

# **RUM: ANNUAL REPORT (Covering 1990 and 1991) 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

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Washington, DC 20436**



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## 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 eighth annual report covers 1990 and 1991. 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 1992 will be issued in 1993 as soon as data are available.



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## HIGHLIGHTS

The following are highlights of the economic data collected on rum for 1990 and 1991.

- For 1991, U.S. production of rum decreased to 81.9 million proof liters, 24 percent lower than the amount produced in 1990.
- U.S. exports of rum in 1991 increased to 9.7 million proof liters, and reached \$8.9 million in value. The quantity exported in 1990 was 7.4 million proof liters, valued at \$7.1 million.
- For 1991, imports of rum amounted to 6.5 million proof liters, valued at \$12.7 million, compared with 5.5 million proof liters, valued at \$16.9 million, in 1990.
- Rum imports from CBI eligible countries accounted for 89 percent of the value of total rum imports during 1991, and rum imports from Jamaica made up 63 percent of the total value of U.S. rum imports from CBI countries. During 1990, the share of total import value supplied by CBI countries was 90 percent and Jamaica accounted for 66 percent of the imports from CBI countries.
- Apparent U.S. consumption of rum in 1991 amounted to 71.3 million proof liters, 33 percent lower than in 1990. The import-to-consumption ratio was 9.1 percent in 1991, compared with 5.2 percent in 1990.
- Rum shipments from Puerto Rico to the United States declined from 62.1 million proof liters in 1990 to 54.6 million proof liters in 1991. During the same 2 years, rum shipments from the U.S. Virgin Islands to the United States decreased from 10.0 million proof liters to 9.2 million proof liters.

Table 1

Rum: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1989-91

(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					
1989....	96,821	2,324	3,936	99,100	4.0
1990....	108,006	7,411	5,470	106,067	5.2
1991....	81,904	9,682	6,510	71,304	9.1
Value					
1989....	107,833	2,692	10,814	( <sup>3</sup> )	-
1990....	125,754	7,088	16,902	( <sup>3</sup> )	-
1991....	92,552	8,862	12,670	( <sup>3</sup> )	-
Unit value					
1989....	\$1.11	\$1.16	\$2.75	-	-
1990....	1.16	.96	3.09	-	-
1991....	1.13	.92	1.95	-	-

<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, 1990 and 1991

Source	1990	1991
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Jamaica.....	2,122	2,902
Barbados.....	2,120	2,428
Dominican Republic.....	505	355
Guyana.....	11	228
Bahamas.....	48	85
All other.....	179	175
Total of CBI countries.....	4,985	6,173
All other.....	485	337
Total.....	5,470	6,510
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Jamaica.....	10,037	7,183
Barbados.....	1,983	1,699
Dominican Republic.....	2,387	1,483
Guyana.....	27	264
Bahamas.....	192	251
All other.....	625	437
Total of CBI countries.....	15,251	11,317
All other.....	1,651	1,353
Total.....	16,902	12,670
	<u>Unit value (1,000 dollars)</u>	
CBI countries:		
Jamaica.....	\$4.73	\$2.48
Barbados.....	.94	.70
Dominican Republic.....	4.73	4.18
Guyana.....	2.49	1.15
Bahamas.....	4.01	2.95
All other.....	3.49	2.50
Average of CBI countries...	3.06	1.83
All other.....	3.40	4.01
Average.....	3.09	1.95

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, 1990 and 1991

Source	1990	1991
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Jamaica.....	2,107	2,823
Dominican Republic.....	430	279
Bahamas.....	48	85
Haiti.....	47	51
Trinidad and Tobago.....	41	26
All other.....	90	27
Total of CBI countries.....	2,763	3,291
All other.....	477	236
Total.....	3,240	3,527
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Jamaica.....	9,994	7,096
Dominican Republic.....	2,322	1,409
Bahamas.....	192	251
Haiti.....	149	180
Trinidad and Tobago.....	161	93
All other.....	425	119
Total of CBI countries.....	13,243	9,148
All other.....	1,639	1,231
Total.....	14,882	10,379
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Jamaica.....	\$4.74	\$2.51
Dominican Republic.....	5.40	5.04
Bahamas.....	4.01	2.95
Haiti.....	3.17	3.52
Trinidad and Tobago.....	3.95	3.60
All other.....	4.12	4.41
Average of CBI countries....	4.19	2.78
All other.....	5.22	5.22
Average.....	4.59	2.94

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, 1990 and  
 1991

Source	1990	1991
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Barbados.....	2,086	2,421
Guyana.....	0	219
Jamaica.....	15	80
Dominican Republic.....	76	75
Trinidad and Tobago.....	0	73
All other.....	47	13
Total of CBI countries....	2,224	2,881
All other.....	8	101
Total.....	2,232	2,982
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Barbados.....	1,822	1,673
Guyana.....	0	230
Jamaica.....	44	87
Dominican Republic.....	66	74
Trinidad and Tobago.....	0	72
All other.....	77	33
Total of CBI countries...	2,009	2,169
All other.....	12	121
Total.....	2,021	2,290
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Barbados.....	\$0.87	\$0.69
Guyana.....	-	1.05
Jamaica.....	2.93	1.09
Dominican Republic.....	.87	.99
Trinidad and Tobago.....	-	.99
All other.....	1.64	2.54
Average of CBI countries..	.90	.75
All other.....	1.50	1.20
Average.....	.91	.77

