	3,940	2,221	1,312
U King	2,328	2,491	1,780	2,316	1,890	1,013	885
China t	518	1,397	1,013	1,691	1,838	1,333	275
Phil R	2,670	4,384	1,613	2,695	1,376	469	72
Japan	1,245	1,314	1,679	1,414	1,017	556	489
Colomb	292	259	505	664	1,005	760	481
Mexico	1,466	12,025	13,309	7,540	774	283	332
All other	12,550	18,781	17,967	18,349	10,603	5,445	4,828
Total	29,387	55,232	49,188	45,872	14,788	14,788	11,903

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

Table C.--Hand-operated and check taps, cocks, and valves, and parts thereof, of copper: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
China t-----	12,427	12,555	19,221	17,774	24,729	10,876	16,785
Japan-------	8,756	9,088	9,819	9,116	8,209	3,453	4,454
Italy-------	5,427	5,210	6,794	6,082	5,924	3,485	4,197
Fr Germ-----	2,288	2,971	2,007	4,179	4,656	2,198	2,521
Canada------	3,278	3,111	4,570	3,980	4,385	1,664	2,840
Israel------	2,355	2,286	1,438	1,572	1,864	848	1,162
U King------	2,230	1,953	1,805	2,034	1,785	984	1,330
Portugl-----	268	453	825	909	1,366	509	1,075
All other---	3,402	4,672	6,491	6,390	5,272	3,010	3,691
Total---	40,431	42,298	52,971	52,035	58,190	27,028	38,105

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

Table D.--Hand-operated and check taps, cocks, and valves, and parts thereof: U.S. imports for consumption, under the GSP, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Country	1979	1980	1981	1982	1983	January-June	
						1983 1/	1984
Taiwan	12,410	12,516	19,158	17,672	24,557	12,279	16,692
Israel	2,350	2,285	1,431	1,572	1,846	923	1,162
Portugal	268	420	825	909	1,360	680	1,075
Brazil	129	238	506	287	772	386	239
Mexico	25	339	182	714	312	156	331
Yugoslavia	229	254	201	210	286	143	143
Republic of Korea	115	385	287	753	237	119	137
Malaysia	697	595	633	705	225	113	-
All other	84	232	614	521	413	205	290
Total	16,307	17,264	23,864	23,343	30,008	15,004	20,069

1/ Estimated by the staff of the U.S. International Trade Commission based on official statistics of the U.S. Department of Commerce.

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

Title: Puzzles and parts (Hong Kong)

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1983; competitive status

(Percent ad valorem)

TSUS(A) 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 1983 ($1,000)
			1980	1981	1982	1983	1984	1985	1986	1987		
	Puzzles; game, sport, gymnastic, athletic, or playground equipment, all the foregoing, and parts thereof, not specially provided for:											
735.2020A*	Puzzles and parts thereof———	10%	9.5%	9%	8.4% 3/	6.32%	5.92%	5.52%	5.04%	4.64%	40%	12,478

1/ The description "A*" indicates that the item is currently designated as an eligible article for duty-free treatment under the U.S. Generalized System of Preferences. All beneficiary developing countries are eligible for the GSP except Taiwan, which lost eligibility effective March 31, 1979.

2/ Rate effective prior to Jan. 1, 1980.

3/ This rate was reduced to 6.72 percent ad valorem effective Sept. 30, 1982, by Presidential Proclamation 4980 of that date, pursuant to section 124(a) of the Trade Act of 1974 and section 6(b) of the Taiwan Relations Act.

II. Comments

Description and uses

A puzzle is a device which tests for cleverness, skill, or ingenuity. A puzzle may be either mechanical, such as cube-type puzzles and jigsaw puzzles, or written, such as crossword puzzles.

U.S. customs treatment

TSUS item 735.20, of which puzzles is a part, has been eligible for duty-free treatment under the U.S. Generalized System of Preferences (GSP) since the initiation of the GSP in 1976. Taiwan, however, exceeded the competitive need limit in 1978 when it accounted for $37.4 million of the total of $100.2 million of imports under item 735.20. Thus, Taiwan has been ineligible for GSP treatment for this item since March 31, 1979. Taiwan supplied 40 percent of the imports under item 735.20 in 1983 ($85 million out of $210 million), whereas Hong Kong furnished 15 percent ($33 million)

U.S. producers and employment

The number of U.S. producers of puzzles with annual shipments of $100,000 or more grew from 17 to 19 firms during 1979-83. Several of these firms also produce games and toys. It is estimated that the number of employees allocated to the production of puzzles expanded from 900 to 1,100 during this period.

U.S. consumption and production

The immense, but somewhat short-lived, popularity of cube-type puzzles was responsible for a surge in both the consumption and producers' shipments of puzzles in 1981 and 1982. The estimated value of apparent U.S. consumption

of puzzles rose from $54 million to $159 million during 1979-81, dropped to $138 million in 1982, as the popularity of cube-type puzzles began to wane, and then fell sharply to $84 million in 1983 (table A). 1/

The share of apparent U.S. consumption of puzzles and parts accounted for by imports rose from an estimated 11 percent to 33 percent during 1979-81, largely due to the use of imported components by the principal U.S. manufacturer of cube-type puzzles and the overseas sourcing of competing finished cube-type puzzles. However, as the market for these puzzles declined sharply in 1983, the import share of consumption fell to 15 percent. The share of apparent U.S. consumption supplied by imports was somewhat less in the first half of 1983 (13 percent) than for the full year (15 percent) because U.S. producers attempt to schedule their production more evenly throughout the year, whereas imports are concentrated in the third quarter in preparation for the Christmas selling season. The share of consumption accounted for by imports declined in the first half of 1984 (to 10 percent) from the comparable period of 1983.

U.S. producers' shipments are estimated to have grown from $50 million to $110 million during 1979-81, slipped to $102 million in 1982, and dropped to $75 million in 1983. Shipments increased by an estimated 14 percent (to $40 million) in the first half of 1984 over the comparable period of 1983 as consumers showed renewed interest in more traditional puzzles following the saturation of the video game market. Shipments by the petitioner, which manu-

1/ The consumption figures are somewhat overstated because the largest U.S. manufacturer of cube-type puzzles imports the basic components from Taiwan under TSUSA item 735.2020. After labeling and packaging domestically, these puzzles qualify as U.S. producers' shipments.

factures crepe foam rubber educational puzzles, amounted to [***] 1/ million in 1983, or approximately [***] percent of the industry total.

U.S. exports

Although separate data regarding puzzles are not available, it is estimated that puzzles account for approximately 20 percent of the value of exports classified under Schedule B number 734.1600. This classification includes games played on boards of special design, mah-jong, dominoes, poker chips, and dice, as well as puzzles. Total exports under this classification rose from $9.6 million to $17 million during 1979-83 (table B). The level of exports allocated to puzzles from the total rose from $1.9 million to $3.4 million during 1979-83 (table A). The 35 percent decrease in total exports in the first half of 1984 from the first half of 1983, from $7 million to $4.5 million, may be indicative of the impact of the strength of the U.S. dollar on exports. However, the bulk of exports are shipped in the third quarter targeting Christmas sales; therefore, the export volume in the first 6 months may not reflect the eventual trend for the full year.

The exports under Schedule B number 734.1600 are comprised chiefly of copyrighted games and puzzles destined to markets with language and basic cultures similar to the U.S. market. Thus, the leading export markets in 1983 were Canada with a 34 percent share, followed by the United Kingdom and Australia, with shares of 24 percent and 10 percent, respectively.

1/ Brackets indicate that the relevent data or information are business confidential.

U.S. imports

Indicative of the temporary fascination the U.S. market held for cube-type puzzles in 1981 and 1982, U.S. imports of puzzles and parts jumped from $6 million to $52 million during 1979 81, but fell by 76 percent thereafter to $12 million in 1983 (table C). Imports continued to decline in the first half of 1984 compared with the first half of 1983, slipping by 9 percent to $4.5 million in the later period. Taiwan was the leading source of cube-type puzzles and parts during this period, with the principal U.S. producer sourcing its basic components in Taiwan and most of the competing cube-type puzzles also being manufactured there. As a result, imports of all puzzles and parts from Taiwan soared from $0.4 million in 1979 to $33.2 million in 1981. However, as the market became saturated and interest in cube-type puzzles waned, imports from Taiwan dropped to $2 million by 1983. Hong Kong was the second leading source of cube-type puzzles during this period. Imports from Hong Kong expanded from $1.7 million to $10.4 million during 1979-82, but dropped to $3.5 million in 1983. Hong Kong and Canada were the top suppliers of all types of puzzles and parts in 1983, each accounting for 28 percent of the total, followed by Taiwan with a 16 percent share.

