

COLOR TELEVISION RECEIVERS FROM THE REPUBLIC OF KOREA AND TAIWAN

**Determinations of the Commission in
Investigations Nos. 731-TA-134 and
135 (Preliminary) Under the
Tariff Act of 1930, Together With
the Information Obtained in the
Investigations**

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UNITED STATES INTERNATIONAL TRADE COMMISSION

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Note.--Information which would reveal the confidential operations of individual concerns may not be published and, therefore, has been deleted from this report. Such deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigations Nos. 731-TA-134 and 135 (Preliminary)

COLOR TELEVISION RECEIVERS FROM THE REPUBLIC OF KOREA AND TAIWAN

Determinations

On the basis of the record 1/ developed in the subject investigations, the Commission determines, 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 or is threatened with material injury 2/ by reason of imports from the Republic of Korea (Korea) (investigation No. 731-TA-134 (Preliminary)) and Taiwan (investigation No. 731-TA-135 (Preliminary)) of color television receivers, provided for in items 685.11 and 685.14 of the Tariff Schedules of the United States, which are alleged to be sold, or likely to be sold, in the United States at less than fair value (LTFV).

Background

On May 2, 1983, petitions were filed with the Commission and the Department of Commerce by counsel on behalf of the Industrial Union Department (AFL-CIO), the Independent Radionic Workers of America, the International Brotherhood of Electrical Workers, the International Union of Electrical, Radio and Machine Workers, and the Committee to Preserve American Color Television (COMPACT) alleging that an industry in the United States is suffering material injury and is threatened with further material injury by

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/ Commissioner Haggart determines that there is a reasonable indication that an industry in the United States is materially injured by reason of allegedly LTFV imports of color television receivers from Korea and Taiwan.

reason of imports from Korea and Taiwan of color television receivers which are being sold in the United States at LTFV. Accordingly, effective May 2, 1983, the Commission instituted preliminary antidumping investigations 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 from Korea and Taiwan.

On May 19, 1983, the Commission was advised by counsel for the petitioners that COMPACT was withdrawing as a petitioner in the above investigations because of questions regarding its standing as an interested party under 19 U.S.C. § 1677(9) (Supp. III 1979). The four labor organizations previously cited, however, remained as petitioners.

Notice of the institution of the Commission's investigations and of a 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 May 11, 1983 (48 F.R. 21210). The conference was held in Washington, D.C., on May 26, 1983, and all persons who requested the opportunity were permitted to appear in person or by counsel.

VIEWS OF CHAIRMAN ALFRED ECKES, COMMISSIONER PAULA STERN,
AND COMMISSIONER VERONICA HAGGART

We determine that there is a reasonable indication that an industry in the United States is materially injured 1/ or threatened with material injury by reason of imports of color television receivers (CTVs) from the Republic of Korea (Korea) which are allegedly being sold at less than fair value (LTFV). We further determine that there is a reasonable indication that an industry in the United States is materially injured 2/ or threatened with material injury by reason of imports of CTVs from Taiwan which are allegedly sold at less than fair value. Our determinations are based on the depressed condition of the domestic industry, and the sharp increases in the volumes and market shares of imports from Korea and Taiwan, confirmed lost sales, underselling, and their consequent impact on the domestic industry.

Definition of the Domestic Industry

Section 771(4)(A) of the Tariff Act of 1930 defines the term "industry" as "the domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product." 3/ The phrase "like product" is defined 4/ as "a product which is like, or in the absence of like, most

1/ Commissioner Haggart determines only that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from Korea which are allegedly sold at less than fair value.

2/ Commissioner Haggart determines only that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from Taiwan which are allegedly sold at less than fair value.

3/ 19 U.S.C. § 1677(4)(A).

4/ 19 U.S.C. § 1677(10).

similar in characteristics and uses with, the article subject to an investigation under this subtitle."

The imported articles under investigation are complete or incomplete CTVs imported from Taiwan and Korea. 5/ Complete receivers are fully assembled and ready to function. Incomplete receivers and kits include a color picture tube and printed circuit board or ceramic substrate with components assembled thereon, and are capable of receiving a television signal.

CTVs are manufactured in a broad spectrum of sizes, ranging from miniature receivers with screen sizes of less than two inches to large projection television receivers. CTVs also differ in terms of tuning mechanism, cabinetry, etc. Nevertheless, the information before the Commission in these preliminary investigations does not show that these differences rise to such a level as to warrant treatment as distinct products. 6/ While CTVs appear in a variety of forms with different physical attributes, the information in the record does not support the conclusion that these differences in physical characteristics lead to meaningful differences in terms of "uses." All CTVs are used to watch entertainment programming and as display units for video games, video tape recorders, or computers. 7/

5/ These CTVs are provided for in items 685.11 and 685.14 of the Tariff Schedules of the United States (TSUS),

6/ The legislative history and the Commission's prior decisions indicate that minor physical differences in a product should not be permitted to lead to the conclusion that the product and the article are not like each other. S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979); Stainless Clad Steel Plate from Japan, Inv. No. 731-TA-50 (Preliminary), USITC Pub. No. 1196 at 4 (1981).

7/ The CTV producers from Taiwan have argued that CTVs with screen sizes of nine inches and under form a distinct product line. They claim that these CTVs "are not like or most similar in characteristics and uses, and therefore

(Footnote continued)

There are approximately 17 firms engaged to varying degrees in the manufacture and assembly of CTVs in the United States. All of these firms are engaged in the manufacture and assembly of CTVs in the United States, although they differ with respect to the nature and amount of domestic activity. In addition, almost all of the firms import parts, components, or complete receivers from abroad, or have offshore operations. Finally, many firms import alleged LTFV merchandise from Korea and Taiwan, although in varying amounts.

We determine that the "like product" consists of all domestically produced CTVs. For purposes of these preliminary determinations, we determine that the industry consists of the 17 firms engaged in the manufacture and assembly of CTVs in the United States.

Petitioners have argued that Japanese, Korean, and Taiwanese-owned firms are not "domestic producers." 8/ In our investigation of Television Receiving

(Footnote continued)

do not compete with, the CTVs produced in the United States." Post-Conference Brief of CTV Industry of Taiwan at 6. According to these producers, such CTVs are used as second sets in the kitchen or bedroom. Nevertheless, this distinction appears to be far from clearcut. In the first place, 10 inch CTVs can be used for the same purposes and the market for such CTVs almost certainly exhibits similar tendencies. In addition, there is nothing to preclude 9 inch or 10 inch CTVs from being used as the primary set. Accordingly, any attempt in these preliminary investigations to draw differences along product lines for different screen sizes would be unwarranted. Small screen CTVs compete with larger screen sizes, although the degree of competition undoubtedly decreases as the differences in screen sizes become more pronounced. In short, there appears to be a spectrum of merchandise competing in the marketplace. We do not preclude, however, the possibility of redefining the like product or the domestic industry in any final investigation, if circumstances so justify.

8/ Petition for Relief under the United States Antidumping Law with respect to Color Television Receivers Imported from Taiwan at 3-6; Petition for Relief under the United States Antidumping Law with respect to Color Television Receivers Imported from Korea at 3-6.

Sets from Japan, Inv. No. 751-TA-2, USITC Pub. No. 1153 (1981), the Commission determined that Japanese-owned facilities engaged in the assembly of CTVs were "domestic producers" within the meaning of 19 U.S.C. § 1677(4)(A). 9/ After reviewing the limited information obtained during this preliminary investigation, including information regarding U.S. value-added, we are not persuaded that Japanese-owned firms engaged in the production and assembly of CTV receivers in the United States should be treated differently in these investigations. 10/

Alternatively, petitioners have argued that Japanese-owned, Korean-owned and Taiwanese-owned producers should be excluded from the industry as "related parties" pursuant to 19 U.S.C. § 1677(4)(B). The information developed in these preliminary investigations shows that certain producers located in the United States either (1) have a corporate relationship with an exporter of alleged LTFV merchandise from Korea or Taiwan, and/or (2) have directly or indirectly imported alleged LTFV merchandise from Korea or Taiwan. Given the time constraints of a 45-day preliminary investigation, relevant firm-by-firm data regarding "appropriate circumstances" for excluding the firms from

9/ Commissioner Haggart was not a member of the Commission at the time of this investigation.

10/ Preliminary data regarding Gold Star of America's U.S. assembly operation in Huntsville, Alabama, raise some questions regarding Gold Star's status as a domestic producer. Gold Star's U.S. value-added and use of U.S.-produced parts have fluctuated sharply during the period under investigation. Nevertheless, the data are inconclusive and inclusion of Gold Star in the domestic industry will not affect our determinations here, since Gold Star's U.S. operation is relatively small.

the domestic industry in these investigations are very limited and inconclusive. 11/ 12/

Condition of the domestic industry

The condition of the CTV industry fluctuated during the period under investigation. Production, shipments, and employment improved during 1980-81, then slumped during 1982. Profitability shows a steady decline in each year. There are some indications that the industry began to recover in January-March 1983, but it is unclear whether this trend will continue.

After rising from 8,966,000 units in 1980 to 10,001,000 units in 1981, production fell to 8,887,000 units in 1982 or below 1980 levels. 13/ Similarly, domestic capacity rose from 9,600,000 units in 1980 to 11,027,000 units in 1981, before declining to 9,811,000 units in 1982. Capacity utilization declined from 93.4 percent in 1980 to 90.6 percent in 1982. 14/

Producers' inventories at year-end, expressed as a ratio to production, were 6.0 percent in 1980, 8.2 percent in 1981, and 7.7 percent in 1982. For

11/ See S. Rep. No. 249, 96th Cong., 1st Sess. 83 (1979).

12/ Commissioner Stern notes in addition that, in the absence of some indication that the inclusion of these firms in the industry will distort the analysis of material injury, she will not apply the related parties provision here. Compare Certain Automated Fare Collection Equipment and Parts Thereof from France, Inv. No. 701-TA-200 (Preliminary), USITC Pub. No. 1323 (1982) (inclusion of importer of alleged LTFV merchandise in the domestic industry would distort the Commission's analysis of material injury). In any case, this question need not be resolved at this point in the investigation. Among the firms to which the "related parties" provision might be applied, Gold Star, Hitachi, Sampo, and Tatung present the strongest case for application of the provision, since these firms are importing substantial quantities of allegedly LTFV CTVs and are heavily dependent on such CTVs in the U.S. market. Nevertheless, these firms represent a small portion of overall U.S. production, and their inclusion or exclusion from the industry would not affect her determinations here.

13/ Report at A-19, Table 3.

14/ Japanese-owned domestic producers experienced more of a decline in production and capacity utilization than did other domestic producers.

the first quarter of 1983, the ratio rose to 8.2 percent. This ratio was higher than 1982 year-end levels, although less than the 9.9 percent ratio for January-March 1982.

Employment of production and related workers in the domestic CTV industry has progressively declined since the early 1970's. In 1976, there were approximately 27,000 production and related workers. This figure declined steadily throughout the 1970's. By 1981, there were only approximately 18,000 workers. 15/ This trend can be explained in part by increased productivity as well as the transfer of certain aspects of production overseas. However, during 1982-83, the trend became particularly pronounced. Employment fell to 16,373 workers in 1982. This decline continued into 1983, as the number of production and related workers in the CTV industry fell to 14,070 in January-March 1983. The hours worked by production and related employees have declined in step with the average number of workers. 16/

Aggregate net sales of CTVs by domestic producers providing data to the Commission increased by 16 percent in 1981 to \$3,289,103,000, but declined in 1982 to \$3,040,696,000. Up to March 31, 1983, sales decreased by 2 percent from the corresponding period for 1982, falling from \$707,245,000 to \$691,453,000. 17/

Despite recent gains in production, profitability remains low. Gross profitability increased in 1981 and decreased in 1982. Aggregate operating income for the CTV industry declined by nearly one-third between 1980 and

15/ Report at A-23, Table 7.

16/ Id.

17/ Id. at A-25, Table 9.

1981, from \$68 million in 1980 to \$42 million in 1981. In 1982, the industry showed an aggregate operating loss of 23 million dollars. The operating loss reported so far for January-March 1983 is \$783,000, as compared with a loss of \$8.3 million over the corresponding period of 1982. 18/

The industry's ratio of operating income to net sales declined from 1.3 percent in 1981 to negative ratios of (.8) percent in 1982 and of (.1) percent in January-March 1983, as compared with a negative (1.2) percent ratio for the corresponding period for 1982. While there are indications that the condition of the industry is improving, the data available for 1983 are not conclusive in terms of the projected results for the year, and it remains an open question whether the industry will recover from the steep declines experienced between 1981 and 1982, especially since sales and other indicators have continued to decline. 19/ In sum, the declining economic and financial trends provide a reasonable indication that the domestic industry is currently experiencing difficulties.

Imports from Korea 20/ 21/ 22/

The information of record shows that the domestic industry has been

18/ Id.

19/ Id.

20/ We determine that for purposes of our preliminary determinations there is no basis for cumulating CTV imports from Japan. Japanese CTV imports were the subject of a 1971 dumping finding. Cf. Television Receiving Sets from Japan, Inv. No. AA1921-66, TC Pub. No. 367 (1971). Nevertheless, 12 years have elapsed since that determination. During that interval, the industry was transformed by the decision of Japanese-owned firms to commence U.S. production and by the decision of U.S.-owned firms to use a degree of offshore (Footnote continued)

subjected to increasing competition from imports of CTVs from Korea. The volume of imports from Korea rose sharply throughout the period under investigation. Import volume rose from 293,000 units in 1980 to 391,000 units in 1981 and 621,000 units in 1982. 23/ The trend continued into the first quarter of 1983, with imports rising to 234,000 units, as compared with 150,000 units in January-March 1982. While demand for CTVs fluctuated during 1980-83, rising from 9,438,000 units in 1980 to 11,223,000 units in 1981, then slumping to 10,974,000 units in 1982, 24/ the market share of CTV imports from Korea rose sharply and consistently throughout this period. CTV imports from Korea accounted for 3.1 percent of apparent U.S. consumption in 1980, rose to 3.5 percent in 1981, to 5.7 percent in 1982, and reached 7.7 percent of apparent consumption in the first quarter of 1983 as compared with 6.0 percent in the comparable period of 1982.

(Footnote continued)

sourcing. The nature of the industry and conditions of competition have changed drastically.

21/ Commissioner Stern notes that, since dumping duties were imposed on Japanese CTVs as a result of the 1971 Antidumping Order, Japanese imports were not sold at LTFV. Accordingly, any injury during this period was not caused by LTFV sales of Japanese imports. See Certain Steel Wire Nails from the Republic of Korea, Inv. No. 701-TA-145, USITC Pub. No. 1223 (1982) (Additional Views of Commissioner Paula Stern); Carbon Steel Wire Rod from Brazil, Belgium, France, and Venezuela, Inv. Nos. 701-TA-148, 149 and 150, Inv. No. 731-TA-88 (Preliminary), USTIC Pub. No. 1230 (1982) (Additional Views of Commissioner Paula Stern).

22/ Commissioner Haggart notes that sufficient information has been developed during the course of these investigations to make her determinations on a case-by-case basis. Therefore, she does not reach the issue of whether it is appropriate to cumulate imports.

23/ Report at A-40, Table 19.

24/ Id.

There are indications that imports from Korea adversely affected the prices of domestically-produced CTVs. The CTV market is price sensitive. ^{25/} Data on 13 inch and 19 inch CTVs from Korea show a steady downward trend in price over the period from January 1981 to April 1983. ^{26/} These trends appear in data regarding three separate classes of customers: wholesalers or distributors, brand-name retailers, and private label retailers. The prices of comparable domestically-produced 13 inch and 19 inch CTVs exhibited similar declines.

Pricing data collected on weighted average net selling prices of comparable CTV models reveal a pattern of underselling by imports from Korea. ^{27/} Thus, on sales to wholesalers or distributors, brand-name retailers, and private label retailers, imports from Korea consistently undersold comparable domestically-produced models. This phenomenon is partially explained by the fact that imports from Korea lack consumer recognition and cannot command the price premium of better-known manufacturers. Nevertheless, the price differences are striking, and may have adversely affected the prices of comparable models carrying a well-known brand name.

It has been argued that imports from Korea compete in a discrete section of the CTV market consisting of low-income buyers and purchasers of second

^{25/} Id. at A-58 et seq.

^{26/} Report at A-47 to A-52. We note that the increase in imports must be viewed in the context of the existence of the Orderly Marketing Agreement covering CTVs from Korea which was in effect until June 30, 1982.

^{27/} Id. at A-53 to A-58.

sets, and have no impact on sales of models produced by U.S. or Japanese-owned firms. 28/ Nevertheless, the record shows that U.S.-owned firms have lost sales to imports from Korea. 29/ Specifically, our preliminary investigation confirmed 7 lost sales to imports from Korea, with the unit quantities and total dollar volume being substantial. Price appears to have been a significant factor in the purchasers' decisions to buy imports from Korea over domestically-produced sets.

