

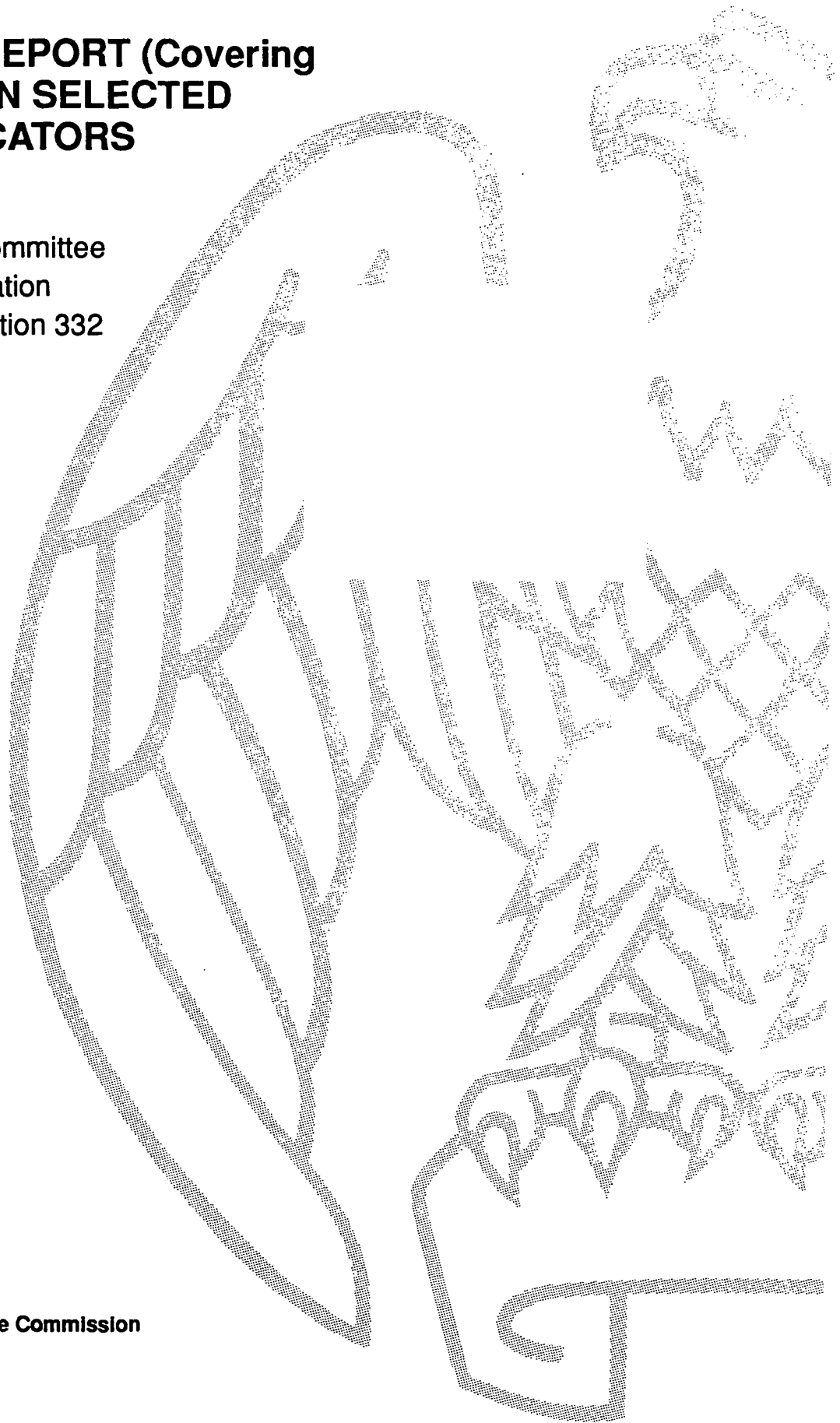
# **RUM: ANNUAL REPORT (Covering 1989 and 1990) ON SELECTED ECONOMIC INDICATORS**

Report to the Senate Committee  
on Finance, on Investigation  
No. 332-175 Under Section 332  
of the Tariff Act of 1930