Imports are most competitive in the types of puzzles where labor costs form a significant share of the total cost of production. For certain types of puzzles, however, specifically crossword and jigsaw puzzles, U.S. manufacturers have the advantage of access to domestic sources of higher quality paper and cardboard, and benefit from capital-intensive production processes and economies of scale. Furthermore, puzzles protected from

competition by various copyrights account for a large portion of the value of U.S. production. 1/

The level of imports under the GSP rose from $1.4 million to $13.4 million during 1979-81, dipped slightly to $13.3 million in 1982, before falling by 67 percent to $4.4 million in 1983 (table D). Similarly, GSP imports from Hong Kong, the leading supplier of such imports throughout the period, climbed from $1 million to $9.6 million during 1979-82, but shrank to $3.3 million in 1983. The large U.S. demand for cube-type puzzles in 1981 and 1982 was responsible for GSP imports peaking in those years. The share of total imports accounted for by GSP imports rose from 22 percent in 1979 to 35 percent in 1983 and 39 percent in the first half of 1984.

Position of interested parties

The petitioner, Lauri, Inc. of Phillips-Avon, Maine, requested that "the maximum possible duty" be applied to imports of "rubber-like" puzzles from Hong Kong and to "potential similar imports from Taiwan, Korea, and the Philippines . . ., and to other countries whose cheap labor standards over pose a threat to Lauri's solvency and to [***] employees' jobs." Lauri contends that puzzles similar to its own are being imported from Hong Kong and that these puzzles may be confused with those manufactured by Lauri. The petitioner also claims that it lost its largest mass-market dealer to imports from Hong Kong and projects that Hong Kong will eventually encroach on Lauri's target market--schools and independent toy dealers--after taking over the mass

1/ There are no copyrights on the puzzles produced by the petitioner.

market. Lauri also states that because of superior product quality and benefits to its employees, its most popular puzzle reportedly has a wholesale price of [***] each, compared with [***] for a similar puzzle from Hong Kong. Allegedly, the wholesale price of another popular line of puzzles by Lauri is [***] each compared with [***] each for the comparable import from Hong Kong. Lauri asks for a "stiff, dock-walloping protective tariff" to defend its [***] investment initiated in 1979 and the jobs of its [***] employees.

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Table A.- Puzzles and parts: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

Period	Producers' shipments 1/	Exports 2/	Imports	Apparent consumption	Ratio of imports to consumption
	Thousands of dollars				Percent
1979	50,000	1,900	6,114	54,214	11.3
1980	70,000	2,500	9,244	76,744	12.0
1981	110,000	3,300	51,978	158,678	32.8
1982	101,500	2,800	38,962	137,662	28.3
1983	75,000	3,400	12,478	84,078	14.8
January-June:					
1983	35,000	1,400	4,961	38,561	12.9
1984	40,000	900	4,498	43,598	10.3

1/ Estimated by the staff of the U.S. International Trade Commission from the 1982 Census of Manufactures (SIC 3944), the U.S. Industrial Outlook 1984, and information from industry sources.

2/ It is estimated that puzzles account for roughly 20 percent of exports classified under Schedule B number 734.1600.

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

Table B.--Puzzles, board games, mah-jong, dominoes, poker chips, and dice: U.S. exports of domestic merchandise, by principal markets, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Market	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
Canada	3,729	3,176	4,497	3,677	5,801	1,807	2,130
U King	1,753	3,180	3,183	3,803	4,020	1,526	727
Austral	528	834	974	1,124	1,619	483	335
France	137	496	1,070	519	1,092	345	109
Hg Kong	376	321	413	583	710	542	56
Japan	322	657	2,151	625	334	156	119
Fr Germ	171	316	375	282	333	136	60
Singapr	32	132	142	279	309	182	78
Sweden	417	106	128	213	257	154	91
Italy	56	219	116	88	226	200	14
All other	2,108	3,216	3,673	2,681	2,277	1,436	800
Total	9,630	12,653	16,723	13,873	16,978	6,967	4,521

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

Table C.--Puzzles and parts: U.S. imports for consumption, by principal sources, 1979-83, January-June 1983, and January-June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January-June-- 1983	January-June-- 1984
Hg Kong	1,665	2,085	9,672	10,446	3,529	1,293	1,394
Canada	298	592	1,289	3,190	3,491	1,649	765
Taiwan	384	577	33,224	15,960	1,982	862	651
U King	522	363	267	812	689	202	198
FR Germ	571	606	439	457	612	153	474
Nethlds	1,843	1,832	1,116	647	474	207	169
Malta	197	835	1,321	592	395	145	330
Spain	25	20	50	153	356	75	-
Israel	92	182	132	89	253	26	47
Japan	152	152	440	739	168	97	135
All other	363	1,999	4,029	5,877	528	253	335
Total	6,114	9,244	51,978	38,962	12,478	4,961	4,498

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

Table D.— Puzzles and parts: U.S. imports under the Generalized System of Preferences, by principal sources, 1979–83 January–June 1983, and January–June 1984

(In thousands of dollars)

Source	1979	1980	1981	1982	1983	January–June	
						1983	1984
Hong Kong	1,022	1,903	9,263	9,611	3,288	1,192	1,327
Malta	166	670	1,245	580	387	143	326
Taiwan 1/	74	14	204	96	314	302	31
Israel	92	182	122	81	251	25	33
Republic of Korea	1	1	854	1,844	74	39	12
Macao	2	48	1,495	920	36	1	3
Brazil	—	—	115	183	6	—	4
Mexico	-	6	4	2	4	1	1
All other	15	12	91	16	5	1	2/
Total	1,372	2,836	13,393	13,333	4,365	1,704	1,737

1/ In each period, Taiwan was ineligible for duty-free treatment under the GSP, except January–March 1979.

2/ Less than $500.

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

TITLE: Acrylic sheet (Taiwan)

I. TSUS items number; description; tariff rate information; U.S. imports in 1983; competitive status

TSUS item No. 1/	Description	Pre MTN col. 1 rate of duty 1/	Col. 2 rate of duty	U.S. imports in 1983 (1,000 lbs.)
	Film, strips, sheets, plates, slabs, blocks, filaments, rods, scanless tubing, and other profile shapes, all the foregoing wholly or almost wholly of rubber or plastics:			
	Not of cellulosic plastic materials:			
	Films, strips, and sheets, all the foregoing which are flexible:			
	[Made in imitation of patent leather]			
	Other:			
771.41	Of materials other than polyester, polyvinyl chloride, polyethylene, or polypropylene, over 0.006 inch in thickness, and not in rolls	6% ad val.	25% ad val.	41,573
	Other:			
771.45	Of acrylic resin	8.5¢ per lb.	50¢ per lb.	

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

II. Comments

Description and uses

Acrylic sheet has a wide range of uses, mainly due to its superior weatherability, excellent optical properties, good electrical properties, chemical resistance, workability, high impact resistance and light weight. Alternatively, acrylic sheet is combustible and can be attacked by strong solvents, gasoline, acetone, and similar fluids. When clean, acrylic sheets resemble plate glass in appearance.

Glazing (windows) accounts for about 40 percent of the total acrylic sheet market, while the outdoor illuminated sign industry and the lighting fixtures industry together account for about 30 percent of domestic consumption. Although usually clear or translucent white, acrylic sheet is available in a variety of colors and can have either a flat or patterned surface.

Acrylic sheet is produced by three methods: cell casting, continuous casting, and extrusion. 1/ In the cell-casting process, methyl methacrylate monomer (MMA) is polymerized between plates of glass. The process, which accounted for [***] percent of U.S. production in 1983, produces a sheet with superior optical properties. Sheets made by the cell-casting method are

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1/ Acrylic sheet is also produced domestically by [***] by a modified extrusion process known as the continuously manufactured or melt calender method. In this upgraded extrusion process, the product comes out of the extruder and, while still hot, usually passes over a calendering machine. The calender's rolls impart a better surface finish and improved optical qualities to the sheet than is possible to obtain by extrusion alone.

available in sizes up to 120 by 144 inches and in thicknesses of 0.030 to 4.25 inches. More than 70 percent of the cell-cast sheet fall between one-eighth and one-half inch in thickness. All the imported acrylic sheet from Taiwan in 1983 was produced by cell casting.

