CERTAIN FRESH POTATOES FROM CANADA

Determination of the Commission in Investigation No. 731-TA-124 (Preliminary) Under the Tariff Act of 1930, Together With the Information Obtained in the Investigation

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UNITED STATES INTERNATIONAL TRADE COMMISSION

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UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigation No. 731-TA-124 (Preliminary)

CERTAIN FRESH POTATOES FROM CANADA

Determination

On the basis of the record 1/ developed in the subject investigation, the Commission determines, 2/ pursuant to section 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1673b(a)), that there is a reasonable indication that an industry in the United States is materially injured, by reason of imports from Canada of fresh or chilled round white potatoes, provided for in items 137.20, 137.21, 137.25, or 137.28 of the Tariff Schedules of the United States, which are alleged to be sold in the United States at less than fair value (LTFV).

Background

On February 9, 1983, a petition was filed with the Commission and the Department of Commerce by counsel on behalf of the Maine Potato Council alleging that imports of certain fresh potatoes from Canada are being, or are likely to be, sold in the United States at LTFV within the meaning of section 731 of the Tariff Act of 1930 (19 U.S.C. § 1673). Accordingly, effective February 9, 1983, the Commission instituted a preliminary antidumping investigation under section 733(a) of the Act (19 U.S.C. § 1673b(a)) to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of such merchandise.

1/ The record is defined in sec. 207.2(i) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(i)).
2/ Chairman Eckes dissenting and Commissioner Haggart not participating.

Notice of the institution of the Commission's investigation and of a conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notice in the _Federal Register_ on February 24, 1983 (48 F.R. 7822). The conference was held in Washington, D.C. on March 7, 1983, and all persons who requested the opportunity were permitted to appear in person or by counsel.

VIEWS OF THE COMMISSION

On the basis of the record in investigation No. 731-TA-124 (Preliminary), the Commission determines that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of round white potatoes from Canada, which are allegedly sold at less than fair value (LTFV). Commissioner Stern made an affirmative determination and Chairman Eckes made a negative determination, 1/ so that by operation of section 771(11) of the Tariff Act of 1930, 2/ the Commission is deemed to have made an affirmative determination.

In this opinion, Chairman Eckes and Commissioner Stern concur on the questions of standards for determination, like product, regional industry, and the current condition of the domestic industry.

Standards for determination

In a preliminary antidumping investigation, the Commission is directed by title VII of the Tariff Act of 1930 (the Act) to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of

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1/ Commissioner Haggart did not participate in this investigation.

2/ 19 U.S.C. § 1677(11).

the merchandise that is the subject of an investigation. 3/ "Material injury" is defined as "harm which is not inconsequential, immaterial, or unimportant." 4/ In making its determinations, the Commission is required to consider, among other factors, (1) the volume of imports of the subject merchandise which is the subject of the investigation, (2) the effect of the imports of that merchandise on prices in the United States for like products, and (3) the impact of imports of such merchandise on domestic producers of like products. 5/

In making a determination as to whether there is a threat of material injury, the Commission considers, among other factors, (1) the rate of increase of the allegedly dumped imports into the United States market, (2) the capacity of the exporting country to generate exports, and (3) the availability of other export markets. 6/ Findings of a reasonable indication of threat of material injury must be based on a showing that the likelihood of harm is real and imminent, and not based on mere supposition, speculation, or conjecture. 7/

3/ 19 U.S.C. § 1673b(a).

4/ 19 U.S.C. § 1677(7)(A).

5/ 19 U.S.C. § 1677(7)(B).

6/ Section 207.26 of the Commission's Rules (19 CFR § 207.26); H.R. Rep. 317, 96th Cong., 1st Sess., 46 (1979; Prestressed Concrete Steel Wire Strand from the United Kingdom, Inv. No. 731-TA-89 (Final), USITC Pub. 1343, 9 (1983); Stainless Steel Sheet and Strip from West Germany, Inv. No. 731-TA-92 (Preliminary), USITC Pub. 1252, 14-15, 14-15 (1982).

7/ S. Rep. 249, 96th Cong., 1st Sess., 88-89 (1979); S. Rep. 1298, 93rd Cong., 2nd Sess., 180 (1974; Alberta Gas Chemicals, Inc., v. United States, 515 F. Supp. 780, 790 (USCIT 1981).

Like product

The term "industry" is defined in section 771(4)(A) of the Act 8/ as consisting of--

> [t]he domestic producers as a whole of the like product or those producers whose collective output of the like product constitute a major proportion of the total domestic production of that product.

The term "like product," in turn, is defined in section 771(10) 9/ as being--

> a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation[.]

The imported product which is the subject of this investigation is round white potatoes from Canada.

The potato is a member of the Solanaceae, or nightshade, plant family and is closely related to the tomato, eggplant, and pepper. It is a non-woody, annual plant. Under favorable conditions, it develops underground tubers at the end of horizontal underground stems. The tuber is an enlarged portion of the underground stem and stores surplus carbohydrates not used by the plant for growth, fruiting, or other life processes. Potato tubers are of many

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8/ 19 U.S.C. § 1667(4)(A).

9/ 19 U.S.C. § 1677(10).

sizes, shapes, and colors. 10/ Only the white-fleshed types of potatoes are popular in the United States. 11/ Potatoes are differentiated by type according to shape (such as long or round) and skin-color (such as white, russet, or red). The principal types in the United States are the russet potato (russet skin and elongated shape), the round white potato, the round red potato, and the long white potato. Within each type, certain varieties predominate. 12/

Although all potatoes are grown and harvested similarly, 13/ there are physical differences between each type of potato. Round white potatoes are distinct from other potatoes not only in their color and shape, but also in their specific gravity (that is the ratio of solid matter to water in the potato). 14/ Round reds have lower specific gravity (a higher water content) and, therefore, are sold primarily for boiling. They are not considered suitable for processing. The russet potato, particularly the

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10/ Robert E. Rhoades, "The Incredible Potato," National Geographic, Vol. 161, No. 5, May, 1982, p. 68.

11/ The sweet potato belongs to the Convolvulaceae, or morning glory family. It is not botanically related to the white potato.

12/ Based on certified seed acreage planted in 1981, the varieties most prevalent in the United States today are the Russet Burbank (41 percent), the Kennebec round white (8 percent), the Norchip round white (7 percent), the Superior round white (7 percent), and the Katahdin round white (5 percent). The Competitive Status of Major Supply Regions for Fall Harvested Fresh White or Irish Potatoes in Selected Markets, Inv. No. 332-140, USITC Pub. 1282, pp. 1-3 (1982) (hereinafter Potatoes).

13/ Respondents' Postconference Brief, pp. 1-2.

14/ Transcript, pp. 55-56.

Russet Burbank, has a relatively high specific gravity and is generally more disease-resistant than round whites. It is sold for use as both a tablestock and an all-purpose processing potato. Round whites (depending on the variety) are generally less disease-resistant than russets, and are sold principally as tablestock potatoes, with only limited sales for processing (primarily for potato chips). 15/ Moreover, the large price differential between round whites and russets suggests that they are not viewed as substitutable commodities by consumers. Therefore, in this preliminary investigation, we determine that the like product consists of all round white potatoes. 16/ 17/ 18/

Industry

Investigations under the Act generally examine the impact of imports on a national industry. In "appropriate circumstances," however, the Act recognizes that the impact of imports on an isolated market may be such as to

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15/ Potatoes, supra, pp. 1-3.

16/ If this case returns for a final determination, Commissioner Stern anticipates that data will be gathered which will permit a more thorough analysis of the like product issue.

17/ Separately published price data for round whites, russets, and round reds alone are insufficient to establish that these are separate like products.

18/ The Canadian producers and exporters argued that imports from Prince Edward Island, Canada, are different from Maine potatoes because of their size and grading. Transcript, pp. 67-70. As a general rule, differences in size are not by themselves a basis for determining that the domestic product is not like the import. We note that size-specific data on potato imports are not available.

warrant the imposition of antidumping or countervailing duties. 19/ In investigations of this type, the Act authorizes the Commission to examine regional markets for particular commodities and to determine whether injury exists within that regional market.

There are three prerequisites which must be established in order to determine that there are "appropriate circumstances" for consideration of a regional industry. The three requirements are:

1. Whether the producers within such regional market sell all or almost all of their production of the like product in that market;

2. Whether the demand in that market is supplied, to any substantial degree, by producers of the product located elsewhere in the United States; and

3. Whether there is a concentration of the allegedly dumped or subsidized merchandise into the regional market. 20/

If these three criteria for the existence of a regional industry are met, then the Commission may proceed to determine whether that regional industry is materially injured or threatened with material injury.

In this investigation, the petitioner urged the Commission to find a regional industry, described as "the Northeastern Region of the United States," constituted by the states of Maine, New York, Pennsylvania,

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19/ 19 U.S.C. § 1677(4)(C).

20/ Id.

Connecticut, Rhode Island, Massachusetts, Vermont, and New Hampshire. 21/ Subsequently, the petitioner also suggested the inclusion of Baltimore, Maryland, and Washington, D.C. 22/

In previous cases, the Commission has drawn regions with contiguous component parts. 23/ Furthermore, wholly surrounded producing and/or consuming areas have been included. In this case, we have included the States of New Jersey and Delaware in the area, as well as the entire State of Maryland. Although it appears that round white potatoes are grown in only some of these jurisdictions, they are marketed throughout the entire geographic area.

An examination of the information on whether the producers within such regional market sell all or almost all of their production of the like product in that market indicates that 89.4 percent of the round white potatoes sold by producers in the geographic area remain in this regional market. 24/ 25/ This limited radius of shipments may be principally attributed to the

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21/ Petition, p. 3.

22/ Petitioner's Postconference Brief, p. 7.
Commissioner Stern notes that the petitioner seemed to suggest that the region for analyzing consumption should be different from that for production. Such an inconsistent definition would violate the statutory logic on regionality.

23/ Chairman Eckes does not adopt this "theory of contiguity" at this time.

24/ Report, p. A-15.

25/ Portland Hydraulic Cement from Australia and Japan, Invs. Nos. 731-TA-108 and -109 (Preliminary), USITC Pub. 1310, 4-5 (1982), 93 percent of production remained in the region and in Certain Steel Wire Nails, _supra_, 80 percent of production remained in the region.

relatively high cost of transportation. 26/ Transportation beyond this geographic area would be a major competitive disadvantage for Northeastern producers.

With regard to whether the geographic market is supplied, to any substantial degree, by producers of the product located elsewhere in the United States, the data show that round white potatoes from outside the geographic area account for 7.0 percent of consumption in the area. 27/ Demand in this market, therefore, is not supplied to any substantial degree by producers located outside the area.

With respect to a concentration of imports, 73 percent of imports of round white potatoes from Canada are consumed in the Northeastern geographic area. 28/ Nationally, imports from Canada constituted 4.1 percent of U.S. consumption in 1981/82. 29/ Within the Northeastern geographic area, however, Canadian imports accounted for 7.4 percent of consumption. 30/

26/ For example, in May 1982 transportation costs constituted 32 percent of the price of potatoes shipped from Maine to New York City. Potatoes, Table 22.

27/ Report, Table 18 and p. A-23.

28/ The 73 percent figure is taken from the Report, p. A-15. This figure was calculated by multiplying the estimated amount of Canadian round white potatoes entering via Northeastern U.S. customs districts (2.93 million hundredweight) by .89 (the portion of Canadian potatoes entering the region which remained in the region), and then by dividing the result (2.61 million hundredweight) by the estimated total U.S. imports of round white potatoes from Canada (3.57 million hundredweight).

29/ Report, Table 36.

30/ Report, Table 18.

Therefore, we conclude that the imports of round white potatoes from Canada are concentrated within the Northeastern geographic area.

The Northeastern geographic area satisfies all three prongs of the regional industry test and, therefore, we determine that a regional industry analysis is appropriate. The region consists of the jurisdictions of Maine, New York, Pennsylvania, Connecticut, Rhode Island, Massachusetts, Vermont, New Hampshire, New Jersey, Delaware, Maryland, and the District of Columbia.

Condition of the domestic industry

The information on the current condition of the domestic industry indicates that the industry is experiencing difficulties. The region's production of round white potatoes has fluctuated over the four crop years of the investigation, falling from 1979/80 to 1980/81 and then rising from 1980/81 to 1981/82 and increasing slightly from 1981/82 to 1982/83. 31/ 32/

Since potatoes are generally placed in storage during the harvest and released during the next few months, end of harvest inventories have generally followed the trend in production. 33/ Although domestic round white potato production increased slightly from 1981/82 to 1982/83, inventories of all potatoes in the Northeastern Region increased noticeably between these two

31/ Report, p. A-13.

32/ Commissioner Stern notes that 1982/83 levels of production were five percent below the 1979/80 levels.

33/ Report, p. A-17.

crop years. [34/] Moreover, shipments of potatoes originating in Maine and New York (representative of the region's production) decreased from 12.0 million hundredweight during the period September 1981-February 1982 to 10.9 million hundredweight during the period September 1982-February 1983, a decrease of 9.4 percent. [35/]

Employment data for the region is not available. However, Aroostook County, Maine, accounts for most of Maine's round white potato production, and Maine accounts for 50 percent of the region's production. Petitioner asserts that agricultural unemployment in Aroostook County was 15 percent. This may be due to unemployment among potato workers as potatoes are its predominant crop. [36/]

Financial data show that the production of potatoes in the region was not profitable during crop years 1979/80 and 1980/81, although it became profitable in 1981/82. [37/] Preliminary indications are that potato production is not profitable for 1982/83. [38/] There is reason to believe that a significant share of Maine round white potatoes are being sold below

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34/ Report, Table 13.
Commissioner Stern notes that there is no information available on inventories of round white potatoes in the Northeastern Region.

35/ Report, Table 12.

36/ Report, p. A-18.

37/ Report, p. A-19.

38/ *Id.*

the cost of production. 39/ 40/ Moreover, petitioner asserts that the number of foreclosures on potato farms has increased recently. 41/ 42/

VIEWS OF COMMISSIONER STERN ON CAUSATION

Total potato imports have increased significantly during the period under investigation, nearly tripling from crop year 1979/80 to crop year 1981/82. 43/ Imports of round white potatoes more than doubled from crop year 1979/80 to crop year 1981/82, increasing their share of the regional market from 3.4 percent to 7.4 percent. 44/

The record shows that at the wholesale market level there is a premium price paid for at least some Canadian potatoes. In part, this premium price may be attributable to the uniformly larger size and tighter grading standards of Canadian imports. Nevertheless, there does appear to be a relation between the price of domestic potatoes and the price of imported potatoes. When

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39/ Id.

40/ Petitioner has submitted information of a survey of 50 potato growers in the state of Maine for the 1981-82 crop year, representing approximately 7.5 percent of total round white potato acreage harvested. Forty-three of those producers showed a loss on potato operations, averaging 39 cents per one dollar of sales.

41/ Petitioner's Postconference Brief, p. 24.

42/ Financial data, while not decisive, are obviously very important to a Commission investigation. Thus, should this case return for a final investigation, Commissioner Stern desires that the Commission have available much more detailed information regarding the financial experience of domestic producers.

43/ Report, Table 14.

44/ Report, Table 18.

observed over the course of this investigation, prices for both rose and fell simultaneously, although the percentage difference between the two rates fluctuated. 45/ In fact, there are instances in which the lowest prices for Canadian potatoes are below the highest prices for Maine potatoes. 46/ As a result, there may be some underselling by the imported product. 47/

The impact of increased imports of round white potatoes, as with any other increase in domestic supply, is very pronounced. Two recent studies have placed the price elasticity of supply of potatoes at minus 2 and at minus 3.76. That is, a one percent increase in the supply of potatoes will lead to a decrease in price of 2 percent or 3.76 percent. 48/

This suggests that price suppression or depression may well be present. When supplies of the premium grade Canadian potato are on the market at a price below a previous price, domestic producers, in order to sell their shipments of the lower grade potato, are unable to raise their prices or are forced to lower their prices in order to liquidate their stocks on the market. Therefore, while it may be true that the Canadian potatoes are generally higher priced and, in that sense are not price leaders, changes in the prices of Canadian potatoes appear to affect the prices received for domestic round white potatoes.

45/ Report, Tables 24 and 25.

46/ Potatoes, Table 62.

47/ Report, Table 26.

48/ Report, p. A-25.

Based on the best information now available, I have concluded that there is a reasonable indication that all or almost all of the domestic producers of the like product in the northeastern region are materially injured by reason of the Canadian imports. Should this case return for a final determination, the information available to the Commission should be supplemented considerably. In the present case, the Commission has been forced to rely on many estimates as the "best information available." As examples of the types of information needed, import data are poor in this preliminary investigation. We do not currently know what portion of imports from Canada originate in Prince Edward Island and what portion originate in New Brunswick. Since there are alleged quality differences between the two, this information is quite important to an adequate understanding of the composition of Canadian exports. It has not been possible to examine the impact of size differentials of the imports on relative prices in the United States. Separate price series on Prince Edward Island and New Brunswick would be desirable to analyze the effects of the imports from Canada. We also need more import information on round white potatoes to distinguish such imports from imports of other types of potatoes and to determine how much of these imports are destined for, and remain in, the Northeast Region. Information on the financial performance of the domestic producers is very sketchy at this time. For a final investigation, information regarding profit and loss, employment, and cash flow, for example, will allow the Commission to conduct a detailed examination of the health of the domestic industry, rather than to rely on estimates and inferences from partial data.

VIEWS OF CHAIRMAN ECKES ON CAUSATION

In brief, this is a weak case and should have been terminated at the preliminary level. Petitioners were unable to establish any connection between imports and injury to the domestic industry.

Because the Commission has defined the like product as round white potatoes, the volume of imports should be considered in terms of Canadian round white potatoes. Imports increased from 1.1 million hundredweight in 1979/80 to 2.4 million hundredweight in 1980/81. Imports increased slightly in 1981/82 to 2.5 million hundredweight.

In this investigation, traditional indicators associated with pricing information show that imported round white potatoes from Canada have had no effect on prices in the United States. For one thing, there is little evidence of imports underselling domestic potatoes. On the contrary, domestic potatoes generally undersell imports. In the three years that Canadian imports were compared to domestically produced round white potatoes, domestic potatoes undersold their Canadian counterparts in 32 out of 34 months in the Boston market. 49/ In the New York market, domestic potatoes undersold imports in all 30 months examined. 50/ Nor is there evidence of lost sales. The Commission received allegations of sales lost to 20 customers of

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49/ Report, Table 26.

50/ *Id.*

round white potatoes. Of the 6 customers that were contacted, not one confirmed a domestic sale lost to Canadian imports. 51/

Petitioner has alleged that Canadian round white potatoes have suppressed the price of domestically produced round white potatoes. Although head to head comparisons were available only for round white potatoes from Prince Edward Island (hereinafter PEI) and Maine round white potatoes, this information shows that over three years Canadian prices were higher than those from Maine in 30 of 30 months in the New York market 52/ and in 32 of 34 months in the Boston market. 53/ 54/ 55/ Additionally, it is noteworthy that prices of Canadian and domestically produced round white potatoes rose and fell together. 56/ 57/ Furthermore, the fact that Canadian potatoes are consistently higher priced suggets that Canada is not the price leader in the potato market.

51/ Report, pp. A-29-30.

52/ Report, Table 24.

53/ Report, Table 25.

54/ There is some information on the record that Canadian round white potatoes are preferred for their superior quality and that consumers are willing to pay more for this higher quality potato. Report, p. A-27.

55/ It is also noteworthy that in the first three months of 1983, in the Boston market, the price of round white potatoes from Canada rose while the price of domestically produced potatoes fell. Report, Table 25.

56/ Report, Tables 24 and 25.

57/ A review of the price trends for potatoes in markets outside the Northeast Region indicates a parallel rise and fall for the Atlanta and Chicago markets. This is a further indication that imports from Canada are not suppressing prices in the Northeast Region. Report, Table 37.

It has been argued that potatoes are price sensitive, citing price elasticity studies of the U.S. Department of Agriculture which put the elasticity at minus 5 and minus 2. Petitioner also cites a more recent study by the University of Maine which puts the figure at minus 3.76. 58/ Thus, it is argued that increased imports of Canadian round white potatoes into the region, without a corresponding increase in domestic consumption, will have a price-suppressing effect. Without commenting on these price elasticity figures, it must be remembered that price elasticity, as used here, measures changes in price from changes in supply. Thus, when we examine the changes in domestic production and the changes in imports from Canada, we find that changes in domestic production are far greater than changes in imports. 59/ Therefore, any price effect which the small change in the volume of imports may have is insignificant when compared to the price changes resulting from domestic production factors.

In brief, the pricing data indicate that Canadian imports have not undersold domestically produced round white potatoes, that there have been no confirmed lost sales in the Northeastern Region, and that changes in domestic production have had a greater effect on potato prices than have imports.

58/ Petitioner's Posthearing Brief, pp. 18-19.

59/ For example in 1981/82 domestic production increased 3.6 million hundredweight over the previous year whereas Canadian imports increased only 92 thousand hundredweight in this same period. Report, p. A-13 and Table 18.

Thus, Canadian imports have little, if any, effect on prices in the United States for round white potatoes.

There is no indication that imports have affected domestic production during the period of this investigation. Domestic production declined from 41.8 million hundredweight in 1979/80 to 36.0 million hundredweight in 1980/81. 60/ Domestic production increased, however, in 1981/82 to 39.6 million hundredweight and again slightly in 1982/73 to 39.7 million hundredweight. 61/

Although the volume of imports has increased during the period of investigation, the latest information reveals that there was only a slight increase from 1980/81 to 1981/82. Further, the effect of imports on domestic prices appears to be negligible. Finally, domestic production has increased in the last two crop years. Thus, there is no reasonable indication of material injury.

With regard to whether there is a threat of material injury, the Commission has considered among other factors the rate of increase of allegedly dumped imports into the Northeastern Region, the capacity of the exporting country to generate exports and the availability of other export markets.

Imports of Canadian round white potatoes increased substantially from 1.1 million hundredweight to 2.4 million hundredweight in a one year period from

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60/ Report, p. A-13.

61/ Id.

1979/80 to 1980/81. In the following year, however, the volume of imports increased only slightly from 2.4 million hundredweight to 2.5 million hundredweight.

Canadian capacity has increased, in terms of acreage, from 264,000 acres in 1980/81 to 273,000 acres in 1981/82. This acreage increased again in 1982/83 to 280,000 acres. 62/ There is some indication that Canada intends to foster further expansion of its potato industry in the Maritime Provinces. 63/

The petitioner asserts that Canadian round white potato exporters in the future will ship these potatoes originally destined for third country markets to the Northeastern region because of recent protectionist efforts by third countries to restrict agricultural imports. 64/ This allegation is undocumented in the record of this investigation.

These factors indicate that the rate of imports has slowed to near stabilization and that there may be increased Canadian capacity. Whether this increased capacity would cause imports to the United States to increase, however, would be speculative. None of these factors alone nor together indicate that the likelihood of harm is real and imminent, and not based on mere supposition, speculation, or conjecture. Thus, there is no reasonable

62/ Report at Table 2.

63/ Report at A-20.

64/ Petitioner's Post Conference Brief at 26.

indication of a threat of material injury from imports of Canadian round white potatoes to the domestically produced product.