**USITC PUBLICATION 2398**

**JUNE 1991**

**United States International Trade Commission  
Washington, DC 20436**



**UNITED STATES INTERNATIONAL TRADE COMMISSION**

**COMMISSIONERS**

**Anne E. Brunsdale, Acting Chairman**

**Seeley G. Lodwick**

**David B. Rohr**

**Don E. Newquist**

---

Office of Industries

Robert A. Rogowsky, Director

---

*This report was prepared principally by*

Victoria Salin

Agriculture Crops and Products Branch  
Agriculture Division

**Address all communications to  
Kenneth R. Mason, Secretary to the Commission  
United States International Trade Commission  
Washington, DC 20436**

## PREFACE

On January 13, 1984, at the request of the Chairman of the Committee on Finance, U.S. Senate, and in accordance with the provisions of section 332(b) of the Tariff Act of 1930 (19 U.S.C. 1332(b)), the United States International Trade Commission instituted investigation No. 332-175, Rum: Annual Report on Selected Economic Indicators. The purpose of the report is to gather and compile data on the rum industry from public sources and report such data to the Committee on an annual basis.

The report, as requested by the Finance Committee, contains the following statistical information on rum: (1) U.S. production; (2) U.S. exports; (3) imports for consumption (total and by countries designated as eligible for the Caribbean Basin Initiative (CBI)); (4) apparent U.S. consumption; and (5) shipments from Puerto Rico and the U.S. Virgin Islands to the United States.

The seventh annual report covers 1989 and 1990. Subsequent reports will be issued on a calendar-year basis as long as rum is accorded duty-free treatment pursuant to the Caribbean Basin Economic Recovery Act; the next report covering calendar year 1991 will be issued in 1992 as soon as data are available.

## C O N T E N T S

	<u>Page</u>
Preface.....	i
Highlights.....	1

## Tables

1. Rum: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1988-90.....	2
2. Rum: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990.....	3
3. Rum in containers each holding not over 4 liters: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990.....	4
4. Rum in containers each holding over 4 liters: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990.....	5
5. Rum in containers each holding over 4 liters, valued at not over 53 cents per proof liter: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990.....	6
6. Rum in containers each holding over 4 liters, valued at over 53 cents but not over 92 cents per proof liter: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990.....	7
7. Rum in containers each holding over 4 liters, valued at over 92 cents per proof liter: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990.....	8
8. Rum: U.S. exports of domestic merchandise, by principal markets, 1989 and 1990.....	9
9. Rum: Shipments from Puerto Rico and the U.S. Virgin Islands to the United States, 1989 and 1990.....	10

## HIGHLIGHTS

The following are highlights of the economic data collected on rum for 1989 and 1990.

- For 1990, U.S. production of rum increased to 108 million proof liters, 12 percent higher than the amount produced in 1989.
- U.S. exports of rum in 1990 increased to 7.4 million proof liters, and reached \$7.1 million in value. The quantity exported in 1989 was 2.3 million proof liters, valued at \$2.7 million.
- For 1990, imports of rum amounted to 5.5 million proof liters, valued at \$16.9 million, compared with 3.9 million proof liters, valued at \$10.8 million, in 1989.
- Rum imports from CBI eligible countries accounted for 90 percent of the value of total rum imports during 1990, and rum imports from Jamaica made up 66 percent of the total value of U.S. rum imports from CBI countries. During 1989, the share of total import value supplied by CBI countries was 90 percent and Jamaica accounted for 61 percent of the imports from CBI countries.
- Apparent U.S. consumption of rum in 1990 amounted to 106.1 million proof liters, 7 percent higher than in 1989. The import-to-consumption ratio was 5.2 percent in 1990, compared with 4.0 percent in 1989.
- Rum shipments from Puerto Rico to the United States declined from 76.6 million proof liters in 1989 to 62.1 million proof liters in 1990. During the same 2 years, rum shipments from the U.S. Virgin Islands to the United States increased from 6.9 million proof liters to 10.0 million proof liters.