In the continuous-cast process, MMA is polymerized between two moving stainless steel belts. This method accounted for about [***] percent of domestic production in 1983. Continuous-cast sheet has a greater uniformity in thickness, but is slightly inferior to cell-cast sheet in terms of optical clarity. Most continuous-cast sheets are concentrated in thicknesses of 0.125 to 0.250 inch.

Extruded sheet is formed by melting acrylic resin, usually polymethyl methacrylate (PMMA), and then forcing it through a flat die. A comonomer is added, in amounts of less than 10 percent by weight of resin used, as a processing aid. The acrylic sheet produced by extrusion is usually in thicknesses of less than 0.25 inch, because thinner sheets are cheaper to produce by this method compared with the other two methods. Extruded acrylic sheet accounted for [***] percent of production in 1983.

U.S. producers and employment

There were about 24 firms that produced acrylic sheet in the United States in 1983, of which 16 were estimated to account for [***] percent, or [***] pounds, of total domestic production. 1/ The U.S. industry operated

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1/ Based on data from 16 firms that accounted for [***] percent of total U.S. production estimated by an industry source to be 235 million pounds in 1983.

at 64.8 percent capacity in 1983, compared with 59.6 percent in 1982 and 74.4 percent in 1981.

The firms producing acrylic sheet in the United States can be broken into two types: the integrated producers and the independent producers. The integrated firms, CYRO, DuPont, and Rohm & Haas, produce acrylic sheet from MMA which they have manufactured themselves. They are the only domestic producers of MMA.

In 1983, there were approximately 1,294 workers producing acrylic sheet in the United States, as compared with 1,352 workers in 1982 and 1,550 workers in 1981. This reflected the decrease during 1981-83 in the number of workers producing all products in the firm. [***

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U.S. production and consumption

U.S. production of acrylic sheet increased by 36.9 percent during 1980-81, from 180.1 million pounds to 246.6 million pounds. Production then decreased by 17.9 percent in 1982, to 202.4 million pounds, and increased by 13.5 percent in 1983, to 229.7 million pounds (see table A).

Apparent consumption increased from [***] pounds in 1980 to [***] pounds in 1981. Consumption in 1982 decreased to [***] pounds and then increased to [***] pounds in 1983, (see table A). An industry source attributed the decline in consumption in 1980 and 1982 to the general economic slowdown that occurred in those years.

The import-to-consumption ratios for the years 1980-83 were [***] percent,[***] percent,[***] percent, and [***] percent, respectively (see table A). This upward trend of imports from all sources reflected the increasing ratio of imports from Taiwan to domestic consumption in the same time period, respectively: [***] percent, [***] percent, [***] percent, and [***] percent.

U.S. exports

U.S. exports of acrylic sheet increased by [***] percent from [***] pounds in 1980 to [***] pounds in 1981. Exports decreased by [***] percent in 1982 to [***] pounds and then increased by [***] percent in 1983 to [***] pounds (see table A).

The principal export markets for domestically produced acrylic sheet in 1983 were Canada and the United Kingdom; lesser amounts were exported to France, Italy, Israel, Ireland, and West Germany.

U.S. imports

U.S. imports of acrylic sheet from all sources increased by 28 percent during 1980-81, from 12.5 million pounds to 16 million pounds. Imports increased by 33.8 percent in 1982 to 21.4 million pounds. In 1983, imports increased by about 94 percent, to 41.6 million pounds (see table B).

Imports of acrylic sheet in 1983 came principally from Taiwan (48.0 percent), Canada (19.2 percent), West Germany (12.6 percent), Japan (8.8 percent), and Brazil (3.5 percent). A table listing imports of acrylic sheet from GSP eligible countries was not included since the TSUS classifications are "basket" categories. Imports of acrylic sheet from Taiwan increased from 5.3 million pounds in 1980 to 8.9 million pounds in 1981, an increase of 67.9 percent. Such imports then increased by 27.0 percent during 1982, to 11.3 million pounds, and by 77 percent in 1983, to 20 million pounds. Imports from Taiwan in 1983 were 275 percent higher than in 1980, as compared with an increase of 234 percent for imports of acrylic sheet from all sources during the same period.

Imports from Taiwan tripled their share of the U.S. market for acrylic sheet from 2.5 percent in 1980 to 7.8 percent in 1983. The market share held by U.S. producers declined from 94.1 percent in 1980 to 83.8 percent in 1983. Taiwanese acrylic sheet classified under TSUS 771.41 is presently entering the U.S. duty-free under GSP. Taiwan is no longer receiving GSP duty-free entry for imports of "rigid" acrylic sheet, classified under TSUS 771.45, because Taiwan has exceeded the 50 percent competitive need limitation for that item.

There are known to be at least 11 importers of acrylic sheet from Taiwan. The largest importers are large distributors of acrylic sheet. 1/ These distributors frequently purchase sheet from several sources, including other foreign sources, U.S. producers, and other distributors.

Domestic producers of acrylic sheet indicated that low-priced imports of acrylic sheet from Taiwan depressed market selling prices in the United States, causing a decline in their profit margins, their cash flow and, therefore, their investment in new machines, equipment, and technology.

Although there may be some differences in the physical characteristics of acrylic sheet made by each of the three production processes, acrylic sheet produced by any of the three processes appears to be interchangeable in the market place. Furthermore, it appears that imported cell-cast acrylic sheet compares directly with all domestically produced acrylic sheet. Thus, there appears to be no significant differences in characteristics and uses of the acrylic sheet produced by any of these methods. 2/

1/ Acrylic sheet from Taiwan, Inv. No. 731-TA-139 (Final), USITC Pub. No. 1525 (1984), p. A-11. The International Trade Commission determined that an industry in the United States is not being materially injured or threatened with material injury, nor is the establishment of an industry in the United States being materially retarded, by reason of imports from Taiwan of Acrylic Film, Strips and Sheets, to at least 0.030 inches thick, which have been found to have been sold in the United States at less than fair value.

2/ Acrylic sheet from Taiwan, Inv. No. 731-TA-139 (preliminary), USITC Pub. No. 1424 (1983). Only in special applications requiring superior optical qualities is consumption limited to cell-cast acrylic sheet.

The cost of production of acrylic sheet produced by each of the three methods may affect prices of the acrylic sheet.

Position of interested parties

Rohm & Haas is the petitioner requesting the withdrawal of duty free treatment for acrylic sheet from Taiwan under the GSP. Rohm & Haas and E.I. du Pont de Nemours and Company contend that the domestic industry is being significantly injured by duty-free imports of acrylic sheet from Taiwan. [***

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Table A.—Acrylic sheet: U.S. production, producers' domestic shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1980-83 1/

Year	Production	U.S. producers' domestic shipments	Imports	Exports	Apparent consumption	Ratio of imports to consumption
	1,000 pounds					Percent
1980	2/ 180,086	2/ 199,343	2/ 12,458	2/ [***]	2/ [***]	2/ [***]
981	246,587	211,977	16,000	[***]	[***]	[***]
1982	202,410	195,141	21,445	[***]	[***]	[***]
1983	229,686	215,5505	41,573	[***]	[***]	[***]

1/ Acrylic sheet from Taiwan, Inv. No. 731-TA-139 (Final), USITC Pub. No. 1525 (1984), pp. A-13, A-14, and A-25, except as noted.

2/ Acrylic sheet from Taiwan, Inv. No. 731-TA-139 (Preliminary), USITC Pub. No. 1424 (1983), pp. A-9, A-10, and A-18.

Table B.—Acrylic sheet: U.S. imports for consumption, by principal sources, 1981-83 1/

Source	1981	1982	1983
	Quantity (1,000 pounds)		
Taiwan	8,942	11,297	19,972
Canada 2/	0	1,179	7,975
West Germany	4,949	5,261	5,241
Japan	543	541	3,642
Brazil	451	849	1,466
All other	1,115	2,318	3,277
Total	16,000	21,445	41,573
	Share of total quantity (percent) 3/		
Taiwan	55.9	52.7	48.0
Canada 2/	—	5.5	19.2
West Germany	30.9	24.5	12.6
Japan	3.4	2.5	8.8
Brazil	2.8	4.0	3.5
All other	7.0	10.8	7.9
Total	100.0	100.0	100.0

1/ Acrylic sheet from Taiwan, Tnv. No. 731-TA-139 (Final), USITC Pub. No. 1525 (1984), p. A-24.