There are indications of a sharp and steady increase in the volume of alleged LTFV CTV imports from Korea, as well as underselling, and lost sales, which appear to be adversely affecting the domestic industry. The Korean CTV industry has a large capacity to manufacture CTVs. This capacity has expanded rapidly in recent years. The Korean industry's major export market thus far has been the United States. Accordingly, we determine that there is a reasonable indication that imports of CTVs from Korea which are allegedly sold at LTFV are causing or threatening material injury to an industry in the United States. 30/ 31/

Imports from Taiwan 32/

Taiwan was the second largest exporter of CTVs to the U.S. in 1980 and 1981, and in the first quarter of 1983. In 1982, Taiwan ranked third in

28/ Transcript at 119, 122-29.

29/ Id. at A-58 to A-60.

30/ See note 1, supra.

31/ Commissioner Stern notes that the increase in import volume during January-March 1983 coincided with a slight improvement in the fortunes of the industry. This causal linkage issue will be explored during any final investigation.

32/ See notes 20, 21, and 22, supra.

exports behind Japan and Korea. 33/ The volume and market share of CTV imports from Taiwan increased during the period under investigation. Import volume increased in 1980 from 303,000 to 457,000 in 1981. Although there was a slight decline in 1982, to 446,000, import volume was still substantially more than in 1980. Finally, imports in the first quarter of 1983 are more than twice the level reached in the first quarter of 1982. 34/

Imports from Taiwan accounted for 3.2 percent of apparent U.S. consumption by volume in 1980 and 4.1 percent in 1981 and 1982. The market share of imports from Taiwan rose to 6.2 percent in January-March 1983, as compared with 2.9 percent in the corresponding period for 1982.

The selling prices of 13 inch and 19 inch CTVs with a variety of features were compared. The prices of CTVs imported from Taiwan showed a steady, downward trend during the period under investigation. The prices of comparable domestically-produced CTVs exhibited similar declines. Price comparisons of 13 inch and 19 inch price leader and remote controlled CTVs indicate that models imported from Taiwan generally undersold equivalent U.S.-produced models by significant margins. 35/

Specific allegations of lost sales by a domestic producer of CTVs to a Taiwanese concern were confirmed by the purchaser. 36/ In addition, allegations of lost revenues by reason of competing prices offered for

33/ Report at A-40, Table 19.

34/ We note that the increase in imports must be viewed in the context of the existence of an Orderly Marketing Agreement covering CTVs from Taiwan which was in effect until June 30, 1982.

35/ Report at A-53 to A-58, Tables 25-28.

36/ Id. at A-60 et seq.

Taiwanese imports were confirmed. Although there were indications of other factors which may have influenced purchasing decisions, price was a significant factor and, for purposes of our preliminary investigation, provides a sufficient causal link. 37/

In view of preliminary information on underselling and lost sales, the significant volume of allegedly LTFV imports, including the sharp increase in import volume during January-March 1983, the Commission determines that there is a reasonable indication that the domestic industry is materially injured or threatened with material injury by reason of alleged LTFV imports from Taiwan. 38/ 39/

Conclusion

Based on the foregoing, we determine, pursuant to section 733 of the Tariff Act of 1930, that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury 40/ by reason of imports of CTVs from Korea which are allegedly sold at less than fair value. We further determine that there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury 41/ by reason of CTVs from Taiwan which are allegedly sold at less than fair value.

37/ The relationship between the prices of imported and domestically-produced CTVs, including the role of brand-name identification, will be explored more fully in any final investigation.

38/ See note 2, supra.

39/ See note 31, supra.

40/ See note 1, supra.

41/ See note 2, supra.

INFORMATION OBTAINED IN THE INVESTIGATIONS

Introduction

On May 2, 1983, counsel for the following organizations filed petitions with the United States International Trade Commission and the U.S. Department of Commerce alleging that an industry in the United States is suffering material injury and is threatened with further material injury by reason of imports from the Republic of Korea (Korea) and Taiwan of color television receivers which are allegedly being sold in the United States at less than fair value (LTFV): 1/

Independent Radionic Workers of America;
 International Brotherhood of Electrical Workers;
 International Union of Electrical, Radio and Machine Workers;
 Industrial Union Department, AFL-CIO; and
 Committee to Preserve American Color Television (COMPACT). 2/

Accordingly, effective May 2, 1983, the Commission instituted the following preliminary antidumping investigations 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 of color television receivers, complete or incomplete, provided for in items 685.11 and 685.14 of the Tariff Schedules of the United States (TSUS), which are alleged to be sold in the United States at LTFV:

<u>Investigation No.</u>	<u>Country</u>
731-TA-134 (Preliminary)-----	Korea
731-TA-135 (Preliminary)-----	Taiwan

1/ The first three organizations shown represent workers engaged in the production of color television receivers. The Industrial Union Department, AFL-CIO, is a federation of 58 labor unions. COMPACT is an unincorporated association of manufacturers and 11 labor organizations which, according to the petitions, "represent the overwhelming majority of workers in the domestic color television industry."

2/ In addition to the four labor organizations named above, the following are members of COMPACT: Allied Industrial Workers of America, International Union; American Flint Glass Workers Union of North America; Communications Workers of America; Corning Glass Works; Glass Bottle Blowers' Association of the United States and Canada; International Association of Machinists; Owens-Illinois, Inc.; United Furniture Workers of America; United Steelworkers of America; and Wells-Gardner Electronics Corp. Four of the labor organizations represent workers engaged in the final assembly of color television receivers. Wells-Gardner Electronics Corp. produces finished color television receivers. The remaining corporations and labor organizations produce or represent workers who produce "materials, parts and components irrevocably destined for incorporation in color television receivers."

On May 19, 1983, the Commission was advised by counsel for the original petitioners that, because of "questions regarding the standing of COMPACT as an interested party under 19 U.S.C. § 1677(9) (Supp. III 1979)," COMPACT was withdrawing as a petitioner in the above investigations. The four labor organizations previously cited, however, remained as petitioners.

Notice of the institution of the Commission's investigations and of a 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 May 11, 1983 (48 F.R. 21210). 1/ The conference was held in Washington, D.C., on May 26, 1983. 2/ The applicable statute directs the Commission to make its determinations in these investigations within 45 days after the date of the filing of the petitions, or by June 16, 1983. The Commission's briefing and votes were held on June 9, 1983.

The Products

Description and uses

The imported products subject to these investigations are complete and incomplete color television receivers, including color television receiver kits. Complete receivers are fully assembled and ready to function when purchased by the consumer. These television receivers range in screen size from less than 2 inches for small, battery-operated portable units to 26 inches for console televisions. Also included are projection television receivers. Consumers use these television receivers for watching broadcasts directly off the air or from a cable source. Television receivers may also be used as display units for video games, video tape recorders, or computers.

Component television receivers consisting of tuners, display units, and speakers are becoming increasingly popular in the consumer market and are produced in a number of configurations. For example, the tuner may or may not contain audio or video circuitry (such circuitry could be a part of the display unit) and speakers, usually two, can be located in the display unit or can be separate items.

Incomplete color television receivers and color television receiver kits are imported by U.S. producers and assembled into complete receivers in U.S. production facilities. For the purposes of these investigations, incomplete receivers consist of a color picture tube and a printed circuit board or ceramic substrate with components assembled thereon, designed to perform the intermediate frequency amplification function and the picture and audio demodulation functions of a color television receiver. Color television receiver kits contain all parts necessary for manufacturing complete television receivers.

1/ A copy of the Commission's notice is presented in app. A. A copy of the Department of Commerce's notice of institution of its preliminary investigations is presented in app. B.

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

Tariff treatment

Imports of the color television receivers included in these investigations are classified for tariff purposes under TSUS items 685.11 and 685.14. The current column 1 (most-favored-nation) rate of duty for both items is 5 percent ad valorem. ^{1/} Imports from Communist countries and areas listed in general headnote 3(f) of the TSUSA are dutiable at a (column 2) rate of 35 percent ad valorem. These items were excluded from the staged duty reductions authorized by the Tokyo round of the Multinational Trade Negotiations (MTN), effective January 1, 1980, because color television receivers were at that time subjects of orderly marketing agreements (OMA's) involving the United States, Japan, Korea, and Taiwan. Articles imported under TSUS items 685.11 and 685.14 are not eligible for duty-free treatment under the Generalized System of Preferences (GSP).

Television receivers manufactured or assembled abroad in whole or in part of U.S.-fabricated components may be admitted under TSUS item 807.00. The duty on such imports is assessed on their full value less the cost of the U.S.-fabricated components contained therein.

In addition to the statutory duty rate, imports of television receivers from Japan have been subject to special duty assessments since September 1970. If it is determined that such imports have been sold for export to the United States at LTFV, they are subject to special dumping duties in accordance with Treasury Decision 71-76.

^{1/} Col. 1 rates are applicable to imported products from all countries except those Communist countries and areas enumerated in general headnote 3(f) of the TSUSA. However, these rates do not apply to products of developing countries where such articles are eligible for preferential treatment provided under the GSP or under the "LDDC" rate of duty column. The GSP, under title V of the Trade Act of 1974, provides duty-free treatment for specified eligible articles imported directly from designated beneficiary developing countries. GSP, implemented by Executive Order No. 11888 of Nov. 24, 1975, applies to merchandise imported on or after Jan. 1, 1976, and is expected to remain in effect until January 1985. LDDC rates are preferential rates (reflecting the full U.S. MTN concession rate for a particular item without staging) applicable to products of those LDDC's designated in general headnote 3(d) of the TSUS which are not granted duty-free treatment under the GSP.

The rates of duty, present and negotiated, in selected foreign markets for television receiving apparatus exported from the United States are shown in the following tabulation:

Market	Description of commodity and foreign tariff item No.	Present rate of duty 1/	Negotiated rate of duty 2/
Canada-----	Color television receiving sets and parts thereof (4533-4).	13.8% ad val.	7.5% ad val.
European Community.	Receivers, whether or not incorporating sound recorders or reproducers (85.15A 111). Parts: Cabinets and cases (85.15C11A): Of wood----- Other----- Other (85.15C11C)-----	14.0% ad val. 5.8% ad val. 7.0% ad val. 10.8% ad val.	14.0% ad val. 4.6% ad val. 5.3% ad val. 7.2% ad val.

1/ Rate currently applicable to imports from the United States.

2/ Final rate negotiated under the Tokyo round of the MTN.

Summary of Previous Investigations Involving Television Receivers

The Commission has conducted 22 investigations concerning television receiving apparatus since 1970. Two were conducted under the Antidumping Act of 1921, 2 each under sections 332 and 337 of the Tariff Act of 1930, 12 under section 301 of the Trade Expansion Act of 1962, 1 each under sections 201, 203, and 603 of the Trade Act of 1974, and 1 under section 751 of the Trade Agreements Act of 1979. Of the 17 injury investigations, 12 resulted in affirmative determinations of injury; 5 resulted in negative determinations. The remaining investigations were either terminated or were not conducted for the purpose of determining injury. The antidumping orders issued as a result of the Commission's affirmative determinations in investigations Nos. AA1921-64, Tuners From Japan, 1/ and AA1921-66, Television Receiving Sets from Japan, 2/ are still in effect. All other import relief measures implemented as a result of injury determinations by the Commission have expired.

The Commission conducted 6 of the 22 investigations during 1977-81. Certain Color Television Receiving Sets, investigation No. 337-TA-23, was instituted by the Commission in April 1976 after a petition was received from a U.S. color television manufacturer which alleged the existence of predatory pricing schemes, economic incentives provided by the Government of Japan,

1/ Tuners from Japan . . . , TC Publication 341, November 1970.

2/ Television Receiving Sets from Japan . . . , TC Publication 367, March 1971.

restraint of trade and commerce, and attempted monopoly. 1/ This investigation was terminated in July 1977 on the basis of consent orders requiring the five respondents to submit annual reports of their activities for 5 years. 2/

In October 1976, the Commission instituted investigation No. TA-201-19, Television Receivers, Color and Monochrome, Assembled or Not Assembled, Finished or Not Finished, and Subassemblies Thereof, after receiving a petition from a number of labor unions and producers. 3/ In March 1977, the Commission determined by a unanimous vote that color television receivers, assembled or not assembled, finished or not finished, were being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry. The Commission was evenly divided on the question of injury to the portions of the domestic industry producing monochrome television receivers and subassemblies for television receivers. The President accepted the affirmative determination with respect to complete and incomplete color television receivers and the negative determination with respect to monochrome television receivers. 4/

To remedy the injury found in investigation No. TA-201-19, the President requested that the United States Trade Representative (USTR) negotiate an OMA with the Government of Japan. The resulting OMA was for a 3-year period beginning July 1, 1977; it limited imports of complete and incomplete color television receivers from Japan to 1.56 million units and 190,000 units per quota year, respectively. 5/ In addition, the President directed the Commission to collect certain economic data from U.S. producers and importers of color television receivers. In compliance with this directive, the Commission instituted investigation No. 332-95, Quarterly and Annual Reports Providing Certain Information on Color Television Receivers and Related Products, in January 1978. This investigation surveyed the domestic color television industry and collected quarterly statistics on production, shipments, inventories, employment, prices, profits, and production capacity, as well as annual statistics on capital expenditures and research and development expenditures. Importers were asked to provide data on prices, orders, and inventories. Ten quarterly and three annual reports were issued. The investigation was terminated in June 1980.

1/ Sec. 337 cases typically involve patent infringements and antitrust issues relating to alleged unfair acts or methods of competition incidental to the importation of articles into the United States or their sale, the effect or tendency of which is to destroy or substantially injure an industry, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States.

2/ 42 F.R. 39492.

3/ A report of the Commission's findings is contained in Television Receivers, Color and Monochrome, Assembled or Not Assembled, Finished or Not Finished, and Subassemblies Thereof: Report to the President on Investigation No. TA-201-19 . . ., USITC Publication 808, March 1977.

4/ Sec. 330(d) of the Tariff Act of 1930 allows the President to accept either determination in the case of an evenly divided vote.

5/ Presidential Proclamation No. 4511, June 24, 1977, 42 F.R. 32747.

Because the effectiveness of the OMA with Japan was being disrupted by increased imports of color television receivers and certain subassemblies from Taiwan and Korea, OMA's were negotiated by the USTR with these two countries. The OMA's were implemented by Presidential Proclamation No. 4634 on February 1, 1979, and were scheduled to expire on June 30, 1980. 1/ During the period covered by the OMA's, Taiwan was allowed to export to the United States 500,000 complete color television receivers and 918,000 subassemblies of the kind covered by the agreement; Korea was allowed to export 289,000 units of the articles covered by the OMA, with no restrictions on the product mix. 2/

On December 31, 1979, the Commission instituted investigation No. TA-203-6, Color Television Receivers and Subassemblies Thereof, 3/ for the purpose of advising the President of the probable economic effect on the domestic industry of the extension, reduction, or termination of the import relief provided by the OMA's. In May 1980, the Commission determined that the termination of the OMA's with Taiwan and Korea would have an adverse effect on the domestic industry, but that the termination of the OMA with Japan would not. Accordingly, the OMA with Japan was allowed to expire on June 30, 1980, as scheduled. Those with Taiwan and Korea were extended for a period of 2 years beginning on July 1, 1980, 4/ although color television receivers with screen sizes of 12 inches or less and subassemblies without picture tubes were not covered by the extended OMA's. Also, the new restraint levels allowed for growth; Taiwan was allowed to export 400,000 units in the first restraint year and 425,000 units in the second year; Korea was allowed corresponding exports of 385,000 and 575,000 units.

Following the extension of the OMA's with Taiwan and Korea, the Commission, at the direction of the President, instituted investigation No. 332-112 to continue monitoring the domestic color television industry. Statistics similar to those compiled in investigation No. 332-95 were collected during this investigation, with eight quarterly and two annual reports being issued. The investigation was terminated on June 30, 1982, with the expiration of the OMA's with Taiwan and Korea.

On September 16, 1980, the Commission instituted investigation No. 751-TA-2, Television Receiving Sets From Japan, after receiving applications from several Japanese television manufacturers requesting a review of the 1971 dumping finding. 5/ These applications asked the Commission to determine, in light of changed circumstances, whether an industry in the United States would be materially injured, or threatened with material injury, by reason of imports of the television receivers covered by the antidumping order, if the

1/ 44 F.R. 5633.

2/ During the course of the OMA's, Taiwan's restraint levels were increased by approximately 5 percent, and Korea's, by approximately 17 percent.

3/ A report of the Commission's findings is contained in Color Television Receivers and Subassemblies Thereof: Report to the President on Investigation No. TA-203-6 . . ., USITC Publication 1068, May 1980.