Finally, I should emphasize that the sparseness of data on some details is not a sufficient reason to carry this preliminary investigation to a final. The Commission has conducted an extensive investigation of the potato industry under section 332. That recent data was incorporated into the record of this case. Furthermore, the Commission has conducted two public hearings--one in Boise, Idaho, on June 24, 1982, and the other in Bangor, Maine, on June 30, 1982. I am doubtful that further investigation will develop significant new information.

INFORMATION OBTAINED IN THE INVESTIGATION

Introduction

On February 9, 1983, a petition was filed with the U.S. International Trade Commission and the U.S. Department of Commerce by counsel on behalf of the Maine Potato Council. The petition alleges that fall-harvested round white potatoes imported from Canada are being sold in the United States at less than fair value (LTFV). Accordingly, effective February 9, 1983, the Commission instituted investigation No. 731-TA-124 (Preliminary) under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)), to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of the importation from Canada of fresh or chilled round white potatoes provided for in items 137.20, 137.21, 137.25, and 137.28 of the Tariff Schedules of the United States. The statute directs that the Commission make its determination within 45 days after its receipt of a petition, or in this case by March 28, 1983. Notice of institution of the Commission's investigation and of the public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notice in the Federal Register of February 24, 1983 (48 F.R. 7822). 1/ The public conference was held in Washington, D.C., on March 7, 1983, at which time all interested parties were afforded the opportunity to present information for consideration by the Commission. 2/ The Commission voted on the investigation on March 22, 1983.

Previous Commission Investigation on Fresh Potatoes

On April 1, 1982, following the receipt of letters of request from Ambassador William E. Brock, the United States Trade Representative (USTR), the Commission instituted investigation No. 332-140, 3/ in which the Commission studied in particular the competitive conditions of the potato industry of the State of Maine and the Northeastern market and the importance of the factors which affect the competitive position of Maine producers vis-a-vis producers in other States or marketing regions of the United States and Canada. Following approximately 5 months of investigative work, which included public hearings in Bangor, Maine and Boise, Idaho, the Commission released a report of the investigation on August 16, 1982.

1/ A copy of the Commission's notice is presented in app. A. A copy of the U.S. Department of Commerce's notice is presented in app. B.

2/ A list of witnesses appearing at the conference is presented in app. C.

3/ The Competitive Status of Major Supply Regions for Fall Harvested Fresh White or Irish Potatoes in Selected Markets, Report to the President on Investigation No. 332-140 Under Section 332 of the Tariff Act of 1930, USITC Publication 1282, August 1982.

Description and Uses

The white potato, which is also called an Irish potato (Solanum tuberosum, L.), is a member of the Solanaceae family of plants and is related to the tomato, eggplant, and pepper. The potato tuber is an enlarged portion of an underground stem that stores carbohydrates not used by the potato plant for growth. Botanically, potato tubers are of a great many sizes, shapes, and colors of skin or flesh. However, only white-fleshed potatoes (the so-called white or Irish potato) are popular in the United States and Canada. Potato tubers include dormant buds that, together with a leaf scar, constitute the potato "eyes," which are necessary for growth of a new generation of plants. The potato is a temperate zone plant that grows best in light, fairly acidic, well-drained soils. However, it is very hardy and is adaptable to a variety of climates and soils. The period of growth from planting to maturity ranges from 80 days to 150 days, depending on the variety. Potatoes may be harvested for food consumption before maturity, but such potatoes are generally smaller and cannot be stored as long as potatoes harvested at maturity. Fresh potatoes have a relatively high water content and a porous skin and are subject to weight loss whenever storage conditions are not ideal; losses may occur anywhere in the marketing chain from grower to consumer. Because of their bulk, potatoes generally are shipped in the fresh condition only when users require a fresh potato, such as for tablestock and seed uses, or for specialized processing uses such as potato chips.

Nearly all of the numerous potato varieties grown commercially are classified as one of four potato types, namely, round white potatoes, russet potatoes, round red potatoes, and long white potatoes (the latter is produced extensively only in Central California for spring and summer harvests). Most potato varieties fit into the round white type and, depending on the qualities of the individual variety, this type is used mostly for boiling, frying, mashing, and chipping. Major round white varieties include Superior, Kennebec, Katahdin, and Norchip. Russet potatoes sold as tablestock are used extensively for baking by restaurants, institutions, and home consumers. Also, russets are the preferred processing potato for freezing and dehydration. The dominant russet variety is the Russet Burbank, but others include the Norgold Russet, Centennial Russet, and Belrus. The distinguishing characteristic of the round red type of potato is the red color of its skin; they are used primarily for boiling, and for their attractive appearance. There are about a half dozen commercially produced round red varieties including Red Pontiac and Red LaSota.

About 83 percent of the potatoes produced in the United States (1981/82 crop year) were used as food, about 7 percent for seed, and about 2 percent for feed and starch. Shrinkage and loss accounted for the remaining 8 percent. Of the potatoes used for food, 61 percent were processed 1/ and 39 percent were used as tablestock potatoes, e.g., sold fresh for consumption. The market for tablestock potatoes is to a large degree dependent upon

1/ The principal uses of processed potatoes include frozen french fries and other frozen products, fried potato chips and shoe strings, dehydrated potato granules and flakes, and canned potatoes.

consumer attitudes, especially concerning the visual appearance of the potato, differences (real or perceived) in the cooking qualities of the different potato types, and the specific planned meal use for the potato.

The seed potatoes planted in the United States are usually certified as seed. The use of certified seed potatoes assures the commercial potato grower that his fields will be nearly disease free. Approximately 20 States have established systems for seed certification; there is no Federal seed certification program in the United States. While standards for certification vary by State, they are similar in content and all jurisdictions require a certification tag on the potato bags prior to shipment. Potatoes that meet the standards of the official certification agency may be certified and offered as certified seed. In Canada, the certified seed potato programs are subject to both Federal and Provincial requirements.

The Canadian Industry

Nearly all U.S. imports of fresh potatoes during recent years have been from Canada, the source of the potatoes which the petitioner alleges are sold at less than fair value. Accordingly, data have been collected on the Canadian potato industry.

Canadian production

Potatoes are produced in each of Canada's 10 Provinces, with approximately 65 percent of production occurring in Eastern Canada, principally in Prince Edward Island, New Brunswick, and Quebec (table 1, app. D.). Total Canadian production in the 1982/83 crop year was 60.6 million hundredweight, which is approximately 17 percent of U.S. potato production. During crop years 1979/80 to 1982/83, total Canadian production of potatoes ranged from 54.6 million hundredweight in 1980/81 to 60.9 million hundredweight in 1979/80.

Canadian acreage

During crop years 1979/80 to 1982/83, Canadian potato acreage planted ranged from 264,000 acres in 1980/81 to 280,000 in both 1979/80 and 1982/83 (table 2). Eastern Canada accounted for 62 percent of such acreage planted during the period, ranging from 158,000 acres in 1980/81 to 172,000 acres in 1982/83. The increase in Prince Edward Island acreage in recent years may be almost wholly for the production of russet potatoes, according to witnesses 1/. Acreage planted in Eastern Canada increased by 8.9 percent between 1980/81 and 1982/83, whereas acreage planted in Central Canada remained constant and acreage planted in Western Canada increased 12.5 percent.

1/ Post conference statement of Williams and Ince, p. 20.

Canadian acreage passing certification for seed amounted to 79,000 in 1981/82, or 30 percent of total Canadian acreage planted. Eastern Canada accounted for approximately 91 percent of Canadian acreage passing seed certification. The province of Prince Edward Island is the most important producer of certified seed and in 1981 accounted for 62 percent of total seed acreage.

Acreage planted by variety for seed certification provides an indication of the types of potatoes grown for tablestock and other uses. The bulk of the certified seed potato acreage in Canada is devoted to the round white type of potato, followed by the russet and round red types. There has been a shift, however, in the relative importance of the types planted for seed certification. During 1979/80 to 1981/82, the share of certified round white seed potato acreage declined from 68 percent of the total to 60 percent. The share of the acreage planted in certified round red seed potatoes remained relatively unchanged, ranging from 5 to 8 percent of the annual plantings during 1979/80 to 1982/83. The following tabulation, as compiled from data on varieties published by the United Fruit and Vegetable Association, Alexandria, Va., shows the percentage distribution of Canadian potato acreage passing certification, by specified potato types:

Year	Potato type			
	Round white	Russet	Round red	Total
	Percent			
1979	68	27	5	100
1980	60	34	6	100
1981	60	32	8	100

Canadian consumption

During 1979-81, apparent Canadian consumption of potatoes ranged from 46.0 million hundredweight in 1979 to 41.5 million hundredweight in 1980 (table 3). Consumption in 1981 is estimated at slightly less than 46.0 million hundredweight. Data compiled from information supplied by the U.S. Department of Agriculture (USDA) indicate that in recent years (1978-81) Canadian consumption (by quantity) of potatoes was approximately as follows: 50 percent fresh market (includes imports), 38 percent processing, and 12 percent seed.

Canadian stocks

Canadian potato stocks are at their highest levels in November (immediately after harvest). In the following months stocks are gradually depleted and by June are usually nil. Total Canadian stocks held in storage and wholesale warehouses on November 1 of 1979-81 ranged from 39.3 million hundredweight in 1980 to 43.6 million hundredweight in 1979 (table 4). The

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high stock level on November 1, 1979, was a direct result of the record harvest for the 1979 crop. Stocks held in Eastern Canada account for the majority of holdings and in 1981 made up 69 percent of total stocks.

Canadian exports

Canadian exports of fresh potatoes increased from 3.6 million hundredweight in 1979 to 5.9 million hundredweight in 1981 (table 5). The United States is the principal market for Canadian potato exports, accounting for 64 percent of such exports, in terms of quantity (and 65 percent, in terms of value) in 1981.

Canadian exports of seed potatoes ranged from 2.1 million hundredweight in 1979 to 3.0 million hundredweight in both 1980 and 1981, and accounted for 54 percent of total Canadian potato exports during 1979-81 (table 6). This is an indication of Canada's worldwide reputation for high-quality seed potatoes. The United States accounted for approximately 48 percent of total Canadian seed exports in 1981.

Canada's exports of fresh potatoes, other than seed, increased from 1.5 million hundredweight in 1979 to 2.9 million hundredweight in 1981 (table 7). The United States accounted for 80 percent of the quantity of such exports in 1981.

Eastern Canada accounted for 74 percent of Canadian potato exports to the United States in 1980/81 (table 8). According to Canadian statistics, approximately 60 percent of Eastern Canada's exports were seed potatoes.

Canadian imports

During 1979-82, Canadian imports of seed potatoes and fresh potatoes, other than seed, ranged from a high of 3.7 million hundredweight, valued at $21.8 million (Canadian), in 1979 to a low of 2.5 million hundredweight, valued at $24.7 million, in 1980 (table 9). Fresh potatoes, other than seed, accounted for 96 percent of the total quantity and 97 percent of the total value of imports in 1981. The United States is virtually the only supplier of such imports (over 99 percent, in terms of quantity and value), in 1981.

U.S. Importers

There are approximately 100 U.S. importers of fresh potatoes; most of these importers are located in the Northeastern Region of the United States. Useable information was provided to the Commission by 25 U.S. importers of Canadian potatoes in the course of investigation No. 332-140. Eighteen of the importers were from the Northeastern Region (8 of which were from Maine), 5 were from the North Central Region, 1 was from the Western Region, and 1 was from the Southern Region. The 25 importers accounted for 38 percent of U.S. fresh potatoes imported from Canada in 1980/81. Of the 2.9 million hundredweight of potatoes imported by these firms from 1979/80 to 1981/82, approximately 76 percent went to the Northeastern Region, 22 percent went to the Southern Region, and 2 percent went to the Central Region.

Sixteen of the importers were firms that buy and sell both Canadian and U.S. potatoes. Five of the importers were also packers, and five were located in terminal markets. Four of the importers were retail distributors to chainstores, and four were growers of potatoes as well as importers of potatoes.

Canadian sellers occasionally contact U.S. importers with offers to sell potatoes. For example, U.S. importers responding to the Commission questionnaires advised that in approximately 42 percent of the instances where they purchased Canadian potatoes, they had been first contacted by Canadian sellers. In 33 percent of all transactions, U.S. shippers or brokers initially called the importers, and in 24 percent of all transactions, the importers called the sellers. Thus, approximately twice as many of the reported transactions resulted from a Canadian seller looking for a U.S. buyer than resulted from a U.S. buyer looking for a Canadian seller. Indeed, a recent Commission staff field trip to a major terminal market for potatoes in New York indicated that the practice of Canadian sellers contacting U.S. buyers continues.

U.S. Tariff Treatment

Imported fresh potatoes are classified for tariff purposes under items 137.20, 137.21, 137.25, and 137.28 of the Tariff Schedules of the United States (TSUS). Items 137.20 and 137.21 provide for certified seed potatoes under specified conditions, 1/ and items 137.25 and 137.28 provide for potatoes "other than such certified seed."

1/ The specified conditions in a headnote of the tariff schedules are that such potatoes must be "certified by a responsible officer or agency of a foreign government in accordance with official rules and regulations to have been grown and approved especially for use as seed," and must be "in containers marked with the foreign government's official certified seed potato tags." By Public Law 97-466, effective Jan. 27, 1983, the following language was added after the word "tags" in the headnote: "and imported for use as seed."

Imported fresh potatoes are subject to tariff-rate quotas. 1/ For certified seed potatoes, not more than 114 million pounds (1,140,000 hundredweight) can be entered during the 12-month period, beginning September 15 in any year at the present (Jan. 1, 1983) duty of 36 cents per hundredweight (TSUS item 137.20); imports of such potatoes in excess of that amount are dutiable at 55 cents per hundredweight (TSUS item 137.21). For potatoes other than certified seed potatoes, not more than 45 million pounds (450,000 hundredweight) can be entered during the same 12-month period beginning September 15 at the present rate of 36 cents per hundredweight (TSUS item 137.25); 2/ over quota imports are dutiable at 55 cents per hundredweight (TSUS item 137.28). Appendix E contains an excerpt from the TSUS showing the present rates of duty on potatoes. Appendix E also contains a table showing the column 1 rates of duty in effect prior to January 1, 1980, and modifications as a result of concessions granted by the United States in the Tokyo round of Multilateral Trade Negotiations (MTN) under the General Agreement on Tariffs and Trade (GATT). As a result of concessions made at the MTN, the duty rates for each of the four TSUS items will undergo staged reductions

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1/ Pursuant to a 1936 trade agreement with Canada, annual tariff-rate quotas were made part of the U.S. customs treatment for imports of certified seed potatoes. A later trade agreement under the General Agreement on Tariffs and Trade, effective Jan. 1, 1948, increased the quota on certified seed potato imports (presently TSUS item 137.20) from 90 million pounds to 150 million pounds during each quota year, beginning on September 15. This concession was renegotiated, reducing the quota to 114 million pounds effective Sept. 15, 1957.

In a 1939 trade agreement with Canada, annual tariff-rate quotas also were placed on imports of other than seed potatoes. Under the GATT, effective Jan. 1, 1948, the period during which the first 60 million pounds of such potatoes could be imported at a reduced rate--37.5 cents per hundred pounds (presently TSUS item 137.25)--in any quota year was extended from the original Mar. 1-Nov. 30 period to include the entire year. This concession was renegotiated, effective Sept. 15, 1957, reducing the quota on imports dutiable at 37.5 cents per hundred pounds from 60 million pounds to 36 million pounds. Also established was a quota on imports over 36 million pounds but less than 60 million, dutiable at 60 cents per hundred pounds. On Aug. 31, 1963, when the TSUS became effective, the latter quota was eliminated and the 36-million-pound quota was increased to 45 million pounds, and the headnote was added providing for an increase in the quota amount whenever there is a shortfall in the domestic potato crop.

2/ Headnote 2, subpart A, part 8, of schedule 1 of the TSUS provides for an increase in the annual tariff-rate quota for white or Irish potatoes, other than certified seed potatoes, whenever domestic production of all white or Irish potatoes, including seed potatoes, falls short of 21 billion pounds, as estimated on Sept. 1 each year by the U.S. Department of Agriculture. The increase in the annual tariff-rate quota would equal the "shortfall" in domestic production, i.e., the amount by which domestic production fell short of the 21 billion pounds (or 210 million hundredweight). The domestic potato crop has not dropped below 21 billion pounds since 1951.

through January 1, 1987, at which time they will be 35 cents per 100 pounds. Canada's duty rates, under the Tokyo round, are also being reduced, from 37.5 cents to 35.0 cents per 100 pounds by January 1, 1987, in both seed and other than seed categories of fresh potatoes.

The rates of duty for potatoes entered under TSUS items 137.21 and 137.28 prior to January 1, 1980, were the same as those provided for in the Tariff Act of 1930. As the result of a concession, effective January 1, 1948, under the GATT, these rates were bound against increase.

The average ad valorem equivalents of the specific rates of duty in effect in 1981, based on dutiable imports during that year, were as follows:

TSUS item No.	Ad valorem equivalent (percent)
137.20	4.3
137.21	7.2
137.25	5.9
137.28	7.8

Imports of fresh potatoes must meet Federal plant quarantine regulations of the USDA as established under the Plant Quarantine Act (37 Stat. 316; 7 U.S.C. 159). Potatoes may be imported from Bermuda and Canada (except Newfoundland and certain parts of British Columbia) into the United States free of the Federal plant quarantine restrictions required for potatoes from other countries. Plant quarantine requirements of the Maine Department of Agriculture concerning fresh potatoes entering Maine (including those from Canada) were held invalid by a Federal court in 1982.

Imports of tablestock potatoes into the United States are required to comply with the grade, size, quality, and maturity provisions of Federal Marketing Order Regulations under the Agricultural Marketing Agreement Act of 1937. Imports of certified seed potatoes are exempt from these requirements. That act requires that whenever the Secretary of Agriculture issues grade, size, quality, or maturity regulations under a domestic marketing order for a particular commodity, he must likewise issue the same or comparable regulations on imports of that commodity, if it is so designated by statute, for the same period of time. Marketing orders for fresh potatoes are presently active in five production areas--Idaho, Oregon, Washington, Colorado, and Virginia/North Carolina.

Nature and Extent of Alleged Sales at Less Than Fair Value

According to the petition, fresh round white potatoes from Canada are being and are likely to be sold at less than fair value (LTFV) in the United States, i.e., at prices in the U.S. market which are below the Canadian cost of production or below the Canadian home-market price. The representative period used by the petitioner to calculate LTFV sales and to support the LTFV contention is February 1, 1982, to January 27, 1983.

In supporting his allegations, the petitioner supplied data and calculations regarding sales of Prince Edward Island (Canadian) round white potatoes in the two principal wholesale markets (Boston and New York) for Canadian round white potatoes, as well as data on round white potato-selling prices in Montreal (the most important market for potatoes in Canada).

In order to calculate the ex-farm U.S. price and the ex-farm Canadian price for round white potatoes sold in the Boston and New York markets, the petitioner made various deductions from the published price in those markets and from the Montreal published price, with adjustments for currency rate changes. Such calculations and other data presented by the petitioner allegedly indicate that a substantial percentage of round white potatoes from Canada sold in the U.S. market have been sold at both below the cost of production and below the home-market value.

February-May 1982

The petitioner asserts that during the February-March 1982 period, round white potatoes from Canada were sold at LTFV, at dumping margins of 14.7 percent to 107.0 percent based on a comparison of the Canadian home-market price and the U.S. price. The petitioner further argues that beginning in April 1982, the Canadians also began selling below their cost of production in U.S. markets, at alleged dumping margins of 20.3 percent to 101.0 percent, based on constructed value. It is alleged that such sales below cost of production (and in most cases below home-market prices) continued to the end of the 1981/82 marketing season, i.e., to approximately May 1982.

October 1982-January 1983

The petitioner has calculated that beginning with the new fall harvest in October 1982, Canadian round white potatoes sold at below cost of production, resulting in dumping margins of 1.3 percent to 121.0 percent, based on constructed value; the margins based on home-market price are alleged to have ranged up to 35 percent in October 1982. It is further alleged that Canadian round white potato prices in both the home market and in the northeastern United States continued to fall in November and December 1982, to the extent that dumping margins in the New York City wholesale market (based on home-market price) on a certain day in December 1982 were as high as 4,067 percent (and 7,633 percent compared with constructed value), and on certain days in January 1983, the alleged margins ranged from 485 percent to 2,940 percent when compared with home-market price, and from 796 percent to 4,560 percent when compared with constructed value.

Accordingly, the petitioner alleges that during the February 1982 to January 1983 period, nearly 100 percent of the Canadian round white potatoes marketed in the wholesale markets of the northeastern U.S. were sold at less than fair value; in all of these months, except for February 1982 and March 1982, the Canadians are alleged to have been selling below their cost of production.

The Domestic Product

The product that is the subject of the petition in this investigation is fall-harvested round white potatoes. The U.S. Department of Agriculture's Statistical Reporting Service (SRS) designates the production of potatoes from certain States as "fall" crop potatoes. 1/ Such designated fall-harvested production areas, in general, have in common the fact that they all are located along the northern portion of the continental United States and that the bulk of the crop is harvested just prior to frosts or freezes and placed in storage for sales during winter months.

The imported product under review is limited to fresh potatoes, that is, potatoes moving in commercial channels of the United States in the fresh or chilled condition. The term "fresh," or "fresh or chilled," is not part of the petitioner's description of the product. However, the petitioner alleged that imports under items 137.20, 137.21, 137.25, and 137.28 were causing injury. These TSUS provisions are for fresh, chilled, or frozen white or Irish potatoes not reduced in size nor otherwise prepared or preserved. Because there is no known commercial product of frozen whole, not peeled potatoes, the term "fresh or chilled" fully covers the products under the TSUS items indicated. Also, fresh potatoes in commercial trade are not normally chilled intentionally in a way to obtain a "chilled" product temperature at or near 32°F, because such temperatures would adversely affect the product; thus, in general, the term "fresh" covers all of the potatoes under consideration.

The designation round white applies to certain varieties of potatoes, generally understood in the fresh vegetable industry to include those tablestock potatoes which are more-or-less round in shape (as opposed to an elongated shape), and which have a sandy, sandy-brown, or buff colored skin and a white flesh. The domestically produced fall-harvested fresh round white potato is sold in the United States on the open market for tablestock use and certified seed and also is transported in commerce as a chipping potato for the manufacture of potato chips.

U.S. producers

The number of potato growers in the United States has declined over the past several years. In 1982, commercial fall-harvested potato growers in the United States operated an estimated 10,000 farms. Those located in the Northeastern Region operated an estimated 4,000 farms and those in Maine approximately 1,000 farms.

1/ For purposes of crop reporting, the SRS also designates certain U.S. potato production areas as winter, spring, or summer crops. These designations relate to the months of the year when the crop is normally harvested.

Some producers in the Northeastern Region grow both the round white type of potato and other types, such as russet or round red, for sale to tablestock markets. However, many producers in the region grow only round white varieties of potatoes, mostly for the tablestock market, and a few producers grow only selected round white varieties suited almost exclusively for the chipper market. Production of chipping potatoes is largely contracted for prior to planting.