2/ U.S. producers' imports dominated U.S. imports from Canada in 1982 and 1983.

3/ Because of rounding, percentages may not add to 100.0.

Table C.--Clear acrylic sheet (1/8" x 4' x 8'): Weighted-average delivered prices paid by end users and distributors, as reported by U.S. producers and importers, by sources and by quarters, 1981-83 1/

Period	Taiwan		United States		Importers' margins of underselling or (overselling)	
	To end users	To distributors	To end users	To distributors	To end users	To distributors
	Per square foot				Percent	
1981:						
Jan.-Mar	$0.849	$0.898	$0.843	$0.828	(1)	(8)
Apr.-June	.846	.875	.902	.879	6	2/
July-Sept	.906	.819	.874	.760	(4)	(8)
Oct.-Dec	.901	.938	.907	.768	1	(15)
1982:						
Jan.-Mar	.864	.993	.943	.774	8	(28)
Apr.-June	.889	1.012	.990	.797	10	(27)
July-Sept	.847	.847	1.071	.798	21	(6)
Oct.-Dec	.852	.909	1.010	.790	16	(15)
1983:						
Jan.-Mar	.853	.836	1.005	.818	15	(2)
Apr.-June	.844	.824	.939	.779	10	(6)
July-Sept	.859	.841	.997	.836	14	(1)
Oct.-Dec	.878	.861	.967	.810	9	(6)

1/ Acrylic sheet from Taiwan, Inv. No. 731-TA-139 (Final), USITC Pub. No. 1424 (1983), A-29.

2/ Underselling of less than 0.5 percent.

Table D.--Clear acrylic sheet (1/4" x 4' x 8'): Weighted-average delivered prices paid by end users and distributors, as reported by U.S. producers and importers, by sources and by quarters, 1981-83 1/

Period	Taiwan		United States		Importers' margins of underselling or (overselling)	
	To end users	To distributors	To end users	To distributors	To end users	To distributors
	Per square foot				Percent	
1981:						
Jan.-Mar	$1.558	$1.770	$1.611	$1.471	3	(20)
Apr.-June	1.596	1.680	1.574	1.554	(1)	(8)
July-Sept	1.715	1.587	1.583	1.327	(8)	(20)
Oct.-Dec	1.560	1.780	1.588	1.246	2	(43)
1982:						
Jan.-Mar	1.599	1.780	1.425	1.377	(12)	(29)
Apr.-June	1.585	1.790	1.451	1.358	(9)	(32)
July-Sept	1.566	1.760	1.680	1.382	7	(27)
Oct.-Dec	1.531	1.726	1.597	1.395	4	(24)
1983:						
Jan.-Mar	1.556	1.781	1.623	1.447	4	(23)
Apr.-June	1.561	1.775	1.638	1.321	5	(34)
July-Sept	1.580	1.759	1.631	1.450	3	(21)
Oct.-Dec	1.564	1.748	1.650	1.462	5	(20)

1/ Acrylic sheet from Taiwan, Inv. No. 731-TA-139 (Final), USITC Pub. No. 1424 (1983).

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Table E. -Colored acrylic sheet (1/8" x 4' x 8'): Weighted-average delivered prices paid by end users and distributors, as reported by U.S. producers and importers, by sources and by quarters, 1981-83 1/

Period	Taiwan		United States		Importers' margins of underselling or (overselling)	
	To end users	To distributors	To end users	To distributors	To end users	To distributors
	Per square foot				Percent	
1981:						
Jan.-Mar	$1.214	$1.030	$1.350	$1.150	10	10
Apr.-June	1.083	.970	1.300	1.460	17	34
July-Sept	1.260	.995	1.490	1.310	15	24
Oct.-Dec	1.460	1.044	1.160	1.310	(26)	20
1982:						
Jan.-Mar	1.140	1.103	1.496	1.475	24	25
Apr.-June	1.114	1.011	1.479	1.460	25	31
July-Sept	1.077	1.090	1.506	1.494	29	27
Oct.-Dec	1.105	1.120	1.630	1.439	32	22
1983:						
Jan.-Mar	1.085	.952	1.379	1.558	21	39
Apr.-June	1.043	.956	1.464	1.540	29	38
July-Sept	1.083	.980	1.506	1.535	28	36
Oct.-Dec	1.052	.930	1.521	1.541	31	40

1/ Acrylic sheet from Taiwan, Inv. No. 731-TA-139 (Final), USITC Pub. No. 1424 (1983).

TITLE: Hot air popcorn poppers

I. TSUS(A) item number; description; tariff rate information; U.S. imports in 1983; 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—							Col. 2 rate of duty	U.S. imports in 1983 ($1,000)	Product produced in U.S. on 1/3/75
			1980	1981	1982	1983	1984	1985	1986	1987			
684.2040A(pt.)	Hot air popcorn poppers———	8.5%	8.1%	7.9%	7.3%	6.9%	6.5%	6.1%	5.7%	5.3%	40%	3/ 16,263	4/ 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.
2/ Rate effective prior to Jan. 1, 1980.
3/ Estimated by the staff of the U.S. International Trade Commission
4/ Like or directly competitive product.

Note: % denotes percent ad valorem.

II. Comment

Description and uses

An electric hot air popcorn popper is an electrothermic device which contains three primary components—an electrical heating element with a fan, a popping chamber, and a chute. When the heating element is charged (by plugging the device into a conventional electrical outlet), it produces hot air in the popping chamber. Kernels of corn are fed into the chamber, tossed about until popped by the hot air, then expelled through the chute. Electric hot air popcorn poppers are used primarily in households and occasionally in commercial establishments such as hotels, restaurants, movie theaters, as well as in schools.

During the period March 30, 1980–March 30, 1981, articles classified under 684.20 (which included hot air popcorn poppers) were deleted from the list of tariff items eligible for GSP treatment from Hong Kong. The West Bend Company, an importer of hot air popcorn poppers, claimed in a protest to the U.S. Customs Service, that the hot air popcorn poppers should have been granted GSP duty-free treatment because no articles of commerce like or directly competitive with hot air popcorn poppers were produced in the United States on or before January 3, 1975, section 504(d) of the Trade Act of 1974. Upon denial of its protest, the West Bend Company filed a civil action in the United States Court of International Trade, whereupon the Court remanded the matter to the Office of the U.S. Trade Representative (USTR) for resolution. The USTR has now requested the Commission to make a determination of whether an article like or directly competitive with hot air popcorn poppers was

produced in the United States on January 3, 1975, for the purposes of section 504(d) of the Trade Act of 1974.

The term "like or directly competitive" is defined in the legislative history of the Trade Act of 1974 as follows--

> "like" articles are those which are substantially identical in inherent or intrinsic characteristics (i.e., materials from which made, appearance, quality, texture, etc.), and "directly competitive" articles are those which, although not substantially identical in their inherent or intrinsic characteristics, are substantially equivalent for commercial purposes, that is, are adapted to the same uses and are essentially interchangeable therefor. 1/

U.S. producers and employment

The U.S. industry is relatively small, consisting of approximately four major producers of hot air popcorn poppers, which collectively employ an estimated 400 workers. These producers have combined shipments accounting for over 95 percent of U.S. shipments and just over half of U.S. consumption in 1983.

U.S. consumption and shipments

U.S. consumption of electric hot air popcorn poppers increased irregularly during 1979-81, from an estimated [***] units, valued at [***] in 1979 to [***] units, valued at [***] in 1981, before declining to [***] units, valued at [***] in 1983. The import-to-consumption ratio, in terms of quantity rose from [***] percent in 1979 to [***] percent in 1981, then declined to [***] percent in 1983 and by value increased from around [***] percent in 1979 to nearly [***] percent in 1981, before declining to [***]

1/ Trade Reform Act of 1974: Report of the Committee on Finance. . ., S. Report No. 93-1298, 93d Cong., 2d Sess., at 122.

percent in 1983. U.S. producers' shipments declined from an estimated [***] units, valued at [***], in 1979 to [***] units, valued at [***], in 1980, then rose steadily during 1981-83, from [***] units, valued at [***], in 1981 to [***] units valued at [***], in 1983.