4/ Presidential Proclamation No. 4769, June 30, 1980, 45 F.R. 45237.

5/ A report of the Commission's findings is contained in Television Receiving Sets from Japan: Determination of the Commission in investigation No. 751-TA-2 . . ., USITC Publication 1153, June 1981.

order were to be modified or revoked. In June 1981, the Commission determined by a vote of 3 to 1 that a U.S. industry would be threatened with material injury if the antidumping order were revoked or modified. On July 22, 1981, the Japanese television manufacturers sued the Commission in the Court of International Trade, objecting to the Commission's determination on several grounds. 1/ This suit is currently being litigated.

In addition to the suit on investigation No. 751-TA-2, there have been other significant legal proceedings concerning the antidumping order. In May 1979, COMPACT filed suit to have the U.S. Department of the Treasury enforce the antidumping order by assessing and collecting dumping duties on entries of television receivers which had not been liquidated as of March 31, 1978. At that time, entries imported since July 1973 and the duties which had been assessed on entries before that date were under protest and remained uncollected. On April 29, 1980, the U.S. Departments of Commerce and Treasury announced that an agreement had been signed between officials of the Japanese television makers and importers which would permit the liquidation of entries of television receivers from Japan. This agreement would assess approximately \$66 million in dumping duties on the respondent firms, a reduction from the estimated \$440 million in dumping duties owed. Suits were filed by COMPACT and Zenith Radio Corp., a major domestic television producer, to block this settlement, alleging that the U.S. Government did not have the statutory authority to enter into such an agreement, and, assuming that it had such authority, the Government officials who recommended the settlement acted arbitrarily, in bad faith, and unlawfully. These suits were dismissed for want of subject-matter jurisdiction by the Court of Customs and Patent Appeals in Montgomery Ward & Co., Inc. v. Zenith Radio Corp., 673 f.2d 1254 (C.C.P.A. 1982), cert. denied sub nom. Zenith Radio Corp. v. United States, 103 S.Ct. 256 (1982). After the Supreme Court denied Zenith's petition for certiorari in Montgomery Ward & Co., Zenith and COMPACT filed amended complaints in the Court of International Trade in an attempt to enjoin the settlement agreement. The Court of International Trade granted summary judgement in favor of the Government as to each claim alleged in the amended complaints. COMPACT v. United States, 3 C.I.T. --, Slip Op. 82-101 (C.I.T. 1982). aff'd -- f.2d --, Appeal No. 83-578 (C.A.F.C., May 2, 1983). In 1981, Zenith filed suit challenging the method the Commerce Department used in determining the amount of dumping duties owed during April 1979-March 1980. A similar suit by COMPACT was consolidated in this action. This suit is still pending.

Television apparatus has also been the subject of statutory investigations conducted by the Departments of Commerce and Labor under title II of the Trade Act of 1974. During 1977-81, the Commerce Department conducted eight firm cases, with all firms being certified as eligible for adjustment assistance. The Labor Department conducted 15 worker investigations during this period; 9 cases were certified, 1 was partially certified, and 5 were denied. These cases covered 11,754 workers, 9,592 of whom were certified.

1/ Matsushita Electric Industrial Co., Ltd. v. United States, Consolidated Court No. 81-7-00901 (CIT, appeals filed July 22, 1981).

Nature and Extent of Alleged Sales at LTFV

Korea

The Korean petition focuses on three companies: Samsung Electronics Co., Ltd. (Samsung), Gold Star Co., Ltd. (Gold Star), and Taihan Electric Wire Co., Ltd. (Taihan). The petition contains an array of price and unit value comparisons as support for the allegation of LTFV sales concerning imports from Korea, with the size of the alleged LTFV margins depending on the method of comparison used.

After comparing the average customs unit values of Korean exports to the United States and average unit values for sales in the Korean home market, the petition asserts that color television receivers were being sold at LTFV margins of 59.0 to 60.8 percent in 1981 and 61.9 to 74.0 percent in 1982. It is further alleged that the average unit values of U.S. imports of 13-inch and 19-inch color receivers with mechanical and electronic tuning are less than the Korean ex-factory prices of Samsung, Gold Star, and Taihan. Using this method of comparison, the alleged LTFV margins range from 14.6 percent for 13-inch Samsung CT-1433 promotional models to 51.2 percent for 19-inch Samsung CT-2095 models with electronic tuning.

Finally, the petition compares (1) simple averages of actual prices for a particular size and tuning system category, (2) ranges of actual prices for particular sizes and tuning systems in both markets, and (3) actual prices of comparable models with similar features and a similar physical appearance. Using simple averages, the alleged LTFV margins range from 19.9 percent for 13-inch electronic tuning receivers to 34.3 percent for 19-inch mechanical tuning receivers. Similarly, the alleged LTFV margins vary from 2.2 to 46.9 percent when price ranges for 13-inch and 19-inch receivers with either mechanical or electronic tuning are compared. Finally, if prices for comparable models sold in the U.S. and Korean markets are compared, the alleged LTFV margins range from 15.7 percent for Samsung's 13-inch CT-1469 and CT-331AZ models to 50.5 percent for Taihan's 19-inch TCK-2003P model.

Taiwan

The petition with respect to imports from Taiwan presents data regarding two companies: Tatung Co. (Tatung) and Sampo Corp. (Sampo). The petition alleges that LTFV sales are shown by differences in the U.S. price of imported color television receivers from Taiwan and the "foreign-market value" of such imports. The petition provides a number of price comparisons in support of the allegation of LTFV sales and, again, the alleged LTFV margins vary widely, depending on the type of comparison used.

The petition first compares the average unit values for 13-inch and 19-inch color television receivers from Taiwan, as developed from Commerce Department statistics, with a range of ex-factory prices for domestic sales in Taiwan derived from published list prices and delivered prices of Tatung and Sampo. This comparison results in alleged LTFV margins ranging from 68.0 to 78.8 percent for 13-inch color receivers and from 72.0 to 100.0 percent for 19-inch color receivers.

In further support of the LTFV sales allegations, the petition presents data regarding comparisons of actual prices for color television receivers. According to the petition, comparisons of actual U.S. prices and average published list and delivered prices in Taiwan reveal LTFV margins of 27.9 percent for 13-inch receivers with electronic tuning and 44.2 percent for 19-inch receivers with electronic tuning. A comparison of actual U.S. prices and ranges of high and low home-market prices in Taiwan allegedly reveals LTFV margins ranging from 13.2 to 34.3 percent for 13-inch receivers with electronic tuning, and from 35.4 to 52.8 percent for 19-inch receivers with electronic tuning. Finally, data regarding prices in the United States and Taiwan of comparable models manufactured by Tatung and Sampo allegedly show LTFV sales at margins of between 16.3 and 57.3 percent. The petition does not contain specific allegations regarding the extent of LTFV sales by manufacturers in Taiwan other than Tatung and Sampo.

Structure of the Domestic Industry

In May 1980, the Commission noted the following in its report on Investigation No. TA-203-6, Color Television Receivers and Subassemblies Thereof:

Today, the U.S. color television industry is substantially transformed from its position reviewed during the section 201 proceeding three years ago. Two developments have been primarily responsible for this transformation. First, a fundamental relocation of certain production operations is resulting in a new international division of labor. U.S. producers have transferred an increasingly large portion of their production of labor-intensive components to other countries in an effort to cut labor cost, and four major Japanese producers of color television receivers began assembly operations in the United States during the period of import relief, joining three already in place. Second, the adoption of technological improvements is reducing total labor content of television receivers.

Since the above paragraph was written, an eighth Japanese producer of color television receivers, two major producers of color television receivers in Taiwan, and a major producer in Korea have begun assembly operations in the United States. Moreover, the distinction between producer and importer has become even less clear. All firms that produce (or assemble) color television receivers in the United States now import a substantial portion of the subassemblies and components used in such merchandise, and several producers also import complete color television receivers. The available data indicate that imported subassemblies and components have accounted in recent years for a generally increasing percentage of the total value of domestically assembled receivers.

U.S. producers

The number of firms producing (assembling) television receivers in the United States declined from 17 in 1970 to 12 in 1976, but has since again risen to 17. Table 1 lists the firms that produced such merchandise in the

United States during 1976-82. Of the 17 firms that currently produce color television receivers in the United States, 5 are U.S. owned, 1 is Dutch owned, 8 are Japanese owned, 2 are Taiwan owned, and 1 is Korean owned. 1/ The two largest U.S.-owned producers of color television receivers are *** and ***.

Table 1.--U.S. producers of television receivers, 1976-82

Ownership and firm	: : 1976	: : 1977	: : 1978	: : 1979	: : 1980	: : 1981	: : 1982
<hr/>							
U.S.-owned:	:	:	:	:	:	:	:
Curtis Mathes	:	:	:	:	:	:	:
Manufacturing Co-----	X	X	X	X	X	X	X
General Electric Co-----	X	X	X	X	X	X	X
RCA Corp-----	X	X	X	X	X	X	X
Wells-Gardner Electronics	:	:	:	:	:	:	:
Corp-----	X	X	X	X	X	X	X
Zenith Radio Corp-----	X	X	X	X	X	X	X
GTE Sylvania, Inc. <u>1/</u> -----	X	X	X	X	X	:	:
Admiral Group-----	X	X	X	:	:	:	:
Andrea Radio Corp-----	X	:	:	:	:	:	:
Warwick Electronics, Inc. <u>2/</u> ---	X	:	:	:	:	:	:
Dutch-owned:	:	:	:	:	:	:	:
North American Philips	:	:	:	:	:	:	:
Corp-----	X	X	X	X	X	X	X
Japanese-owned:	:	:	:	:	:	:	:
Sony Corp. of America-----	X	X	X	X	X	X	X
Matsushita Industrial Co-----	X	X	X	X	X	X	X
Sanyo Manufacturing Corp-----	X	X	X	X	X	X	X
Mitsubishi Electric Sales-----	:	X	X	X	X	X	X
Toshiba America, Inc-----	:	:	X	X	X	X	X
Sharp Electronics Corp-----	:	:	:	X	X	X	X
Hitachi Consumer Products	:	:	:	:	:	:	:
of America, Inc-----	:	:	:	X	X	X	X
US JVC Corp-----	:	:	:	:	:	:	X
Taiwan-owned:	:	:	:	:	:	:	:
Tatung Co. of America, Inc-----	:	:	:	:	X	X	X
Sampo Corp. of America-----	:	:	:	:	:	X	X
Korean-owned:	:	:	:	:	:	:	:
Gold Star of America, Inc-----	:	:	:	:	:	:	X

1/ GTE Sylvania was purchased by North American Philips Corp. in January 1981.

2/ The television-manufacturing facilities of Warwick Electronics, Inc., were purchased by Sanyo Electric, Inc. (Japan), effective Dec. 31, 1976.

Source: Television Digest, various issues, and information submitted in response to questionnaires of the U.S. International Trade Commission.

1/ Wells-Gardner, which is shown in table 1 as a U.S.-owned producer, reported that ***.

The largest Japanese-owned producers are *** and ***. In 1982, these four firms together accounted for *** percent of total U.S. production reported in response to the Commission's questionnaires. All Japanese-owned firms together accounted for approximately 30 percent of aggregate production in that year.

As indicated in table 1, two of the major producers of color television receivers in Taiwan--Tatung and Sampo--have opened assembly plants in the United States. In late 1980, Tatung Co. of America, Inc., began producing color television receivers in Long Beach, Calif., and in 1981, Sampo Corp. of America initiated production in Atlanta, Ga. According to the petition, "In each case, U.S. production is designed to supplement and complement imported CTVs (color television receivers). In addition, U.S. sales subsidiaries of Tatung and Sampo are the importers of record of Tatung and Sampo CTV exports to the United States." 1/

Similarly, Gold Star of America, Inc., which is owned by Gold Star in Korea, opened an assembly facility in Huntsville, Ala., in July 1982. According to the petition, "Gold Star's U.S. production supplements and complements CTV import activity." Gold Star's initial production reportedly is 19-inch color television receivers, "40 percent of the value of which consists of parts imported from Korea". 2/

U.S. color television production facilities are located principally in California, Tennessee, and Illinois. The following tabulation shows all known current producers and the locations of their assembly plants:

<u>Firm</u>	<u>Location of television receiver assembly plant</u>
Curtis Mathes Manufacturing Co-----	Dallas, Tex.
General Electric Co-----	Portsmouth, Va.
Gold Star of America, Inc-----	Huntsville, Ala.
Hitachi Consumer Products of America, Inc-----	Anaheim, Calif.
Matsushita Industrial Co-----	Chicago, Ill.
Mitsubishi Consumer Electronics America, Inc-----	Santa Ana, Calif.
North American Philips Consumer Electronics Corp.	Jefferson City, Tenn.
RCA Corp-----	Greeneville, Tenn.
Sampo Corp. of America-----	Bloomington, Ind.
Sanyo Manufacturing Corp-----	Atlanta, Ga.
Sharp Electronics Corp-----	Forrest City, Ark.
Sony Corp. of America-----	Memphis, Tenn.
Tatung Co. of America, Inc-----	San Diego, Calif.
Toshiba America, Inc-----	Long Beach, Calif.
US JVC Corp-----	Lebanon, Tenn.
Wells-Gardner Electronics Corp-----	Elmwood Park, N.J.
Zenith Radio Corp-----	Chicago, Ill.
	Springfield, Mo.

1/ Data obtained in response to the Commission's questionnaires ***.

2/ Gold Star reported that ***.

In an effort to lower costs, U.S.-owned producers have established foreign plants, principally in Mexico, Singapore, Malaysia, and Taiwan, 1/ where labor-intensive assemblies and components are made or assembled by low-wage labor from components exported to the foreign plant by the U.S. producer. After this labor intensive work is completed in the foreign plant, these components and subassemblies are imported by the U.S. producer (using the provisions of TSUS item 807.00), tested and aligned, and incorporated into the television receiver as it is manufactured.

U.S. importers

There are several hundred importers of television apparatus in the United States; however, according to responses to Commission questionnaires received during investigation No. 751-TA-2 and information provided by the U.S. Customs Service, 30 to 35 firms together account for over 80 percent of all imports. These firms can be divided into four groups: (1) U.S. subsidiaries of Japanese television producers, (2) U.S.- or Dutch-owned television producers, (3) private-label retailers, and (4) U.S. subsidiaries of Taiwan and Korean television producers. 2/

The great bulk of U.S. imports of complete color television receivers are made by subsidiaries or affiliates of foreign-owned firms that also produce such merchandise in the United States. Complete color television receivers are imported principally by Japanese, Korean, and Taiwan subsidiaries in the United States. According to data for 1979 and January-June 1980, Japanese subsidiaries accounted for 46 percent of imports of color television receivers; Taiwan and Korean subsidiaries, 32 percent; private-label retailers, 6 percent; and U.S.- or Dutch-owned producers, 3 percent.

Channels of distribution

Color television receivers sold by U.S. producers or importers may reach the ultimate consumer through either a two-step or a one-step channel. In the two-step system, the producer or importer sells the merchandise to a wholesaler/distributor which then sells it to a retail outlet. The wholesaler/distributor may be independent, or it may be owned by the producer or importer. In the one-step system, the producer or importer sells directly to a retail outlet. Generally, only large accounts are serviced in the latter manner.

A substantial number of color television receivers are sold in the United States under so-called private brand labels (i.e., the brand name of the retailer, not that of the producer). Private label retailers, such as Sears, J.C. Penney, or Montgomery Ward, supply prospective producers with specifications for a particular model television receiver or survey the specifications of sets currently being produced and pick the models that best suit their

1/ ***. In addition, several Japanese producers that have color television receiver assembly plants in the United States also produce such merchandise in Taiwan.

2/ ***.

needs. Such private label merchandisers will then solicit bids from producers and negotiate contracts for particular receivers for a model year. The television receivers are then resold under the brand name of the purchaser through its own retail outlets. In an effort to afford their customers maximum choice of television receiver models, such retailers regularly purchase receivers from several producers (foreign or domestic).

Apparent U.S. Consumption

The market for television receivers in the United States is mature, with virtually all demand for first sets in existing households satisfied. It was estimated during the Commission's 1981 investigation on television receiving sets from Japan (inv. No. 751-TA-2) that 99.8 percent of all U.S. households have at least one television set. The primary demand, then, is for replacement sets and second or even third sets for individual households.