Channels of distribution

The channels of distribution from grower to consumer for tablestock, seed, and chipper potatoes are different. Tablestock potatoes are by far the most important of the fresh potato shipments. In general, the major share of the tablestock potatoes sold in large city wholesale produce terminal markets, such as in New York City, are arranged for by carlot brokers. The brokers represent the interests of potato shippers in sales to large wholesalers. An individual broker will likely handle supplies from one or two shippers from each of several major supply areas, including Canadian supply areas. The brokers will solicit business from each wholesaler in the market area, although only several wholesalers are likely to be his regular customers. There are about half-a-dozen carlot brokers in the New York City market area that handle potatoes, and perhaps 10 to 15 major wholesalers. The geographic location of potato brokers is not of significant importance because business is usually conducted by telephone. Other city markets have their own brokers and wholesalers. Local potato supplies generally do not go through carlot brokers, but generally go through jobbers, or directly to retail outlets. Chainstore buyers of round white potatoes may use carlot brokers, but more frequently buy directly from shipping-point suppliers, and seldom buy from terminal market wholesalers.

There are two principal shipping-point markets for tablestock potatoes in the Northeastern Region -- one centered around Presque Isle, Maine and the other centered around Riverhead, Long Island, N.Y. Other supplies grown in the region, for the most part, are sold in local or nearby population centers. There are an estimated 135 potato dealers in Maine, firms which purchase potatoes from growers, and pack and ship the potatoes to terminal markets and chainstores. In 1978/79, the latest data available, the eight largest Maine shippers handled 46 percent of total shipments. Long Island has about 22 shippers, 5 of which handle about half of Long Island's potatoes.

Certified seed potatoes usually move directly from the grower-shipper to a grower that intends to plant the seed, or to a seed supply firm in the production area where the new crop will be grown. Maine and northern New York supply nearly all of the certified seed grown in the Northeastern region; from one-third to one-half of the production is shipped to growing areas in the Atlantic Coast States. Most chipping potatoes are contracted for by the processor before planting by the grower, however, some negotiated market sales are handled by specialized brokers that generally do not operate in the tablestock potato markets.

Consideration of the Question of Material Injury in the Northeastern Region

The petitioner alleges material injury, or the threat thereof, to the fall-harvested round white potato industry in the Northeastern Region of the United States. The "Northeastern Region" referred to by the petitioner was one of the three production and consumption regions in the United States for fall-harvested potatoes, as designated in a previous investigation referred to earlier in this report. The production region was defined in the petition as encompassing the States of Maine, New York, Pennsylvania, Connecticut, Massachusetts, New Hampshire, Rhode Island, and Vermont. The petitioner also claims that the consumption region should consist of the same eight States plus the consumers in peripheral cities, i.e. Baltimore, Md. and Washington, D.C., that consume fall-harvested round white potatoes. 1/

The question of injury to a national industry is discussed later on in this report.

Regional industry

In most investigations conducted by the Commission under title VII of the Tariff Act of 1930, the Commission examines the impact of imports on a national industry, as defined in section 771(4)(A) of the act (19 U.S.C. 1677 (4)(A)). However, there is also a statutory basis (in 19 U.S.C. 1677 (4)(C)) for analyzing and assessing the impact of imports on a regional industry. Indeed, the basis for defining a regional industry is stated in section 771 (4)(C) of the act:

> In appropriate circumstances, the United States, for a particular product market, may be divided into 2 or more markets and the producers within each market may be treated as if they were a separate industry if--
>
> (i) the producers within such market sell all or almost all of their production of the like product in question in that market, and
>
> (ii) the demand in that market is not supplied, to any substantial degree, by producers of the product in question located elsewhere in the United States.

1/ Data on unloads in Baltimore, Md. and Washington, D.C., are listed under "Eastern Cities" in publications of the U.S. Department of Agriculture, Agriculture Marketing Service, Fruit and Vegetable Division, Market News Branch. Baltimore and Washington are the southernmost of the cities the Market News Branch considers "Eastern Cities."

> In such appropriate circumstances, material injury, the threat of material injury, or material retardation of the establishment of an industry may be found to exist with respect to an industry even if the domestic industry as a whole, or those producers whose collective output of a like product constitutes a major proportion of the total domestic production of that product, is not injured, if there is a concentration of subsidized or dumped imports into such an isolated market and if the producers of all, or almost all, of the production within that market are being materially injured or threatened by material injury, or if the establishment of an industry is being materially retarded, by reason of the subsidized or dumped imports.

In order to help examine the validity of the petitioner's allegation concerning material injury, or the threat thereof, to the fall-harvested round white potato industry in the Northeastern Region of the United States, the Commission staff has obtained data (and where necessary has made estimates) for the Northeastern Region on production, acreage, shipments, exports, inventories, employment, and the financial experience of growers. These data are presented and discussed in this section of this report. An effort has been made to present data which are relevant to the regional industry criteria in section 771(4)(C) of the title VII of the Tariff Act of 1930, as amended by the Trade Agreements Act of 1979, 19 U.S.C. 1673 and 1673a(b).

Regional production

Production (estimated) of round white potatoes in the Northeastern Region during 1979/80 to 1982/83 decreased from 41.8 million hundredweight in 1979/80 to 39.7 million hundredweight in 1982/83, representing a decrease of 5.0 percent (table 10). The decrease in 1980/81 was 13.9 percent, then production in the region increased by 10.1 percent in 1981/82 and remained virtually unchanged in 1982/83, as shown in the following tabulation (in millions of hundredweight): 1/

Crop year	Estimated production
1979/80----------	41.8
1980/81----------	36.0
1981/82----------	39.6
1982/83----------	39.7

1/ The petitioner contends that round white production in the Northeastern Region declined in 1982 (petition, page 38).

Maine accounted for approximately 50 percent of the Northeastern Region's production of round white potatoes in the 1979/80 to 1982/83 period. New York accounted for approximately 31 percent of the Region's round white production, and Pennsylvania accounted for approximately 13.5 percent. The remaining 5.5 percent was accounted for by other States in the Region. Maine produces approximately 75-percent round white potatoes and 25-percent russet potatoes (table 11).

Disposition of round white potatoes produced in the Northeastern Region.--The following table indicates the estimated disposition of round white potatoes in the Northeastern Region during 1981/82, for both a "small" Northeastern Region consisting of 8 States and a "large" Northeastern Region consisting of 11 States plus the District of Columbia. 1/

1/ Other than in this table, the Northeastern Region data presented in this report are for the 8-State fall-harvested-potato region, unless otherwise specified.

Round white potatoes: Estimated shipments remaining in and leaving the Northeastern Region as a share of total regional shipments, estimated shipments from Canada into the Northeastern Region as a share of estimated total round white shipments from Canada into the United States, and estimated Northeastern consumption as a share of estimated U.S. consumption, by seasonal supplies and by region size, crop year 1981/82

(In percent)

Item	Fall-harvested supplies	All seasons supplies
Small region: 1/		
Shipments within the Region as a share of total regional shipments	82	82
Shipments out of the Region as a share of total regional shipments	18	18
Shipments from Canada into the region as a share of shipments from Canada into the United States	69	69
Regional consumption as a share of United States consumption	43	38
Large region: 2/		
Shipments within the region as a share of total regional shipments	90.1	89.4
Shipments out of the Region as a share of total regional shipments	9.9	10.6
Shipments from Canada into the region as a share of shipments from Canada into the United States	73	73
Regional consumption as a share of United States consumption	50	47

1/ Maine, Vermont, New Hampshire, New York, Pennsylvania, Rhode Island, Connecticut, and Massachusetts.
2/ Small region plus Delaware, New Jersey, Maryland, and the District of Columbia.

Source: Preliminary estimates derived from official statistics of the U.S. Department of Commerce, the U.S. Department of Agriculture, and data submitted in response to questionnaires of the U.S. International Trade Commission during investigation No. 332-140 conducted in 1982.

The table above indicates that in 1981/82, an estimated 90.1 percent of the fall-harvested round white potatoes shipped by the "large" Northeastern Region remained in the Region and approximately 9.9 percent left the Region.

The table also shows that an estimated 89.4 percent of all round white potatoes (fall-harvested and summer-harvested) shipped by the "large" Northeastern Region remained in the Region and about 10.6 percent left the Region. These above data are for shipments (production sold). The share of the Region's total production that remains in the Region would be slightly larger owing to the fact that the non-sold production (e.g., potatoes used on the farm and shrinkage and loss) would, obviously, remain in the Region.

Regional shipments

Although no data are available on exact shipments of round white potatoes in the Northeastern Region, it is believed that changes in shipments of round whites during the 1979-82 period parallel the region's shipments of all its fall-harvested potatoes. Indeed, since round white potatoes are estimated to have accounted for most (86 percent) of potato production in the Northeastern Region since 1979, it is likely that shipment trends of round white potatoes produced in the region would follow the changes in shipments for all potatoes in the region. Shipments of all potatoes in the region decreased 4.2 percent in 1980/81, increased 0.2 percent in 1981/82, and decreased 9.4 percent between the September 1981-February 1982 period and the September 1982-February 1983 period (table 12). The principal shipping State for round white potatoes in the Northeastern Region has been Maine.

Regional exports

Fresh potato exports from the Northeastern Region are small and consist almost entirely of certified seed potatoes. During crop years 1979/80 to 1981/82, the exports of certified seed potatoes from Maine, the predominant producer of certified seed in the Northeastern Region, ranged from 8,000 to 41,000 hundredweight, as shown in the following tabulation of data from the Maine Department of Agriculture (in hundredweight):

Market	1979/80	1980/81	1981/82
Canada	22,614	6,623	6,089
Other	2,901	34,017	1,829
Total	25,515	40,640	7,918

Exports of tablestock potatoes from the region have been negligible or nil in recent years. Data on unloads of tablestock potatoes in major Canadian cities indicate that no supplies were received from States in the Northeastern Region. Tablestock potato exports from the region to markets other than Canada, though specific data are not available, are insignificant. Exports of fresh potatoes from the region for processing uses also are negligible or nil, owing, in part, to the Canadian permit system in place for bulk shipments of potatoes entering Canada.

Regional inventories

Fall-harvested potatoes generally are put into potato storage houses immediately after harvest where they remain until sales or other uses occur. 1/ Such inventories of fresh potatoes are typically referred to as storage stocks. In the Northeastern Region, harvest for storage generally begins in September and is completed not later than November. Growers and dealers holding stocks usually plan to liquidate their inventories by the end of the following May. However, some "old crop" potatoes may be held and sold as late as July, depending on the rate of movement out of storage and/or marketing strategies, and depending on quality. Storage stock holdings are published by the U.S. Department of Agriculture each month from December to May.

Inventories in the Northeastern Region (Maine, New York, and Pennsylvania) held on December 1 each year during 1979-82 averaged 71 percent of that year's production in the region (table 13). Regional storage stocks held on December 1, 1979, a high-production year, totaled 34.0 million hundredweight, and those held on December 1, 1980, a low-production year, were 27.2 million hundredweight; thus the beginning stocks for crop year 1980/81 were lower by 20 percent than those of the preceding year, as shown in the following tabulation (in millions of hundredweight):

Crop year	Inventories
1979/80------------	34.0
1980/81------------	27.2
1981/82------------	30.8
1982/83------------	32.3

Regional inventories on December 1, 1981, were higher than the preceding year by 13 percent. For the current crop year of 1982/83, beginning December storage stocks were larger by 5 percent than beginning storage stocks for 1981/82, even though production in 1982, at 44.3 million hundredweight, was less than 1 percent larger than production in 1981. Storage stock holdings on January 1, 1983, at 26.9 million hundredweight, were 9.3 percent larger than for the corresponding month of 1982, and on February 1, 1983, stocks were 6.4 percent larger than on February 1 of the preceding year. Typically, during the months under review in 1979-83, the share of production held in stocks in the Northeastern Region declined 10 to 12 percentage points each month from December to May.

Regional employment

Data on employment compiled in this investigation are based on responses to questionnaires received during the USITC investigation No. 332-140 in 1982. Questionnaires were sent to approximately 1,000 growers, or about 4 percent of the total number of U.S. potato growers, asking them to provide

1/ Only fall-harvested potatoes are stored, as potatoes from other harvest seasons are usually sold directly to their markets from the field.

information on full-time and part-time employment on their farms for the 1976-81 crop years. The information requested included the number of persons engaged in farming operations, the number of persons engaged in potato production, the hours worked by persons engaged in potato production, and the total wages paid to such workers.

Full-time employees.--Of the questionnaires returned, approximately 40 (30 of which were received from growers in the Northeastern Region) contained useful information on full-time employees. These 40 questionnaires represent less than one-half of one percent of the total acreage harvested by U.S. potato growers. For each year from 1976 to 1981, the reported average number of full-time employees engaged in potato production on each farm was 3. The reported average number of full-time employees per farm that engaged in all farming operations was 4 in 1976 and 1978, and 3 in all other years. Growers in the Northeastern Region employed an average of 2 full-time workers a year.

The total number of hours worked by full-time employees engaged in potato production averaged 5,500 per farm per year for the 1976-81 period. On Northeastern Region farms, full-time employees worked an average of 3,500 hours per farm per year.

Total wages and fringe benefits paid to persons engaged in potato production was reported to average about $22,000 per farm per year. Wages on Northeastern Region farms were reported to average a total of about $15,000 a year, or approximately $7,500 per year per full-time employee.

Part-time employees.--Approximately 75 questionnaires had useful information on part-time employees. These questionnaires represent less than 1 percent of the total acreage harvested by U.S. potato growers. The average number of part-time employees engaged in potato production ranged from 14 to 21 employees per farm; Northeastern Region farms used an average of 16 part-time employees per year during 1976-81.

Total hours worked by part-time employees averaged about 3,000 hours per farm per year over the 1976-81 period, or approximately 167 hours per part-time employee per year. The average part-time worker on a Northeastern Region farm worked an average of 138 hours a year.

The average part-time employee received approximately $650 a year in wages or about $3.90 an hour. Northeastern Region part-time employees received about $600 a year, or about $4.34 an hour.

The petitioner has indicated that unemployment in the agricultural sector of Aroostook County, Maine in June 1982 was 15 percent. Since potatoes are by far the County's predominant agricultural crop, the significant unemployment existing in June 1982 is believed to be mainly due to unemployment among potato workers and growers.

Financial experience of growers in the Northeastern Region

The production of round white potatoes has not been a lucrative endeavor for potato growers in the Northeastern Region for several years. It is believed that many or most growers (especially in Maine) are now selling at below their cost of production. 1/

Questionnaires were sent to 1,000 growers under investigation No. 332-140 (August 1982). Of the 100 growers' questionnaires containing useful financial information, approximately two-thirds were from growers in the State of Maine (representing about 6 percent of Maine's total production), and about 85 percent were from the Northeastern Region, representing about 4 percent of that area's total production.

Responses to the questionnaires indicated that potatoes accounted for approximately 70 percent of the respondents' total sales and for approximately two-thirds of their reported total farm assets. Capital expenditures on potatoes accounted for about 85 percent of total capital expenditures.

The production of potatoes was not profitable for the respondents to the questionnaires in either 1979/80 or 1980/81, but was profitable in 1981/82. The low shipping point prices to date in the current crop year indicate that many or most Northeastern growers will not realize profits on potatoes in the 1982/83 crop year. Indeed, discussions with knowledgeable persons in the trade indicate that substantial quantities of round white potatoes produced in the Northeastern Region are being sold at below the cost of production.

The petitioner in the current investigation obtained profit-and-loss information from 50 Maine growers of round white potatoes during the 1981/82 crop year. The 50 growers accounted for approximately 7.5 percent of the total round white acreage harvested in Maine during the 1981/82 crop year. Of the 50 growers, 43 showed a loss on round white potatoes during that year and 7 showed a profit. Losses ranged from $2,000 to $225,000 per grower and averaged approximately $34,000; profits ranged from $700 to $20,000, averaging $8,000. The average loss was approximately $0.39 per $1.00 of sales compared with an average profit for the profitable growers of only $0.05 per $1.00 of sales. Overall, the average round white potato grower lost $0.33 per $1.00 of sales. The number of foreclosures of Aroostook County potato farms has increased from 0 in 1979/80 to 5 in 1982/83, according to the petitioner. The number of farm entities engaged in potato growing in Maine has also been decreasing, i.e., from 1,058 in 1976 to 825 in 1982. 2/ A 1981 study on the Aroostook county, Maine potato industry indicated that "There is no crop with a large enough market and a sufficiently high return under Aroostook conditions to replace potatoes." 3/

1/ For example, a statement by * * *.
2/ Petition, 43.
3/ James N. Putnam II, Aroostook County, Maine: Potato Industry Study, Farm Credit Service, January 1981, p. 143.

Consideration of the Question of Threat of Material Injury in the Northeastern Region

As part of its consideration of the threat of material injury to a domestic industry, the Commission examines factors such as the ability or capacity of the exporting country to continue to generate exports and the likelihood that such exports will be directed to the U.S. market.

Production of potatoes by Canada's Maritime Provinces increased by 11.6 percent to 37.8 million hundredweight in 1981/82 and by 4.5 percent to 39.5 million hundredweight in 1982/83. Acreage planted of potatoes in Canada's Maritime Provinces increased by 4.4 percent to 165,000 acres in 1981/82 and by 4.2 percent to 172,000 acres in 1982/83. The 172,000 acres in 1982/83 was 1.8 percent above the potato acreage planted in 1979/80. Approximately 63 percent of the certified seed potato acreage planted during the 1979/80 to 1981/82 period was devoted to the production of round white potatoes. 1/

It appears that Canada intends to foster further expansion of its potato industry in the Maritime Provinces. For example, testimony presented at the June 1982 Commission hearing on fall-harvested potatoes indicated that the Canadian Government has a 1983 potato production target for New Brunswick of 14 million hundredweight, 2/ compared with 12.8 million in 1982. A number of Federal and Provincial assistance programs currently exist and are expected to contribute to the further expansion of the industry, including export market promotion which is available to Maritime potato growers through both the Federal and Provincial departments of agriculture and through the efforts of two industry groups, the Prince Edward Island Potato Marketing Board and the New Brunswick Potato Agency.

The petitioner in the current investigation argues that because of recent protectionist efforts by third-country markets, Canadian exporters of round white potatoes may shift exports to the U.S. Northeastern Region.

Consideration of the Question of the Causal Relationship Between Alleged LTFV Imports and Alleged Injury in the Northeastern Region

Regional imports

All fresh potatoes.--U.S. imports of fresh potatoes from Canada into customs districts in the Northeastern Region increased from 1.59 million hundredweight in 1979/80 to 3.14 million hundredweight in 1980/81, an increase of 97 percent, and increased by an additional 31 percent in 1981/82 to 4.07 million hundredweight (table 14). U.S. imports entering in the Region's customs districts during October-December 1982 (latest quarterly data

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1/ Based on data published by the United Fruit and Vegetable Association, Alexandria, Va.
2/ Transcript of June 30, 1982 hearing in Bangor, Maine, p. 241.

available) were somewhat below the corresponding periods of the two previous crop years, i.e., 587,000 hundredweight in October-December 1982 compared with 631,000 hundredweight in October-December 1981 and 749,000 hundredweight in October-December 1980, but were above the 402,000 hundredweight imported in October-December 1979.

U.S. imports of all fresh potatoes from Canada entering via customs districts in the Northeastern Region accounted for 85 percent, 81 percent, and 82 percent, respectively, in 1979/80, 1980/81, and 1981/82 of all U.S. imports of fresh potatoes from Canada, for an average of 82.7 percent of aggregate U.S. fresh potato imports from Canada during the 1979/80 to 1981/82 period.

Of the 4.07 million hundredweight of all fresh potatoes entering via the Northeastern Region's customs districts in 1981/82, 1.20 million hundredweight (or 30 percent) consisted of fresh certified seed potatoes and 2.87 million (or 70 percent) consisted of fresh "other than certified seed potatoes," mainly of tablestock potatoes (tables 15 and 16).

Round white potatoes.--On the basis of responses to questionnaires sent to importers by the Commission during investigaton No. 332-140, the Commission estimated that round white potatoes accounted for 80 percent of U.S imports of fresh potatoes from Canada in 1979/80, 90 percent in 1980/81, and 72 percent of such imports in 1981/82. Indeed, the petitioners have used an average of the Commission's estimated percentages from investigation No. 332-140 to develop their data. However, Counsel for the parties in opposition to the imposition of antidumping duties provided confidential and nonconfidential submissions, based on data provided by Canadian exporters, indicating that the percentages of fresh round white potatoes compared with all fresh potatoes entering the Northeastern Region are well below the percentages estimated by the Commission during investigation No. 332-140; the Commission has prepared a summary table of the nonconfidential submissions (table 17). In addition, testimony presented at the June 1982 hearing indicated that about 70 percent of exports from Prince Edward Island consist of Russet Burbank potatoes. 1/ Since there are no official data on imports of round white potatoes, these data discrepancies will not be resolved easily. It may be possible to obtain more precise information by examining records of imports at principal U.S. Customs ports of entry. However, such an examination of records was not possible in the time available in the preliminary investigation. For the purposes of this investigation, the Commission used the percentages of round whites estimated in investigation No. 332-140, notwithstanding the fact that the percentages are based on responses to questionnaires accounting for between 19 and 36 percent of total U.S. imports from Canada. Utilizing these percentages, the number of round white potatoes imported into the Northeastern Region has been calculated as shown in the following table.

1/ Transcript of the June 30, 1982 hearing in Bangor, Maine, p. 407.

Total U.S. imports of fresh round white potatoes entering via customs districts in the Northeastern Region, 1979/80 to 1981/82

(In thousands of hundredweight)

Period	Total U.S. imports of fresh potatoes entering via Northeastern customs districs 1/	Estimated percent of imports that consists of round white potatoes 2/	Estimated imports of round white potatoes entering Northeastern customs districts	Estimated imports of round white potatoes into the Northeastern Region which remain in the region 3/
1979/80---	1,586	80	1,269	1,066
1980/81---	3,135	90	2,821	2,370
1981/82---	4,071	72	2,931	2,462
Oct.-Dec.:				
1981---	631	4/	4/	4/
1982---	587	4/	4/	4/

1/ See table 14.
2/ Based on information developed in USITC investigation No. 322-140.
3/ Based on U.S. Department of Agriculture data on unloads of Canadian potatoes, it was calculated that 84 percent of the Canadian potatoes that enter the Region remain in the Region.
4/ Not available.

Source: Official statistics of the U.S. Department of Commerce and as noted.

According to the estimates appearing in the above table, imports of round white potatoes into the Northeastern Region of the United States which remained in the region increased from 1.07 million hundredweight in 1979/80 to 2.37 million hundredweight in 1980/81, representing an increase of 174 percent, and increased by an additional 3.9 percent in 1981/82 to 2.46 million hundredweight.

Applying the estimated percentages (in the above tabulation) of round white imports to total U.S. imports of potatoes from Canada (table 14) yields estimated U.S. imports of round white potatoes of 1.5 million hundredweight in 1979/80, 3.5 million hundredweight in 1980/81, and 3.6 million hundredweight in 1981/82. Of these imports, the share of the round whites which remained in the Northeastern Region averaged 69 percent during the 1979/80 to 1981/82 period.