U.S. exports

The four major producers of these products indicated that there are no appreciable U.S. exports of electric hot air popcorn poppers.

U.S. imports

Imports of electric hot air popcorn poppers are classified in a "basket" provision (TSUSA item 684.2010, as "other cooking and food-warming appliances"). Imports of electric hot air popcorn poppers increased from an estimated 2.0 million units, valued at $20.1 million in 1979 to 2.9 million units, valued at $34.9 million in 1981, then fell to 1.8 million, valued at $16.3 million in 1983. Hong Kong and the Republic of Korea, the products of the latter being a recent entry into the U.S. market, are the only known foreign sources of these products. Presently, imports are believed to supply about 45 percent of apparent U.S. consumption of electric hot air popcorn poppers in terms of quantity and 32 percent in terms of value.

Position of interested parties

West Bend, the petitioner, and National Presto Corp., a supporter of the petition, both favor granting the exemption of the 50-percent competitive need limitation provided for in section 504(c) of the Trade Act of 1974. Neither

the petitioner nor National Presto Corp. believe that the lifting of the restriction would adversely affect the U.S. market; both believe the granting of the exemption would result in lower prices for the U.S. consumer. Hamilton Beach Corp. and Wear-Ever, however, stated that they were against granting the exemption. A representative of Hamilton Beach feels that imports of lower-priced electric hot air popcorn poppers from Hong Kong would increase significantly and such a development may force them to source their hot air popcorn poppers offshore to meet such competition instead of continuing to produce the product domestically.

Industry officials surveyed are of the opinion that at the manufacturing level, hot air and hot oil popcorn poppers are not competitive for the following reasons: 1/

A. No U.S. manufacturer has ceased production of hot oil popcorn poppers because of the introduction of hot air popcorn poppers.

B. Wear-Ever, the first U.S. company to market hot air popcorn poppers has never marketed hot oil popcorn poppers, however, the Regal Company, a U.S. manufacturer of hot oil popcorn poppers only, has continued to do so throughout the period under study.

C. The introduction of hot air popcorn poppers presented an alternative to the U.S. consumer that increased substantially the consumption of popcorn poppers with no appreciable effect in the consumption of hot oil popcorn poppers during the period under study.

D. Two of the four U.S. manufacturers of hot air poppers have continued to manufacture hot oil popcorn poppers.

E. Because of the two different types of popcorn poppers, manufacturers of hot oil popcorn poppers compete for U.S. market share with other manufacturers of hot oil popcorn poppers and similarly, the manufacturers of hot air popcorn poppers compete with other manufacturers of hot air popcorn poppers.

1/ Opinions on this issue were made available by three of the four major producers -West Bend, National Presto Corp., and Wear-Ever. Wear-Ever is of this opinion despite the fact that it is against granting the competitive need exemption to hot air popcorn poppers.

Industry sources believe that the basis for this segmentation in the marketplace is that hot air and hot oil popcorn poppers are dissimilar in both their physical features and function in such a way that the characteristics of the end-product, popcorn, are not the same. Such differences which are important to the consumer, are summarized below.

Hot oil produced popcorn--

A. Contains oil which increases the body's cholesterol and calorie intake.
B. Is moist; therefore salt and other dry seasonings adhere to it easily.
C. Is less desirable if used for decorative purposes.

Hot air produced popcorn--

A. Contains no oil and, therefore, less calories.
B. Is dry and can only be lightly seasoned by "dry" seasonings.
C. Is frequently used for caramel corn and other specialty applications.

According to popcorn popper producers, as well as several intermediate popcorn popper purchasers, the differing characteristics of the end product of the two types of popcorn poppers are such that retail consumers are willing to pay a premium of 20-30 percent more for hot air popcorn poppers vis-a-vis hot oil popcorn poppers, thus making the two types not directly substitutable. The differences in the function of the two types of popcorn poppers are as follows:

A. Hot oil popcorn poppers function by means of radiant heat; the kernels of corn are cooked in a thin layer of oil. The appliance functions similar to an electric frying pan.

B. Hot air popcorn poppers function by means of convection heat; the kernels of corn are fed into a chamber, tossed about until popped by hot air that is produced by an electric heating element with a fan.

According to the Association of Home Appliance Manufacturers (AHAM), the market share of hot oil popcorn poppers increased from [***] in 1981 to [***] in 1982, then declined to [***] in 1983. The moderate decline in 1983, according to industry sources, is a preliminary estimate and should not be regarded as an indication of a declining trend in purchases of hot oil type poppers. Based on data provided by AHAM, estimates of apparent U.S. consumption during 1976-83 are as follows (in thousands of units):

Year	Hot oil popcorn poppers	Hot air popcorn poppers	Total
1976	[***]	[***]	[***]
1977	[***]	[***]	[***]
1978	[***]	[***]	[***]
1979	[***]	[***]	[***]
1980	[***]	[***]	[***]
1981	[***]	[***]	[***]
1982	[***]	[***]	[***]
1983	[***]	[***]	[***]

1/ Statistical data for popcorn poppers from industry sources did not distinguish between data on hot air and that of hot oil popcorn poppers in 1978.

As shown above, estimated consumption of popcorn poppers has more than doubled during 1976-83.

* * * * *

* * * * *

* * * * *

Table A.--Hot air popcorn poppers: U.S. producers' shipments, exports of domestic merchandise, imports for consumption, and apparent consumption, 1979-83, January-June 1983, and January-June 1984

(Quantity in thousands of units; value in thousands of dollars)

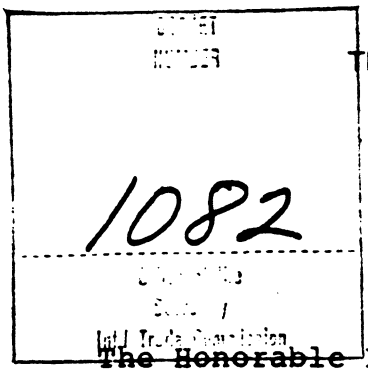
Period	Producers' shipments 1/	Exports	Imports 1/	Apparent consumption	Ratio (percent) of imports to consumption
	Quantity				
1979	[***]	0	2,010	[***]	[***]
1980	[***]	0	2,310	[***]	[***]
1981	[***]	0	2,910	[***]	[***]
1982	[***]	0	1,624	[***]	[***]
1983	[***]	0	1,807	[***]	[***]
Jan.-June					
1983	[***]	0	904	[***]	[***]
1984	[***]	0	950	[***]	[***]
	Value				
1979	[***]	0	20,100	[***]	[***]
1980	[***]	0	27,720	[***]	[***]
1981	[***]	0	34,920	[***]	[***]
1982	[***]	0	17,052	[***]	[***]
1983	[***]	0	16,263	[***]	[***]
Jan.-June					
1983	[***]	0	8,136	[***]	[***]
1984	[***]	0	8,550	[***]	[***]

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 Requests of July 16, 1984, and August 7, 1984, for Probable Effect Advice



THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON
20506

RECEIVED
84 JUL 23 A11 : 01

July 16, 1984

OFFICE OF
COMMISSIONER ~~CALHOUN~~ P/S

~~The Honorable~~ Paula Stern
Chairwoman
United States International Trade
Commission
701 E Street, N.W.
Washington, D.C. 20436

Dear Chairwoman Stern:

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.

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 Part A 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, 1984, 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:dbw

Annex I

Petitions Accepted for Review

Case No.	TSUS or TSUSA 1/ item No.	Article	Petitioner
		[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.]	
		A. Petitions to add products to the list of eligible articles for the Generalized System of Preferences.	
		Vegetables (whether or not reduced in size), packed in salt, in brine, pickled, or otherwise prepared or preserved (except vegetables in subpart B of part 8 of schedule 1 of the Tariff Schedules of the United States): Cabbage: [Sauerkraut]	
84-1	141.30	Other	Government of Thailand
		Aromatic or odoriferous substances containing no alcohol or not over 10 percent alcohol by weight: Not artificial mixtures (other than substances admixed with alcohol):	
84-2	460.40	Heliotropin	Biddle Sawyer Corp., Keystone, NJ
		Radiotelegraphic and radiotelephonic transmission and reception apparatus; radiobroadcasting and television transmission and reception apparatus, and television cameras; record players, phonographs, tape recorders, dictation recording and transcribing machines, record changers, and tone arms; all of the foregoing, and any combination thereof, whether or not incorporating clocks or other timing apparatus, and parts thereof: Radiotelegraphic and radiotelephonic transmission and reception apparatus; radiobroadcasting and television transmission and reception apparatus, and parts thereof: [Television apparatus, and parts thereof] Other: [Solid-state (tubeless) radio receivers; low-power radiotelephonic transceivers operating on frequencies from 49.82 to 49.90 megahertz] Other:	
84-3	685.27	Citizens Band (CB) radio transceivers (except hand-held)	General Electric Co., Syracuse, NY

1/ Tariff Schedules of the United States Annotated (19 U.S.C. 1202).