Despite the 99.8-percent figure cited above, the market for television receivers is far from saturated. Innovations in styling and technology, such as wireless remote control and random access channel selection, have stimulated demand. In addition, the growing popularity of electronic games, video tape recorders, and video tape cassettes, which can be attached to television receivers, is having a positive influence on the demand for television receivers. The Electronics Industries Association (EIA), in its Electronic Market Data Book 1982, states the following: 1/

Other new program sources began to proliferate. The television screen became an all-purpose display device, a visual nerve center of the home Video games allowed viewers to interact with their screens. Video cassette recorders (VCRs) permitted users to rearrange time to suit their viewing convenience and to develop their own programming. Along with videodisc players, VCRs provided broad new choices of programs to augment "real-time" broadcast and cable transmissions. Home computers utilized the same home display center, and videotex systems permitted this display center to interact with computers outside the home. Direct satellite reception in the home began to add further elements of choice.

These many new uses and requirements are undoubtedly contributing to the continuing--and accelerating--demand for color television receivers. Color TV, the basic receiver and visual display for the world of video, is the major product of the consumer electronics industry, representing more than 38% of its factory dollar-volume

The metamorphosis from television to video is also seeing a new emphasis on a sometimes neglected link in the TV chain: audio. Television broadcasting, cable, videodisc, and other program sources now place new emphasis on high-fidelity audio. Set manufacturers have vastly improved their products' sound capabilities to take

1/ At pp. 8 and 9.

advantage of this new dimension. Many "high-end" color sets feature stereo amplifiers and stereo-like TV sound, foreshadowing the day when TV transmissions will be accompanied by true stereo sound.

Data gathered during the Commission's previous investigations indicate that apparent U.S. consumption of color television receivers increased from 8.6 million in 1976 to 10.5 million in 1978, declined to 10.1 million in 1979, and then rose to almost 11.0 million in 1980 and 11.6 million in 1981. Because questionnaires were not returned by all domestic producers, comparable data on apparent consumption since 1981 are not yet available. However, data are published regularly by the EIA on sales of color television receivers to dealers. These data, which correspond closely with the Commission's previously compiled statistics on consumption, are shown in the following tabulation (in thousands of units): 1/

<u>Period</u>	<u>Sales to Dealers</u>
1978-----	10,236
1979-----	9,872
1980-----	10,954
1981-----	11,279
1982-----	11,484
January-March--	
1982-----	2,656
1983-----	3,074

The EIA data show that 1982 sales of color television receivers in the United States, which were about 2 percent greater than sales in 1981, were at a record high. Moreover, sales during January-March 1983 were at an even greater annual rate.

Consumption of color television receivers in the U.S. market is concentrated in the 18- to 19-inch screen-size category. This size represented 45 to 50 percent of total U.S. consumption in 1976-80. 2/ The second largest screen-size category, 20 inches and over, represented from 25 to 30 percent of consumption. Since 1971, these larger screen sizes have dominated the market. However, portable 18- to 19-inch receivers grew in popularity, and console models, 20 inches and over, showed a relative decline in market share. The fastest growing segment of the market was the 13-inch screen size, which increased from 7 percent of total consumption in 1976 to almost 16 percent in 1980. The growth in this category was at the expense of 14- to 16-inch screen sizes and screen sizes of 12 inches and under, both of which declined during the period.

1/ Electronic Industries Association, Electronic Market Data Book 1982, p. 14, and Television Digest, various issues. The data include sales of projection television receivers.

2/ The questionnaires used by the Commission in the current investigations did not request data by screen sizes.

Value Added by Manufacture in the United States and
Purchases of U.S.-Made and Imported Components

As indicated previously, all firms that produce color television receivers in the United States import a substantial portion of the subassemblies and components used in such merchandise. Data gathered by the Commission through its monitoring program under investigations Nos. 332-95 and 332-112 showed that from 1977 through 1981, an increasingly large percentage of the total value of domestically assembled receivers was accounted for by imported subassemblies and components. The utilization of such imported articles was more prevalent in Japanese-owned producers' operations than in the operations of U.S.- or Dutch-owned producers.

Such major inputs in color television assembly as purchases of imported articles, purchases of U.S.-made articles, direct labor, and other value added in the United States (e.g., overhead, general, selling, and administrative expenses, other miscellaneous expenses, and profit) during 1980-82, January-March 1982, and January-March 1983 are shown in table 2. ^{1/} After rising from 1977 to 1981, the percentage of the total value of domestically assembled receivers accounted for by purchases of imported articles has since declined, from 33 percent in 1981 to 29 percent in 1982 and 27 percent in January-March 1983. However, purchases of U.S.-made articles did not rise accordingly, but rather remained relatively stable at about 35 percent of the total. The utilization of imported articles in lieu of U.S.-produced articles is still more prevalent by foreign-owned producers than by U.S.- or Dutch-owned producers. For example, purchases of imported articles accounted for roughly 50 percent of the total value of receivers produced by Japanese-owned firms in 1980-82, but it accounted for less than 25 percent by U.S.- or Dutch-owned firms.

Value added by direct labor in the United States, expressed as a share of the total value of domestically assembled color television receivers, decreased during the period covered in table 2, from 8.2 percent in 1980 to 7.7 percent in 1982 and 7.1 percent in January-March 1983. Direct labor accounted for about 8 or 9 percent of the total value for U.S.- or Dutch-owned firms, about 5.5 percent for Japanese-owned firms, and about *** percent for the Korean-owned firm. As indicated previously, ***.

^{1/} The text tables in the following sections of this report show data for 1980-82, January-March 1982, and January-March 1983. In order to show trends over a longer period, app. D presents data for 1976-81 that were obtained from the Commission's previous investigations on television receivers. The data in the text tables are not entirely comparable with those shown in app. D. Because of the time limitations present in these 45-day investigations, questionnaires have not yet been received from all domestic producers. In contrast, the data in app. D were obtained from all known producers. Data similar to those in table 1 are shown for 1977-81 in table D-1 in app. D.

Table 2.--Color television receivers: Purchases of U.S.-made and imported components and value added by manufacture in the United States, by firm ownerships, 1980-82, January-March 1982, and January-March 1983

Item	1980	1981	1982	January-March--	
				1982	1983
Value (1,000 dollars)					
Purchases:					
Imported articles:					
U.S.- or Dutch-					
owned firms-----	***	***	***	***	***
Japanese-owned firms----	***	***	***	***	***
Korean-owned firms-----	***	***	***	***	***
Taiwan-owned firms-----	***	***	***	***	***
Total-----	877,457	1,114,421	881,223	236,962	201,572
U.S.-made articles:					
U.S.- or Dutch-					
owned firms-----	***	***	***	***	***
Japanese-owned firms----	***	***	***	***	***
Korean-owned firms-----	***	***	***	***	***
Taiwan-owned firms-----	***	***	***	***	***
Total-----	1,001,023	1,195,186	1,076,645	252,274	269,312
U.S. value added:					
Direct labor:					
U.S.- or Dutch-					
owned firms-----	***	***	***	***	***
Japanese-owned firms----	***	***	***	***	***
Korean-owned firms-----	***	***	***	***	***
Taiwan-owned firms-----	***	***	***	***	***
Total-----	240,238	254,240	232,118	56,461	53,839
Other value added:					
U.S.-or Dutch-					
owned firms-----	***	***	***	***	***
Japanese-owned firms----	***	***	***	***	***
Korean-owned firms-----	***	***	***	***	***
Taiwan-owned firms-----	***	***	***	***	***
Total-----	825,498	801,125	831,450	213,481	230,020
Total purchases and					
value added:					
U.S.-or Dutch-					
owned firms-----	***	***	***	***	***
Japanese-owned firms----	***	***	***	***	***
Korean-owned firms-----	***	***	***	***	***
Taiwan-owned firms-----	***	***	***	***	***
Total-----	2,944,216	3,364,972	3,021,436	759,178	754,743

Table 2.--Color television receivers: Purchases of U.S.-made and imported components and value added by manufacture in the United States, by firm ownerships, 1980-82, January-March 1982, and January-March 1983--Continued

Item	1980	1981	1982	January-March--	
				1982	1983
Percent of total value					
Purchases:					
Imported articles:					
U.S.- or Dutch-					
owned firms-----	***	***	***	***	***
Japanese-owned firms---	***	***	***	***	***
Korean-owned firms----	***	***	***	***	***
Taiwan-owned firms----	***	***	***	***	***
Average-----	29.8	33.1	29.2	31.2	26.7
U.S.-made articles:					
U.S.- or Dutch-					
owned firms-----	***	***	***	***	***
Japanese-owned firms---	***	***	***	***	***
Korean-owned firms----	***	***	***	***	***
Taiwan-owned firms----	***	***	***	***	***
Average-----	34.0	35.5	35.6	33.2	35.7
U.S. value added:					
Direct labor:					
U.S.- or Dutch-					
owned firms-----	***	***	***	***	***
Japanese-owned firms---	***	***	***	***	***
Korean-owned firms----	***	***	***	***	***
Taiwan-owned firms----	***	***	***	***	***
Average-----	8.2	7.6	7.7	7.4	7.1
Other value added:					
U.S.-or Dutch-					
owned firms-----	***	***	***	***	***
Japanese-owned firms---	***	***	***	***	***
Korean-owned firms----	***	***	***	***	***
Taiwan-owned firms----	***	***	***	***	***
Average-----	28.0	23.8	27.5	28.1	30.5
Total purchases and					
value added:					
U.S.-or Dutch-					
owned firms-----	100.0	100.0	100.0	100.0	100.0
Japanese-owned firms---	100.0	100.0	100.0	100.0	100.0
Korean-owned firms----	-	-	100.0	-	100.0
Taiwan-owned firms----	100.0	100.0	100.0	100.0	100.0
Average-----	100.0	100.0	100.0	100.0	100.0

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

Consideration of Material Injury to an Industry in the United States

In their petitions to the Commission and the Department of Commerce for institution of antidumping investigations with respect to imports of color television receivers from Korea and Taiwan, the petitioners argue that "For purposes of this investigation, the 'domestic industry' is comprised of all U.S.- and Dutch-owned (so-called by the U.S. International Trade Commission since 1977) manufacturers of CTVs. There are other corporate entities in the United States which assemble CTVs; however, because these firms are owned and controlled by foreign corporations who are responsible for LTFV sales of imported CTVs, these firms should not be included in the domestic color television industry for the purposes of this petition." 1/

Section 771(4)(B) of the Tariff Act of 1930 provides that:

RELATED PARTIES.--When some producers are related to the exporters or importers, or are themselves importers of the allegedly subsidized or dumped merchandise, the term 'industry' may be applied in appropriate circumstances by excluding such producers from those included in that industry.

In order to facilitate the Commission's consideration of whether certain firms that produce color television receivers in the United States are related parties within the meaning of section 771, the following data relating to consideration of material injury to a domestic industry are presented in total and separately for the following four groups: U.S.- or Dutch-owned producers; Japanese-owned producers; Korean-owned producers; and Taiwan-owned producers.

U.S. production, capacity, and capacity utilization

U.S. production of color television receivers, as reported in response to the Commission's questionnaires, 2/ rose from 9.0 million in 1980 to 10.0 million in 1981, and then fell to 8.9 million in 1982 (table 3). Production in January-March 1983 amounted to 2.4 million, or 14 percent more than production in the corresponding period of 1982. The share of aggregate production accounted for by U.S.- or Dutch-owned producers increased from *** percent in 1980 to *** percent in 1981, *** percent in 1982, and *** percent in January-March 1983. Gold Star, the Korean-owned firm which began assembly operations in the United States in mid-1982, accounted for *** percent of total U.S. production in January-March 1983. Tatung, one of two

1/ Petition For Relief Under the United States Antidumping Law With Respect to Color Television Receivers Imported from the Republic of Korea (Taiwan), May 2, 1983, pp. 2 and 3.

2/ Data on production, capacity, and capacity utilization during 1976-81, as reported in response to the Commission's previous investigations, are shown in table D-2. For the purposes of these and previous Commission investigations, the term "U.S. production" means those sets assembled in the United States, irrespective of whether all or some of the component parts were imported into the United States.

Table 3.--Color television receivers: U.S. production, capacity, 1/ and capacity utilization, by firm ownerships, 1980-82, January-March 1982, and January-March 1983

Period	: U.S.- or : Dutch- : owned	: Japanese- : owned	: Korean- : owned	: Taiwan- : owned	: Total
Production (1,000 units)					
1980-----	***	***	***	***	8,966
1981-----	***	***	***	***	10,001
1982-----	***	***	***	***	8,887
January-March--	:	:	:	:	:
1982-----	***	***	***	***	2,128
1983-----	***	***	***	***	2,426
Capacity (1,000 units) <u>1/</u>					
1980-----	***	***	***	***	9,600
1981-----	***	***	***	***	11,027
1982-----	***	***	***	***	9,811
January-March--	:	:	:	:	:
1982-----	***	***	***	***	2,599
1983-----	***	***	***	***	2,681
Capacity utilization (percent)					
1980-----	***	***	***	***	93.4
1981-----	***	***	***	***	90.7
1982-----	***	***	***	***	90.6
January-March--	:	:	:	:	:
1982-----	***	***	***	***	81.9
1983-----	***	***	***	***	90.5

1/ Capacity based on operations of assembly plants 1 shift a day, 5 days a week, assuming no change in the product mix.

2/ Less than 500 units.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

Taiwan-owned firms with assembly operations in the United States, 1/ accounted for *** of U.S. production of color television receivers during the period covered.

The theoretical capacity of U.S. producers to make color television receivers, as defined in these and previous investigations by the Commission, is based on an operating schedule of one shift a day, 5 days a week, with no change in the product mix from that actually being produced during the reporting period. As shown in table 3, annual capacity peaked at slightly over 11.0 million sets in 1981 and then declined by 11 percent to 9.8 million sets in 1982. Trends in capacity diverged, depending upon the ownership of the firms. Capacity of U.S.- or Dutch-owned producers fell 17 percent in 1982 and further decreased slightly in January-March 1983. 2/ In contrast, capacity of Japanese-owned firms increased steadily during the period covered.

The rate of utilization of aggregate U.S. productive capacity declined from 93.4 percent in 1980 to 90.6 percent in 1982. Capacity utilization in January-March 1983 was 90.5 percent, compared with 81.9 percent in the corresponding period of 1982. Because capacity is measured on the basis of one shift per day, it is possible for a company to operate in excess of 100 percent capacity if it operates more than one shift per day. Some Japanese-owned producers reported that they did operate on more than one shift during part of the period covered, and this is the reason that the capacity utilization of such firms was more than 100 percent in 1980 and 1981.

U.S. producers' domestic and export shipments

U.S. producers' domestic shipments of complete color television receivers assembled in the United States followed the same trend as production, rising from 8.2 million units in 1980 to 9.3 million units in 1981 and then falling to 8.7 million units in 1982 (table 4). 3/ The value of such shipments similarly increased, from \$2.9 billion in 1980 to \$3.3 billion in 1981, and then slipped to \$3.0 billion in 1982. Almost 2.3 million units were shipped in January-March 1983, or 13 percent more than shipments in January-March 1982. U.S.- or Dutch-owned producers and Japanese-owned producers reported similar trends. However, the former accounted for an increasing share of aggregate domestic shipments by all producers; the share held by U.S.- or Dutch-owned firms increased from *** percent in 1980 to *** percent in 1982 and *** percent in January-March 1983.

1/ Sampo, the other Taiwan-owned firm, did not return the Commission's questionnaire in time for it to be used in these preliminary investigations.

2/ Most of the decline in capacity resulted from ***.

3/ Data on U.S. producers' domestic shipments in 1976-81 are shown in table D-3.

Table 4.--Color television receivers: U.S. producers' domestic shipments of merchandise assembled in the United States, by firm ownerships, 1980-82, January-March 1982, and January-March 1983

Period	U.S.- or Dutch- owned	Japanese- owned	Korean- owned	Taiwan- owned	Total
Quantity (1,000 units)					
1980-----	***	***	***	***	8,150
1981-----	***	***	***	***	9,328
1982-----	***	***	***	***	8,659
January-March--					
1982-----	***	***	***	***	2,004
1983-----	***	***	***	***	2,269
Value (million dollars)					
1980-----	***	***	***	***	2,863
1981-----	***	***	***	***	3,329
1982-----	***	***	***	***	3,027
January-March--					
1982-----	***	***	***	***	706
1983-----	***	***	***	***	759

1/ Less than 500 units.

2/ Less than \$500,000.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

U.S. producers' export shipments of complete color television receivers assembled in the United States are shown in table 5. 1/ As indicated, such shipments fell without interruption during the period, from 595,000 units in 1980 to 352,000 units in 1982. Exports in January-March 1983 were less than half those during the corresponding period of 1982. More than three-fourths of total exports by U.S. producers were made by U.S.- or -Dutch-owned firms. The principal foreign markets were Canada, Venezuela, 2/ and Panama.

1/ Data on U.S. producers' export shipments in 1976-81 are shown in table D-4.

2/ ***.