Table 1

Rum: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1988-90

(Quantity in thousands of proof liters; value in thousands of dollars; unit value per proof liter)

Year	Production <sup>1</sup>	Exports	Imports	Apparent consumption <sup>2</sup>	Ratio (percent of imports to consumption)
Quantity					
1988....	90,518	3,081	3,114	94,765	3.3
1989....	96,821	2,324	3,936	99,100	4.0
1990....	108,006	7,411	5,470	106,067	5.2
Value					
1988....	135,587	3,413	6,967	( <sup>3</sup> )	-
1989....	107,833	2,692	10,814	( <sup>3</sup> )	-
1990....	125,754	7,088	16,902	( <sup>3</sup> )	-
Unit value					
1988....	\$1.50	\$1.11	\$2.24	-	-
1989....	1.11	1.16	2.75	-	-
1990....	1.16	.96	3.09	-	-

<sup>1</sup> Represents rum bottled in the United States, as reported by the Bureau of Alcohol, Tobacco, and Firearms of the U.S. Department of the Treasury, and shipments of bottled rum into the United States from Puerto Rico and the Virgin Islands, reported by the Bureau of the Census of the U.S. Department of Commerce. Value is estimated from the average value of bottled rum shipped to the United States from Puerto Rico and the Virgin Islands.

<sup>2</sup> Adjusted for stock changes as reported by the U.S. Department of the Treasury.

<sup>3</sup> Not available.

Source: Production data compiled from official statistics of the U.S. Department of the Treasury and the U.S. Department of Commerce, with conversions by the staff of the U.S. International Trade Commission; imports and exports compiled from official statistics of the U.S. Department of Commerce.

Table 2

Rum: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990

Source	1989	1990
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Jamaica.....	1,571	2,122
Barbados.....	1,633	2,120
Dominican Republic.....	270	505
Haiti.....	67	53
British Virgin Islands.....	32	42
All other.....	98	143
Total of CBI countries.....	3,671	4,985
All other.....	265	485
Total.....	3,936	5,470
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Jamaica.....	5,973	10,037
Barbados.....	1,875	1,983
Dominican Republic.....	1,070	2,387
Haiti.....	245	160
British Virgin Islands.....	181	224
All other.....	364	460
Total of CBI countries.....	9,708	15,251
All other.....	1,106	1,651
Total.....	10,814	16,902
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Jamaica.....	\$3.80	\$4.73
Barbados.....	1.15	.94
Dominican Republic.....	3.96	4.73
Haiti.....	3.66	3.02
British Virgin Islands.....	5.66	5.33
All other.....	3.71	3.22
Average of CBI countries...	2.64	3.06
All other.....	4.17	3.40
Average.....	2.75	3.09

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

Table 3

Rum in containers each holding not over 4 liters: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990

Source	1989	1990
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Jamaica.....	1,496	2,107
Dominican Republic.....	161	430
Barbados.....	35	34
Haiti.....	67	47
British Virgin Islands.....	23	42
All other.....	98	103
Total of CBI countries.....	1,880	2,763
All other.....	258	477
Total.....	2,138	3,240
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Jamaica.....	5,654	9,994
Dominican Republic.....	797	2,322
Barbados.....	401	161
Haiti.....	245	149
British Virgin Islands.....	176	224
All other.....	364	393
Total of CBI countries.....	7,637	13,243
All other.....	1,082	1,639
Total.....	8,719	14,882
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Jamaica.....	\$3.78	\$4.74
Dominican Republic.....	4.95	5.40
Barbados.....	11.46	4.74
Haiti.....	3.66	3.17
British Virgin Islands.....	7.65	5.33
All other.....	3.71	3.82
Average of CBI countries....	4.06	4.79
All other.....	4.19	3.44
Average.....	4.08	4.59

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



Table 4  
 Rum in containers each holding over 4 liters: U.S. imports for  
 consumption, by designated CBI countries and other sources, 1989 and  
 1990

Source	1989	1990
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Barbados.....	1,597	2,086
Jamaica.....	75	15
Dominican Republic.....	109	76
All other.....	8	47
Total of CBI countries....	1,789	2,224
All other.....	7	8
Total.....	1,796	2,232
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Barbados.....	1,480	1,822
Jamaica.....	319	44
Dominican Republic.....	272	66
All other.....	5	77
Total of CBI countries....	2,076	2,009
All other.....	23	12
Total.....	2,099	2,021
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Barbados.....	\$0.93	\$0.87
Jamaica.....	4.25	2.93
Dominican Republic.....	2.50	.87
All other.....	.63	1.64
Average of CBI countries..	1.16	.90
All other.....	3.29	1.50
Average.....	1.17	.91

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

Table 5  
 Rum in containers each holding over 4 liters, valued at not over 53 cents per proof liter: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990