Annex I

Petitions Accepted for Review

Case No.	TSUS or TSUSA 1/ item No.	Article	Petitioner
	A. Petitions to add products to the list of eligible articles for the Generalized System of Preferences (con.)		
		Clock cases, cases for time switches or for other apparatus provided for in subpart E of part 2 of schedule 7 of the Tariff Schedules of the United States, and parts of the foregoing cases: Clock cases and parts thereof: [Over 50 percent of metal by weight and wholly or in part of precious metal] Other: [Outer cases for travel clocks]	
84-4	720.34	Other	Government of Colombia
		Wearing apparel (including rainwear) not specially provided for, of rubber or plastics: [Aprons] Other: [Containing 50% or more by weight of cotton, wool, or man-made fibers, or any combination thereof, or containing 50% or more by weight of textile materials with wool comprising 17% or more by weight]	
84-5	772.3095	Other	Government of Peru
	or	or	
	772.3095pt.	Infants' pants	do.
	B. Petition to remove products from the list of eligible articles for the Generalized System of Preferences.		
		Products 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: Pesticides: Not artificially mixed: [Fungicides] Herbicides (including plant growth regulators): [Articles provided for in item 408.21] Other:	
84-6	408.22pt.	Trifluralin	Eli Lilly & Co., Indianapolis, IN

1/ Tariff Schedules of the United States Annotated (19 U.S.C. 1202).

Annex I

Petitions Accepted for Review

Case No.	TSUS or TSUSA 1/ item No.	Article	Petitioner
	C.	Petitions to remove duty-free status from a beneficiary developing country for a product on the list of eligible articles for the Generalized System of Preferences.2/	
		Aromatic or odoriferous compounds including flavors, not marketable as cosmetics, perfumery, or toilet preparations, and not mixed, and not containing alcohol:	
		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:	
84-7	413.24 (Republic of Korea)	Saccharin	Sherwin-Williams Co., Cleveland, OH
		Inorganic acids:	
		[Arsenic; boric; hydrochloric; hydrofluoric; nitric; phosphoric; sulfuric; tungstic]	
		Other:	
		[Sulfamic acid]	
84-8	416.4540pt. (Israel)	Hydrobromic acid	U.S. Bromine Alliance, Washington, D.C.
		Ammonium compounds:	
		[Articles provided for in items 417.20 thru 417.42]	
		Other:	
		[Ammonium perrhenate]	
84-9	417.4440pt. (Israel)	Ammonium bromide	do.
		Calcium compounds:	
		[Articles provided for in items 418.10 thru 418.30]	
84-10	418.32pt. (Israel)	Calcium bromide	do.

1/ Tariff Schedules of the United States Annotated (19 U.S.C. 1202).
2/ The country or countries named are those beneficiary developing countries specified by the petitioner. While the Trade Policy Staff Committee's (TPSC) review will focus on those countries, the TPSC reserves the right to address removal of GSP status for countries other than those specified by the petitioner.

Annex I

Petitions Accepted for Review

Case No.	TSUS or TSUSA 1/ item No.	Article	Petitioner
C.	Petitions to remove duty-free status from a beneficiary developing country for a product on the list of eligible articles for the Generalized System of Preferences (con.) 2/		
		Potassium compounds:	
		[Bicarbonate]	
84-11	420.02 (Israel)	Bromide	U.S. Bromide Alliance, Washington, D.C.
		[Articles provided for in items 420.04 thru 420.34]	
		Other:	
84-12	420.3605 (Israel)	Potassium bromate	do.
		Sodium compounds:	
		[Articles provided for in items 420.68 thru 421.60]	
		Other:	
		[Sodium cyanate; sodium hydrosulfide; sodium perborate; sodium persulfate; sodium selenite]	
84-13	421.6280pt. (Israel)	Sodium bromate	do.
		Zinc compounds:	
		[Arsenate; chloride; cyanide; hydrosulfite; sulfate]	
84-14	422.78pt. (Israel)	Zinc bromide	do.
		Nitrogenous compounds:	
		[Articles provided for in items 425.00 thru 425.22]	
84-15	425.24pt. (Israel)	Ethylenebisbromonorbornane	do.
		Acids:	
		[Articles provided for in items 425.70 thru 425.96]	
		Other:	
		Carboxylic acids:	
		[Carboxylic acids with other oxygen functions; thioglycolic acid]	
84-16	425.9940pt. (Israel)	Monobromoacetic acid	do.

1/ Tariff Schedules of the United States Annotated (19 U.S.C. 1202).
2/ The country or countries named are those beneficiary developing countries specified by the petitioner. While the Trade Policy Staff Committee's (TPSC) review will focus on those countries, the TPSC reserves the right to address removal of GSP status for countries other than those specified by the petitioner.

Annex I

Petitions Accepted for Review

Case No.	TSUS or TSUSA 1/ item No.	Article	Petitioner
	C.	Petitions to remove duty-free status from a beneficiary developing country for a product on the list of eligible articles for the Generalized System of Preferences (con.) 2/	
		Halogenated hydrocarbons:	
		[Articles provided for in items 429.19 thru 429.46]	
		Other:	
		[Chlorinated but not otherwise halogenated]	
		Other:	
		Fluorinated:	
		[Trichlorofluoromethane (11 series) and dichlorodifluoromethane (12 series); chlorodifluoromethane (22 series)]	
84-17	429.4830pt. (Israel)	Bromotrifluoromethane; and chlorobromodifluoromethane	U.S. Bromide Alliance, Washington, D.C.
84-18	429.4860pt. (Israel)	Acetylene tetrabromide; alkyl bromides; bromochloromethane; ethyl bromide; 1,3,5,7,9,11-hexabromocyclododecane; methyl bromide; methylene dibromide; and vinyl bromide	do.
		Other organic compounds:	
		[Tetraethyl lead; tetramethyl lead]	
		Other:	
		[Eucalyptol; organo-silicon compounds; organo-tin-compounds; tetrahydrofuran]	
84-19	429.9590pt. (Israel)	Dibromoneopentyl glycol	do.

1/ Tariff Schedules of the United States Annotated (19 U.S.C. 1202).
2/ The country or countries named are those beneficiary developing countries specified by the petitioner. While the Trade Policy Staff Committee's (TPSC) review will focus on those countries, the TPSC reserves the right to address removal of GSP status for countries other than those specified by the petitioner.

Annex I

Petitions Accepted for Review

Case No.	TSUS or TSUSA 1/ item No.	Article	Petitioner
	C. Petitions to remove duty-free status from a beneficiary developing country for a product on the list of eligible articles for the Generalized System of Preferences (con.) 2/		
84-20	432.25pt. (Israel)	Mixtures not specially provided for: [Mixtures that are in whole or in part of hydrocarbons derived in whole or in part from petroleum, shale oil, or natural gas] Other: [Pesticides] Mixtures that are in whole or part of bromine	U.S. Bromide Alliance, Washington, D.C.
84-21	511.6120 (Mexico)	Articles, including terrazzo, of concrete, with or without reinforcement: [Tiles] Other, not specially provided for: [Articles of tiles described in item 511.31] Other: Not decorated: Block and brick	Best Block & Pipe, Inc., Yuma, AZ, Builders Block and Stone Co., Inc., Roswell, NM, Builders Block and Supply Co., Inc., Las Cruces, NM, National Concrete Masonry Association, Herndon, VA, R.C.P. Inc., Lemon Grove, CA, Valley Builders Supply Manufacturing Co., Inc., Pharr, TX

1/ Tariff Schedules of the United States Annotated (19 U.S.C. 1202).
2/ The country or countries named are those beneficiary developing countries specified by the petitioner. While the Trade Policy Staff Committee's (TPSC) review will focus on those countries, the TPSC reserves the right to address removal of GSP status for countries other than those specified by the petitioner.