Table 5.--Color television receivers: U.S. producers' export shipments of merchandise assembled in the United States, by firm ownership, 1980-82, January-March 1982, and January-March 1983

Period	U.S.- or Dutch- owned	Japanese- owned	Korean- owned	Taiwan- owned	Total
Quantity (1,000 units)					
1980-----	***	***	***	***	595
1981-----	***	***	***	***	498
1982-----	***	***	***	***	352
January-March--					
1982-----	***	***	***	***	106
1983-----	***	***	***	***	46
Value (million dollars)					
1980-----	***	***	***	***	202
1981-----	***	***	***	***	212
1982-----	***	***	***	***	151
January-March--					
1982-----	***	***	***	***	41
1983-----	***	***	***	***	22

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

U.S. producers' inventories

U.S. producers' end-of-period inventories of complete color television receivers that were assembled in the United States are shown in table 6. ^{1/} Expressed as a ratio to production, yearend inventories rose from 6.0 percent in 1980 to 8.2 percent in 1981 and then decreased to 7.7 percent in 1982. Stocks held at the end of January-March 1983 were equivalent to 8.2 percent of production (on an annual basis) during that period; the corresponding ratio during January-March 1982 was 9.9 percent.

^{1/} Data on U.S. producers' yearend inventories in 1976-81 are shown in table D-5.

Table 6.--Color television receivers: U.S. producers' end-of-period inventories of merchandise assembled in the United States, by firm ownerships, 1980-82, January-March 1982, and January-March 1983

(In thousands of units)						
Period	: U.S.- or : Dutch- : owned	: Japanese- : owned	: Korean- : owned	: Taiwan- : owned	: Total	
1980-----	: ***	: ***	: ***	: ***	: 534	
1981-----	: ***	: ***	: ***	: ***	: 823	
1982-----	: ***	: ***	: ***	: ***	: 685	
January-March--	:	:	:	:	:	
1982-----	: ***	: ***	: ***	: ***	: 840	
1983-----	: ***	: ***	: ***	: ***	: 792	

1/ Less than 500 units.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

U.S. employment, wages, and productivity

The average number of production and related workers employed in the United States in producing color television receivers increased from 18,033 in 1980 to 18,215 in 1981 (table 7). However, the long-term decline in employment that has characterized the domestic industry producing color television receivers since 1976 ^{1/} resumed in 1982, when employment dropped to 16,373. The average number of such employees fell again in January-March 1983, to 14,070. Average employment by U.S.- or Dutch-owned producers fell without interruption during the period surveyed. The increase in employment by Japanese-owned producers that took place steadily between 1976 and 1981 was reversed in 1982; the average number of workers in such firms in 1982 was 23 percent less than that in 1981, and employment in January-March 1983 fell an additional 19 percent in comparison with employment in January-March 1982.

The number of hours worked by production and related workers in producing color television receivers followed the same trends, increasing from 37.0 million in 1980 to 37.3 million in 1981, or by about 1 percent, and then dropping by 12 percent to 32.8 million in 1982. Hours worked fell an additional 12 percent in January-March 1983, compared with hours worked in January-March 1982. Again, hours worked by employees in U.S.- or Dutch-owned firms fell without interruption, and hours worked by employees in Japanese-owned firms fell for the first time in 1982 and decreased further in January-March 1983 in comparison with hours worked in January-March 1982.

^{1/} Data gathered during the Commission's previous investigations show that the average number of production and related workers employed in producing color television receivers fell without interruption from 26,957 in 1976 to 18,751 in 1981 (table D-6).

Table 7.--Average number of employees in U.S. establishments producing color television receivers, total and production and related workers, and hours worked by the latter, by firm ownerships, 1980-82, January-March 1982, and January-March 1983

Item and period	: U.S.- or : Dutch- : owned	: Japanese- : owned	: Korean- : owned	: Taiwan- : owned	: Total
	Average number				
All employees:					
1980-----	***	***	***	***	27,871
1981-----	***	***	***	***	29,683
1982-----	***	***	***	***	26,577
January-March--					
1982-----	***	***	***	***	26,724
1983-----	***	***	***	***	23,260
Production and related workers producing--					
All products:					
1980-----	***	***	***	***	20,464
1981-----	***	***	***	***	21,528
1982-----	***	***	***	***	19,838
January-March--					
1982-----	***	***	***	***	19,104
1983-----	***	***	***	***	16,832
Color television receivers:					
1980-----	***	***	***	***	18,033
1981-----	***	***	***	***	18,215
1982-----	***	***	***	***	16,373
January-March--					
1982-----	***	***	***	***	16,024
1983-----	***	***	***	***	14,070
	Hours worked by production and related workers (thousands)				
All products:					
1980-----	***	***	***	***	43,220
1981-----	***	***	***	***	44,958
1982-----	***	***	***	***	39,764
January-March--					
1982-----	***	***	***	***	9,921
1983-----	***	***	***	***	8,616
Color television receivers:					
1980-----	***	***	***	***	36,975
1981-----	***	***	***	***	37,287
1982-----	***	***	***	***	32,805
January-March--					
1982-----	***	***	***	***	8,184
1983-----	***	***	***	***	7,209

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Wages and total compensation ^{1/} paid to production and related workers producing color television receivers are shown in table 8. Wages rose from \$229 million in 1980 to \$253 million in 1981, and then slipped to \$247 million in 1982. Wages paid in January-March 1983 were 7 percent less than those paid during the corresponding period of 1982. Total compensation followed the same trend, increasing from 1980 to 1981 but declining thereafter.

In order to arrive at a measure of worker productivity, the U.S. output of color television receivers in each period was divided by the number of hours worked by production and related workers. This ratio, by firm ownerships, is shown in the following tabulation (in number of sets produced per hour):

<u>Firm ownership</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>January-March--</u>	
				<u>1982</u>	<u>1983</u>
U.S. or Dutch-----	***	***	***	***	***
Japanese-----	***	***	***	***	***
Korean-----	***	***	***	***	***
Taiwan-----	***	***	***	***	***
Average, all firms--	0.242	0.268	0.271	0.260	0.336

^{1/} No production reported.

In general, output per hour worked increased during the period covered, with the largest increases occurring in January-March 1983. The simplification of final assembly operations through increased use of large and essentially complete imported subassemblies and increased utilization of printed circuit boards are believed to be the primary reasons for the increasing trend in output per hour. As indicated in the above tabulation, the Japanese-owned firms had a higher output per hour than U.S.- or Dutch-owned firms. The output per hour of the Korean-owned producer was *** than that of the other firms, but output per hour of the Taiwan-owned firm was ***.

Financial experience of domestic producers

Profit-and-loss data were received from 10 firms. The reporting producers' aggregate net sales of color television receivers increased by 16 percent from \$2.8 billion in 1980 to \$3.3 billion in 1981, and then declined by 8 percent to \$3.0 billion in 1982 (table 9). ^{2/} During January-March 1983, total net sales decreased by 2 percent to \$691 million, compared with sales of \$707 million in the corresponding period of 1982. ^{3/}

^{1/} Total compensation includes wages and contributions to social security and other employee benefits.

^{2/} Data on U.S. producers' profit-and-loss experience in 1976-81 are shown in table D-7.

^{3/} Producers were asked to supply data for each of their last 3 complete accounting years and for the 2 interim periods commencing with the start of their prior and present accounting years and ending Mar. 31, 1982, and Mar. 31, 1983, respectively.

Table 8.--Wages and total compensation 1/ paid to production and related workers in U.S. establishments producing color television receivers, by firm ownerships, 1980-82, January-March 1982, and January-March 1983

(In thousands of dollars)					
Item and period	U.S.- or Dutch- owned	Japanese- owned	Korean- owned	Taiwan- owned	Total
Wages:					
All products:					
1980-----	***	***	***	***	265,442
1981-----	***	***	***	***	302,310
1982-----	***	***	***	***	298,498
January-March--					
1982-----	***	***	***	***	75,366
1983-----	***	***	***	***	69,132
Color television receivers:					
1980-----	***	***	***	***	229,209
1981-----	***	***	***	***	253,260
1982-----	***	***	***	***	246,568
January-March--					
1982-----	***	***	***	***	62,841
1983-----	***	***	***	***	58,253
Total compensation:					
All products:					
1980-----	***	***	***	***	328,407
1981-----	***	***	***	***	386,032
1982-----	***	***	***	***	385,477
January-March--					
1982-----	***	***	***	***	97,188
1983-----	***	***	***	***	89,566
Color television receivers:					
1980-----	***	***	***	***	293,248
1981-----	***	***	***	***	325,921
1982-----	***	***	***	***	320,872
January-March--					
1982-----	***	***	***	***	81,705
1983-----	***	***	***	***	76,120

1/ Includes wages and contributions to social security and other employee benefits.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 9.--Color television receivers: Profit-and-loss experience of U.S. producers, by firm ownerships, accounting years 1980-82, January-March 1982, and January-March 1983 1/

Firm ownership and period	Net sales	Cost of goods sold	Gross profit	General, selling, and administrative expenses	Operating income or (loss)	Cash flow (deficit) from operations	Ratio of operating income or (loss) to net sales
				1,000 dollars			Percent
U.S.-or Dutch-owned:							
1980-----	***	***	***	***	***	***	***
1981-----	***	***	***	***	***	***	***
1982-----	***	***	***	***	***	***	***
January-March--							
1982-----	***	***	***	***	***	***	***
1983-----	***	***	***	***	***	***	***
Japanese-owned:							
1980-----	***	***	***	***	***	***	***
1981-----	***	***	***	***	***	***	***
1982-----	***	***	***	***	***	***	***
January-March--							
1982-----	***	***	***	***	***	***	***
1983-----	***	***	***	***	***	***	***
Korean-owned: 2/							
1980-----	***	***	***	***	***	***	***
1981-----	***	***	***	***	***	***	***
1982-----	***	***	***	***	***	***	***
January-March--							
1982-----	***	***	***	***	***	***	***
1983-----	***	***	***	***	***	***	***
Taiwan-owned:							
1980-----	***	***	***	***	***	***	***
1981-----	***	***	***	***	***	***	***
1982-----	***	***	***	***	***	***	***
January-March--							
1982-----	***	***	***	***	***	***	***
1983-----	***	***	***	***	***	***	***
Total:							
1980-----	2,835,785	2,464,458	371,327	303,334	67,993	64,740	2.4
1981-----	3,289,103	2,881,298	407,805	365,296	42,509	39,357	1.3
1982-----	3,040,696	2,711,889	328,807	351,875	(23,068)	(59,904)	(.8)
January-March--							
1982-----	707,245	636,854	70,391	78,682	(8,291)	(14,104)	(1.2)
1983-----	691,453	603,233	88,220	89,003	(783)	655	(.1)

1/ Producers were asked to supply data for each of their last 3 complete accounting years and for the 2 interim periods commencing with the start of their prior and present accounting years and ending Mar. 31, 1982, and Mar. 31, 1983, respectively. If a firm's accounting year ended on Mar. 31, it was instructed to leave the "interim" periods blank. The 4 U.S.- or Dutch-owned producers, as well as 1 Korean-owned producer, 1 Taiwan-owned producer, and 1 Japanese-owned producer, reported data on a calendar-year basis. The accounting year for 2 Japanese-owned producers ended Mar. 31 and, hence, they reported no interim data. One other Japanese-owned producer's accounting year ended Nov. 30.

2/ * * *

3/ Not available.

4/ * * *

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

The increase in net sales in 1981 was shared equally, on a percentage basis, by U.S.- or Dutch-owned firms and by Japanese-owned firms. In 1982, Japanese-owned firms reported a drop of 13 percent in net sales, and sales by U.S.- or Dutch-owned firms declined 6 percent. During January-March 1983, Japanese-owned firms showed a drop of 34 percent in net sales compared with those in the corresponding period of 1982; U.S.- or Dutch-owned firms reported a sales increase of 5 percent. As indicated previously, the Korean-owned firm Gold Star began producing color television receivers in the United States in July 1982. Sales by Tatung, which is owned by interests in Taiwan, accounted for *** percent of aggregate sales by all reporting producers during 1980-82.

Intercompany transfers during the reporting period ranged from 8 to 13 percent of total sales by U.S.- or Dutch-owned firms; those by Japanese-owned firms ranged from 44 to 62 percent. *** percent of the Korean-owned firm's total net sales were to its selling affiliate.

Aggregate operating income of all reporting producers on their color television receiver operations declined from \$68 million in 1980 to \$42 million in 1981. An operating loss of \$23 million was incurred in 1982. During interim 1983, an additional operating loss of \$783,000 occurred, compared with a loss of \$8.3 million in the corresponding period of 1982. The trend in the operating income or loss margin--i.e., the ratio of operating income or loss to net sales--closely paralleled that of the operating income or loss, declining from 2.4 percent in 1980 to 1.3 percent in 1981 and a negative 0.8 percent in 1982. During interim 1983, the operating loss margin was 0.1 percent, compared with a loss margin of 1.2 percent in the corresponding period of 1982.

The easing of the aggregate operating loss in interim 1983 was mainly due to the return of U.S.- or Dutch-owned firms to marginal profitability. The Japanese-owned firms *** were, on average, more profitable than U.S.- or Dutch-owned firms during 1980-82. The Taiwan-owned firm ***.

Cash flow generated from producers' operations on color television receivers declined from \$65 million in 1980 to \$39 million in 1981 and then turned into a deficit of \$60 million in 1982. Producers reported a small aggregate cash flow, \$655,000, in the interim period ending March 31, 1983, compared with a deficit of \$14 million in the corresponding period of 1982.

Capital expenditures.--Ten firms supplied data relative to their expenditures for land, buildings, and machinery and equipment used in the production, warehousing, and marketing of color television receivers. As shown in table 10, aggregate capital expenditures increased from \$59.8 million in 1980 to \$96.4 million in 1981 and then declined to \$73.2 million in 1982. During January-March 1983, such expenditures fell to \$8.5 million, compared with \$17.5 million in the corresponding period of 1982. U.S.- and Dutch-owned firms incurred over two-thirds of the total capital expenditures during the reporting periods. Most expenditures were for machinery and equipment. In 1982, Gold Star, a Korean-owned producer, ***. Tatung, a producer owned by interests in Taiwan, ***.

Table 10.--Color television receivers: U.S. producers' capital expenditures and research and development expenses, by firm ownerships, 1980-82, January-March 1982, and January-March 1983

(In thousands of dollars)						
Item and period	: U.S.- or : Dutch- : owned	: Japanese- : owned	: Korean- : owned	: Taiwan- : owned	: Total	
Capital expenditures:	:	:	:	:	:	
1980-----	***	***	***	***	59,771	
1981-----	***	***	***	***	96,421	
1982-----	***	***	***	***	73,249	
January-March--	:	:	:	:	:	
1982-----	***	***	***	***	17,506	
1983-----	***	***	***	***	8,544	
Research and develop- ment expenses:	:	:	:	:	:	
1980-----	***	***	***	***	58,826	
1981-----	***	***	***	***	68,499	
1982-----	***	***	***	***	73,822	
January-March--	:	:	:	:	:	
1982-----	***	***	***	***	17,552	
1983-----	***	***	***	***	17,366	
	:	:	:	:	:	

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Research and development expenses.--U.S. producers' research and development expenses are incurred in connection with the development of new or improved products, testing of competitors' products, development of new or improved manufacturing methods, development of new or special equipment, testing of new materials, and pure research. Such expenses increased from \$58.8 million in 1980 to \$73.8 million in 1982 (table 10). Research and development expenses declined slightly to \$17.4 million in January-March 1983, compared with \$17.6 million in the corresponding period of 1982. Ninety-eight percent of the aggregate research and development expenses were incurred by U.S.- or Dutch-owned firms. Korean- and Taiwan-owned producers reported *** for such activities during the period covered. It is likely that, similar to the situation for the Japanese-owned firms, much of their research and development activity is performed by the parent company.

Consideration of Threat of Material Injury to an Industry in the United States

In its examination of the question of the threat of material injury to an industry in the United States, the Commission may take into consideration such factors as the rate of increase in allegedly dumped imports, the rate of increase in U.S. market penetration by such imports, the amounts of imports held in inventory in the United States, and the capacity of producers in countries subject to the investigations to generate exports (including the availability of export markets other than the United States). A discussion of

the rates of increase in imports of color television receivers and their U.S. market penetration is presented in the section of this report entitled "Consideration of the Causal Relationship Between Alleged Material Injury or the Threat Thereof and Imports Allegedly Sold at LTFV." Discussions of importers' inventories of such merchandise imported from Korea and Taiwan and the information available on those countries' capacity to generate exports follow.