Market penetration of alleged LTFV sales

Regional consumption.--Estimated data on apparent consumption and the ratio of imports to consumption for round white potatoes in the northeastern region for crop years 1979/80 to 1981/82 appear in table 18. The table indicates that apparent consumption of round white potatoes in the Northeastern Region during all seasons decreased from 31.2 million hundredweight in 1979/80 to 30.0 million hundredweight in 1980/81, representing a decrease of 3.9 percent, then increased by 11.2 percent in 1981/82 to 33.4 million hundredweight. The ratio of imports to consumption increased from 3.4 percent in 1979/80 to 7.9 percent in 1980/81, then decreased to 7.4 percent in 1981/82. The share of consumption supplied by U.S. producers of round white potatoes located outside the region was 7.0 percent in 1981/82. However, approximately 93 percent of the round white potatoes supplied by U.S. producers from outside the Region consisted of round white potatoes marketed in the Region during the summer months; therefore, these supplies do not generally compete directly with fall-harvested round white potatoes produced in the Region, which are, largely, marketed during the winter months.

The apparent consumption of round white potatoes in the Northeastern Region during the fall-harvest season decreased from 29.1 million hundredweight in 1979/80 to 27.9 million hundredweight in 1980/81, or by 4.3 percent, but then increased by 11.9 percent in 1981/82 to 31.2 million hundredweight. The ratio of imports to consumption increased from 3.7 percent in 1979/80 to 8.5 percent in 1980/81, then decreased to 7.9 percent in 1981/82. The share of apparent consumption supplied during the fall-harvest season by U.S. producers of round white potatoes located outside the region was 0.5 percent in 1981/82. Nearly all the consumption of fall-harvest season round white potatoes in the region is supplied by potatoes produced in the region and by Canadian potatoes.

Unloads.--Unloads data 1/ for tablestock potatoes compiled in the current investigation for selected U.S. cities during crop years 1981/82 are presented in table 19. The table indicates the market share for tablestock potatoes of various States and of Canada in selected major U.S. cities and geographic areas. Since Northeastern Region States (Maine and New York) predominantly supply round white potatoes, the table also shows the distribution of the Region's round white potatoes. Moreover, data utilized in compiling the table indicate that 81 percent of the unloads of Northeastern-Region-produced tablestock potatoes remain in the region; 19 percent leave the region. If the cities of Baltimore-Washington are included in the region, then 94 percent of Northeastern-Region-produced tablestock unloads remain in the Region and only 6 percent leave the Region. If chipper potatoes and seed potatoes are also considered, then 80 percent of all Northeastern-Region-produced unloads remain in the Region (and 94.5 percent when including Baltimore-Washington). 2/

Table 20 supplies further data on unloads of fresh Canadian potatoes in selected U.S. cities. In terms of quantity of fresh potato unloads, Canada's principal U.S. city markets in 1981/82 were New York-Newark (280,000 hundredweight), Boston (210,000), and Philadelphia (130,000). Of the 789,000 hundredweight total of Canadian potatoes unloaded in all the cities appearing

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1/ Unloads data in this report pertain to all potato types.

2/ Tablestock potatoes accounted for 87 percent of all potato unloads (tablestock plus chipper plus seed) reported by the U.S. Department of Agriculture for crop year 1981/82.

in the table, 660,000 (or 84 percent) were unloads in major cities of the Northeastern Region (or 89 percent if Baltimore-Washington unloads are included in the Region). The Northeastern Region will probably continue to be the major destination of U.S. imports from Canada because high transportation costs make it unlikely that imports will make significant new inroads in markets outside the Northeastern Region. Nearly all of the reported unloads of fresh potatoes from Canada in major cities of the Northeastern Region consist of tablestock potatoes.

Table 21 supplies data on unloads of fresh potatoes from the Northeastern Region in the same U.S. cities. The Region's principal U.S. city markets in 1981/82 were New York-Newark (2.2 million hundredweight), Boston (1.0 million hundredweight), Philadelphia (876,000), and Baltimore-Washington (855,000). Of the 6.2 million hundredweight total of Maine potatoes unloaded in the cities appearing in the table, 80 percent were unloaded in major cities of the Northeastern Region, and the share would increase to 94 percent if Baltimore-Washington is included in the Region. Accordingly, major cities in the Northeastern Region are by far the principal destination of both Maine potatoes and Canadian potatoes among U.S. large city markets.

Monthly data have been compiled on unloads of tablestock potatoes in the two major cities (New York and Boston) of the Northeastern Region (tables 22 and 23). Salient data from tables 22 and 23 have been analyzed and are shown in the following tabulation for crop years 1980/81 and 1981/82 (in percent):

Crop year	North- eastern Region	Canada	North Central Region	Western Region and Other	Total
Unloads in New York City-Newark:					
1980/81	38.3	5.9	3.2	52.7	100
1981/82	49.6	5.9	3.9	40.7	100
Unloads in Boston:					
1980/81	49.1	8.0	1.5	41.4	100
1981/82	44.3	10.0	2.5	43.3	100

The unloads data indicate that in Boston, fresh potatoes from the Northeastern Region accounted for 49.1 percent of total unloads in 1980/81 and 44.3 percent of total unloads in 1981/82; unloads from Canada accounted for 8.0 percent of the total in 1980/81 and 10.0 percent of the total in 1981/82.

In New York City-Newark, fresh potatoes from Maine and other States in the Northeastern Region accounted for 38.3 percent of total unloads in 1980/81 and 49.6 percent of total unloads in 1981/82; unloads from Canada accounted for 5.9 percent of the total in both crop years.

Members of the Commission staff visited the Hunts Point Terminal Market in New York City during the course of this investigaton, and discussed unloads data and general consumption of potatoes in the New York City area with buyers, sellers, wholesalers, brokers, and members of the U.S. Department of Agriculture's Market News Service. Terminal markets are large, open-air produce markets with attached enclosed storage facilities. The Hunts Point Terminal Market is the largest such market in the New York City area and in the United States, and tends to be a price gauge for potatoes sold in the area. The wholesalers in the terminal markets generally cater to the restaurant trade, small retailers, repackers, and perhaps small chainstores: Canadian potatoes, especially Prince Edward Island potatoes, seemed to be predominantly round white potatoes, which are apparently preferred by buyers in these markets. Indeed, on some days the ratio of Canadian round whites to Maine round whites sold at the Hunts Point Terminal Market, according to * * * 1/ was as high as * * *. It was estimated by * * * 2/ that the terminal markets in the area account for not more than 50 percent of the fresh potatoes arriving in New York City. On the other hand, it was said that chainstores which are large buyers of fresh potatoes arriving in New York City tend to sell Maine or Long Island round whites rather than Canadian round whites, in part because the Maine and Long Island round whites may be less costly, are packaged at shipping points into 5-pound or 10-pound bags that are "baled" into 50-pound master containers, 3/ and because chainstores have special contacts with growers or dealers in the Northeastern Region that can assure a source of supply.

Prices

The market price of potatoes is especially sensitive to supply factors. Several studies have estimated the sensitivity of potato prices to changes in potato production. A 1967 USDA study found that a 1-percent increase in the production of tablestock potatoes would result in a 5-percent decrease in the retail price of potatoes. 4/ A 1981 USDA study found that a 1-percent increase in the production of Maine potatoes would lower the real farm price of tablestock potatoes by approximately 2 percent. 5/ An as yet unpublished study by Dr. Alan Kezis and Paul Fackler of the University of Maine found that a 1-percent increase in the production of Maine potatoes would change the price of Maine potatoes by 3.76 percent.

1/ * * *.

2/ * * *.

3/ Present available information indicates that most of the Canadian round white potatoes are imported packed loose in 50-pound bags, but it is also known that some importers repackage imported Canadian round white potatoes into 5-pound or 10-pound bags.

4/ Olman Hee, Demand and Price Analysis For Potatoes, U.S. Department of Agriculture, Technical Bulletin No. 1380, July 1967.

5/ Allen B. Paul, Kandice H. Kahl, and William G. Tomek, Performance of Futures Markets: The Case of Potatoes, U.S. Department of Agriculture, Technical Bulletin No. 1636, January 1981.

Throughout the United States, potatoes are priced in general at four levels. The first is the price to the grower paid by the shipper or dealer (some large growers, however, do their own shipping). The second level is called the shipping-point price, which the dealer or shipper receives from the city buyer. The third level is the wholesale market price, which the terminal-market wholesaler receives from jobbers, restaurants, and certain retail stores. The fourth level is the retail price, which the consumer pays to the retailer. The prices discussed in this section are the wholesale market prices of fall-harvested fresh potatoes, as reported daily by the Federal-State Market News Service, U.S. Department of Agriculture.

The physical characteristics of potatoes, the types of potatoes, and the packaging of potatoes can all affect prices significantly. Moreover, transportation costs play a major role in the pricing of potatoes. Prices of potatoes vary according to type of potato (russet, round red, round white, or long white), the grade or quality (U.S. extra No. 1, U.S. No. 1, U.S. commercial, or U.S. No. 2), size (size A, size B, Large, Medium, Small), the state of origin, and the type of package (count carton or sack). Unless otherwise stated, the wholesale prices discussed in this section are given for 50-pound sacks of round red, round white, and long white potatoes. Russet potato prices are given for 50-pound, 80 to 100 count cartons. 1/ The prices of different types of potatoes vary significantly. In January 1982, for instance, the monthly ranges of wholesale prices of Maine round whites sold in the New York City terminal market was $3.75 to $4.75. In the same month and the same market, the price ranges of Idaho russets, Minnesota round reds, and California long whites were $10.50 to $11.50, $6.00 to $7.00, and $13.00 to $14.00, respectively. These price data indicate, as do the studies cited, that russets, round reds, long whites, and round whites, each tend to have a distinct price range.

Prices for round white potatoes in the Northeastern Region

Northeastern-Region-produced round white potatoes and Canadian round white potatoes compete in the Northeastern Region's terminal markets and in other markets. Since Boston and New York City are two major large-city markets for round whites in the Northeastern Region, the wholesale market prices in the two cities can be used for price comparisons among round

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1/ Russet potatoes obtain a premium when packed in count cartons. The 80- to 100-count cartons contain 80 to 100 premium-sized russet potatoes that together weigh approximately 50 pounds. The potatoes that go into this carton are of a similar size. They are primarily bought in count cartons by restaurants for baking purposes.

whites. 1/ All monthly average wholesale prices are compiled from daily reports issued by the Federal-State Market News Service.

New York City.--The time series data for September 1979-February 1983 on prices of Maine round white potatoes in New York City indicate that prices tend to peak in June, when the crop year is ending (table 24). The monthly average price of the 1979/80 Maine crop began at $2.93 per sack (50 pounds) in October 1979 and reached $4.19 per sack in June 1980. When the 1980/81 crop was available in the market in October 1980, the price did not decline; indeed, the price was $5.50 in October 1980 and reached a peak of $8.04 in June 1981. The decline in national production of potatoes in the 1980/81 crop year was the most significant factor contributing to the increase in prices. In October 1981 when the 1981/82 fall crop was available, the price was sharply lower at $3.88. As in the previous crop year, the price climbed, and peaked at $5.55 in June 1982. In contrast, the price of 1982/83 Maine round white potatoes started at $3.13 in November 1982 but then decreased to $2.95 in January 1983. Based on daily reports issued in the first 2 weeks of February, the monthly average wholesale price of Maine round whites increased to $3.25 in February 1983.

Among round white potatoes, the bulk of Canadian round whites sold in New York City are Prince Edward Island round whites. Accordingly, for Canadian potatoes in New York City, the Federal-State Market News Service reports only round white prices of Prince Edward Island potatoes. 2/ During September 1979-February 1983, the monthly average wholesale prices of Prince Edward Island round whites were closely associated with the monthly average prices of Maine round whites in the New York City terminal market, although the Canadian Prince Edward Island potatoes tend to sell at slightly higher prices, allegedly because they are generally of a higher standard and are a more uniform size in each pack. Moreover, New York City wholesalers said that the reddish soil in which they are grown tend to make the Canadian potatoes more attractive than Maine round whites. The average price of these potatoes decreased from $3.34 per sack (50 pounds) in October 1979 to $3.04 in April 1980, when the average price of Maine potatoes was $2.63. The price of Canadian potatoes reached $8.75 in June 1981.

1/ The U.S. and Canadian standards for grades of potatoes are different. According to USDA specifications, U.S. No. 1, size A potatoes have a minimum diameter of 1-7/8 inches. In addition to the minimum size specified, a particular lot of potatoes designated as size A shall contain at least 40 percent of potatoes which are 2-1/2 inches in diameter or larger or 6 ounces in weight or larger. There is no maximum diameter requirement for size A, though maximum diameter requirements are specified for four other sizes under U.S. No. 1 grade. Canadian No. 1 has both minimum and maximum requirements, which are 2-1/4 and 3-1/2 inches, respectively. The more lenient U.S. standards allow for greater size variation in packages and permits smaller, and presumably less desirable potatoes to be included in packages than the Canadian standards.

2/ Unless otherwise stated, prices of Canadian potatoes refer to potatoes from Prince Edward Island.

During September 1979-February 1983, the monthly average wholesale prices of round whites from Long Island ranged from a low of $2.63 in December 1979 to a high of $6.88 in April 1981. Like those of Canadian and Maine potatoes, high average prices for Long Island potatoes were reported in 1980/81. The average prices of the 1982/83 Long Island crop to date have ranged between $3.08 (November 1982) and $3.38 (February 1983). Even though the price data for Long Island potatoes are for washed potatoes, these prices are below the price of the unwashed Canadian round whites in the terminal market. The prices of the Long Island and Maine round whites were fairly close to each other.

Boston.--Wholesale prices of Canadian and Maine round whites in Boston tend to be 5 to 10 percent lower than wholesale prices in New York City due, in part, to lower transportation charges. The pattern of changes in the monthly average wholesale prices of Maine round whites in Boston is similar to the price pattern in New York City. During the period 1979/80-1981/82, the average price began at $2.95 in October 1979 and reached a peak of $7.00 in June 1981 (table 25). When the 1981/82 crop entered the wholesale market in September 1981, the price decreased to $4.03. During 1982/83, the price declined sharply from $4.88 in September 1982 to $2.38 in February 1983.

Generally, Prince Edward Island round whites were priced higher than other round whites in Boston. During the 1979-83 period, the monthly average wholesale price for Prince Edward Island potatoes rose from $3.33 in October 1979 to a record high level of $7.67 in May 1981. 1/ The rapid increases in the average prices in 1980/81 in Boston, as in New York, were caused by the reduction in U.S. production. The upward price pressures were eased in September 1981 when the 1981/82 fall crop entered the market. The price declined to $3.84 in January 1982 and then rose to $5.00 in June 1982. During 1982/83, the price decreased from $4.50 in September 1982 to $3.50 in February 1983. 2/

The market share of Long Island potatoes in Boston is relatively small. In 1982, for instance, the market shares of Maine, Canadian, and Long Island potatoes, as a percent of total unloads by truck in Boston were 37.3 percent, 11.3 percent, and 1.4 percent, respectively. 3/ Accordingly, the prices of Long Island potatoes in Boston are not always available. Except in September 1982, the average prices of Long Island potatoes were higher than those of Maine potatoes. The prices of Long Island potatoes were even higher than those of Canadian potatoes in November 1979 and October and November 1982.

The average margin of underselling or overselling of Canadian round white potatoes sold in Boston and New York City (e.g., the difference in monthly average wholesale prices between Canadian and Maine potatoes) is shown in

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1/ The average price in June 1981 is not available.

2/ The prices in February 1983 were averaged from daily reports issued in the first 2 weeks of the month.

3/ Boston Fresh Fruit and Vegetable Wholesale Market Prices and Unloads 1982, Federal-State Market News Service. The total unloads in Boston in 1982 were 2.2 million hundredweight.

table 26 and figures 1 and 2. During the September 1979 to February 1983 period, Canadian round whites sold at the New York City terminal market were priced above the monthly average wholesale price of Maine potatoes in all months. The margins of overselling ranged from a high of 35.6 percent, or $1.05 per sack, in January 1983 to a low of 0.5 percent, or $0.03 per sack, in October 1980. Canadian round whites sold at the Boston terminal market also were priced above the monthly average wholesale price of Maine potatoes, except in May and September 1982. The margins of overselling ranged from a high of 80.3 percent, or $2.37 per sack, in June 1980 to a low of 2.1 percent, or $0.13 per sack, in January 1981.

The petition alleges that LTFV sales of Canadian round white potatoes have suppressed and depressed round white prices in the Northeastern Region. Prices of all round white potatoes (including Canadian) in the Region have decreased since the 1980/81 crop year and are currently well below the unusually high levels of crop year 1980/81 (tables 24 and 25). According to industry sources, current wholesale prices, as well as prices received by growers, are quite low and round white growers in Maine and possibly in other areas are forced to sell below their cost of production. 1/ Certain industry sources argue that increased Canadian imports in the past several years may have played a role in reducing prices, given the sensitivity of potato prices. 2/ In general, competition in the round white market in the Northeastern Region, not only from Canada but also among the northeastern round whites, has tended to keep prices low.

Lost sales

The Commission received allegations of sales lost to 20 customers of round white potatoes. The staff contacted 6 of these customers. A summary of each of the 6 customers' purchases of round white potatoes is presented below:

1. This customer purchases potatoes directly from the farmer, and packs and sells the product to chain stores. This firm handles the round white varieties * * * russet varieties * * *.

2. This * * *, located in * * *. According to a spokesman for the firm, 95 percent of its business is in the russet varieties and 5 percent is in the round white varieties. This firm purchases * * * its round white requirements from U.S. sources.

3. This potato broker, located in * * *, purchases about * * * loads of potatoes a year. This customer primarily handles potatoes which are * * *. According to a spokesman for the firm, he imports approximately * * * loads a year of special varieties of seed potato which are unavailable from U.S. sources.

1/ Based on the statement of * * *.
2/ Conversations by the Commission staff with * * * in March 1983.

4. This firm, located in * * *, buys, packs, and ships potatoes, 98 to 99 percent of which are the russet varieties. The firm has just begun this year to handle small quantities of the round white varieties, * * * are U.S. grown.

5. This * * * packs his own product and acts as a broker for * * *. He also * * *. The quantity of * * * has not increased in recent years. According to this * * *, he lost sales in March 1982 in the * * * to imports from Canada.

6. This * * * also buys, packs, and ships potatoes grown by * * *. He does not handle Canadian round whites, although he did purchase some seed potatoes from Canada in the past. A spokesman for the firm could not provide specific instances in which he lost sales to imports from Canada. He said, however, that the large quantity of imported round white potatoes on the market tends to depress all round white prices.

U.S.-Canadian-currency exchange rates

General exchange-rate information.--During January 1, 1977, to January 1, 1983, the Canadian dollar depreciated by 18.3 percent vis-a-vis the U.S. dollar. At the beginning of 1977, the Canadian dollar was worth 0.9909 U.S. dollars, but by January 1979, it was worth only .8432 dollars, representing a fall of 14.9 percent. By January 1, 1981, the Canadian dollar had depreciated an additional 0.7 percent to .8370 U.S. dollars, and by January 1, 1983, it had depreciated further by 3.2 percent to .8098 U.S. dollars. Movements of the Canadian dollar vis-a-vis the U.S. dollar for January 1, 1977, to January 1, 1983, are seen in the following tabulation:

Year	Exchange rate	Percentage change of the Canadian dollar from previous year
	U.S. dollars per Canadian dollar	
1977	.9909	-
1978	.9137	-7.79
1979	.8432	-7.72
1980	.8561	+1.53
1981	.8370	-2.23
1982	.8439	+0.82
1983	.8098	-4.04

Data have been gathered on the two countries' consumer price indexes. Although the consumer price indexes for the two countries are computed in different ways, the evidence suggests that changes in the U.S. dollar/Canadian dollar exchange rate have not been fully offset by differences in inflation. Thus, Canadian goods in general have become more competitive with U.S. goods.

Effect of exchange rates on U.S. Canadian trade in potatoes.--Between 1977 and 1981, a period during which the Canadian dollar depreciated vis-a-vis the U.S. dollar by 15.5 percent, the amount of Canadian potatoes imported by the United States increased from 1.06 million hundredweight to 3.92 million hundredweight, representing an increase of 270 percent. Although this increase may be due in part to the gain in Canadian competitiveness that resulted from the change in exchange rates, it is likely that other factors have also contributed to an increase of such magnitude. Indeed, imports increased substantially during 1979-82 when exchange rates were relatively stable. Nevertheless, exchange rates can contribute to Canadian competitiveness in potatoes.

The depreciation of the Canadian dollar increases the competitiveness of Canadian potatoes in the United States if the exchange-rate change has lowered the U.S. dollar costs of producing potatoes in Canada. If the U.S. dollar cost of producing potatoes in Canada is lowered by the exchange-rate change, Canadian growers could earn higher profits after the depreciation than before by selling potatoes in the United States. As a result, more Canadian potatoes would probably come into the U.S. market.

If U.S. and Canadian potato growers purchased all of their inputs from the same sources, an exchange-rate change would have no effect on their competitiveness because their relative costs of production would be the same. An exchange-rate change will only affect the competitiveness of Canadian potatoes in the United States if U.S. and Canadian potato growers purchase some inputs from local sources; only then would the relative costs of production change.

Discussions with industry representatives suggest that U.S. and Canadian growers purchase some inputs, such as tractors and fertilizers, from the same sources, and therefore have the same U.S. dollar costs for these products regardless of exchange-rate changes. Other inputs, such as seed and labor, however, are generally purchased from local sources. Exchange-rate changes would affect the relative prices of these inputs. This suggests that the change in the U.S. dollar/Canadian dollar exchange rate since 1977 has increased the competitiveness of Canadian potatoes in the United States relative to 1977, but the percent of depreciation of the Canadian dollar since 1977 probably overstates the gain in competitiveness that Canadian potato growers have enjoyed due to exchange-rate changes alone.

Consideration of the Question of Material Injury Nationwide

This section of the report examines the evidence concerning the possibility of material injury to the U.S. potato industry on a nationwide basis. However, the petitioner alleges material injury, or the threat thereof, only to the fall-harvested round white potato industry in the Northeastern Region of the United States. The data in this section pertain to all potatoes, although mention of round white potatoes is made where data or estimates on round whites are available.

U.S. production

Potatoes are grown commercially in nearly every State, although most production is concentrated in three principal regions of the United States: the Northeast, the North Central States, and the West. The farm value of U.S. production of the 1981 potato crop (latest data available) was $1.82 billion, a decrease of 8.0 percent from the $1.98 billion farm value of the relatively small 1980 crop (table 27).

U.S. production (harvested) of potatoes increased from 302.9 million hundredweight in 1980 to 338.6 million hundredweight in 1981, or by 11.8 percent. Production increased an additional 3.2 percent in 1982 to 349.3 million hundredweight. Approximately 87 percent of U.S. production of potatoes during 1979-82 consisted of "fall-harvested" potatoes.

The Western Region (principally Idaho, Washington, and Oregon) is by far the principal producer of fall-harvested potatoes, accounting for 62 percent of such production in 1981/82. The North Central Region accounted for 22 percent of U.S. fall-harvested potato production in 1981/82, and the Northeastern Region accounted for 16 percent of such production.