Annex I

Petitions Accepted for Review

Case No.	TSUS or TSUSA 1/ item No.	Article	Petitioner
	C. Petitions to remove duty-free status from a beneficiary developing country for a product on the list of eligible articles for the Generalized System of Preferences (con.) 2/		
		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; cabinet locks; luggage locks, and parts thereof, and luggage frames incorporating locks]	
84-22	646.92 (Hong Kong, Republic of Korea, Taiwan)	Other	Builders Hardware Manufacturers Assoc., Washington, D.C.
		Hangars and other buildings, bridges, bridge sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, door and window frames, shutters, balustrades, columns, pillars, and posts, and other structures and parts of structures, all the foregoing of base metal: Of iron or steel: [Door and window frames; columns, pillars, posts, beams, girders, and similar structural units; offshore oil and natural gas drilling and production platforms and parts thereof]	
84-23	653.00 (Republic of Korea)	Other	American Institute of Steel Construction, In Chicago, IL
		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:	
84-24	654.25 (Taiwan)	Of brass	Plumbing Manufacturing Institute, Glen Ellyn, IL

1/ Tariff Schedules of the United States Annotated (19 U.S.C. 1202).
2/ The country or countries named are those beneficiary developing countries specified by the petitioner. While the Trade Policy Staff Committee's (TPSC) review will focus on those countries, the TPSC reserves the right to address removal of GSP status for countries other than those specified by the petitioner.

Annex I

Petitions Accepted for Review

Case No.	TSUS or TSUSA 1/ item No.	Article	Petitioner
C.		Petitions to remove duty-free status from a beneficiary developing country for a product on the list of eligible articles for the Generalized System of Preferences (con.) 2/	
		Articles of copper, not coated or plated with precious metal:	
		[Of copper, other than alloys of copper; of nickel silver or of cupro-nickel]	
84-25	657.35 (Taiwan)	Other	Plumbing Manufacturing Institute, Glen Ellyn, IL
	or	or	
	657.3520 (Taiwan)	Brass plumbing goods, not specially provided for	do.
		Taps, cocks, valves, and similar devices, however operated, used to control the flow of liquids, gases, or solids, all the foregoing and parts thereof:	
		Hand-operated and check, and parts thereof:	
84-26	680.14 (Taiwan)	Of copper	do.
		Puzzles; game, sport, gymnastic, athletic, or playground equipment; all the foregoing, and parts thereof, not specially provided for:	
84-27	735.2020 (Hong Kong)	Puzzles and parts thereof	Lauri, Inc., Phillips-Avon, MA

1/ Tariff Schedules of the United States Annotated (19 U.S.C. 1202).
2/ The country or countries named are those beneficiary developing countries specified by the petitioner. While the Trade Policy Staff Committee's (TPSC) review will focus on those countries, the TPSC reserves the right to address removal of GSP status for countries other than those specified by the petitioner.

Annex I

Petitions Accepted for Review

Case No.	TSUS or TSUSA 1/ item No.	Article	Petitioner
	C.	Petitions to remove duty-free status from a beneficiary developing country for a product on the list of eligible articles for the Generalized System of Preferences (con.) 2/	
		Film, strips, sheets, plates, slabs, blocks, filaments, rods, seamless tubing, and other profile shapes, all the foregoing wholly or almost wholly of rubber or plastics:	
		Not of cellulosic plastics materials:	
		Film, strips, and sheets, all the foregoing which are flexible:	
		[Made in imitation of patent leather]	
		Other:	
84-28	771.41 (Taiwan)	Of materials other than polyester, polyvinyl chloride, polyethylene, or polypropylene, over 0.006 inch in thickness, and not in rolls	Rohm and Haas, Philadelphia, PA
		Other:	
84-29	771.45 (Taiwan)	Of acrylic resin	do.

1/ Tariff Schedules of the United States Annotated (19 U.S.C. 1202).
2/ The country or countries named are those beneficiary developing countries specified by the petitioner. While the Trade Policy Staff Committee's (TPSC) review will focus on those countries, the TPSC reserves the right to address removal of GSP status for countries other than those specified by the petitioner.

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THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON
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August 7, 1984 84 AUG 13 A9:34

The Honorable Paula Stern
Chairwoman
United States International Trade
Commission
701 E Street Northwest
Washington D.C. 20436

Dear Commissioner Stern:

On July 16 I requested the advice of the Commission on the probable economic effects of modifying the list of articles eligible for duty-free treatment under the Generalized System of Preferences (GSP) for the 1984 GSP annual product review. In its report concerning the list of articles to be considered for GSP designation, the Commission also was requested to advise whether a like or directly competitive article was produced in the United States on January 3, 1975 for purposes of section 504(d) of the Trade Act of 1974.

I hereby request that the Commission include in this report its advice with respect to whether products like or directly competitive with hot air popcorn poppers provided for in TSUS 684.20 of the Tariff Schedules of the United States were produced in the United States on January 3, 1975. The President must consider whether this item should be eligible for an exemption of the 50 percent competitive need limit in Section 504(c), pursuant to section 504(d) as ordered by the the U.S. Court of International Trade. This item is currently eligible for GSP duty-free treatment from all GSP beneficiary countries. Imports of the item from Hong Kong were denied GSP treatment from March 30, 1980 to March 30, 1981.

I appreciate your assistance in this matter.

Very truly yours,

WILLIAM E. BROCK

WEB:dbw

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APPENDIX B

U.S. International Trade Commission Notices of Investigation and Hearing

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

(TA-503(a)-12 and 332-187)

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)-12 and 332-187 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: August 2, 1984

FOR FURTHER INFORMATION CONTACT:
(1) Agricultural products, Mr. David Ingersoll (202-724-0068).
(2) Chemical products, Mr. John Gersic (202-523-0451).
(3) Textiles and apparel, Mr. Reuben Schwartz (202-523-0114)
(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.

BACKGROUND AND SCOPE OF INVESTIGATION: On July 16, 1984, 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, and pursuant to section 332(g) of the Tariff Act of 1930, 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 an article 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, Part A).

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.

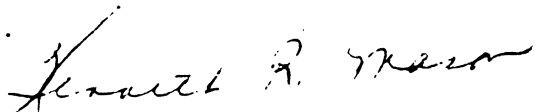
A list giving detailed descriptions of the articles contained in the TSUS(A) items identified in the Annex is available upon request from the Secretary, U.S. International Trade Commission, 701 E Street NW., Washington, D.C. 20436 (202-523-5178).

The USTR announced the items which have been sent to the Commission for probable effects advice in the July 16, 1984, Federal Register (49 F.R. 28783).

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., on October 1, 1984, to be continued on October 3, 1984, 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 25, 1984.

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. Written statements should be received by the close of business on September 25, 1984. 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. 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:

Annex

A. Petitions to add products to the list of eligible articles for the Generalized System of Preferences

141.30
460.40
685.27
720.34
772.3095
772.3095(pt) 1/

B. Petitions to remove products from the list of eligible articles for the Generalized System of Preferences

408.22(pt) 2/

C. Petitions to remove duty-free status from a beneficiary developing country for a product on the list of eligible articles for the Generalized System of Preferences

413.24 (Rep. of Korea)
416.4540(pt) (Israel) 3/
417.4440(pt) (Israel) 4/
418.32(pt) (Israel) 5/
420.02 (Israel)
420.3605 (Israel)
421.6280(pt) (Israel) 6/
422.78(pt) (Israel) 7/
425.24(pt) (Israel) 8/
425.9940(pt) (Israel) 9/
429.4830(pt) (Israel) 10/
429.4860(pt) (Israel) 11/
429.9590(pt) (Israel) 12/
432.25(pt) (Israel) 13/
511.6120 (Mexico)
646.92 (Hong Kong, Rep. of Korea, Taiwan)
653.00 (Rep. of Korea)
654.25 (Taiwan)
657.35 (Taiwan)
657.3520 (Taiwan)
680.14 (Taiwan)
735.2020 (Hong Kong)
771.41 (Taiwan)
771.45 (Taiwan)

1/ Infants' pants of rubber or plastics.
2/ Trifluralin.
3/ Hydrobromic acid.
4/ Ammonium bromide.
5/ Calcium bromide.
6/ Sodium bromate.
7/ Zinc bromide.
8/ Ethylene bisbromonorbornane.
9/ Monobromoacetic acid.
10/ Bromotrifluoromethane; and chlorobromodifluoromethane.
11/ Acetylene tetrabromide; alkyl bromides; bromochloromethane; ethyl bromide; 1,3,5,7,9,11-hexabromocyclododecane; methyl bromide; methylene dibromide; and vinyl bromide.
12/ Dibromoneopentyl glycol.
13 Mixtures that are in whole or part of bromine.