Importers' inventories

End-of-period inventories of complete color television receivers imported from Korea and Taiwan, as reported in response to the Commission's questionnaires, peaked at yearend 1981 at 250,000 and 41,000 units, respectively. Such stocks were equivalent to about 50 percent of the reporting firms' imports of color receivers from Korea in that year and to 31 percent of reported imports from Taiwan. As indicated previously, complete color television receivers are imported principally by Japanese, Korean, and Taiwan subsidiaries in the United States. Reported ending inventories are shown in the following tabulation (in thousands of units):

<u>Source</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>January-March--</u>	
				<u>1982</u>	<u>1983</u>
Korea-----	82	250	101	220	129
Taiwan-----	20	41	26	33	11
All other countries-----	52	155	174	181	125
Total-----	154	446	301	434	265

The foreign industries

Korea.--Korean production and exports of color television receivers have grown dramatically since 1979. According to the petition, Korea, which essentially had no color television industry prior to 1977, has emerged as the fourth largest producer of color television receivers in the world (after Japan, the United States, and West Germany). Korea's production, domestic sales, and exports of color television receivers during 1977-82, as shown in the petition, are presented in table 11. 1/ As indicated, exports to the United States accounted for virtually all Korean production and exports in 1977 and 1978, and a large but generally decreasing share during 1979-82.

Data are not available on Korea's aggregate capacity to produce color television receivers. Counsel for Gold Star, Samsung, and Taihan, the three largest producers in Korea, reported that their combined current annual capacity is approximately *** units. Korean capacity in 1979, the last year for which data are available, was 1.2 million sets. 2/

1/ The surge in domestic sales beginning in 1980 was due to the Korean Government's decision in June of that year to permit color broadcasting.

2/ The petition (at p. 47) states that "The Korean industry reportedly is planning to increase CTV production to 6.0 million CTVs annually by 1986." A-30

Table 11.--Color television receivers: Korea's production, domestic sales, and exports, 1977-82

Item	1977	1978	1979	1980	1981	1982
Production----1,000 units--:	97	584	422	947	2,378	2,398
Domestic sales-----do-----:	0	0	0	230	1,265	1,288
Exports to--:						
United States-----do-----:	105	535	222	379	589	630
Panama-----do-----:	2	20	56	116	121	1/
Chile-----do-----:	1	12	45	66	72	1/
Venezuela-----do-----:	0	2/	6	41	67	1/
Canada-----do-----:	1	15	77	47	58	1/
All others-----do-----:	1	45	12	66	125	1/
Total-----do-----:	110	627	417	715	1,033	1,100
Exports to the United States as a share of--:						
Production-----percent--:	108.2	91.6	52.6	40.0	24.8	26.
Exports-----do-----:	95.2	85.3	53.2	53.0	57.0	56.

1/ Not available.

2/ Less than 500 units.

Source: Petition For Relief Under the United States Antidumping Law With Respect to Color Television Receivers Imported From the Republic of Korea, May 2 1983, tables II-1 and II-3.

As previously indicated, exports to the United States of color television receivers from Korea were restricted by OMA's from February 1, 1979, to June 30, 1982. Under the original OMA, which expired on June 30, 1980, Korea was allowed to export 289,000 units of the articles covered by the OMA. Under the extension of the OMA, which expired on June 30, 1982, Korea was allowed exports of 385,000 units in the first restraint year and 575,000 units in the second restraint year.

There are six producers of color television receivers in Korea. However, three firms--Gold Star, Samsung, and Taihan--together reportedly account for about 96 percent of production and 98 percent of exports. 1/ As indicated previously, Gold Star began assembly operations in the United States in late 1982. A spokesman for Samsung testified at the Commission's conference that the firm plans to begin assembly operations in the United States. He stated that "Construction for the South Carolina plant is due to commence in September of this year, and production will begin in June 1984. Our production forecast is as follows: 100,000 sets in 1984, 290,000 in 1985, 320,000 in 1986, and

1/ The petition shows the following shares of aggregate Korean production of color television receivers held by these three firms in 1982: Gold Star, 42 percent; Samsung, 42 percent; and Taihan, 12 percent. Comparable shares of total exports were Gold Star, 43 percent; Samsung, 47 percent; and Taihan, 8 percent.

350,000 in 1987. By 1985, our South Carolina plant will supply a large proportion of our total U.S. sales, and will employ several hundred people." 1/

Taiwan.--The television industry in Taiwan is relatively mature. It commenced production of monochrome television receivers in 1962 and began to manufacture color receivers in 1969. According to the petition, Taiwan is now the world's fifth largest color television producer (after Japan, the United States, West Germany, and Korea). Data on Taiwan's production, shipments, foreign trade, and apparent domestic consumption of color television receivers, as shown in the petition, are shown in table 12. In each of the periods shown, exports to the United States accounted for a substantial share of production and for more than half of Taiwan's total exports. Data are not available on Taiwan's capacity to produce color television receivers.

Table 12.--Color television receivers: Taiwan's production, shipments, imports, exports, and apparent consumption, 1977-82

Item	1977	1978	1979	1980	1981	1982
Production-----1,000 units--:	910	2,056	1,145	1,464	1,650	<u>1/</u> 1,161
Shipments-----do-----:	900	1,799	1,150	1,280	1,626	<u>1/</u> 1,191
Imports-----do-----:	7	12	17	22	22	<u>1/</u> 22
Exports to--						
United States-----do-----:	370	669	319	339	526	539
Chile-----do-----:	<u>2/</u>	29	35	87	115	11
Venezuela-----do-----:	<u>2/</u>	<u>2/</u>	2	34	61	34
Panama-----do-----:	1	5	12	48	54	11
West Germany-----do-----:	3	1	<u>2/</u>	<u>2/</u>	53	93
Canada-----do-----:	3	29	52	44	27	<u>3/</u>
Argentina-----do-----:	0	0	0	20	26	10
All others-----do-----:	6	28	66	75	89	77
Total-----do-----:	383	761	486	647	951	775
Apparent consumption-----do-----:	524	1,050	680	654	696	<u>1/</u> 478
Exports to the United States as a share of--						
Production-----percent--:	40.6	32.5	27.9	23.2	31.9	<u>1/</u> 46.4
Exports-----do-----:	96.6	87.9	65.6	52.4	55.3	69.5

1/ Annual rate based on data for January-October.

2/ Less than 500 units.

3/ Not available.

Source: Petition For Relief Under the United States Antidumping Law With Respect to Color Television Receivers Imported From Taiwan, May 2, 1983, tables II-1 and II-2.

1/ Statement of Yong-Suk Lee, President, Samsung Electronics of America, May 26, 1983, pp. 3 and 4.

Exports to the United States of color television receivers from Taiwan were restricted by OMA's from February 1, 1979, to June 30, 1982. Under the original OMA, which expired on June 30, 1980, Taiwan was allowed to export 500,000 complete color receivers and 918,000 subassemblies of the kind covered by the agreement. Under the extension of the OMA, which expired on June 30, 1982, Taiwan was allowed exports of 400,000 units in the first restraint year and 425,000 units in the second restraint year.

The petitioners state that about 20 firms produce color television receivers in Taiwan. Although most companies are Taiwan owned, there are also subsidiaries or affiliates of Japanese-owned producers. In addition, the U.S.-owned RCA Corp. has a subsidiary in Taiwan that produces color television receivers, * * *. Six of the producers--Tatung, Sampo, Sony, Sanyo Electric (Taiwan) Co., Ltd., Taiwan Kolin Co., Ltd., and Matsushita Electric (Taiwan) Co., Ltd., reportedly "dominate the Taiwanese domestic market." ^{1/} As indicated previously, the Taiwan-owned firms of Tatung and Sampo began assembly operations in the United States in late 1980 and 1981, respectively. In addition, the Japanese-owned firms of Sony, Sanyo, and Matsushita (as well as Hitachi) also have assembly operations in the United States.

Consideration of the Causal Relationship Between Alleged Material Injury
or the Threat Thereof and Imports Allegedly Sold at LTFV

U.S. imports and market penetration

All sources.--U.S. imports of complete color television receivers during 1980-82, January-March 1982, and January-March 1983 are shown in table 13. Imports during that period of incomplete color receivers are shown in table 14, and imports of subassemblies and components for television receivers are shown in table 15. ^{2/} Imports of complete color receivers from all sources rose from 1.3 million units in 1980 to 2.2 million units in 1982, or by 70 percent. Imports continued to rise in January-March 1983, amounting to 684,000 units, or 37 percent more than imports in the corresponding period of 1982. As shown in table 13, Japan was the largest supplier of complete color television receivers to the United States during 1980-82; Korea and Taiwan were the second and third largest suppliers. Other principal sources of imports included Singapore, Canada, and Malaysia. In January-March 1983, imports from Korea and Taiwan, for the first time, exceeded those from Japan.

^{1/} The petition shows the following estimated shares of the domestic market in Taiwan for color television receivers held by these six firms in 1982 (in percent): Tatung, 14; Sampo, 16; Sony, 14; Sanyo, 12; Kolin, 15; and Matsushita, 10.

^{2/} Comparable data on imports during 1976-79 are shown in tables D-8, D-9, and D-10.

Table 13.--Complete color television receivers: 1/ U.S. imports for consumption, by principal sources, 1980-82, January-March 1982, and January-March 1983

Source	1980	1981	1982	January-March--	
				1982	1983
Quantity (units)					
Japan-----	435,188	733,710	813,410	219,650	173,588
Korea-----	292,934	391,298	620,758	150,412	233,976
Taiwan-----	303,198	457,251	445,610	72,362	186,954
Singapore-----	85,405	130,305	152,459	38,147	40,665
Canada-----	125,965	172,035	77,507	15,621	18,012
Malaysia-----	0	7	46,948	3,220	24,583
United Kingdom-----	97	197	14,951	26	246
Hong Kong-----	72	1,488	9,491	1	4,615
All other-----	44,762	8,405	3,328	340	1,777
Total-----	1,287,621	1,894,696	2,184,462	499,779	684,416
Value (1,000 dollars)					
Japan-----	123,239	244,452	270,538	81,280	46,955
Korea-----	54,538	69,538	107,636	27,073	37,198
Taiwan-----	58,821	87,534	79,619	13,100	31,822
Singapore-----	15,387	24,033	26,953	6,767	6,947
Canada-----	38,981	51,385	31,081	5,930	7,523
Malaysia-----	-	1	7,118	491	3,629
United Kingdom-----	77	98	6,635	17	129
Hong Kong-----	28	291	1,684	2/	528
All other-----	19,654	4,359	1,429	182	428
Total-----	310,725	481,690	532,693	134,839	135,161
Unit value					
Japan-----	\$283	\$333	\$333	\$370	\$270
Korea-----	186	178	173	180	159
Taiwan-----	194	191	179	181	170
Singapore-----	180	184	177	177	171
Canada-----	309	299	401	380	418
Malaysia-----	-	182	152	153	148
United Kingdom-----	797	499	444	649	523
Hong Kong-----	396	195	177	268	114
All other-----	439	519	481	535	240
Average-----	241	254	244	270	197

1/ TSUSA items 685.1125 through 685.1148.

2/ Less than \$500.

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

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

Table 14.--Incomplete color television receivers having a picture tube and color television receiver kits: 1/ U.S. imports for consumption, by principal sources 1980-82, January-March 1982, and January-March 1983

Source	1980	1981	1982	January-March--	
				1982	1983
Quantity (units)					
Mexico-----	384	23	120,387	0	71,74
Japan-----	18,240	38,280	37,216	12,545	9,7
Malaysia-----	0	0	2,300	0	
Taiwan-----	1,138	2,258	970	0	1,3
Canada-----	2,219	1,411	477	473	
Belgium <u>2/</u> -----	116	341	331	204	
Korea-----	725	30	301	0	7
West Germany-----	1,104	304	120	52	
All other-----	56	24	42	2	
Total-----	23,982	42,671	162,144	13,276	83,6
Value (1,000 dollars)					
Mexico-----	87	15	14,559	-	7,1
Japan-----	3,208	7,432	8,186	2,852	1,5
Malaysia-----	-	-	330	-	
Taiwan-----	173	137	194	-	1
Canada-----	420	119	100	98	
Belgium <u>2/</u> -----	96	742	491	341	
Korea-----	114	4	45	-	1
West Germany-----	21	138	305	65	
All other-----	25	18	18	3/	
Total-----	4,144	8,605	24,228	3,356	9,0
Unit value					
Mexico-----	\$226	\$634	\$121	-	\$
Japan-----	176	194	220	\$227	1
Malaysia-----	-	-	144	-	
Taiwan-----	152	61	200	-	1
Canada-----	189	84	209	206	8
Belgium <u>2/</u> -----	825	2,175	1,483	1,670	1,0
Korea-----	157	128	148	-	1
West Germany-----	19	455	2,541	1,260	3
All other-----	446	750	428	4/	1,1
Average-----	173	202	149	253	1

1/ TSUS item 685.14.

2/ Includes imports, if any, from Luxembourg.

3/ Less than \$500.

4/ Not available.

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

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

Table 15.--Subassemblies and components for television receivers: 1/ U.S. imports for consumption, by principal sources, 1980-82, January-March 1982, and January-March 1983

(In thousands of dollars)

Source	1980	1981	1982	January-March--	
				1982	1983
Mexico-----	534,503	516,392	446,278	95,255	91,238
Japan-----	288,580	353,404	298,105	83,510	41,370
Singapore-----	167,437	147,444	113,335	27,142	31,098
Taiwan-----	103,709	120,222	80,195	25,276	19,437
Malaysia-----	10,106	17,383	24,180	5,179	6,710
Korea-----	10,480	10,384	9,651	2,174	2,937
Canada-----	4,981	3,203	3,721	608	559
Philippine Republic-----	7,742	5,601	2,443	967	1,133
France-----	215	3,642	2,028	1,603	14
All other-----	6,740	5,204	6,623	1,163	1,980
Total-----	1,134,493	1,182,879	986,559	242,877	196,476

1/ TSUS items 685.15 through 685.18.

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

To arrive at an accurate measure of the value of foreign content, the value of U.S. goods returned to the United States duty free should be subtracted from the total value of imports. The remainder represents the foreign value added, which will hereinafter be referred to as the adjusted value. The adjusted value of the imports shown in tables 13 to 15 is shown in tables 16 to 18. 1/ On an adjusted-value basis, imports of complete color receivers from all sources increased from \$304 million in 1980 to \$524 million in 1982 (table 16). The adjusted value of such imports in January-March 1983 was \$133 million, or virtually the same as that during January-March 1982.

Imports of incomplete color receivers increased from 24,000 units in 1980 to 43,000 units in 1981 and then jumped to 162,000 units in 1982 (table 14). Similarly, imports in January-March 1983 amounted to 84,000 units, or more than six times those in January-March 1982. The adjusted value of such imports rose from \$4 million in 1980 to \$24 million in 1982 (table 17). The vast bulk of imports of these incomplete color receivers in 1982 and January-March 1983 were kits imported from Mexico. As previously indicated, color television receiver kits contain all parts necessary for manufacturing complete television receivers.

1/ Comparable data showing the adjusted value of imports during 1976-79 are presented in tables D-11, D-12, and D-13.

Table 16.--Complete color television receivers: U.S. imports for consumption, those entered under TSUS item 807.00, duty-free value, and adjusted value, ^{1/} by principal sources, 1980-82, January-March 1982, and January-March 1983

(In thousands of dollars)						
Source	1980	1981	1982	January-March--		
				1982	1983	
Japan:						
Total imports-----	123,239	244,452	270,538	81,280	46,955	
807.00 imports-----	-	57	1	-	-	
Duty-free value-----	-	14	^{2/}	-	-	
Adjusted value-----	123,239	244,438	270,538	81,280	46,955	
Korea:						
Total imports-----	54,538	69,538	107,636	27,073	37,198	
807.00 imports-----	-	-	-	-	-	
Duty-free value-----	-	-	-	-	-	
Adjusted value-----	54,538	69,538	107,636	27,073	37,198	
Taiwan:						
Total imports-----	58,821	87,534	79,619	13,100	31,822	
807.00 imports-----	31	12,161	3,541	676	1,260	
Duty-free value-----	5	1,985	482	87	162	
Adjusted value-----	58,816	85,549	79,137	13,013	31,660	
Canada:						
Total imports-----	38,981	51,385	31,081	5,930	7,523	
807.00 imports-----	20,233	25,435	28,241	4,873	6,747	
Duty-free value-----	5,692	7,932	8,136	1,580	1,834	
Adjusted value-----	33,289	43,453	22,945	4,350	5,689	
Singapore:						
Total imports-----	15,387	24,033	26,953	6,767	6,947	
807.00 imports-----	-	-	-	-	-	
Duty-free value-----	-	-	-	-	-	
Adjusted value-----	15,387	24,033	26,953	6,767	6,947	
All other:						
Total imports-----	19,759	4,748	16,866	689	4,716	
807.00 imports-----	^{3/} 1,912	-	-	-	5	
Duty-free value-----	^{3/} 772	-	-	-	^{2/}	
Adjusted value-----	18,987	4,748	16,866	689	4,716	
Total:						
Total imports-----	310,725	481,690	532,693	134,839	135,161	
807.00 imports-----	22,176	37,653	31,783	5,549	8,012	
Duty-free value-----	6,469	9,932	8,618	1,667	1,996	
Adjusted value-----	304,256	471,758	524,075	133,172	133,165	

^{1/} Total value of imports less duty-free value.