Utilization

Approximately 83 percent of the U.S. potato crop during 1979/80 to 1981/82 was sold for human food; of the remainder, most went for shrinkage and loss and for seed; some went to other uses such as commercial livestock feed (table 28). Of the 83 percent of the U.S. potato crop sold for human food, approximately 60 percent was used for processing and approximately 40 percent was used for tablestock. Additional data, moreover, indicate that among potatoes used for human food, there has been a long-term shift away from tablestock use in favor of processing; this shift from tablestock to processing would appear to benefit producers of the russet potato more than producers of round whites because the russet potato is the primary type used for processing.

U.S. shipments

U.S. shipments of fresh potatoes increased from 122.4 million hundredweight in 1979/80 to 123.9 million hundredweight in 1980/81, or by 1.2 percent (table 29). In 1981/82, shipments increased 3.1 percent to 127.7 million hundredweight. However, preliminary shipments data for September 1982 to February 1983 (59.8 million hundredweight) were 1.6 percent below the shipments total for the corresponding period in the previous crop year (60.7 million hundredweight).

The principal outlet for recorded U.S. shipments 1/ of potatoes is tablestock; indeed, tablestock accounted for 80.7 percent of total shipments

1/ Shipments of fresh potatoes are recorded by the U.S. Department of Agriculture, Market News Service.

in 1980/81 and for 79.6 percent in 1981/82. Recorded potato shipments to potato chip manufacturers accounted for 13.8 percent of total shipments in 1980/81 and for 14.3 percent in 1981/82, and potatoes used for seed accounted for 5.5 percent of total shipments in 1980/81 and for 6.1 percent in 1981/82.

U.S. exports

U.S. exports of fresh potatoes averaged 2.5 million hundredweight during 1979-82 (calendar years), of which 87 percent went to Canada (table 30). During this period, the range in volume of all exports was from 2.0 million hundredweight in 1980 to 2.8 million hundredweight in 1979 and 1981, indicating no discernible trend. The value of all exports, however, increased from $16 million in 1979 to $37 million in 1981, and then declined to $27 million in 1982. During 1979, the average unit value of fresh potato exports was $5.87 per hundredweight, which increased to $13.22 per hundredweight in 1981, and declined to $11.94 per hundredweight in 1982. Nearly the same quantity of potatoes was exported in 1981 when the average price was more than $13 per hundredweight, as was exported in 1979 when the average price was less than $6 per hundredweight. Monthly data, by crop year, of U.S. exports of fresh potatoes to Canada are shown in table 31; these data show that most of the exports occur in the spring and summer months.

U.S. inventories

Until fall-harvested potatoes are shipped to market, they are generally held in storage by growers, processors, and local dealers. Holdings of fall-harvested potatoes are at their highest level in December, immediately after the harvest. As the crop year progresses, potato stocks are drawn down. Potatoes cannot be stored indefinitely and, consequently, stocks are usually disposed of by May or June, but by no later than the end of the crop year. The U.S. Department of Agriculture estimates that stocks of potatoes of all types on December 1, 1982, in 15 major fall potato States were nearly 202 million hundredweight, or about 69 percent of 1982 fall production (table 32). This level was 4.6 percent higher than the December 1, 1981, level, 17.5 percent higher than the December 1, 1980, level, and less than one-half of 1 percent higher than the December 1, 1979, level. Of the U.S. fall-harvested potato inventories held on December 1, 1982, 63 percent were in Western States, 21 percent were in North Central States, and 16 percent were in Northeastern States. The States that generally hold the highest share of their annual production in storage on December 1--75 percent or more--are Maine, Minnesota, and Idaho.

U.S. employment

It is estimated that there are 25,000 potato growers in the United States. During the previous investigation, No. 332-140, questionnaires were sent to approximately 1,000 growers, requesting information on full-time and part-time employment on their farms during 1976/77 to 1981/82. Approximately 40 of the questionnaires received contained useful information on full-time employees; 30 of these questionnaires were received from the Northeastern

Region, 6 from the North Central Region, and 4 from the Western Region. Appropriate data on employment in the Northeastern Region appear in the section of this report entitled "Regional employment". However, sufficient data were not received from other regions of the United States to provide useful employment data on the nationwide potato industry.

Consideration of the Question of Threat of Material Injury Nationwide

Capacity of Canada to increase exports of potatoes

Exports of fresh potatoes from Canada to all markets increased from 3.59 million hundredweight in 1979 to 5.59 million hundredweight in 1980 and 5.88 million hundredweight in 1981 (table 5), for increases of 53 percent and 7 percent, respectively. Exports from Canada to the United States (on the basis of Canadian official statistics) increased from 1.51 million hundredweight in 1979 to 2.14 million hundredweight in 1980 and 3.78 million hundredweight in 1981, for increases of 42 and 76 percent, respectively.

Although official statistics of exports of fresh potatoes from Canada differ somewhat from U.S. official statistics of U.S. imports of fresh potatoes from Canada, the increasing trend of Canadian exports of potatoes to the United States is apparent in both sets of data. Further data on capacity to export, such as data on production and acreage trends in Canada, are available in this report's section entitled "The Canadian Industry".

Importers' inventories

Importers of fresh potatoes do not generally hold inventories as that function is primarily fulfilled by growers, shippers, or dealers.

Consideration of the Question of the Causal Relationship Between Alleged LTFV Imports and Injury Nationwide

U.S. imports

U.S imports of all fresh potatoes (virtually all of which are from Canada) during 1979/80 to 1981/82 increased in both volume and value, from 1.72 million hundredweight, valued at $7.8 million, in 1979/80 to 5.0 million hundredweight, valued at $32.2 million, in 1981/82 (table 33). The percentage increase in the volume of imports over the respective preceding years was 132 percent in 1980/81 and 25 percent in 1981/82. The especially significant increase in U.S. imports during 1980/81 was concurrent with high U.S. prices during the 1980/81 crop year owing presumably to decreased U.S. production in that year. Estimated imports from Canada of round white potatoes have more than doubled from 1.5 million hundredweight in 1979/80 to 3.57 million hundredweight in 1981/82.

Of the 3.28 million hundredweight increase in imports between crop years 1979/80 and 1981/82, imports of fresh potatoes other than seed accounted for 2.51 million (or 77 percent) of the increase (table 34). Imports of seed potatoes increased from 0.60 million hundredweight in 1979/80 to 1.57 million hundredweight in 1980/81, but then decreased by 13.4 percent to 1.36 million hundredweight in 1981/82 (table 35).

Imports by customs districts

During crop years 1979/80 to 1981/82, 82 percent of U.S. imports of fresh potatoes were entered through customs districts in the Northeastern Region, especially through Portland, Maine (table 14). Of the imports of fresh potatoes entering through the Northeastern Region's customs districts, approximately 84 percent ultimately remained in the region. Approximately 92 percent of the entries via Northeastern customs districts occurred during the October-June period.

Data obtained from questionnaire responses received during an earlier investigation, No. 332-140, indicate that between 72 and 90 percent of U.S. imports of fresh potatoes during 1979/80 to 1981/82 consisted of round white potatoes. However, data presented at the June 1982 hearing in Bangor, Maine indicated that about 70 percent of Prince Edward Island's potato exports consist of russet-type potatoes, and 75 to 80 percent of the potatoes grown in New Brunswick are the Russet Burbank variety. 1/

Imports by quota category

U.S. imports of fresh potatoes are classified under four TSUS items for quota purposes, depending on whether they are imported as certified seed potatoes within quota (TSUS item 137.20) or over quota (TSUS item 137.21), and as potatoes other than certified seed within quota (TSUS item 137.25) or over quota (TSUS 137.28). 2/ Potatoes generally enter under TSUS item 137.25 during the first 2 or 3 months of the quota year, by which time the quota of 450,000 hundredweight has been filled in each of the quota years since 1979. After the quota is filled, imports of potatoes generally enter under the higher-duty over quota TSUS item 137.28, or, as in recent years, under the provision for certified seed potatoes within quota (TSUS item 137.20). 3/ The majority of the imports under TSUS items 137.20 and 137.28 tend to enter during the months of December through June.

Market penetration of alleged LTFV imports

U.S. consumption.--Apparent U.S. consumption of all potatoes decreased from 312.2 million hundredweight in 1979/80 to 281.1 million hundredweight in

1/ Transcript of the June 30, 1982 hearing in Bangor, Maine, p. 407.
2/ The quota year is from Sept. 15 to the following Sept. 14.
3/ A seed use restriction was placed on imports of certified seed potatoes in January 1983 by P.L. 97-466.

1980/81, or by 10.0 percent, and then increased by 12.2 percent in 1981/82 to 315.5 million hundredweight (table 36). The ratio of imports to consumption increased from 0.6 percent in 1979/80 to 1.4 percent in 1980/81 and 1.6 percent in 1981/82. The estimated apparent U.S. consumption for fall-harvested round white potatoes was 70.5 million hundredweight in 1979/80 and was 72.1 million hundredweight in 1981/82; the ratio of estimated imports to consumption increased from 2.1 percent in 1979/80 to 5.0 percent in 1981/82.

U.S. prices

Prices of potatoes vary significantly from city to city across the United States, depending on geographical proximity to production areas and on the type and characteristics of potatoes demanded and marketed within each area.

Price data collected on all types of potatoes show major price differences for the same potato type, depending on the city. Table 37 shows the monthly price ranges of wholesale prices for round white potatoes in selected cities. The table indicates, as expected, that prices for round whites vary from city to city, but also that prices in each of the cities tended to be lower in the 1981/82 crop year than they were in the 1980/81 crop year. Other data collected indicate that potato prices for potatoes other than round whites have their own price levels.

APPENDIX A

NOTICE OF THE COMMISSION'S INSTITUTION OF A PRELIMINARY ANTIDUMPING INVESTIGATION

7822 Federal Register / Vol. 48, No. 38 / Thursday, February 24, 1983 / Notices

[Investigation No. 731-TA-124 (Preliminary)]

Fresh Potatoes From Canada

AGENCY: International Trade Commission.

ACTION: Institution of a preliminary antidumping investigation and scheduling of a conference to be held in connection with the investigation.

EFFECTIVE DATE: February 9, 1983.

SUMMARY: The United States International Trade Commission hereby gives notice of the institution of a preliminary antidumping investigation under section 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1673b(a)) to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports from Canada of fresh or chilled round white potatoes, provided for in items 137.20, 137.21, 137.25, or 137.28 of the Tariff Schedules of the United States, which are alleged to be sold in the United States at less than fair value.

FOR FURTHER INFORMATION CONTACT: Mr. George Deyman, Office of Investigations, U.S. International Trade Commission, 701 E Street NW., Washington, D.C. 20436, telephone 202-523-0481.

SUPPLEMENTARY INFORMATION:

Background.—This investigation is being instituted in response to a petition filed on February 9, 1983, on behalf of the Maine Potato Council, a trade association of Maine potato producers. The Commission must make its determination in the investigation within 45 days after the date of the filing of the petition, or by March 28, 1983 (19 CFR 207.17).

Participation.—Persons wishing to participate in this investigation as parties must file an entry of appearance with the Secretary to the Commission, as provided for in § 201.11 of the Commission's Rules of Practice and Procedure (19 CFR 201.11), not later than seven (7) days after the publication of this notice in the Federal Register. Any entry of appearance filed after this date will be referred to the Chairman, who shall determine whether to accept the late entry for good cause shown by the person desiring to file the notice.

Service of documents.—The Secretary will compile a service list from the entries of appearance filed in the investigation. Any party submitting a document in connection with the investigation shall, in addition to complying with § 201.8 of the Commission's rules (19 CFR 201.8, as amended by 47 FR 13791, Apr. 1, 1982), serve a copy of the nonconfidential version of each such document on all other parties to the investigation. Such service shall conform with the requirements set forth in § 201.16(b) of the rules (19 CFR 201.16(b)), as amended by 47 FR 33682, Aug. 4, 1982).

In addition to the foregoing, each document filed with the Commission in the course of this investigation must include a certificate of service setting forth the manner and date of such service. This certificate will be deemed proof of service of the document. Documents not accompanied by a certificate of service will not be accepted by the Secretary.

Written submissions.—Any person may submit to the Commission on or before March 9, 1983, a written statement of information pertinent to the subject matter of this investigation (19 CFR 207.15). A signed original and fourteen (14) copies of such statements must be submitted (19 CFR 201.8, as amended by 47 FR 13791, Apr. 1, 1982).

Any business information which a submitter desires the Commission to treat as confidential shall be submitted separately, and each sheet must be clearly marked at the top "Confidential Business Data." Confidential submissions must conform with the requirements of § 201.6 of the Commission's rules (19 CFR 201.6). All written submissions, except for confidential business data, will be available for public inspection.

Conference.—The Director of Operations of the Commission has scheduled a conference in connection with this investigation for 9:30 a.m., on March 7, 1983, at the U.S. International Trade Commission Building, 701 E Street NW., Washington, D.C. Parties wishing to participate in the conference should contact the staff investigator, Mr. George Deyman (202-523-0481), not later than March 3, 1983, to arrange for their appearance. Parties in support of the imposition of antidumping duties in the investigation and parties in opposition to the imposition of such duties will each be collectively allocated one hour within which to make an oral presentation at the conference.

Public inspection.—A copy of the petition and all written submissions, except for confidential business data, will be available for public inspection during regular business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 701 E Street NW., Washington, D.C.

For further information concerning the conduct of this investigation and rules of general application, consult the Commission's Rules of Practice and Procedure, part 207, subparts A and B (19 CFR part 207, as amended by 47 FR 33682, Aug. 4, 1982), and part 201, subparts A through E (19 CFR part 201, as amended by 47 FR 13791, Apr. 1, 1982, and 47 FR 33682, Aug. 4, 1982). Further information concerning the conduct of the conference will be provided by Mr. Deyman.

This notice is published pursuant to § 207.12 of the Commission's rules (19 CFR 207.12).

Issued: February 17, 1983.

Kenneth R. Mason,

Secretary.

[FR Doc. 83-4703 Filed 2-23-83; 8:45 am]

BILLING CODE 7020-02-M

APPENDIX B

NOTICE OF THE DEPARTMENT OF COMMERCE'S INSTITUTION OF AN ANTIDUMPING INVESTIGATION

Federal Register / Vol. 48, No. 46 / Tuesday, March 8, 1983 / Notices 9677

DEPARTMENT OF COMMERCE

International Trade Administration

Initiation of Antidumping Investigation; Fall-Harvested Round White Potatoes From Canada

AGENCY: International Trade Administration, Commerce.

ACTION: Initiation of Antidumping Investigation.

SUMMARY: On the basis of a petition filed with the United States Department of Commerce, we are initiating an antidumping investigation to determine whether fall-harvested round white potatoes from Canada are being, or are likely to be, sold in the United States at less than fair value. We are notifying the United States International Trade Commission (ITC) of this action so that it may determine whether there is a reasonable indication that imports of fall-harvested round white potatoes from Canada are materially injuring, or are threatening to materially injure, a United States industry. The allegations of sales at less than fair value include an allegation that home market sales are being made at less than the cost of production in Canada. Also, critical circumstances have been alleged under section 733(e) of the Act. If the investigation proceeds normally, the ITC will make its preliminary determination on or before March 28, 1983, and we will make ours on or before July 19, 1983.

EFFECTIVE DATE: March 7, 1983.

FOR FURTHER INFORMATION CONTACT: Vincent Kane or Terry Link, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230; telephone (202) 377–5414 or 377–0189.

SUPPLEMENTARY INFORMATION:

Petition

On February 9, 1983, we received a petition filed by counsel on behalf of the Maine Potato Council. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleges that imports from Canada of fall-harvested round white potatoes are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (19 U.S.C. 1673) (the Act) and that these imports are materially injuring, or are threatening to materially injure, a United States industry. The allegations of sales at less than fair value include an allegation that home market sales are being made at less than the cost of production in Canada. Also, critical circumstances have been alleged under secion 733(e) of the Act.

The allegation of sales at less than fair value is supported by comparisons of United States prices based on published ex-farm prices on sales of merchandise in the United States with published Montreal market prices on sales made in Canada. In addition, the allegation of sales at less than fair value is further supported by comparing the United States price with the constructed value as developed by the petitioner from published information.

There is also an allegation of sales at less than the cost of production. The cost of production was based on published information.

Initiation of Investigation

Under section 732(c) of the Act, we must determine, within 20 days after a petition is filed, whether a petition sets forth the allegations necessary for initiation of an antidumping investigation and whether it contains information reasonably available to the petitioner supporting the allegations. We have examined the petition on fall-harvested round white potatoes and have found that it meets these requirements.

Therefore, in accordance with section 732 of the Act, we are initiating an antidumping investigation to determine whether fall-harvested round white potatoes from Canada are being, or are likely to be, sold in the United States at less than fair value and whether critical circumstances exist. If the investigation proceeds normally, we will make our preliminary determination by July 19, 1983.

Scope of Investigation

For purposes of this investigation, the term "fall-harvested round white potatoes" covers fall-harvested fresh or chilled round white potatoes as currently classifiable under items 137.20, 137.21, 137.25, or 137.28 of the *Tariff Schedules of the United States.*

Notification of ITC

Section 732(d) of the Act requires us to notify the ITC of this action and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also allow the ITC access to all privileged and confidential information in our files, provided that the ITC confirms it will not disclose such information either publicly or under an administrative protective order without the written consent of the Deputy Assistant Secretary for Import Administration.

Preliminary Determination by ITC

The ITC will determine by March 28, 1983, whether there is a reasonable indication that imports of fall-harvested round white potatoes from Canada are materially injuring, or are threatening to materially injure, a United States industry. If its determination is negative, this investigation will terminate; otherwise, the investigation will continue according to statutory procedures.

Gary N. Horlick,
Deputy Assistant Secretary for Import Administration.
February 28, 1983.

[FR Doc. 83–5731 Filed 3–4–83; 8:45 am]
BILLING CODE 3510–25–M

APPENDIX C

LIST OF WITNESSES APPEARING AT THE PUBLIC CONFERENCE

CALENDAR OF PUBLIC CONFERENCE

Investigation No. 731-TA-124 (Preliminary)

CERTAIN FRESH POTATOES FROM CANADA

Those listed below appeared as witnesses at the United States International Trade Commission conference held in connection with the subject investigation on Monday, March 7, 1983, in the hearing room of the USITC Building, 701 E Street, NW, Washington, D.C.

In support of the imposition of antidumping duties

Law offices of Holland & Knight--Counsel 1/
Washington, D.C.
on behalf of
The Maine Potato Council

Dorothy Kelley, Executive Vice President, The Maine Potato Council
Stanley Greaves, Executive Director, Maine Potato Sales Association

Thomas A. Rothwell, Jr.)
Alfred G. Scholle)--OF COUNSEL

1/ On March 9, 1983, the Commission was informed that Counsel will continue to represent the Maine Potato Council under the style of Heron, Burchette, Ruckert & Rothwell.

In opposition to the imposition of antidumping duties

Law offices of Williams & Ince--Counsel
Washington, D.C.
on behalf of
The Canadian Horticultural Council

Walter Kroeker, A.A. Kroeker & Sons
William Damen, Executive Secretary, Canadian Horticultural Council
Gary Hatfield, Gary H. Hatfield, Ltd.
John Robinson, Eric Robinson, Inc.
Norman Clarey, Chairman, Prince Edward Island Potato Marketing Board
William E. Wright, Executive Vice President, Willking International

William Ince)
Ann Ottoson King)--OF COUNSEL

APPENDIX D

STATISTICAL TABLES

Table 1.--Potatoes: Canadian production, by regions and by Provinces, crop years 1979/80 to 1982/83

(In thousands of hundredweight)

Region and Province	1979/80	1980/81	1981/82	1982/83
Eastern Canada:				
Prince Edward Island	15,195	13,025	16,192	17,250
New Brunswick	13,016	11,589	13,246	12,798
Quebec	9,747	8,494	7,535	8,532
Other Maritime 1/	830	809	866	964
Total	38,788	33,917	37,839	39,544
Central Canada:				
Ontario	9,225	8,063	8,602	8,485
Manitoba	6,216	6,301	6,871	5,807
Saskatchewan	316	323	388	494
Total	15,757	14,687	15,861	14,786
Western Canada:				
Alberta	3,825	4,096	3,801	4,230
British Columbia	2,486	1,920	1,653	2,070
Total	6,311	6,016	5,454	6,300
Grand total	60,856	54,620	59,155	60,630

1/ Newfoundland and Nova Scotia.

Source: Compiled from official statistics of Statistics Canada.

Note.--Because of rounding, figures may not add to the totals shown.

Table 2.--Potatoes: Canadian acreage planted, by regions and by Provinces, crop years 1979/80 to 1982/83

(In thousands of acres)

Region and Province	1979/80	1980/81	1981/82	1982/83
Eastern Canada:				
Prince Edward Island	61	56	64	69
New Brunswick	56	52	54	54
Quebec	47	45	42	44
Other Maritime 1/	5	5	5	5
Total	169	158	165	172
Central Canada:				
Ontario	45	41	39	39
Manitoba	37	40	41	40
Saskatchewan	2	2	2	3
Total	84	82	82	82
Western Canada:				
Alberta	17	16	17	18
British Columbia	10	8	9	9
Total	27	24	26	27
Grand total	280	264	273	280

1/ Newfoundland and Nova Scotia.

Source: Compiled from official statistics of Statistics Canada.

Note.--Because of rounding, figures may not add to the totals shown.

Table 3.--Potatoes: Canadian production, exports, imports, cullage and loss, and apparent consumption, 1976-81

(In thousands of hundredweight)

Year	Production	Exports	Imports	Cullage and loss 1/	Apparent consumption
1976	51,708	5,168	4,381	5,700	45,220
1977	54,969	4,080	5,567	9,000	47,456
1978	55,517	3,093	3,670	9,100	46,994
1979	60,856	3,587	3,736	15,000	46,005
1980	54,620	5,499	2,501	10,100	41,522
1981	59,155	5,883	3,580	10,900	45,952

1/ Estimated from the average percent of cullage and loss for production in Prince Edward Island and New Brunswick for 1976-80. Data for 1981 were estimated from 1980 data.

Source: Compiled from official statistics of Statistics Canada, except as noted.

Table 4.--Fresh potatoes: Canadian stocks held by regions and by Provinces, Nov. 1 of 1979-81

(In thousands of hundredweight)

Region	Nov. 1-- 1979	1980	1981
Eastern Canada:			
Prince Edward Island	13,490	10,949	13,111
New Brunswick	10,624	9,796	10,403
Quebec	4,152	4,480	4,605
Other	497	449	425
Total	28,763	25,674	28,544
Central Canada:			
Ontario	4,443	3,812	3,459
Manitoba	5,530	5,240	5,460
Saskatchewan	165	173	254
Total	10,138	9,225	9,173
Western Canada:			
Alberta	2,917	3,259	2,844
British Columbia	1,790	1,100	747
Total	4,707	4,359	3,591
Grand total	43,608	39,258	41,308

Source: Compiled from official statistics of Statistics Canada.

Table 5.--Fresh potatoes, seed and other than seed: Canadian exports to the United States and to other markets, 1979-81

(In thousands of hundredweight)

Market	1979	1980	1981
	Quantity (1,000 hundredweight)		
United States 1/	1,506	2,143	3,778
All other	2,082	3,447	2,107
Total	3,588	5,590	5,885
	Value (1,000 dollars, Canadian)		
United States 1/	7,968	15,948	38,186
All other	14,278	25,911	20,872
Total	22,246	41,859	59,058
	Unit value (cents per pound)		
United States 1/	5.3	7.4	10.1
All other	6.9	7.5	9.9
Total	6.2	7.5	10.0

1/ Includes Puerto Rico.