Source	1989	1990
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Barbados.....	762	861
All other.....	0	0
Total of CBI countries.....	762	861
All other.....	0	0
Total.....	762	861
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Barbados.....	315	314
All other.....	0	0
Total of CBI countries.....	315	314
All other.....	0	0
Total.....	315	314
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Barbados.....	\$0.41	\$0.36
All other.....	0	0
Average of CBI countries.....	.41	.41
All other.....	0	0
Average.....	.41	.36

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

Table 6  
 Rum in containers each holding over 4 liters, valued at over 53 cents but not over 92 cents per proof liter: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990

Source	1989	1990
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Barbados.....	43	304
Dominican Republic.....	43	22
Jamaica.....	28	0
All other.....	8	0
Total of CBI countries.....	122	326
All other.....	0	4
Total.....	122	330
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Barbados.....	26	195
Dominican Republic.....	27	13
Jamaica.....	16	0
All other.....	5	0
Total of CBI countries.....	74	208
All other.....	0	4
Total.....	74	212
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Barbados.....	\$0.60	\$0.64
Dominican Republic.....	.63	.59
Jamaica.....	.57	-
All other.....	.63	-
Average of CBI countries....	.61	.64
All other.....	-	1.00
Average.....	.61	.64

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

Table 7

Rum in containers each holding over 4 liters, valued at over 92 cents per proof liter: U.S. imports for consumption, by designated CBI countries and other sources, 1989 and 1990

Source	1989	1990
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Barbados.....	792	921
Jamaica.....	47	15
Dominican Republic.....	66	54
All other.....	0	47
Total of CBI countries....	905	1,037
All other.....	8	4
Total.....	913	1,041
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Barbados.....	1,139	1,313
Jamaica.....	303	44
Dominican Republic.....	245	53
All other.....	0	77
Total of CBI countries....	1,687	1,487
All other.....	23	8
Total.....	1,710	1,495
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Barbados.....	\$1.44	\$1.43
Jamaica.....	6.45	2.93
Dominican Republic.....	3.71	.98
All other.....	-	1.64
Average of CBI countries..	1.86	1.43
All other.....	3.10	2.00
Average.....	1.87	1.44

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

Table 8  
 Rum: U.S. exports of domestic merchandise, by principal markets, 1989  
 and 1990

Market	1989	1990
	<u>Quantity (1,000 proof liters)</u>	
Canada.....	273	1,822
Germany.....	39	1,665
Netherlands Antilles.....	758	1,061
Cayman Islands.....	204	479
Mexico.....	34	396
Netherlands.....	123	383
Bahamas.....	23	253
Belgium.....	67	178
Chile.....	90	118
Japan.....	62	117
All other.....	651	939
Total.....	2,324	7,411
	<u>Value (1,000 dollars)</u>	
Canada.....	292	1,340
Germany.....	42	1,480
Netherlands Antilles.....	913	1,144
Cayman Islands.....	220	514
Mexico.....	29	432
Netherlands.....	120	537
Bahamas.....	27	215
Belgium.....	113	230
Chile.....	109	127
Japan.....	75	129
All other.....	752	940
Total.....	2,692	7,088
	<u>Unit value (per proof liter)</u>	
Canada.....	\$1.07	\$0.74
Germany.....	1.08	.89
Netherlands Antilles.....	1.20	1.08
Cayman Islands.....	1.08	1.07
Mexico.....	.85	1.09
Netherlands.....	.98	1.40
Bahamas.....	1.17	.85
Belgium.....	1.69	1.29
Chile.....	1.21	1.08
Japan.....	1.21	1.10
All other.....	1.16	1.00
Average.....	1.16	.96

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

Table 9

Rum: Shipments from Puerto Rico and the U.S. Virgin Islands to the United States, 1989 and 1990

(In thousands of proof liters)

Source	1989	1990
Puerto Rico:		
In containers not over		
4 liters.....	24,747	27,278
In containers over 4 liters..	<u>51,842</u>	<u>34,859</u>
Total.....	76,589	62,137
U.S. Virgin Islands:		
In containers not over		
4 liters.....	12	1
In containers over 4 liters..	<u>6,850</u>	<u>10,013</u>
Total.....	6,862	10,014

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



INTERNATIONAL TRADE COMMISSION  
WASHINGTON, D.C. 20436

OFFICIAL BUSINESS

Postage And Fees Paid  
U.S. International Trade Commission



ADDRESS CORRECTION REQUESTED

**ADDRESS CHANGE**

- Remove from List
  - Change as Shown
- Please detach address label and mail to address shown above.