^{2/} Less than \$500.

^{3/} Imports from Mexico.

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

Table 17.--Incomplete color television receivers having a picture tube and color television receiver kits: U.S. imports for consumption, those entered under TSUS item 807.00, duty-free value, and adjusted value, ^{1/} by principal sources, 1980-82, January-March 1982, and January-March 1983

(In thousands of dollars)						
Source	1980	1981	1982	January-March--		
				1982	1983	
Mexico:						
Total imports-----	87	15	14,559	-	7,135	
807.00 imports-----	87	-	14,559	-	7,135	
Duty-free value-----	46	-	233	-	137	
Adjusted value-----	41	15	14,326	-	6,998	
Japan:						
Total imports-----	3,208	7,432	8,186	2,852	1,555	
807.00 imports-----	3	-	-	-	-	
Duty-free value-----	2	-	-	-	-	
Adjusted value-----	3,206	7,432	8,186	2,852	1,555	
Taiwan:						
Total imports-----	173	137	194	-	176	
807.00 imports-----	-	-	-	-	-	
Duty-free value-----	-	-	-	-	-	
Adjusted value-----	173	137	194	-	176	
Canada:						
Total imports-----	420	119	100	98	2	
807.00 imports-----	419	92	65	65	-	
Duty-free value-----	119	21	21	21	-	
Adjusted value-----	301	98	79	77	2	
Korea:						
Total imports-----	114	4	45	-	134	
807.00 imports-----	-	-	-	-	-	
Duty-free value-----	-	-	-	-	-	
Adjusted value-----	114	4	45	-	134	
All other:						
Total imports-----	142	898	1,144	406	17	
807.00 imports-----	^{2/} 1	-	^{2/} 3	-	-	
Duty-free value-----	^{3/}	-	^{2/} 2	-	-	
Adjusted value-----	142	898	1,142	406	17	
Total:						
Total imports-----	4,144	8,605	24,228	3,356	9,019	
807.00 imports-----	510	92	14,627	65	7,135	
Duty-free value-----	167	21	256	21	137	
Adjusted value-----	3,977	8,584	23,972	3,335	8,882	

^{1/} Total value of imports less duty-free value.

^{2/} Imports from India.

^{3/} Less than \$500.

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

Table 18.--Subassemblies and components for television receivers: U.S. imports for consumption, those entered under TSUS item 807.00, duty-free value, and adjusted value, ^{1/} by principal sources, 1980-82, January-March 1982, and January-March 1983

(In thousands of dollars)					
Source	1980	1981	1982	January-March--	
				1982	1983
Mexico:					
Total imports-----	534,503	516,392	446,278	95,255	91,238
807.00 imports-----	511,486	474,488	417,832	83,406	90,794
Duty-free value-----	159,355	146,672	122,417	25,690	29,058
Adjusted value-----	375,148	369,720	323,861	69,565	62,180
Japan:					
Total imports-----	288,580	353,404	298,105	83,510	41,370
807.00 imports-----	5,545	4,720	1,960	802	31
Duty-free value-----	1,687	1,515	639	254	6
Adjusted value-----	286,893	351,889	297,466	83,256	41,364
Singapore:					
Total imports-----	167,437	147,444	113,335	27,142	31,098
807.00 imports-----	64,540	68,868	54,196	14,172	12,232
Duty-free value-----	3,735	4,150	1,902	533	482
Adjusted value-----	163,702	143,294	111,433	26,609	30,616
Taiwan:					
Total imports-----	103,709	120,222	80,195	25,276	19,437
807.00 imports-----	61,295	79,556	53,115	18,918	10,938
Duty-free value-----	9,855	16,384	7,984	3,281	1,145
Adjusted value-----	93,854	103,838	72,211	21,995	18,292
Korea:					
Total imports-----	10,480	10,384	9,651	2,174	2,937
807.00 imports-----	328	246	-	-	260
Duty-free value-----	110	60	-	-	104
Adjusted value-----	10,370	10,324	9,651	2,174	2,833
Canada:					
Total imports-----	4,981	3,203	3,721	608	559
807.00 imports-----	1,124	487	55	15	17
Duty-free value-----	309	76	3	1	1
Adjusted value-----	4,672	3,127	3,718	607	558
All other:					
Total imports-----	24,803	31,830	35,274	8,912	9,837
807.00 imports-----	5,066	6,614	9,028	1,606	2,214
Duty-free value-----	1,127	496	603	63	198
Adjusted value-----	23,676	31,334	34,671	8,849	9,639
Total:					
Total imports-----	1,134,493	1,182,879	986,559	242,877	196,476
807.00 imports-----	649,384	634,979	536,186	118,919	116,487
Duty-free value-----	176,178	169,353	133,548	29,822	30,994
Adjusted value-----	958,315	1,013,526	853,011	213,055	165,482

^{1/} Total value of imports less duty-free value.

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

The adjusted value of imported subassemblies and components for television receivers, which are outside the scope of these investigations, rose from \$958 million in 1980 to \$1.0 billion in 1981 and then fell to \$853 million in 1982. The adjusted value of imported subassemblies and components in January-March 1983 was about \$165 million, or 22 percent less than their value in the corresponding period of 1982 (table 18). The principal suppliers of such merchandise are Mexico, Japan, Singapore, and Taiwan.

Table 19 shows producers' domestic shipments, U.S. imports for consumption, and apparent U.S. consumption during 1980-82, January-March 1982, and January-March 1983. 1/ As indicated, the ratio of imported color television receivers (complete receivers and kits) from all sources to apparent U.S. consumption of such merchandise, measured on the basis of quantity, rose from 13.6 percent in 1980 to 16.9 percent in 1981, 21.1 percent in 1982, and 25.1 percent in January-March 1983. Measured on the basis of value, using the adjusted value of imports, the ratio was lower, but the trend was similar, rising from 9.6 percent in 1980 to 15.7 percent in January-March 1983.

Korea.--Imports of complete color television receivers from Korea more than doubled between 1980 and 1982, rising from 293,000 units to 621,000 units, and imports in January-March 1983 were 56 percent greater than imports in January-March 1982 (table 13). 2/ Korea was the third largest foreign supplier of such merchandise (after Japan and Taiwan) in 1980 and 1981, the second largest supplier (after Japan) in 1982, and the largest supplier in January-March 1983. The ratio of color receivers imported from Korea to apparent U.S. consumption of such merchandise, measured on the basis of quantity, rose from 3.1 percent in 1980 to 3.5 percent in 1981, 5.7 percent in 1982, and 7.7 percent in January-March 1983 (table 19). Measured on the basis of value using the adjusted value of imports, the ratio was lower, but the trend was the same, rising from 1.7 percent in 1980 to a peak of 4.1 percent in January-March 1983.

Taiwan.--Imports of complete color television receivers from Taiwan rose from 303,000 units in 1980 to 457,000 units in 1981 and then declined to 446,000 units in 1982 (table 13). 3/ Imports in January-March 1983 amounted to 187,000 units, or more than double those in the corresponding period of 1982. Taiwan was the second largest foreign supplier of such merchandise in 1980, 1981, and January-March 1983, and the third largest supplier in 1982. The ratio of color receivers imported from Taiwan to apparent U.S. consumption of such merchandise, measured on the basis of quantity, rose from 3.2 percent in 1980 to 4.1 percent in 1981 and 1982, and jumped to 6.2 percent in January-March 1983 (table 19). Measured on the basis of value using the adjusted value of imports, the ratio was lower, but the trend was similar, rising from 1.9 percent in 1980 to a peak of 3.6 percent in January-March 1983.

1/ Table D-14 shows comparable data for 1976-79.

2/ As shown in table 14, imports of incomplete color television receivers from Korea are quite small.

3/ As shown in table 14, imports of incomplete color television receivers from Taiwan are quite small.

Table 19.--Color television receivers: Domestic shipments, U.S. imports for consumption, 1/ and apparent U.S. consumption, 1980-82, January-March 1982, and January-March 1983

Item	1980	1981	1982	January-March--		
				1982	1983	
	Quantity (1,000 units)					
Domestic shipments by--						
U.S.- or Dutch-owned firms-----	***	***	***	***	***	
Japanese-owned firms-----	***	***	***	***	***	
Korean-owned firms-----	***	***	***	***	***	
Taiwan-owned firms-----	***	***	***	***	***	
Total-----	8,150	9,328	8,659	2,004	2,269	
U.S. imports from--						
Japan-----	435	734	826	220	180	
Korea-----	293	391	621	150	234	
Taiwan-----	303	457	446	72	187	
All others-----	256	312	422	58	162	
Total-----	1,288	1,895	2,315	500	762	
Apparent U.S. consumption-----	9,438	11,223	10,974	2,504	3,031	
	Ratio to apparent consumption (percent)					
Domestic shipments by--						
U.S.- or Dutch-owned firms-----	***	***	***	***	***	
Japanese-owned firms-----	***	***	***	***	***	
Korean-owned firms-----	***	***	***	***	***	
Taiwan-owned firms-----	***	***	***	***	***	
Total-----	86.4	83.1	78.9	80.0	74.9	
U.S. imports from--						
Japan-----	4.6	6.5	7.5	8.8	5.9	
Korea-----	3.1	3.5	5.7	6.0	7.7	
Taiwan-----	3.2	4.1	4.1	2.9	6.2	
All others-----	2.7	2.8	3.8	2.3	5.3	
Total-----	13.6	16.9	21.1	20.0	25.1	

See footnotes at end of table

Table 19.--Color television receivers: Domestic shipments, U.S. imports for consumption, 1/ and apparent U.S. consumption, 1980-82, January-March 1982, and January-March 1983--Continued

Item	1980	1981	1982	January-March--	
				1982	1983
Value (million dollars) <u>4/</u>					
Domestic shipments by--					
U.S.- or Dutch-owned firms-----	***	***	***	***	***
Japanese-owned firms-----	***	***	***	***	***
Korean-owned firms-----	***	***	***	***	***
Taiwan-owned firms-----	***	***	***	***	***
Total-----	2,863	3,329	3,027	706	759
U.S. imports from--					
Japan-----	123	244	272	81	48
Korea-----	54	70	108	27	37
Taiwan-----	59	86	79	13	32
All others-----	68	72	81	12	24
Total-----	304	472	540	133	141
Apparent U.S. consumption-----	3,167	3,801	3,567	839	900
Ratio to apparent consumption (percent)					
Domestic shipments by--					
U.S.- or Dutch-owned firms-----	***	***	***	***	***
Japanese-owned firms-----	***	***	***	***	***
Korean-owned firms-----	***	***	***	***	***
Taiwan-owned firms-----	***	***	***	***	***
Total-----	90.4	87.6	84.9	84.1	84.3
U.S. imports from--					
Japan-----	3.9	6.4	7.6	9.6	5.3
Korea-----	1.7	1.8	3.0	3.2	4.1
Taiwan-----	1.9	2.3	2.2	1.5	3.6
All others-----	2.1	1.9	2.3	1.4	2.7
Total-----	9.6	12.4	15.1	15.9	15.7

1/ TSUSA items 685.1125 through 685.1148 and 685.1455.

2/ Less than 500 units.

3/ Less than 0.05 percent.

4/ Adjusted value of imports (total value less duty-free value).

5/ Less than \$500,000.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission and from official statistics of the U.S. Department of Commerce.

Note.--Because of rounding, figures may not add to the totals shown.A-42

The comparative prices of domestic color television receivers
and receivers imported from Korea and Taiwan

Two key questions considered by the Commission are whether color television receivers imported from Korea and Taiwan at allegedly LTFV prices have been or are underselling like or competing domestic models and, if so, by what margins. Data compiled from responses to Commission questionnaires provide the basis for a comparison, by screen sizes and by classes of customers, of the ranges and weighted averages of net selling prices of domestic color television receivers and of receivers imported from Korea and Taiwan, and of the absolute and percentage amount of underselling or overselling by the imported products. The data also provide a perspective on the relative sales volume of 13-inch and 19-inch receivers and of the relative importance of models which are at the low end of the line (price-leader) compared with those at the high end of the line in those screen sizes. The data base for analyzing comparative prices and margins of under/overselling consists of questionnaire responses by eight producers and seven importers. 1/ Domestic producers and importers were asked to provide data, by classes of customers, on the sales volume and weighted average net selling prices of their largest volume color television models at two levels of their product line--top of the line and low end of the line. Sales volume and prices covered screen sizes that account for the bulk of domestic sales and for which there are competing imports, i.e., 19-inch and 13-inch receivers. In addition, certain respondents provided brand-name and private-label price and sales data on models of different screen sizes. 2/ Respondents submitted net selling prices and quantities sold to three classes of customers--distributors, brand-name retailers, 3/ and private-label retailers.

These classes of customers reflect the two distinct methods of distribution that characterize the color television market. The two-tier approach, which uses a distributor network for market coverage, is favored by Zenith, RCA, several other producers, and a few importers. 4/ A single-tier system of direct sales to retailers is favored by most importers and some domestic producers, among them General Electric, Sony, Sharp, Hitachi, and Toshiba. Importers of color television receivers from Korea and Taiwan use direct sales to retailers to cover the market.

The advent and growth of buying groups has increased the importance of direct sales as a method of distribution in this market. Buying groups are a market phenomenon created by independent retailers as a means of volume purchases to assure price and supply of brand-name television receivers that enable the members to compete against mass merchandisers, e.g., K-Mart and

1/ ***

2/ ***.

3/ Brand-name retailers include department stores, mass merchandisers, and independent full-service dealers.

4/ Matsushita (Panasonic and Quasar) uses a distributor system, and North American Philips uses distributors for certain of its brand-names, e.g., Sylvania and Philco, but not for Magnavox. Philips also sells direct to brand-name retailers and to buying groups in marketing Sylvania and Philco.

Zayre, and large private-label chains such as Sears and Montgomery Ward. The following tabulation lists some of the major buying groups and retail chains:

<u>Buying groups/retail stores</u>	<u>Estimated members</u>
Nationwide Television & Appliance Association, Inc-----	100 members.
NATM Buying Corp-----	20 members, 400 stores, 29 states.
Key National Corp-----	400 members.
Post Merchandisers, Inc-----	700 members.
Allied Stores Corp-----	65 stores, 17 markets.
MARTA Group, Inc-----	30 members, 34 stores.
K-Mart-----	1,500 stores.
Zayre Stores-----	250 stores.
Gimbles-----	10 stores, 4 markets.
Macy's-----	25 stores, 6 markets.

Among buying groups, Nationwide Television & Appliance Association (100 members) and NATM (20 members) are the two largest volume color television purchasers.

As an indicator of the importance of buying groups, the NATM group sold *** color television receivers in 1982, representing an increase of *** percent over the number sold in 1981. ^{1/} The buying power of buying groups makes them a key target for both importers and domestic producers. A foot in the door with a large buying group provides broad regional and/or national market coverage through hundreds of independent retail outlets. The same broad market access exists in sales to department store chains, such as Allied Stores, and mass merchandisers.

Strong efforts at product differentiation--from basic chassis and tuner technology to cabinet and cosmetic features--add to the complexity of the

^{1/} NATM member sales of electronic and appliance products as a whole were up *** percent over 1981 and totaled ***.

market and to the problems of making meaningful, valid price comparisons on like and competing models. This problem was addressed in the Commission's 1981 investigation on television receiving sets from Japan. ^{1/} In that investigation, the Commission staff designed a matrix of comparability to enable comparisons of net selling prices of like or competing models. Both domestic producers and importers were consulted on the design of the matrix, provided inputs, and attested to the validity of the ultimate matrix constructed.

That matrix, reflecting technology differences and features, was used to select the following four types of models for use in making price comparisons in the current investigations:

Model type 1--13-inch portable set with mechanical tuner (VHF 2-13 channels; UHF 14-83 channels), wood-grain finished cabinet, auto color control system, solid-state circuitry.

Model type 2--19-inch portable set with mechanical tuner (VHF 2-13 channels; UHF 14-83 channels), wood-grain finished cabinet, auto color control system, solid-state circuitry.

Model type 3--13-inch portable set with electronic tuner (12-position, pushbutton channel selector), wood-grain finished cabinet, auto color control system, solid-state circuitry, electronic remote control.

Model type 4--19-inch portable set with electronic tuner (12-position, pushbutton channel selector), wood-grain finished cabinet, auto color control system, solid-state circuitry, electronic remote control.