Source: Compiled from official statistics of Statistics Canada.

Table 6.--Seed potatoes: Canadian exports, by principal markets, 1979-81

Market	1979	1980	1981
	Quantity (1,000 hundredweight)		
United States 1/	528	791	1,456
Venezuela	243	521	512
Cuba	143	305	411
Uruguay	242	429	182
All other	911	1,054	426
Total	2,068	3,100	2,986
	Value (1,000 dollars, Canadian)		
United States 1/	3,040	5,177	15,288
Venezuela	2,205	4,892	5,999
Cuba	981	2,153	2,985
Uruguay	1,744	4,016	2,045
All other	6,855	9,197	5,305
Total	14,825	25,435	31,622
	Unit value (cents per pound)		
United States 1/	5.8	6.5	10.5
Venezuela	9.1	9.4	11.7
Cuba	6.9	7.1	7.3
Uruguay	7.2	9.4	11.2
All other	7.5	8.7	12.4
Total	7.2	8.2	10.6

1/ Includes Puerto Rico.

Source: Compiled from official statistics of Statistics Canada.

Table 7.--Fresh potatoes, other than seed: Canadian exports, by principal markets, 1979-81

Market	1979	1980	1981
	Quantity (1,000 hundredweight)		
United States 1/	978	1,352	2,322
Trinidad-Tobago	319	329	325
Venezuela	0	175	149
All other	224	634	102
Total	1,519	2,489	2,897
	Value (1,000 dollars, Canadian)		
United States 1/	4,928	10,771	22,898
Trinidad-Tobago	1,474	1,923	2,434
Venezuela	-	712	1,044
All other	1,019	3,018	1,060
Total	7,421	16,424	27,436
	Unit value (cents per pound)		
United States 1/	5.0	8.0	9.9
Trinidad-Tobago	4.6	5.8	7.5
Venezuela	-	4.1	7.0
All other	4.5	4.8	10.4
Total	4.9	6.6	9.5

1/ Includes Puerto Rico.

Source: Compiled from official statistics of Statistics Canada.

Table 8.--Fresh potatoes, seed and other than seed: Canadian exports to the United States and total, by regions and by Provinces, July/June 1980/81

(In thousands of hundredweight)

Region and Province	United States			Total		
	Seed	Other	Total	Seed	Other	Grand total
Eastern Canada:						
Prince Edward Island--	603	827	1,430	2,167	1,270	3,436
New Brunswick---------	637	685	1,322	1,128	685	1,814
Quebec----------------	0	204	204	0	204	204
Nova Scotia-----------	0	0	0	1	1	2
Total-----------------	1,240	1,716	2,956	3,296	2,160	5,546
Central Canada:						
Ontario---------------	12	230	242	12	231	243
Prairie Provinces 1/--	74	412	487	74	412	487
Total-----------------	86	642	729	86	643	730
Western Canada:						
Total 2/--------------	36	0	36	36	0	36
Grand total-----------	1,363	2,359	3,722	3,419	2,803	6,222

1/ Manitoba, Saskatchewan, and Alberta.
2/ Only British Columbia.

Source: Compiled from official statistics of Agriculture Canada.

Note.--Because of rounding, figures may not add to the totals shown.

Table 9.--Fresh potatoes, seed and other than seed: Canadian imports, 1979-81

Year	Seed potatoes	Fresh potatoes other than seed	Total
	Quantity (1,000 hundredweight)		
1979	320	3,416	3,736
1980	191	2,310	2,501
1981	129	3,451	3,580
	Value (1,000 dollars, Canadian)		
1979	1,382	20,435	21,817
1980	1,015	23,694	24,709
1981	1,263	43,931	45,194
	Unit value (cents per pound)		
1979	4.3	6.0	5.8
1980	5.3	10.3	9.9
1981	9.8	12.7	12.6

Source: Compiled from official statistics of Statistics Canada.

Table 10.--Fall-harvested potatoes, all uses: Northeastern Region production harvested of all potato types, and estimated production of round white potatoes, by principal States, crop years 1979/80 to 1982/83

(In thousands of hundredweight)

State	1979/80	1980/81	1981/82	1982/83
	Production harvested (all potato types)			
Maine	27,685	24,960	26,520	26,500
New York	12,894	11,044	12,240	12,015
Pennsylvania	6,000	4,180	5,250	5,758
Other 1/	2,116	2,009	2,215	2,042
Total	48,695	42,193	46,225	46,315
	Estimated production of round white potatoes			
Maine 2/	20,764	18,720	19,890	19,875
New York	12,894	11,044	12,240	12,015
Pennsylvania	6,000	4,180	5,250	5,758
Other 1/	2,116	2,009	2,215	2,042
Total	41,774	35,953	39,595	39,690

1/ Connecticut, Massachusetts, Rhode Island, and Vermont.
2/ Estimated as 75 percent of production harvested.

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

Table 11.--Fall-harvested potatoes: Average share of available supplies, by types of potatoes, by regions, and by States, 1979-82 1/

(In percent)

Region and State	Share of total supplies			Total
	Round white	Round red	Russet	
Northeastern Region:				
Maine	75	-	25	100
New York	3/ 100	-	-	100
Pennsylvania	3/ 100	-	-	100
Other 2/	3/ 100	-	-	100
North Central Region:				
Wisconsin	28	9	63	100
North Dakota	59	28	13	100
Minnesota	48	23	29	100
Western Region:				
Idaho	-	-	3/ 100	100
Washington	-	-	3/ 100	100
Oregon	-	-	3/ 100	100
Colorado	5	10	85	100

1/ Data are a simple average of the storage stocks held on Dec. 1 of 1979-82. The Dec. 1 stocks position is the 1st storage report of that year's fall-harvested crop.

2/ Other New England; data estimated.

3/ May include less than 5 percent of potatoes of some other type.

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

Table 12.--Fall-harvested fresh potatoes: Northeastern Region shipments of domestic production, by uses and by States, crop years 1979/80 to 1981/82, September 1981-February 1982, and September 1982-February 1983

(In thousands of hundredweight)

State and period	Tablestock	Chipper 1/	Seed	Total
Maine:				
1979/80	2/	2/	2/	12,615
1980/81	11,031	776	1,593	13,400
1981/82	11,089	871	1,739	13,699
September 1981-February 1982	5,997	542	369	6,908
September 1982-February 1983 3/	4,974	515	394	5,883
New York:				
1979/80	2/	2/	2/	7,999
1980/81	5,463	782	112	6,357
1981/82	5,359	667	69	6,095
September 1981-February 1982	4,461	607	25	5,093
September 1982-February 1983 3/	4,437	516	32	4,985
Total, Northeast Region:				
1979/80	2/	2/	2/	20,614
1980/81	16,494	1,558	1,705	19,757
1981/82	16,448	1,538	1,808	19,794
September 1981-February 1982	10,458	1,149	394	12,001
September 1982-February 1983 3/	9,411	1,031	426	10,868

1/ Fresh potatoes shipped to potato chip manufacturers.
2/ Not available.
3/ Preliminary.

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

Note.--Shipments of potatoes, e.g., truck or rail car loads of potatoes that leave major shipping point production areas, are recorded daily by the Market News Service of the U.S. Department of Agriculture. The recorded shipments account for nearly all of the significant movement of potatoes, other than local sales.

Table 13.--Fall-harvested potatoes, all types: Northeastern Region production and inventories (storage stocks) held by growers, processors, and dealers on the 1st day of the months December-May, by States, crop years 1979/80-1981/82, and December 1982-February 1983

State and crop year	Production 1/	Storage stocks held on the 1st day of-- December	January	February	March	April	May
	Quantity (1,000 hundredweight)						
Maine:							
1979/80	27,685	23,300	21,200	18,500	15,800	12,000	7,000
1980/81	24,960	18,900	16,300	13,900	11,300	8,200	4,800
1981/82	26,520	21,300	18,000	15,100	12,400	8,600	5,100
December 1982-February 1983	26,500	21,000	18,300	14,900	-	-	-
New York and Pennsylvania:							
1979/80	18,894	10,700	8,200	5,250	3,550	2,100	805
1980/81	15,224	8,250	6,150	4,100	2,550	1,390	446
1981/82	17,490	9,460	6,600	4,500	2,950	1,800	660
December 1982-February 1983	17,773	11,300	8,600	5,950	-	-	-
Total:							
1979/80	46,579	34,000	29,400	23,750	19,350	14,100	8,505
1980/81	40,184	27,150	22,450	18,000	13,850	9,590	5,246
1981/82	44,010	30,760	24,600	19,600	15,350	10,400	5,760
December 1982-February 1983	44,273	32,300	26,900	20,850	-	-	-
	Ratio of stocks to production (percent)						
Maine:							
1979/80	100	84	77	67	57	43	28
1980/81	100	76	65	56	45	33	19
1981/82	100	80	68	57	47	32	19
December 1982-February 1983	100	79	69	56	-	-	-
New York and Pennsylvania:							
1979/80	100	57	43	28	19	11	4
1980/81	100	54	40	27	17	9	3
1981/82	100	54	38	26	17	10	4
December 1982-February 1983	100	64	48	33	-	-	-
Total:							
1979/80	100	73	63	51	42	30	18
1980/81	100	68	56	45	34	24	13
1981/82	100	70	56	45	35	24	13
December 1982-February 1983	100	73	61	47	-	-	-

1/ Production is the crop of the year shown first, e.g., production for 1979/80 is the crop of 1979.

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

Note.--Stocks are defined by the Department of Agriculture as the quantity remaining in storage for all purposes and uses, including shrinkage and waste and other losses that occur after the date of each report. Sales of fall potatoes for all purposes generally account for about 90 percent of total fall production. Shrinkage and loss and home use account for the remaining 10 percent.

Table 14.--Fresh potatoes, all:1/ U.S. imports for consumption from Canada, by selected customs districts and by quarters, crop years 1979/80 to 1981/82 and October-December 1982

(In thousands of hundredweight)

Period	Northeastern Region				Pembina, N. Dak.	All other	Total
	Portland, Maine	Ogdensburg, N.Y.	Other 2/	Subtotal			
1979/80:							
Oct.-Dec. 1979	340	50	12	402	116	4	522
Jan.-Mar. 1980	355	8	50	413	21	13	447
Apr.-June 1980	354	55	165	574	11	114	699
July-Sept. 1980	80	80	37	197	0	7	204
Total	1,129	193	264	1,586	148	138	1,872
1980/81:							
Oct.-Dec. 1980	531	149	69	749	61	22	832
Jan.-Mar. 1981	1,337	222	75	1,634	176	216	2,026
Apr.-June 1981	531	99	25	655	127	137	919
July-Sept. 1981	65	31	1	97	3	2	102
Total	2,464	501	170	3,135	367	377	3,879
1981/82:							
Oct.-Dec. 1981	515	108	8	631	239	6	876
Jan.-Mar. 1982	980	172	47	1,199	190	36	1,425
Apr.-June 1982	1,526	182	117	1,825	65	277	2,167
July-Sept. 1982	377	20	18	416	1	76	493
Total	3,398	482	190	4,071	495	395	4,961
1982:							
Oct.-Dec. 1982	487	79	20	587	87	24	698

1/ TSUS items 137.20, 137.21, 137.25, and 137.28.
2/ Buffalo, N.Y., New York, N.Y., Boston, Mass., Bridgeport, Conn., and St. Albans, Vt.

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

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Table 15.--Fresh potatoes, certified seed: 1/ U.S. imports for consumption from Canada, by selected customs districts and by quarters, crop years 1979/80 to 1981/82 and October-December 1982

(In thousands of hundredweight)

Period	Northeastern Region				Pembina, N. Dak.	All other	Total
	Portland, Maine	Ogdensburg, N.Y.	Other 2/	Subtotal			
1979/80:							
Oct.-Dec. 1979	34	0	2	36	0	3	39
Jan.-Mar. 1980	225	3	2	230	0	9	239
Apr.-June 1980	247	2	9	258	0	58	316
July-Sept. 1980	1	0	2	3	0	0	3
Total	507	5	15	527	0	70	597
1980/81:							
Oct.-Dec. 1980	158	49	4	211	0	8	219
Jan.-Mar. 1981	826	94	9	929	8	109	1,046
Apr.-June 1981	206	12	4	222	10	69	301
July-Sept. 1981	3/	0	0	3/	0	1	1
Total	1,190	155	17	1,362	18	186	1,567
1981/82:							
Oct.-Dec. 1981	91	10	3/	101	0	4	105
Jan.-Mar. 1982	513	21	5	539	0	11	550
Apr.-June 1982	530	22	7	559	14	127	700
July-Sept. 1982	1	3/	3/	2	0	0	2
Total	1,135	53	12	1,201	14	142	1,357
1982:							
Oct.-Dec. 1982	45	3/	3/	46	0	2	48

1/ TSUS items 137.20 and 137.21.
2/ Buffalo, N.Y., New York, N.Y., Boston, Mass., Bridgeport, Conn., and St. Albans, Vt.
3/ Less than 500 hundredweight.

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

Table 16.--Fresh potatoes, other than certified seed: 1/ U.S. imports for consumption from Canada, by selected customs districts and by quarters, crop years 1979/80 to 1981/82 and October-December 1982

(In thousands of hundredweight)

Period	Northeastern Region				Pembina, N. Dak.	All other	Total
	Portland, Maine	Ogdensburg, N.Y.	Other 2/	Subtotal			
1979/80:							
Oct.-Dec. 1979	306	50	10	366	116	1	483
Jan.-Mar. 1980	130	5	48	183	21	4	208
Apr.-June 1980	107	53	156	316	11	56	383
July-Sept. 1980	79	80	35	194	0	7	201
Total	622	188	249	1,059	148	68	1,275
1980/81:							
Oct.-Dec. 1980	373	100	65	538	61	14	613
Jan.-Mar. 1981	511	128	66	705	168	107	980
Apr.-June 1981	325	87	21	433	117	68	618
July-Sept. 1981	65	31	1	97	3	1	101
Total	1,274	346	153	1,773	349	190	2,312
1981/82:							
Oct.-Dec. 1981	424	98	8	530	239	2	771
Jan.-Mar. 1982	467	151	42	660	190	25	875
Apr.-June 1982	996	160	110	1,266	51	150	1,467
July-Sept. 1982	376	20	18	414	1	76	491
Total	2,263	429	178	2,870	481	253	3,604
1982:							
Oct.-Dec. 1982	442	79	20	541	87	22	650

1/ TSUS items 137.25 and 137.28.
2/ Buffalo, N.Y., New York, N.Y., Boston, Mass., Bridgeport, Conn., and St. Albans, Vt.

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

Table 17.--Fresh tablestock and seed potatoes: Exports from Canada 1/ to the United States, total and to the Northeastern Region, 2/ by types, crop years 1980/81, 1981/82, and August 1982-February 1983

Class and period	Total exports to the United States: Long (russet)	Round red	Round white	Total 3/	Exports of round white to the Northeastern Region	Ratio of Northeastern Region round white to total round white	Ratio of total round white to total of all types 3/
	1,000 hundredweight 4/					Percent	
Tablestock:							
1980/81	256	5/	5/ 76	332	29	38.4	23
1981/82	407	5/	5/ 270	677	102	37.9	40
August 1982-February 1983	131	9	115	254	65	56.2	45
Total 3/	794	9	461	1,264	196	42.5	36
Seed:							
1980/81	26	5/	5/ 318	344	52	18.6	93
1981/82	30	5/	5/ 497	527	100	20.1	94
August 1982-February 1983	11	31	38	80	4	9.5	48
Total 3/	66	31	853	950	156	18.2	90
Total: 3/							
1980/81	282	5/	5/ 394	676	81	20.6	58
1981/82	437	5/	5/ 767	1,204	202	26.4	64
August 1982-February 1983	142	40	153	334	68	44.5	46
Total 3/	860	40	1,314	2,214	352	26.8	59

1/ Data shown are for New Brunswick only. In addition, exports of tablestock potatoes from Prince Edward Island to the Northeastern Region from Aug. 28, 1982, to Jan. 31, 1983, consisted of 260 thousand hundredweight of "long" potatoes and 158 thousand hundredweight of "round" potatoes, according to the source.

2/ Maine, New York, Massachusetts, Rhode Island, Connecticut, Vermont, New Hampshire, and Pennsylvania, according to the source.

3/ Computed by the U.S. International Trade Commission.

4/ Original data (in hundredweight) converted to 1,000 hundredweight.

5/ Round red and round white types together under round white.

Source: Compiled from the nonconfidential portions of business confidential export data submitted by counsel for the Canadian Horticultural Council on Mar. 7, 1983, at the public conference concerning investigation No. 731-TA-124, except as noted.

Note.--Totals and percentages computed from unrounded data.

Table 18.--Fresh potatoes: Estimated Northeastern Region 1/ domestic supplies, out-shipments and in-shipments, exports, imports and apparent consumption, by types and by seasons, crop years 1979/80 to 1981/82

(In thousands of hundredweight)

Crop year	Domestic			Exports 4/	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	Regional supply 2/	Out-shipments	In-shipments 3/				
	All potato types, all seasons						
1979/80	43,798	10,266	13,678	26	1,332	48,516	2.7
1980/81	38,949	8,039	13,960	41	2,633	47,462	5.5
1981/82	42,972	8,752	14,192	8	3,420	51,824	6.6
	All potato types, fall-harvest season						
1979/80	43,798	10,266	8,436	26	1,332	43,274	3.1
1980/81	38,949	8,039	8,610	41	2,633	42,112	6.3
1981/82	42,972	8,752	8,753	8	3,420	46,385	7.4
	Round white type, all seasons						
1979/80	37,673	9,753	2,257	26	1,066	31,217	3.4
1980/81	33,259	7,877	2,304	41	2,370	30,015	7.9
1981/82	36,840	8,256	2,342	8	2,462	33,380	7.4
	Round white type, fall-harvest season						
1979/80	37,673	9,753	160	26	1,066	29,120	3.7
1980/81	33,259	7,877	164	41	2,370	27,875	8.5
1981/82	36,840	8,256	166	8	2,462	31,204	7.9

1/ Connecticut, Maine, Massachusetts, New Hampshire, New York, Pennsylvania, Rhode Island, and Vermont.

2/ Production harvested for all uses minus farm shrinkage and loss; compiled from official statistics of the U.S. Department of Agriculture for all potato types.

3/ Derived from an estimate that reported unloads in 7 cities account for half of the shipments into the Northeastern Region.

4/ Certified seed potatoes. Compiled from statistics of the Maine Department of Agriculture.

Source: Estimated by staff of the U.S. International Trade Commission, except as noted.

Table 19.--Tablestock potatoes: Unloads in selected U.S. cities and the share of the total accounted for by selected places of origin, crop year 1981/82

Region and City	Unloads 1/	Share of total unloads accounted for by--												
		Local sup-plies 2/	Principal producing States, Canada, and all origins											
			Maine	New York	Canada	Michigan	Wisconsin	Minnesota and North Dakota	Idaho	Washington and Oregon	Colorado	California	Other 3/	Total
	1,000 hundred-weight	Percent	Percent											
Northeastern:														
New York-Newark	4,751	25	27	19	6	4/	3	1	25	3	0	6	10	100
Philadelphia, Pa	2,203	34	24	14	6	4/	2	1	16	4	4/	8	25	100
Boston, Mass	2,110	44	40	1	10	0	2	1	11	4	0	20	11	100
Pittsburgh, Pa	1,297	19	18	8	3	9	9	4	18	2	0	13	16	100
Buffalo, N.Y	652	65	4/	65	1	4/	1	0	10	2	0	14	7	100
North Central:														
Chicago, Ill	3,106	40	0	4/	4/	4	34	25	19	3	4/	9	6	100
Cincinnati, Ohio	1,468	17	3	4/	1	12	8	7	51	3	0	3	12	100
Detroit, Mich	1,352	34	0	0	3	29	5	3	47	3	0	7	3	100
Western:														
San Francisco-Oakland, Calif	2,336	82	0	0	0	0	0	3	4/	76	0	15	6	100
Seattle-Tacoma, Wash	1,728	87	0	0	0	0	0	1	1	86	0	12	0	100
Denver, Colo	841	70	0	0	0	0	0	1	23	1	62	4	9	100
Other regions:														
Atlantic: 5/														
Baltimore-Washington	1,467	13	26	23	2	4/	4	1	12	6	4/	5	21	100
Atlanta, Ga	1,463	15	3	4	4/	5	25	3	30	2	1	1	26	100
Columbia, S.C	384	7	11	33	1	2	9	2	6	1	1	1	33	100
South and South-west:														
Los Angeles, Calif	4,781	74	0	0	0	0	0	4/	2	45	4/	48	5	100
Dallas, Texas	2,230	49	0	0	0	0	1	12	26	5	33	4	19	100
St. Louis, Mo	1,449	2	4/	0	0	4/	22	33	22	2	8	3	10	100
San Antonio, Tex	950	57	0	0	0	0	4/	3	16	9	49	13	10	100
New Orleans, La	574	10	1	0	4/	0	5	30	23	1	20	3	17	100

1/ The total quantity of unloads reported in crop year 1981/82, 35,142 thousand hundredweight, is equivalent to 35 percent of the total U.S. reported tablestock shipments for that year and is probably equivalent to one-third of the total U.S. consumption of tablestock potatoes.
2/ Supplies from the State of the city specified and adjacent or nearby States.
3/ Unloads from other than the principal producing States and Canada, including local and long distance suppliers.
4/ Less than 0.5 percent.
5/ States that border the Atlantic Ocean located south of Pennsylvania.

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

Table 20.--Fresh potatoes: Unloads from Canada in selected U.S. cities, 1/ by regions and by classes, crop year 1981/82

Region and city	Class				Percent of total
	Table-stock	Chipper 2/	Seed	Total	
	1,000 hundredweight				
Northeastern:					
Boston, Mass	210	0	0	210	-
Buffalo, N.Y	6	0	0	6	-
New York/Newark	280	0	0	280	-
Philadelphia, Pa	130	0	0	130	-
Pittsburgh, Pa	34	0	0	34	-
Total	660	0	0	660	84
North Central:					
Chicago, Ill	2	0	0	2	-
Cincinnati, Ohio	9	0	6	15	-
Detroit, Mich	41	16	0	57	-
Total	52	16	6	74	9
Western 3/	0	0	0	0	-
Other:					
Atlantic: 4/					
Atlanta, Ga	7	0	1	8	-
Baltimore/ Washington	26	18	0	44	-
Columbia, S.C	2	0	0	2	-
Total	35	18	1	54	7
South and Southwest: 5/					
New Orleans, La	1	0	0	1	-
Total	1	0	0	1	6/
Grand total	748	34	7	789	100

1/ 23 U.S. cities from which unloads data are collected by the U.S. Department of Agriculture, Agricultural Marketing Service.
2/ Potatoes used for potato chips.
3/ Denver, Colo., San Francisco/Oakland, Calif., and Seattle/Tacoma, Wash.
4/ States that border the Atlantic Ocean located south of Pennsylvania.
5/ Includes Dallas, Tex., Los Angeles, Calif., San Antonio, Tex., and St. Louis, Mo.
6/ Less than 0.5 percent.