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

(TA-503(a)-12 and 332-187)

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: Expansion of scope of investigation to include hot air popcorn poppers provided for in item 684.20 of the Tariff Schedules of the United States.

EFFECTIVE DATE: August 24, 1984

FOR FURTHER INFORMATION CONTACT:

(1) Mr. Aaron Chesser (202-523-0353) of the Commission's Office of Industries

(2) Mr. William Gearhart (202-523-0487) of the Commission's Office of the General Counsel.

BACKGROUND AND SCOPE OF INVESTIGATION: On August 2, 1984, the Commission initiated investigation No. TA-503(a)-12 and 332-187 at the request of the USTR to provide advice with respect to certain articles as to the probable economic effect on U.S. industries and 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 Trade Act of 1974 (hereinafter referred to as "the Act"). The initial notice of the investigation, including information on contact persons, a public hearing, and written submissions from interested parties, was contained in the Federal Register of August 8, 1984 (49 F.R. 31780).

On August 13, 1984, the Commission received a request from the USTR to expand the scope of the investigation to provide advice with respect to whether products like or directly competitive with hot air popcorn poppers provided for in item 684.20 of the Tariff Schedules of the United States were produced in the United States on January 3, 1975. The President must consider whether this item should be eligible for an exemption from the 50 percent competitive need limit in section 504(c) of the Act, pursuant to section 504(d), as ordered by the U.S. Court of International Trade. This item is currently eligible for GSP duty-free treatment from all GSP beneficiary countries. Imports of the item from Hong Kong were denied GSP treatment from March 30, 1980 to March 30, 1981.

By order of the Commission.

Kenneth R. Mason
Secretary

Issued: August 27, 1984

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)-12 and 332-187). Sessions were held in the Hearing Room of the United States International Trade Commission, 701 E Street, N.W., in Washington, beginning at 10:00 a.m., on October 1, 1984.

Witness and organization:	Subject:
Covington & Burling--Counsel Washington, D.C. on behalf of	Locks and padlocks
The Lock Manufacturers Committee of the Builders Hardware Manufacturers Association	
Richard Hudnut, Staff Executive, Builders Hardware Manufacturers Association	
Douglas E. Phillipps--OF COUNSEL	
Dow, Lohnes & Albertson--Counsel Washington, D.C. on behalf of	Locks and padlocks
Hyundae Metal Ind. Co., Taegu, Korea	
S. H. Hwang, Marketing Manager	
Edward M. Lebow Ms. Margaret B. Dardess)--OF COUNSEL	
Italo H. Ablondi, P.C.--Counsel Washington, D.C. on behalf of	Locks and padlocks
Board of Foreign Trade, Republic of China on Taiwan	
Ms. Pamela A. McCarthy) Ms. Marlo Durbin)--OF COUNSEL	

- more -

Witness and organization:	Subject:
Keck, Mahin & Cate--Counsel Washington, D.C. on behalf of	Plumbing products
The Plumbing Manufacturers Institute ("PMI") Mrs. Jerilyn Church, Secretary Peter Warshaw, Delta Faucet Company	
Brock R. Landry) Robin W. Grover) --OF COUNSEL	
Italo H. Ablondi, P.C.--Counsel Washington, D.C. on behalf of	Plumbing products
Board of Foreign Trade, Republic of China on Taiwan	
Ms. Pamela A. McCarthy) Ms. Marlo Durbin) --OF COUNSEL	
Bregman, Abell, Kay & Simon--Counsel Washington, D.C. on behalf of	Plumbing products
Taiwan Association for the Machinery Industry and Taiwan Regional Association of Metal Smelters	
David Simon--OF COUNSEL	
Barnes, Richardson & Colburn--Counsel Washington, D.C. on behalf of	Hot air popcorn poppers
The West Bend Company, Division of Dart Industries, Inc. Ms. Mary Jo Cohen, Treasurer, National Presto Industries Lawrence Tienor, National Presto Industries	

- more -

Witness and organization:	Subject:
Barnes, Richardson & Colburn (continued)	Hot air popcorn poppers
Ms. Virginia B. Langreher, Associate Professor of Family Sciences Department, Brigham Young University	
Martin Wondergem, Engineer Product Specialist, West Bend	
Eugene Brady, Professor of Economics, Indiana University	
A. J. English, President, West Bend	
Andrew P. Vance) Michael A. Johnson)--OF COUNSEL	
The Valve Manufacturers Association, Washington, D.C.	Taps, cocks, valves
Malcolm E. O'Hagan, President	
American Institute of Steel Construction, Inc. Washington, D.C.	Fabricated products of iron or steel
William Y. Epling, Director of Government Affairs	
Squire, Sanders & Dempsey--Counsel Washington, D.C. on behalf of	Concrete block and brick
Valley Builders Supply Manufacturing Co., Inc., Pharr, Texas	
Jon P. McCoy, President	
Ms. Martha C. Foley) William D. Kramer)--OF COUNSEL	

Witness and organization	Subject
Hogan & Hartson--Counsel Washington, D.C. on behalf of Rohm and Haas Company Albert J. Bartosic, Senior Counsel Jonathan S. Kahan) Randy E. Miller)--OF COUNSEL	Acrylic sheet
Myron Solter--Counsel Washington D.C. on behalf of Hsin Hwa Chemical Co., Ltd. Jiuh Mei Enterprise Co., Ltd. Shen Chuen Enterprise Co., Ltd. Myron Solter--OF COUNSEL	Acrylic sheet
Brownstein, Zeidman and Schomer--Counsel Washington, D.C. on behalf of Calsak Corporation and Chi Mei Industrial Co., Ltd. Jeff Tunstall, National Sales Manager David R. Amerine) Erwin P. Altschuler)--OF COUNSEL	Acrylic sheet
Taft, Stettinus & Hollister--Counsel Washington, D.C. on behalf of The Sherwin-Williams Company William Daly, Sales Manager, Chemical Division Kenneth Wilkenson, Director of Government Relations Industry Randolph J. Stayin) David L. Dick)--OF COUNSEL	Saccharin

Witness and organization:	Subject:
Daniels, Houlihan & Palmeter--Counsel Washington, D.C. on behalf of	Saccharin
The Choheung Chemical Ind. Co., Ltd. Jeil Moolsan Co., Inc. Kum Yang Co., Ltd.	
Martin J. Lewin--OF COUNSEL	
American Bio-Synthetics Corporation, Milwaukee, Wisconsin	Heliotropin
H. A. Pinkalla, President	
Ethyl Corporation, Washington, D.C. on behalf of	Bromine chemicals
The U. S. Bromine Alliance (USBA)	
Dr. Kenneth C. Williams, Manager, Business Planning and Evaluation for Ethyl Corporation	
Max Turnipseed, Manager, International Trade Affairs, Ethyl Corporation	
Celanese Corporation (parent corporation of Virginia Chemicals, Inc.)	Trifluralin
John Meek, Vice President, Virginia Chemicals, Inc.	
Kaplan, Russin & Vecchi--Counsel Washington, D.C. on behalf of	Trifluralin
Agan Chemical Manufacturers Limited of Israel	
Raymond D. Sive, Vice President, Makhteshim Agan (America) Inc.	
Dennis James Ms. Kathleen F. Patterson)--OF COUNSEL	

Witness and organization:	Subject:
Cole & Corette--Counsel Washington, D.C. on behalf of Eli Lilly and Company ("Lilly") Vaughn D. Bryson, Group Vice-President and Member of the Board of Directors, Eli Lilly and Company and President, Elanco Products Company, A Division of Eli Lilly & Company Joseph C. Cook, Jr., General Manager, Worldwide Capsule Operations Robert J. Dille, Director, Corporate Purchasing Production Materials Ms. Rebecca O. Goss, Esq., General Counsel, Elanco Products Company, a Division of Eli Lilly and Company Dan Webster) Ms. Susan Bierman)--OF COUNSEL	**Triflualin**