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, 1990 and 1991

Source	1990	1991
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Barbados.....	861	1,741
Haiti.....	0	3
All other.....	0	0
Total of CBI countries.....	861	1,744
All other.....	0	0
Total.....	861	1,744
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Barbados.....	314	640
Haiti.....	0	1
All other.....	0	0
Total of CBI countries.....	314	641
All other.....	0	0
Total.....	314	641
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Barbados.....	\$0.36	\$0.37
Haiti.....	-	.50
All other.....	-	-
Average of CBI countries.....	.36	.37
All other.....	0	-
Average.....	.36	.37

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, 1990 and 1991

Source	1990	1991
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Jamaica.....	0	63
Dominican Republic.....	22	50
Trinidad and Tobago.....	0	41
Barbados.....	304	25
All other.....	0	0
Total of CBI countries.....	326	179
All other.....	4	31
Total.....	330	210
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Jamaica.....	0	51
Dominican Republic.....	13	30
Trinidad and Tobago.....	0	29
Barbados.....	195	17
All other.....	0	0
Total of CBI countries.....	208	127
All other.....	4	21
Total.....	212	148
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Jamaica.....	-	\$0.81
Dominican Republic.....	\$0.59	.60
Trinidad and Tobago.....	-	.70
Barbados.....	.64	.69
All other.....	-	-
Average of CBI countries....	.64	.71
All other.....	1.00	.68
Average.....	.64	.71

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, 1990 and 1991

Source	1990	1991
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Barbados.....	921	655
Guyana.....	0	219
Dominican Republic.....	54	25
Trinidad and Tobago.....	0	32
Jamaica.....	15	17
All other.....	47	10
Total of CBI countries....	1,037	958
All other.....	4	70
Total.....	1,041	1,028
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Barbados.....	1,313	1,016
Guyana.....	0	230
Dominican Republic.....	53	44
Trinidad and Tobago.....	0	43
Jamaica.....	44	36
All other.....	77	32
Total of CBI countries....	1,487	1,401
All other.....	8	100
Total.....	1,495	1,501
	<u>Unit value (per proof liter)</u>	
CBI countries:		
Barbados.....	\$1.43	\$1.55
Guyana.....	-	1.05
Dominican Republic.....	.98	1.78
Trinidad and Tobago.....	-	1.33
Jamaica.....	2.93	2.17
All other.....	1.64	3.20
Average of CBI countries..	1.43	1.46
All other.....	2.00	1.43
Average.....	1.44	1.46

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

Table 8  
Rum: U.S. exports of domestic merchandise, by principal markets, 1990  
and 1991

Market	1990	1991
	<u>Quantity (1,000 proof liters)</u>	
Mexico.....	396	2,288
Canada.....	1,822	2,393
Netherlands Antilles.....	1,061	1,314
Germany.....	1,665	589
Cayman Islands.....	479	376
Ecuador.....	45	407
Denmark.....	34	428
Chile.....	118	282
Japan.....	117	202
United Kingdom.....	0	178
All other.....	<u>1,674</u>	<u>1,225</u>
Total.....	<u>7,411</u>	<u>9,682</u>
	<u>Value (1,000 dollars)</u>	
Mexico.....	432	1,923
Canada.....	1,340	1,719
Netherlands Antilles.....	1,144	1,407
Germany.....	1,480	704
Cayman Islands.....	514	403
Ecuador.....	52	332
Denmark.....	23	308
Chile.....	127	302
Japan.....	129	227
United Kingdom.....	0	190
All other.....	<u>1,847</u>	<u>1,347</u>
Total.....	<u>7,088</u>	<u>8,862</u>
	<u>Unit value (per proof liter)</u>	
Mexico.....	\$1.09	\$0.84
Canada.....	.74	.72
Netherlands Antilles.....	1.08	1.07
Germany.....	.89	1.19
Cayman Islands.....	1.07	1.07
Ecuador.....	1.14	.81
Denmark.....	.69	.72
Chile.....	1.08	1.07
Japan.....	1.10	1.12
United Kingdom.....	-	1.07
All other.....	<u>1.10</u>	<u>1.10</u>
Average.....	.96	.92

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, 1990 and 1991

(In thousands of proof liters)

Source	1990	1991
Puerto Rico:		
In containers not over 4 liters.....	27,278	28,497
In containers over 4 liters..	34,859	26,149
Total.....	62,137	54,646
U.S. Virgin Islands:		
In containers not over 4 liters.....	1	13
In containers over 4 liters..	10,013	9,147
Total.....	10,014	9,160

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