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

Table 21.--Fresh potatoes: Unloads from the Northeastern Region in selected U.S. cities, 1/ by regions and by classes, crop year 1981/82

Region and city	Class: Table-stock	Class: Chipper 2/	Class: Seed	Class: Total	Percent of total
	-------------	-1,000 hundredweight-	-------------		
Northeastern:					
Boston, Mass	920	94	0	1,014	-
Buffalo, N.Y	428	25	0	453	-
New York/Newark	2,226	0	0	2,226	-
Philadelphia, Pa	872	0	4	876	-
Pittsburgh, Pa	441	0	0	441	-
Total	4,887	119	4	5,010	80
North Central:					
Chicago, Ill	8	0	0	8	-
Cincinnati, Ohio	47	1	8	56	-
Detroit, Mich	0	0	0	0	-
Total	55	1	8	64	1
Western 3/	0	0	0	0	-
Other:					
Atlantic: 4/					
Atlanta, Ga	117	7	0	124	-
Baltimore/ Washington	763	92	0	855	-
Columbia, S.C	171	0	0	171	-
Total	1,051	99	0	1,150	18
South and South-west: 5/					
New Orleans, La	8	0	0	0	-
St. Louis, Mo	3	0	0	0	-
Total	11	0	0	11	6/
Grand total	6,004	219	12	6,235	100

1/ 23 U.S. cities from which unloads data are collected by the U.S. Department of Agriculture, Agricultural Marketing Service.
2/ Potatoes used for potato chips.
3/ Denver, Colo., San Francisco/Oakland, Calif., and Seattle/Tacoma, Wash.
4/ States that border the Atlantic Ocean located south of Pennsylvania.
5/ Includes Dallas, Tex., Los Angeles, Calif., and San Antonio, Tex.
6/ Less than 0.5 percent.

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

Table 22.--Tablestock potatoes: Unloads in Boston, Mass., by places of origin and by months, crop years 1980/81, 1981/82, and September 1982-February 1983

(In thousands of hundredweight)

	Northeast and Canada 1/				Other 3/				
	Maine	Other States 2/	Canada	Total	North Central 4/	West: Idaho	West: Other 5/	Other States	Total
1980/81:									
September	31	48	16	95	7	2	27	9	140
October	79	19	21	119	2	16	19	4	160
November	108	1	15	124	3	29	2	0	159
December	121	1	13	135	4	38	1	0	178
January	124	0	23	147	3	37	1	0	188
February	97	0	21	118	2	23	4	1	148
March	135	0	24	159	1	28	1	2	191
April	134	0	23	157	1	23	1	4	186
May	93	0	12	105	1	26	0	72	204
June	9	0	5	14	0	13	0	224	251
July	0	9	2	11	0	12	2	216	241
August	9	70	1	80	10	0	40	40	170
Total	940	148	177	1,265	34	247	98	572	2,216
1981/82:									
September	68	32	6	106	9	7	37	2	161
October	96	24	12	132	11	30	15	0	188
November	114	1	17	132	7	26	2	0	167
December	96	0	15	111	7	22	0	0	140
January	101	2	18	121	5	22	0	0	148
February	74	1	17	92	1	20	0	4	117
March	82	1	30	113	2	38	0	7	160
April	93	0	41	134	0	18	0	9	161
May	67	0	32	99	0	18	0	43	160
June	36	0	14	50	0	21	0	187	258
July	11	0	5	16	0	9	0	208	233
August	8	28	3	39	10	2	36	130	217
Total	846	89	210	1,145	52	233	90	590	2,110
1982/83:									
September	51	44	10	105	10	1	40	25	181
October	63	18	22	103	10	23	16	4	156
November	93	6	30	129	6	55	4	1	195
December	141	1	27	169	5	45	2	0	221
January	136	0	28	164	6	49	4	1	224
February	124	2	31	157	4	39	3	4	207

1/ Supplies from Northeastern States and Canada are predominantly fall-harvested round white potatoes.
2/ Other New England States, New York, Pennsylvania, and New Jersey.
3/ Supplies from North Central States are predominantly round red or russet potatoes; supplies from Western States are russet potatoes; and supplies from other States (chiefly California and Florida) are predominantly round red or long white potatoes.
4/ Almost entirely North Dakota, Minnesota, and Wisconsin.
5/ Almost entirely Washington and Oregon.

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

Table 23.--Tablestock potatoes: Unloads in New York/Newark, by places of origin and by months, crop years 1980/81, 1981/82, and September 1982-February 1983

(In thousands of hundredweight)

	Northeast and Canada 1/				Other 3/				
	Maine	Other States 2/	Canada	Total	North Central 4/	West: Idaho	West: Other 5/	Other States	Total
1980/81:									
September	4	197	2	203	18	12	126	51	410
October	29	161	21	211	19	141	22	10	403
November	90	84	34	208	12	146	11	1	378
December	119	76	43	238	16	187	3	5	449
January	123	48	35	206	16	189	7	4	422
February	131	38	54	223	15	139	6	4	387
March	179	31	47	257	19	203	3	9	491
April	181	13	32	226	12	177	1	17	433
May	133	9	20	162	11	146	0	106	425
June	56	0	7	63	6	131	3	233	436
July	0	37	1	38	2	78	10	286	414
August	0	186	0	186	16	2	85	96	385
Total	1,045	880	296	2,221	162	1,551	277	822	5,033
1981/82:									
September	3	234	1	238	39	24	41	9	351
October	19	235	5	259	33	93	18	1	404
November	113	110	15	238	20	119	7	3	387
December	163	95	27	285	16	115	1	2	419
January	184	69	24	277	17	96	0	1	391
February	116	65	34	215	14	103	0	7	339
March	191	72	45	308	13	154	6	13	494
April	185	34	41	260	4	138	5	21	428
May	170	7	55	232	3	112	12	72	431
June	122	0	26	148	0	152	1	111	412
July	35	6	7	48	5	64	0	203	320
August	0	128	0	128	19	27	57	144	375
Total	1,301	1,055	280	2,636	183	1,197	148	587	4,751
1982/83:									
September	0	203	1	204	43	25	58	32	362
October	20	210	5	235	36	93	17	3	384
November	65	116	19	200	21	172	1	0	394
December	126	93	19	238	17	176	4	4	439
January	122	86	18	226	14	157	4	4	405
February	131	69	10	210	7	152	12	5	386

1/ Supplies from Northeastern States and Canada are predominantly fall-harvested round white potatoes.

2/ Other New England States, New York, Pennsylvania, and New Jersey.

3/ Supplies from North Central States are predominantly round red or russet potatoes; supplies from Western States are russet potatoes, and supplies from other States (chiefly California and Florida) are predominantly round red or long white potatoes.

4/ Almost entirely North Dakota, Minnesota, and Wisconsin.

5/ Almost entirely Washington and Oregon.

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

Table 24.--Average prices of certain round white potatoes from Maine, Canada, and Long Island sold in New York City, by months, September 1979-February 1983

(Per 50-pound sack)

Period 1/	Unwashed		Washed
	2" minimum 2/ Maine	2-1/4" minimum 3/ Prince Edward Island	2" min. 2/ Long Island
1979/80 crop:			
September 1979	-	-	$2.77
October 1979	$2.93	$3.34	3.02
November 1979	2.95	3.20	2.94
December 1979	2.78	3.06	2.63
January 1980	2.92	3.78	2.89
February 1980	2.83	3.58	2.81
March 1980	2.64	3.34	2.67
April 1980	2.63	3.04	2.73
May 1980	3.48	3.66	3.38
June 1980	4.19	-	3.54
1980/81 crop:			
September 1980	-	-	4.91
October 1980	5.50	5.53	5.48
November 1980	5.13	5.47	5.75
December 1980	5.31	5.50	5.75
January 1981	6.75	7.13	6.75
February 1981	6.72	7.00	6.75
March 1981	6.85	7.38	6.53
April 1981	7.22	7.88	6.88
May 1981	7.19	8.03	-
June 1981	8.04	8.75	-
1981/82 crop:			
September 1981	-	5.00	-
October 1981	3.88	4.75	3.94
November 1981	4.03	4.38	4.03
December 1981	3.94	4.38	4.13
January 1982	4.16	4.50	4.25
February 1982	4.31	4.69	4.42
March 1982	4.10	4.60	4.31
April 1982	4.31	4.50	-
May 1982	4.66	4.75	-
June 1982	5.55	5.70	-
1982/83 crop:			
September 1982	-	4.38	3.19
October 1982	-	4.13	3.16
November 1982	3.13	3.83	3.08
December 1982	3.00	3.60	3.09
January 1983	2.95	4.00	3.25
February 1983	3.25	3.88	3.38

1/ No quotations for July and August (supplies are minimal).
2/ U.S. No. 1 potatoes, size A.
3/ Canada No. 1 potatoes.

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

Table 25.--Average prices of certain round white potatoes from Maine, Canada, and Long Island sold in Boston, September 1979-February 1983

(Per 50-pound sack)

Period 1/	Unwashed		Washed
	2" minimum 2/ Maine	2-1/4" minimum 3/ Prince Edward Island	2" minimum 2/ Long Island
1979/80 crop:			
September 1979	-	$4.06	$3.02
October 1979	$2.95	3.33	3.24
November 1979	2.85	2.97	3.29
December 1979	2.65	2.88	-
January 1980	2.48	3.50	3.00
February 1980	2.31	3.53	-
March 1980	2.33	3.23	-
April 1980	2.03	2.84	-
May 1980	3.06	3.50	-
June 1980	2.92	5.29	-
1980/81 crop:			
September 1980	4.70	5.13	5.06
October 1980	4.91	5.06	-
November 1980	4.75	5.03	-
December 1980	4.75	5.10	-
January 1981	6.25	6.38	-
February 1981	6.31	6.50	-
March 1981	6.28	6.95	-
April 1981	6.97	7.42	-
May 1981	6.67	7.67	-
June 1981	7.00	-	-
1981/82 crop:			
September 1981	4.03	5.33	4.69
October 1981	3.88	4.69	4.50
November 1981	3.45	4.10	-
December 1981	3.25	3.88	-
January 1982	3.63	3.84	-
February 1982	3.59	4.00	-
March 1982	3.70	4.08	-
April 1982	3.83	4.38	-
May 1982	4.47	4.17	-
June 1982	4.83	5.00	-
1982/83 crop:			
September 1982	4.88	4.50	3.69
October 1982	3.22	3.69	3.75
November 1982	3.16	3.43	3.75
December 1982	2.46	3.16	-
January 1983	2.38	3.30	-
February 1983	2.38	3.50	-

1/ No quotations for July and August (supplies are minimal).
2/ U.S. No. 1 potatoes, size A.
3/ Canada No. 1 potatoes.

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

Table 26.--Potatoes: Average margins of underselling or overselling (-), in Boston and New York City terminal markets, by months, September 1979-February 1983

Period	Average margin of underselling or overselling (-) 1/			
	New York		Boston	
	Amount	As a percent of wholesale price of Maine potatoes	Amount	As a percent of wholesale price of Maine potatoes
	Per 50-pound sack		Per 50-pound sack	
1979/80 crop:				
September 1979	-	-	-	-
October 1979	-$0.41	-14.0	-$0.38	-12.9
November 1979	-0.25	-8.5	-0.12	-4.2
December 1979	-0.28	-10.1	-0.23	-8.7
January 1980	-0.86	-29.5	-1.02	-41.1
February 1980	-0.75	-26.5	-1.22	-52.8
March 1980	-0.70	-26.5	-0.90	-38.6
April 1980	-0.41	-15.6	-0.81	-39.9
May 1980	-0.18	-5.2	-0.44	-14.4
June 1980	-	-	-2.37	-80.3
1980/81 crop:				
September 1980	-	-	-0.43	-9.1
October 1980	-0.03	-.5	-0.15	-3.1
November 1980	-0.34	-6.6	-0.28	-5.9
December 1980	-0.19	-3.6	-0.35	-7.4
January 1981	-0.38	-5.6	-0.13	-2.1
February 1981	-0.28	-4.2	-0.19	-3.0
March 1981	-0.53	-7.7	-0.67	-10.7
April 1981	-0.66	-9.1	-0.45	- 6.5
May 1981	-0.84	-11.7	-1.00	-15.0
June 1981	-0.71	-8.8	-	-
1981/82 crop:				
September 1981	-	-	-1.30	-32.3
October 1981	-0.87	-22.4	-0.81	-20.9
November 1981	-0.35	-8.7	-0.65	-18.8
December 1981	-0.44	-11.2	-0.63	-19.4
January 1982	-0.34	-8.2	-0.21	-5.8
February 1982	-0.38	-8.8	-0.41	-11.4
March 1982	-0.50	-12.2	-0.38	-10.3
April 1982	-0.19	-4.4	-0.55	-14.4
May 1982	-0.09	-1.9	0.30	6.7
June 1982	-0.15	-2.7	-0.17	-3.5
1982/83 crop:				
September 1982	-	-	0.38	7.8
October 1982	-	-	-0.47	-14.6
November 1982	-0.70	-22.4	-0.27	-8.5
December 1982	-0.60	-20.0	-0.70	-28.5
January 1983	-1.05	-35.6	-0.92	-38.7
February 1983	-0.63	-19.4	-1.12	-47.1

1/ The margins are the differences between average prices of Maine and Canadian round white potatoes sold in each city (tables 24 and 25).

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

Table 27.--Fresh potatoes: U.S. production harvested for all uses, and average prices received by growers, by harvest seasons, 1979-82

Year	Winter	Spring	Summer	Fall	Total
	Quantity (1,000 hundredweight)				
1979	2,383	21,348	21,847	296,919	342,497
1980	2,363	17,067	16,999	266,428	302,857
1981	2,198	20,765	20,035	295,593	338,591
1982	2,263	20,559	21,460	304,986	349,268
	Value (1,000 dollars)				
1979	19,138	96,935	94,494	961,556	1,172,123
1980	22,153	110,260	151,718	1,694,825	1,978,956
1981	38,030	211,920	170,155	1,399,924	1,820,029
1982	1/	1/	1/	1/	1/
	Average price received by growers (per hundredweight)				
1979	$8.00	$4.54	$4.33	$3.24	$3.43
1980	9.40	6.46	8.69	6.36	6.55
1981	17.40	10.20	8.52	4.73	5.41
1982	1/	1/	1/	1/	1/

1/ Not available until September 1983.

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

Table 28.--Potatoes: Utilization of U.S. crops, crop years 1979/80 to 1981/82

(In thousands of hundredweight)

Item	1979/80	1980/81	1981/82
Sales:			
Tablestock	114,957	96,817	110,639
For processing:			
Chips	38,276	37,894	38,344
Dehydration	30,784	28,222	30,162
Frozen french fries	74,320	67,208	79,844
Other frozen products	14,420	13,673	16,812
Canned potatoes	2,479	2,054	2,469
Other canned products (hash, stews, soups)	2,251	1,993	1,700
Starch and flour	3,574	2,186	2,435
Subtotal	166,104	153,230	171,766
Total sales for human food	281,061	250,047	282,405
Other sales:			
Livestock feed	6,636	3,903	3,583
Seed	18,179	19,152	20,503
Total diverted 1/	491	0	0
Subtotal	25,306	23,055	24,086
Total sales	306,367	273,102	306,491
Nonsales:			
Seed used on farms where grown	4,257	4,970	4,530
Household use and used for feed on farms where grown	1,666	1,416	1,444
Shrinkage and loss	30,207	23,369	26,126
Total nonsales	36,130	29,755	32,100
Total production	342,497	302,857	338,591

1/ Quantity of potatoes sold for livestock feed and starch under the USDA Diversion Program.

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

Table 29.--Fresh potatoes: U.S. shipments of domestic production, by classes, crop years 1979/80 to 1981/82, September 1981-February 1982, and September 1982-February 1983

(In thousands of hundredweight)

Period	Tablestock	Chipper 1/	Seed	Total
1979/80	2/	2/	2/	122,360
1980/81	99,910	17,122	6,842	123,874
1981/82	101,573	18,271	7,834	127,678
September 1981-February 1982	51,173	7,789	1,781	60,743
September 1982-February 1983 3/	51,567	6,560	1,653	59,780

1/ Fresh potatoes shipped to potato chip manufacturers.
2/ Not available.
3/ Preliminary.

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

Note: Shipments of potatoes, e.g., truck or rail car loads of potatoes that leave major shipping point production areas, are recorded daily by the Market News Service of the U.S. Department of Agriculture. The recorded shipments account for nearly all of the significant movement of potatoes, other than local sales.

Table 30.--Fresh potatoes: U.S. exports of domestic merchandise, by principal markets, 1979-82

Market	1979	1980	1981	1982
	Quantity (1,000 hundredweight)			
Canada	2,378	1,750	2,394	1,996
Mexico	72	97	273	149
Netherlands Antilles	17	17	20	26
Bahamas	36	33	32	24
All other	286	100	80	61
Total	2,789	1,996	2,800	2,256
	Value (1,000 dollars)			
Canada	13,147	18,291	32,009	23,389
Mexico	371	710	2,810	1,549
Netherlands Antilles	209	280	394	616
Bahamas	312	374	472	302
All other	2,343	1,691	1,325	1,088
Total	16,382	21,346	37,010	26,944
	Unit value (per hundredweight)			
Canada	$5.53	$10.45	$13.37	$11.72
Mexico	5.17	7.35	10.27	10.42
Netherlands Antilles	12.28	16.23	20.01	24.00
Bahamas	8.59	11.27	14.57	12.52
All other	8.20	16.99	16.47	17.91
Average	5.87	10.69	13.22	11.95

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

Note:--Because of rounding, figures may not add to totals shown.

Table 31.--Fresh potatoes: U.S. exports of domestic merchandise to Canada, by months, crop years 1979/80 to 1981/82 and September-December 1982

Month	1979/80	1980/81	1981/82	1982/83
	Quantity (1,000 hundredweight)			
September	108	46	55	51
October	47	50	72	42
November	33	43	37	63
December	28	48	40	37
January	25	46	60	-
February	71	38	44	-
March	110	71	108	-
April	148	105	190	-
May	308	378	315	-
June	369	810	489	-
July	434	570	433	-
August	98	172	165	-
Total	1,779	2,377	2,008	-
	Value (1,000 dollars)			
September	564	619	673	521
October	277	631	714	426
November	215	461	469	524
December	154	570	548	340
January	155	666	739	-
February	470	590	601	-
March	607	975	1,249	-
April	1,231	1,515	2,027	-
May	2,589	4,743	3,614	-
June	3,767	10,637	5,959	-
July	5,729	8,143	5,499	-
August	1,463	2,336	1,890	-
Total	17,221	31,886	23,982	-
	Unit value (per hundredweight)			
September	$5.24	$13.50	$12.23	$10.20
October	5.88	12.55	9.87	10.26
November	6.54	10.65	12.73	8.28
December	5.57	11.92	13.63	9.11
January	6.18	14.41	12.33	-
February	6.66	15.72	13.71	-
March	5.54	13.78	11.52	-
April	8.31	14.40	10.68	-
May	8.40	12.55	11.48	-
June	10.22	13.13	12.18	-
July	13.20	14.29	12.71	-
August	14.91	13.55	11.47	-
Average	9.68	13.41	11.95	-

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

Table 32.--Fall-harvested potatoes, all types: U.S. inventories (storage stocks) held by growers, processors, and dealers, by regions and selected States, 1/ on Dec. 1, of 1979-82

Region and State	Dec. 1-- 1979	1980	1981	1982
	Quantity (1,000 hundredweight)			
Northeastern:				
Maine	23,300	18,900	21,300	21,000
Other	10,700	8,250	9,460	11,300
Total	34,000	27,150	30,760	32,300
North Central:				
North Dakota	12,500	10,700	13,800	12,800
Minnesota	10,500	8,400	9,100	9,000
Wisconsin	9,450	8,600	10,400	11,500
Other	7,750	6,400	7,550	8,800
Total	40,200	34,100	40,850	42,100
Western:				
Idaho	65,000	59,000	62,000	67,000
Washington	30,600	24,500	29,200	29,200
Oregon	16,900	13,300	15,200	15,100
Colorado	8,200	7,850	8,350	8,900
Other	5,920	5,830	6,450	7,175
Total	126,620	110,480	121,200	127,375
Grand total	200,820	171,730	192,810	201,775
	Ratio of stocks to production (percent)			
Northeastern:				
Maine	84	76	80	79
Other	57	54	54	64
Total	73	68	70	73
North Central:				
North Dakota	69	68	69	74
Minnesota	81	85	68	78
Wisconsin	56	54	57	51
Other	65	57	67	70
Total	67	64	65	66
Western:				
Idaho	76	74	73	75
Washington	63	56	55	55
Oregon	67	67	70	72
Colorado	72	72	72	71
Other	73	71	74	75
Total	71	68	68	69
Grand total	70	67	67	69

See footnotes on following page.

Footnotes for table 32

1/ States included are Maine, New York, Pennsylvania, North Dakota, Minnesota, Wisconsin, Michigan, Nebraska, Ohio, Idaho, Washington, Oregon, Colorado, California, and Montana. Stocks in these 15 States are estimated to account for over 95 percent of total U.S. fall-potato storage stocks.

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

Note.--Stocks are defined by the U.S. Department of Agriculture as the quantity remaining in storage for all purposes and uses, including shrinkage and waste and other losses. Sales of fall potatoes for all purposes generally account for about 90 percent of total fall production. Shrinkage and loss and home use account for the remaining 10 percent.

Table 33.--Fresh potatoes: U.S. imports for consumption, by principal sources, crop years 1979/80 to 1981/82, September-December 1981, and September-December 1982

Source	1979/80	1980/81	1981/82	September-December-- 1981	September-December-- 1982
	Quantity (1,000 hundredweight)				
Canada	1,720	3,988	4,995	944	733
All other	1	1/	1/	0	0
Total	1,722	3,988	4,995	944	733
	Value (1,000 dollars)				
Canada	7,787	33,705	32,248	5,834	4,379
All other	9	2	3	-	-
Total	7,795	33,707	32,251	5,834	4,379
	Unit value (per hundredweight)				
Canada	$4.53	$8.45	$6.46	$6.18	$5.97
All other	6.36	11.00	6.98	-	-
Average	4.53	8.45	6.46	6.18	5.97

1/ Less than 500 hundredweight.

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

Note.--Because of rounding, figures may not add to totals shown.

Table 34.--Fresh potatoes, other than certified seed: 1/ U.S. imports for consumption from Canada, by months, crop years 1979/80 to 1981/82 and September-December 1982

Month	1979/80	1980/81	1981/82	1982/83
	Quantity (1,000 hundredweight)			
September	23	175	66	35
October	68	212	249	174
November	212	253	151	271
December	203	148	371	205
January	81	226	289	-
February	52	316	251	-
March	75	438	336	-
April	146	360	391	-
May	203	187	523	-
June	34	70	553	-
July	15	23	441	-
August	11	11	15	-
Total	1,124	2,420	3,637	-
	Value (1,000 dollars)			
September	139	1,107	476	200
October	324	1,428	1,479	991
November	803	1,872	909	1,665
December	776	1,127	2,256	1,258
January	439	1,921	1,829	-
February	296	2,972	1,609	-
March	382	3,869	2,066	-
April	764	3,327	2,487	-
May	1,079	1,652	4,216	-
June	205	471	4,044	-
July	76	140	3,106	-
August	68	59	132	-
Total	5,350	19,945	24,610	-
	Unit value (per hundredweight)			
September	$5.98	$6.31	$7.16	$5.71
October	4.76	6.74	5.94	5.69
November	3.79	7.40	6.02	6.14
December	3.83	7.62	6.07	6.14
January	5.40	8.50	6.33	-
February	5.69	9.41	6.42	-
March	5.08	8.84	6.16	-
April	5.23	9.23	6.36	-
May	5.32	8.82	8.06	-
June	5.99	6.70	7.31	-
July	5.21	6.03	7.05	-
August	5.94	5.39	8.58	-
Average	4.76	8.24	6.77	-

1/ TSUS items 137.25 and 137.28.

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

Table 35.--Fresh potatoes, certified seed: 1/ U.S. imports for consumption from Canada, by months, crop years 1979/80 to 1981/82 and September-December 1982

Month	1979/80	1980/81	1981/82	1982/83
	Quantity (1,000 hundredweight)			
September	1	1	1	0
October	0	2	1	0
November	2	54	14	4
December	38	163	91	44
January	92	311	156	-
February	63	409	169	-
March	85	326	226	-
April	114	209	384	-
May	169	86	263	-
June	33	6	53	-
July	1	2/	2	-
August	0	0	0	-
Total	597	1,568	1,358	-
	Value (1,000 dollars)			
September	2	6	6	-
October	-	11	7	-
November	9	424	107	18
December	203	1,296	594	249
January	422	2,614	865	-
February	236	3,757	937	-
March	328	2,892	1,201	-
April	459	1,830	2,164	-
May	660	843	1,453	-
June	113	84	292	-
July	4	2	12	-
August	-	-	-	-
Total	2,437	13,760	7,638	-
	Unit value (per hundredweight)			
September	$4.26	$4.47	$10.00	-
October	-	7.13	6.89	-
November	5.38	7.84	7.82	$4.86
December	5.38	7.95	6.56	5.60
January	4.58	8.41	5.56	-
February	3.77	9.18	5.56	-
March	3.87	8.87	5.31	-
April	4.04	8.77	5.64	-
May	3.90	9.79	5.52	-
June	3.40	13.39	5.50	-
July	3.49	3.85	6.42	-
August	-	-	-	-
Average	4.08	8.78	5.62	-

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1/ TSUS items 137.20 and 137.21.
2/ Less than 500 hundredweight.

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

Table 36.--Potatoes: Estimated or reported U.S. domestic supply, exports, imports, and apparent consumption, by types and by seasons, crop years 1979/80 to 1981/82

(In thousands of hundredweight)

Crop year	Domestic supply 1/	Exports	Imports	Apparent consumption	Ratio (percent) of imports to consumption
	All potato types, all seasons				
1979/80	312,290	1,779	1,720	312,231	0.6
1980/81	279,488	2,377	3,989	281,100	1.4
1981/82	312,465	2,008	4,995	315,452	1.6
	All potato types, fall-harvest season				
1979/80	268,176	1,779	1,720	268,117	0.6
1980/81	243,947	2,377	3,989	245,559	1.6
1981/82	270,666	2,008	4,995	273,653	1.8
	Round white type, all seasons 2/				
1979/80	85,703	410	1,498	86,791	1.7
1980/81	74,789	620	3,491	77,660	4.5
1981/82	84,228	390	3,572	87,410	4.1
	Round white type, fall-harvest season 2/				
1979/80	69,026	60	1,498	70,464	2.1
1980/81	61,562	40	3,491	65,013	5.4
1981/82	68,602	50	3,572	72,124	5.0

1/ Production harvested for all uses minus shrinkage and loss.
2/ Estimated by the staff of the U.S. International Trade Commission.

Source: Domestic supply compiled from official statistics of the U.S. Department of Agriculture except as noted, and exports and imports compiled from official statistics of the U.S. Department of Commerce, except as noted.

Table 37.--Potatoes: 1/ Monthly ranges of wholesale prices 2/ in selected cities, January 1980 to January 1983

Date	Maine		Atlanta	Baltimore	Chicago
	Boston	New York			
January 1980	$2.25-2.75	$2.75-3.00	$3.25-3.50	$2.00-3.00	$3.00-3.25
February 1980	2.25-2.50	2.65-3.00	3.00-3.25	2.00-2.75	3.13-3.25
March 1980	2.25-2.50	2.50-2.75	3.00-3.50	1.75-2.75	3.13-3.25
April 1980	2.00-2.25	2.50-2.80	3.00-3.50	1.75-8.50	3.13-3.25
May 1980	2.50-3.50	2.50-4.00	4.00-5.00	2.50-8.50	3.13-3.25
June 1980	2.75-3.00	3.50-5.50	3.85-7.00	3.75-7.00	-
July 1980	-	5.00-5.50	5.75-7.25	5.00-7.00	5.50
August 1980	-	-	5.50-6.00	4.50-5.50	5.25-5.50
September 1980	4.50.5.00	-	5.25-6.00	4.50-5.50	5.25-5.50
October 1980	4.25-5.50	5.25-5.75	5.50-6.25	5.00-6.25	5.00-5.25
November 1980	4.50-5.00	5.00-5.50	5.25-6.25	5.00-6.00	5.00-5.50
December 1980	4.50-5.00	5.00-6.00	6.00-6.50	5.00-6.00	5.25-5.50
January 1981	5.50-6.50	6.00-7.50	7.00-8.50	5.50-7.25	5.75-8.00
February 1981	6.00-6.50	6.50-7.00	7.50-8.00	5.00-7.00	7.25-7.75
March 1981	6.00-7.00	6.25-7.50	7.50-8.75	5.50-7.50	7.25-7.50
April 1981	6.75-7.00	7.00-7.50	8.00-8.75	6.75-18.00	7.50-8.00
May 1981	6.50-7.00	6.50-8.00	7.00-9.00	7.00-8.50	-
June 1981	7.00	7.75-8.50	7.72-9.00	6.50-9.50	-
July 1981	-	-	6.25-7.00	4.50-6.50	-
August 1981	4.50	-	4.50-6.00	3.50-4.75	4.00-4.75
September 1981	4.00-4.25	-	4.50-5.50	4.00-4.50	3.75-4.00
October 1981	3.50-4.00	3.75-4.00	4.50-5.00	3.50-4.50	4.00-4.25
November 1981	3.25-3.75	3.75-4.25	4.50-5.00	3.00-4.25	4.00-4.25
December 1981	3.25	3.75-4.25	4.50-5.00	3.00-4.25	3.88-4.25
January 1982	3.25-4.00	3.75-4.75	4.75-5.00	3.25-5.00	3.75-4.13
February 1982	3.50-4.00	4.00-4.50	4.75-5.00	3.25-5.00	4.00-4.25
March 1982	3.50-3.75	4.00-4.25	4.75-5.00	2.50-5.00	3.75-4.25
April 1982	3.75-4.00	4.00-4.75	-	-	-
May 1982	4.25-4.50	4.25-5.00	-	-	-
June 1982	4.50 5.00	5.00-6.50	-	-	-
July 1982	-	5.50-6.50	-	-	-
August 1982	-	-	-	-	-
September 1982	4.50-5.00	-	-	-	-
October 1982	2.75-4.00	3.00-3.25	3.25-4.00	3.15-4.50	2.88-3.50
November 1982	2.50-4.50	3.00-3.25	3.25-4.00	2.25-5.00	2.75-3.25
December 1982	2.25-2.50	2.75-3.25	3.25-4.00	1.50-4.50	3.00
January 1983	1.90-2.75	2.75-3.25	3.25-3.50	2.25-3.00	1.75-3.13

1/ All potatoes are U.S. No. 1, Size A, round white potatoes in 50-pound sacks.
2/ Prices in Boston and New York are for Maine round whites only. Prices in Atlanta, Baltimore and Chicago are for round whites from different sources.

GSP	Item	Stat. Suffix	Articles	Units of Quantity	Rates of Duty 1	Rates of Duty LDDC	Rates of Duty 2
			PART 8. - VEGETABLES				
			Subpart A. - Vegetables, Fresh, Chilled, or Frozen				
			Subpart A headnotes:				
			1. In the assessment of duty on any kind of vegetables, any foreign matter or impurities mixed therewith shall not be segregated nor shall any allowance therefor be made.				
			2. For the purposes of item 137.25 in this part, if for any calendar year the production of white or Irish potatoes, including seed potatoes, in the United States, according to the estimate of the Department of Agriculture made as of September 1, is less than 21,000,000,000 pounds, an additional quantity of potatoes equal to the amount by which such estimated production is less than the said 21,000,000,000 pounds shall be added to the 45,000,000 pounds provided for in the said item 137.25 for the year beginning the following September 15. Potatoes, the product of Cuba, covered by item 137.25 or 137.26 shall not be charged against the quota quantity provided for in item 137.25.				
			Vegetables, fresh, chilled, or frozen (but not reduced in size nor otherwise prepared or preserved):				
			Beans:				
			Lima beans:				
	135.10	00	If entered during the period from June 1 to October 31, inclusive, in any year	Lb.	3.5¢ per lb.		3.5¢ per lb.
	135.11		If products of Cuba		2.8¢ per lb. (s)		
A	135.12	00	If entered during November in any year	Lb.	2.1¢ per lb.		3.5¢ per lb.
	135.13		If products of Cuba		1.4¢ per lb. (s)		
A	135.14	00	If entered during the period from December 1 in any year to the following May 31, inclusive	Lb.	2.34¢ per lb.		3.5¢ per lb.
	135.15		If products of Cuba		1.4¢ per lb. (s)		
	135.16	00	Other than lima beans	Lb.	3.5¢ per lb.		3.5¢ per lb.
	135.17		If products of Cuba		3.1¢ per lb. (s)		
	135.20	00	Beets (not including sugar beets)	Lb.	Free		17% ad val.
A	135.30	00	Cabbage	Lb.	0.55¢ per lb.		2¢ per lb.
			Carrots:				
A	135.41	00	Under 4 inches long	Lb.	1¢ per lb.		8¢ per lb.
	135.42	00	Other	Lb.	0.5¢ per lb. 1/		4¢ per lb.

(s) = Suspended. See general headnote 3(b).

1/ Duty on certain carrots temporarily suspended. See item 903.25 in part 1B, Appendix to the Tariff Schedules.

Note: For explanation of the symbol "A" or "A*" in the column entitled "GSP", see general headnote 3(c).

APPENDIX E

SUBPART A, PART 8, SCHEDULE 1, OF THE TARIFF SCHEDULES
OF THE UNITED STATES ANNOTATED (1983)

GSP	Item	Stat. Suf-fix	Articles	Units of Quantity	Rates of Duty 1	LDDC	2
			Vegetables, fresh, chilled, or frozen, etc. (con.):				
			Peas:				
			If entered during the period from July 1 to September 30, inclusive, in any year:				
			Fresh or chilled:				
	136.94	00	Pigeon peas	Lb.	Free		3.9¢ per lb.
A	136.95	00	Other	Lb.	0.5¢ per lb.		3.9¢ per lb.
			Frozen:				
	136.96	00	Pigeon peas	Lb.	Free		3.9¢ per lb.
A	136.97	00	Other	Lb.	1¢ per lb.		3.9¢ per lb.
			Other:				
A	137.02		Pigeon peas		0.8¢ per lb.		3.9¢ per lb.
		20	Fresh or chilled	Lb.			
		40	Frozen	Lb.			
A	137.04		Other		2¢ per lb.		3.9¢ per lb.
		20	Fresh or chilled	Lb.			
		40	Frozen	Lb.			
A*	137.10	00	Peppers	Lb.	2.5¢ per lb.		2.5¢ per lb.
	137.11		If products of Cuba		2.2¢ per lb. (s)		
			Potatoes, white or Irish:				
			Seed, certified by a responsible officer or agency of a foreign government in accordance with official rules and regulations to have been grown and approved especially for use as seed, in containers marked with the foreign government's official certified seed potato tags and imported for use as seed:				
	137.20		For not over 114,000,000 pounds entered during the 12-month period beginning September 15 in any year		36¢ per 100 lbs.	35¢ per 100 lbs.	75¢ per 100 lbs.
		20	In immediate containers of not over 100 pounds net weight	Cwt.			
		40	Other	Cwt.			
	137.21		Other		55¢ per 100 lbs.	35¢ per 100 lbs.	75¢ per 100 lbs.
		20	In immediate containers of not over 100 pounds net weight	Cwt.			
		40	Other	Cwt.			
			Other than such certified seed:				
	137.25		For not over 45,000,000 pounds and such additional quantity as may be allowed pursuant to headnote 2 of this part, entered during the 12-month period beginning September 15 in any year		36¢ per 100 lbs.	35¢ per 100 lbs.	75¢ per 100 lbs.
			In immediate containers of not over 100 pounds net weight:				
		10	Russet or netted gem varieties	Cwt.			
		20	Other varieties	Cwt.			
			Other:				
		30	Russet or netted gem varieties	Cwt.			
		40	Other varieties	Cwt.			
	137.26		If products of Cuba and entered during the period from December 1 in any year to the last day of the following February, both dates inclusive		30¢ per 100 lbs. (s)		

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(s) = Suspended. See general headnote 3(b).

Note: For explanation of the symbol "A" or "A*" in the column entitled "GSP", see general headnote 3(c).

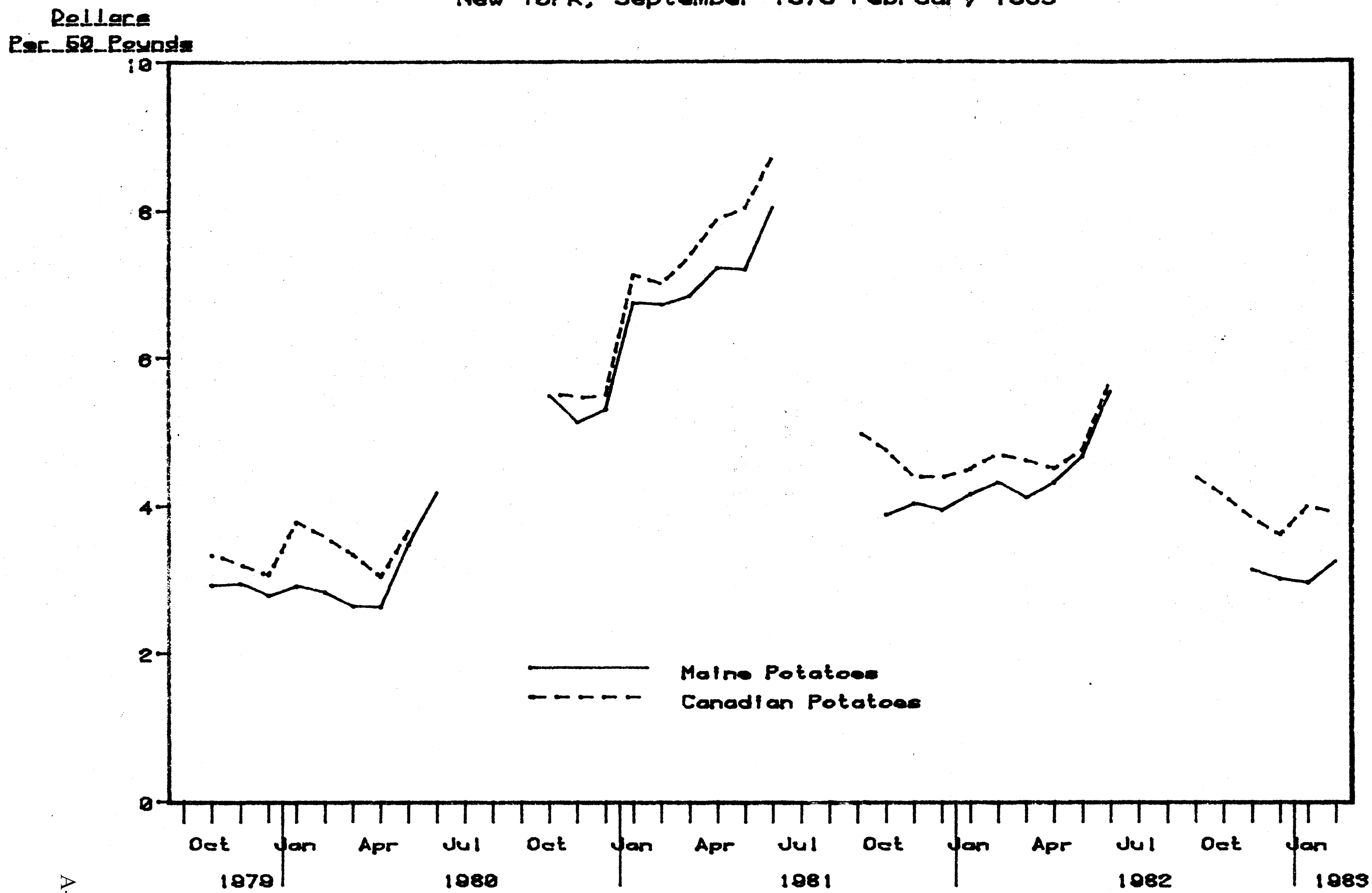
Potatoes, white or Irish: U.S. rates of duty, present and negotiated

TSUS item	Commodity	Rate prior to Jan. 1, 1980	Rates of duty, effective with respect to articles entered, or withdrawn from warehouse, for consumption on and after—							
			Jan. 1, 1980	Jan. 1, 1981	Jan. 1, 1982	Jan. 1, 1983	Jan. 1, 1984	Jan. 1, 1985	Jan. 1, 1986	Jan. 1, 1987
	Potatoes, white or Irish:									
	Seed, certified by a responsible officer or agency of a foreign government in accordance with official rules and regulations to have been grown and approved especially for use as seed in containers marked with the foreign government's official certified seed potato tags:									
137.20	For not over 114,000,000 pounds entered during the 12-month period beginning September 15 in any year.	37.5¢/100 lbs.	37¢/100 lbs.	37¢/100 lbs.	36.5¢/100 lbs.	36¢/100 lbs.	36¢/100 lbs.	35.5¢/100 lbs.	35¢/100 lbs.	35¢/100 lbs.
137.21	Other	75¢/100 lbs.	70¢/100 lbs.	65¢/100 lbs.	60¢/100 lbs.	55¢/100 lbs.	50¢/100 lbs.	45¢/100 lbs.	40¢/100 lbs.	35¢/100 lbs.
	Other than certified seed:									
137.25	For not over 45,000,000 pounds and such additional quantity as may be allowed pursuant to headnote 2 of this part, entered during the 12-month period beginning September 15 in any year.	37.5¢/100 lbs.	37¢/100 lbs.	37¢/100 lbs	36.5¢/100 lbs.	36¢/100 lbs.	36¢/100 lbs.	35.5¢/100 lbs.	35¢/100 lbs.	35¢/100 lbs.
137.28	Other	75¢/100 lbs.	70¢/100 lbs.	65¢/100 lbs.	60¢/100 lbs.	55¢/100 lbs.	50¢/100 lbs.	45¢/100 lbs.	40¢/100 lbs.	35¢/100 lbs.

APPENDIX F

FIGURES

Figure 1.--Potatoes: Monthly average prices of round whites sold in New York, September 1979-February 1983



Source: Table 24 of the report.

Note: No quotations for July and August (supplies are minimal).

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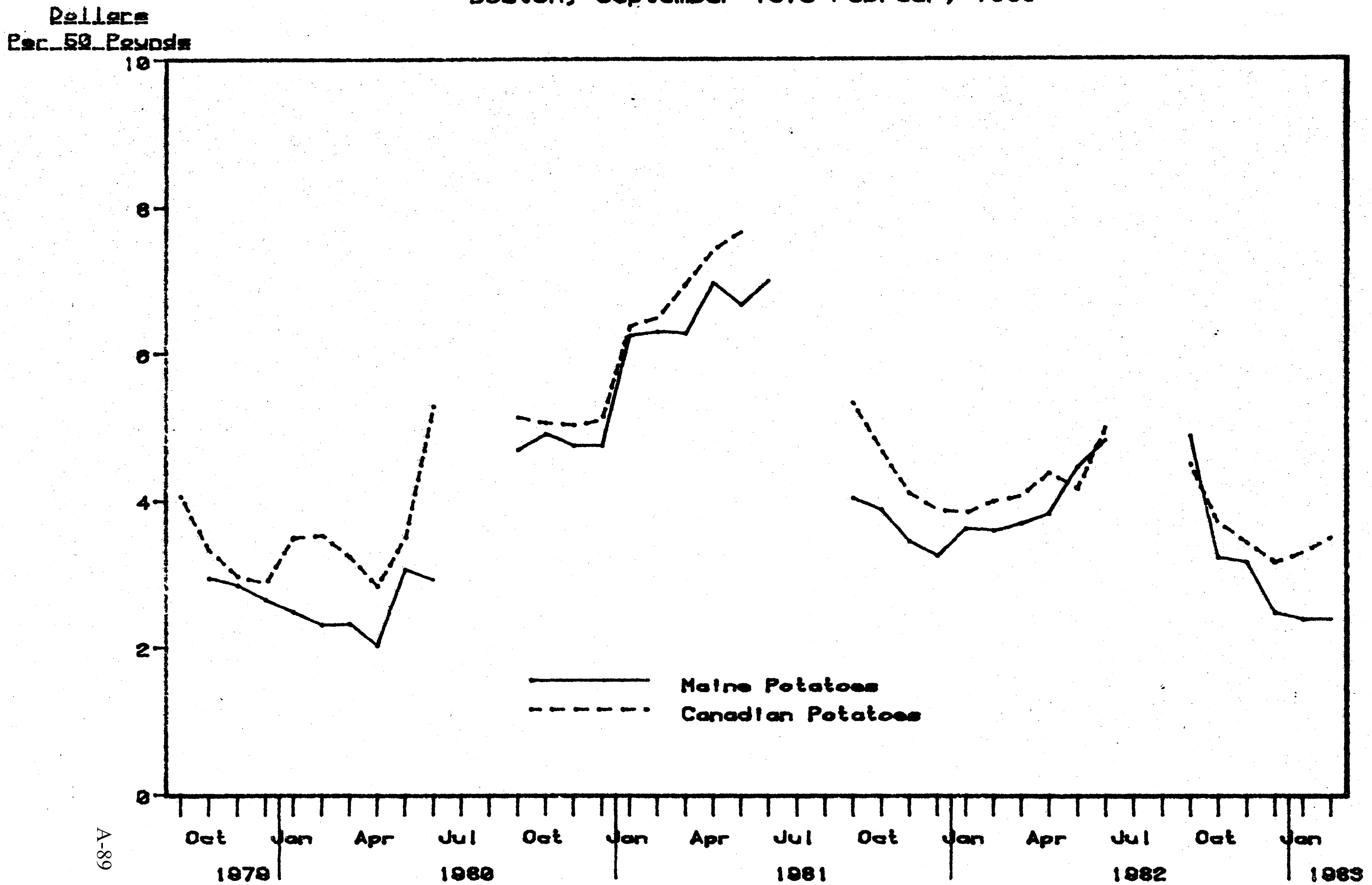
Figure 2.--Potatoes: Monthly average prices of round whites sold in Boston, September 1979-February 1983



Source: Table 25 of the report.

Note: No quotations for July and August (supplies are minimal).

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