Examples of specific models imported from Korea and Taiwan were provided for each of the four types. As noted above, producers and importers were asked to provide net selling prices for the largest volume models in their lines that are most like, or similar to, the described imported models. Models used as examples in all four types of sets were checked with importers, domestic producers, and with a key independent dealer in the NATM buying group for their validity as like and competing models.

Price trends in leader model sets.--Sales of 1,152,371 leader model 13-inch receivers and 1,935,514 leader model 19-inch color sets provided the data base for comparing prices and analyzing trends (table 20). Domestic sales accounted for 63 percent of the total in 13-inch sales and 75 percent in 19-inch sales. Imports from Korea accounted for about 30 percent of the 13-inch total and nearly 18 percent of total reported 19-inch leader model sales. Taiwan's share of the largest volume 13-inch leader model sales was about 7 percent and in low-end 19-inch models, a bit more than 7 percent.

^{1/} Television Receiving Sets from Japan: Determination of the Commission in Investigation No. 751-TA-2 . . ., USITC Publication 1153, June 1986, pp. A-62 to A-67.

Table 20.--Color television receivers, data base for price comparisons:

Sales of largest volume models of 4 representative types of domestic receivers and of competing models imported from Korea and Taiwan, by types of models and by screen sizes, January 1981-April 1983

Model	Quantity
Type 1: 13-inch portable; mechanical tuner:	
Taiwan-----	82,859
Korea-----	348,675
Domestic-----	720,837
Total-----	1,152,371
Type 2: 19-inch portable; mechanical tuner:	
Taiwan-----	153,374
Korea-----	339,521
Domestic-----	1,442,619
Total-----	1,935,514
Type 3: 13-inch portable; electronic tuner:	
Taiwan-----	14,463
Korea-----	39,075
Domestic-----	456,258
Total-----	509,796
Type 4: 19-inch portable; electronic tuner:	
Taiwan-----	33,942
Korea-----	59,698
Domestic-----	1,042,140
Total-----	1,135,780
Grand total-----	4,733,461

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

In a pervasive pattern, selling prices of domestic 13-inch and 19-inch leader models and competing models imported from Korea and Taiwan reflect a distinct, steady, downward trend over the entire survey time period (tables 21 and 22). This pattern exists across classes of customers. On average, selling prices of low-end 13-inch sets to distributors and brand-name retailers declined more than 10 percent. In dollar terms, such prices fell by \$29 to \$40 per set. From a lower initial price, the average selling prices of leader model 13-inch sets to private-label retailers dropped considerably less, averaging about 6 percent, or about \$10 to \$16. Selling prices of 19-inch leader sets also declined over the period, but in a varied pattern ranging from \$4 to \$55.

Domestic prices of 13-inch leader models sold to distributors and brand-name retailers fell 12 percent (\$29) and 14 percent (\$33), respectively, to a level of about \$200. Prices to private-label retailers, initially 12 percent below distributor and brand-name retailer price levels, declined only 8 percent (\$16), to \$191 in January-April 1983. Average prices of competing mechanical tuner models imported from Korea and sold to distributors and brand-name retailers dropped 19 percent (\$40) and 16 percent (\$34), respectively, to end the period at a level of about \$174 per set to both classes of customer. The average price to private-label retailers fell only 5 percent (\$10) from an initial base price of \$194 to a price of \$184. Selling prices of leader-model 13-inch sets imported from Taiwan and sold to brand-name retailers (initially at \$209) declined almost 12 percent (\$25) to end the period at an average price of \$184 per set.

Average prices of domestic 19-inch leader models sold to distributors declined steadily from \$298 in January-June 1981 to \$254 in January-April 1983, a drop of 15 percent (\$44). Domestic selling prices to brand-name retailers fell \$19 from \$285 to \$266, or by about 7 percent. Average prices of leader-model 19-inch sets to private-label retailers dropped from \$246 to \$223, a decline of 9 percent (\$23). Competing prices of 19-inch mechanical tuner models imported from Korea and sold to distributors and brand-name retailers fell from \$255 and \$245, respectively, in January-June 1981 to \$200 and \$204 at the end of the subject period. The average prices of 19-inch leader model receivers imported from Taiwan and sold to brand-name retailers fluctuated only a few dollars up or down from an average of \$274, ending the subject period at a price level of \$272.

Price trends in remote control/electronic tuner sets.--Sales of 509,796 remote control 13-inch receivers and 1,135,780 remote control 19-inch color sets make up the data base for analyzing these prices (table 20). Domestic sales accounted for 89.5 percent of the 13-inch total and 91.8 percent of the total in 19-inch remote control receivers. Imports from Korea accounted for 6.5 percent of the reported total in 13-inch remote control sets and 5.2 percent of the total in 19-inch sets. Taiwan sets accounted for 4.0 percent of the reported total in 13-inch remote control sets and 3.0 percent of the 19-inch sets.

Table 21.--13-inch price leader color television receivers (survey model No. 1 1): Ranges and weighted averages of net delivered selling prices of domestic sets and of sets imported from Korea and Taiwan, by types of customers and by specified periods, 1981 and 1982, and January-April 1983

Class of customer and time period	Domestic			Korea			Taiwan		
	Low	High	Weighted average	Low	High	Weighted average	Low	High	Weighted average
Wholesalers or distributors:									
Jan.-June 1981-----	***	***	\$235	***	***	\$214	-	-	-
July-Dec. 1981-----	***	***	239	***	***	209	-	-	-
Jan.-June 1982-----	***	***	234	***	***	182	-	-	-
July-Dec. 1982-----	***	***	220	***	***	173	-	-	-
Jan.-Apr. 1983-----	***	***	206	***	***	174	-	-	-
Brand-name									
retailers:									
Jan.-June 1981-----	***	***	234	***	***	207	***	***	\$209
July-Dec. 1981-----	***	***	229	***	***	187	***	***	206
Jan.-June 1982-----	***	***	217	***	***	180	***	***	200
July-Dec. 1982-----	***	***	212	***	***	177	***	***	194
Jan.-Apr. 1983-----	***	***	201	***	***	173	***	***	184
Private-label									
retailers:									
Jan.-June 1981-----	***	***	207	***	***	194	-	-	-
July-Dec. 1981-----	***	***	208	***	***	199	-	-	-
Jan.-June 1982-----	***	***	202	***	***	193	-	-	-
July-Dec. 1982-----	***	***	190	***	***	187	-	-	-
Jan.-Apr. 1983-----	***	***	191	***	***	184	-	-	-

1/ See product list for specifications.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 22.--19-inch price leader color television receivers (survey model No. 2 1): Ranges and weighted averages of net delivered selling prices of domestic sets and of sets imported from Korea and Taiwan, by types of customers and by specified periods, 1981 and 1982, and January-April 1983

Class of customer and time period	Domestic			Korea			Taiwan		
	Low	High	Weighted average	Low	High	Weighted average	Low	High	Weighted average
Wholesalers or distributors:									
Jan.-June 1981----	***	***	\$298	***	***	\$255	-	-	-
July-Dec. 1981----	***	***	291	***	***	243	-	-	-
Jan.-June 1982----	***	***	283	***	***	228	-	-	-
July-Dec. 1982----	***	***	268	***	***	200	-	-	-
Jan.-Apr. 1983----	***	***	254	***	***	200	-	-	-
Brand-name retailers:									
Jan.-June 1981----	***	***	285	***	***	245	***	***	\$273
July-Dec. 1981----	***	***	288	***	***	222	***	***	278
Jan.-June 1982----	***	***	276	***	***	221	***	***	277
July-Dec. 1982----	***	***	261	***	***	207	***	***	271
Jan.-Apr. 1983----	***	***	266	***	***	204	***	***	272
Private-label retailers:									
Jan.-June 1981----	***	***	246	***	***	231	-	-	-
July-Dec. 1981----	***	***	240	***	***	244	-	-	-
Jan.-June 1982----	***	***	245	***	***	242	***	***	225
July-Dec. 1982----	***	***	234	***	***	221	***	***	260
Jan.-Apr. 1983----	***	***	223	***	***	227	***	***	260

1/ See product list for specifications.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

The price pattern for remote control color television receivers reflects a similar steady downward trend during the subject time span (tables 23 and 24). This decline in prices encompassed both domestic models and competing models imported from Korea and Taiwan, and occurred in both 13-inch and 19-inch screen sizes. Although the general trend over the subject period was downward, there was a broad range of price declines, from as little as \$6 (domestic) to as much as \$43 (imported) for 13-inch remote control sets and from \$19 (imported) to \$107 (imported) for 19-inch remote control models.

Prices of 13-inch domestic remote control sets to distributors fluctuated from an initial level of \$285 to a high of \$325 in July-December 1981, but fell to \$279 in January-April 1983, for an overall period decline of 2 percent (\$6). Such prices to brand-name retailers fell about 8 percent (\$22) from \$293 in January-June 1981 to \$271 in January-April 1983. Average prices of these 13-inch remote control domestic models sold to private-label retailers fluctuated narrowly but had declined 3 percent by the end of the subject period. Throughout the period, prices to this class of customer (\$256-\$268) were lower than the respective January-April 1983 prices to distributors (\$279) and brand-name retailers (\$271). Prices of competing remote control models imported from Korea and sold to distributors and brand-name retailers fell 16 percent (\$41) and 16 percent (\$43), respectively, to levels of \$221 and \$222 per set. ***. Competing average prices of 13-inch remote control models imported from Taiwan and sold to brand-name retailers show an erratic trend, ranging from a high of \$274 during July-December 1981 to a low of \$227 in July-December 1982.

Average selling prices of domestic 19-inch remote control models to distributors fell from a high of \$382 in July-December 1981 to a low of \$347 in January-April 1983. Domestic prices to brand-name retailers declined about 10 percent (\$38) from a high of \$378 in July-December 1981 to a low of \$340 in January-April 1983. Prices to private-label retailers, initially about 17 percent below distributor and brand-name retailer price levels, declined 11 percent (\$34) from a period high of \$310 in July-December 1981 to a low of \$276 in January-April 1983. The average prices of competing 19-inch remote control models imported from Korea and sold to distributors reflect a narrow price range during the period that varied from \$292 in July 1981-June 1982 to \$273 in January-April 1983. Average prices of Korean 19-inch remote control models sold to brand-name retailers declined steadily during the period from \$327 to \$262, or by 20 percent (\$65). ***. Remote control 19-inch sets imported from Taiwan and sold to distributors reflect a pattern of high but declining prices. 1/ From a January-June 1981 level of \$448, prices fell more than 19 percent (\$87) to a low of \$361 during July-December 1982. Such prices of Taiwan remote control 19-inch sets sold to brand-name retailers fell even more sharply, by almost 28 percent (\$107), to \$280 in January-April 1983. 2/ ***.

1/ ***.
2/ ***.

Table 23.--13-inch remote control color television receivers (survey model No. 3 1/): Ranges and weighted averages of net delivered selling prices of domestic sets and of sets imported from Korea and Taiwan, by types of customers and by specified periods, 1981 and 1982, and January-April 1983

Class of customer and time period	Domestic			Korea			Taiwan		
	Low	High	Weighted average	Low	High	Weighted average	Low	High	Weighted average
Wholesalers or distributors:									
Jan.-June 1981----	***	***	\$285	***	***	\$262	-	-	-
July-Dec. 1981----	***	***	325	***	***	264	-	-	-
Jan.-June 1982----	***	***	310	***	***	238	-	-	-
July-Dec. 1982----	***	***	296	***	***	232	-	-	-
Jan.-Apr. 1983----	***	***	279	***	***	221	-	-	-
Brand-name retailers:									
Jan.-June 1981----	***	***	293	***	***	265	***	***	\$267
July-Dec. 1981----	***	***	294	***	***	265	***	***	274
Jan.-June 1982----	***	***	280	***	***	237	***	***	250
July-Dec. 1982----	***	***	278	***	***	224	***	***	227
Jan.-Apr. 1983----	***	***	271	***	***	222	***	***	250
Private-label retailers:									
Jan.-June 1981----	***	***	264	-	-	245	-	-	-
July-Dec. 1981----	***	***	267	***	***	-	-	-	-
Jan.-June 1982----	***	***	268	-	-	-	-	-	-
July-Dec. 1982----	***	***	263	-	-	-	-	-	-
Jan.-Apr. 1983----	***	***	256	-	-	-	-	-	-

1/ See product list for specifications.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 24.--19-inch remote control color television receivers (survey model No. 4 1/): Ranges and weighted averages of net delivered selling prices of domestic sets and of sets imported from Korea and Taiwan, by types of customers and by specified periods, 1981 and 1982, and January-April 1983

Class of customer and time period	Domestic			Korea			Taiwan		
	Low	High	Weighted average	Low	High	Weighted average	Low	High	Weighted average
Wholesalers or distributors:									
Jan.-June 1981-----	***	***	\$371	-	-	-	***	***	\$448
July-Dec. 1981-----	***	***	382	***	***	\$292	***	***	361
Jan.-June 1982-----	***	***	367	***	***	292	***	***	359
July-Dec. 1982-----	***	***	366	***	***	276	***	***	361
Jan.-Apr. 1983-----	***	***	347	***	***	273	-	-	-
Brand-name retailers:									
Jan.-June 1981-----	***	***	375	***	***	327	***	***	387
July-Dec. 1981-----	***	***	378	***	***	311	***	***	312
Jan.-June 1982-----	***	***	359	***	***	286	***	***	347
July-Dec. 1982-----	***	***	354	***	***	267	***	***	348
Jan.-Apr. 1983-----	***	***	340	***	***	262	***	***	280
Private-label retailers:									
Jan.-June 1981-----	***	***	309	-	-	-	-	-	-
July-Dec. 1981-----	***	***	310	-	-	-	-	-	-
Jan.-June 1982-----	***	***	299	-	-	-	***	***	273
July-Dec. 1982-----	***	***	280	-	-	-	-	-	-
Jan.-Apr. 1983-----	***	***	276	***	***	261	-	-	-

1/ See product list for specifications.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Margins of under/overselling.--Tables 25 and 26 present margins of under/overselling of domestic 13-inch and 19-inch leader model color television sets by competing models imported from Korea and Taiwan. Imports of 13-inch leader models from Korea undersold domestic sets in sales to all three classes of customers throughout the entire subject time period. In sales to distributors, such margins ranged from 8.7 percent (\$21) to 22.1 percent (\$52). Margins of underselling in sales to brand-name retailers ranged from 11.3 percent (\$27) to 18.4 percent (\$42) per set. The narrowest margin of underselling occurred in sales to private-label retailers; these ranged from 1.6 percent (\$3) to 6.2 percent (\$13) per set. Leader model 13-inch receivers imported from Taiwan and sold to brand-name retailers also undersold competing domestic models, by amounts ranging from 7.8 percent (\$17) to 10.5 percent (\$25) per set.

Imports of 19-inch leader models from Korea undersold domestic models consistently throughout the entire subject time period in sales to distributors and to brand-name retailers. With two exceptions, imported Korean 19-inch leader models also undersold domestic models in sales to private-label retailers. Again, sales of Korean sets to distributors and brand-name retailers reflect wide margins, ranging from 14.5 percent (\$43) to 25.5 percent (\$68) for the former and from 14.1 percent (\$40) to 23.3 percent (\$62) for the latter. There were two instances of narrow margins of overselling (1.9 percent) by Korean sets in sales to private-label retailers. Margins of underselling to this class of customer were narrower than to distributors or brand-name retailers, and ranged from 1.2 percent (\$3) to 6.1 percent (\$15) per set.

Leader model 19-inch sets imported from Taiwan and sold to brand-name retailers undersold competing domestic models during 1981 by margins of 3.5 to 4.3 percent (\$10-\$12), but were priced from 0.7 percent (\$2) to 3.7 percent (\$10) above domestic models during the remainder of the subject period. Sales by *** of relatively large quantities of high-priced, 19-inch mechanical tuner models contrasted with sales by *** and *** of considerably smaller quantities of leader models at prices *** to *** below those of *** and account for the margins of overselling shown. Sales of Taiwan leader model 19-inch sets to private-label retailers reflect two instances of overselling. These were ***. The single example of underselling involved a small quantity of *** receivers sold at a price (***) competitive with *** and *** models.

Tables 27 and 28 present margins of underselling of domestic 13-inch and 19-inch remote control color television sets by competing models imported from Korea and Taiwan. Imports of 13-inch remote control models from Korea undersold domestic models in sales to both distributors and brand-name retailers throughout the entire subject time period. Margins of underselling ranged from 8.0 percent (\$23) to 23.3 percent (\$72) in sales to distributors. Sales of Korean 13-inch sets to brand-name retailers show margins of underselling ranging from 9.6 percent (\$28) to 19.5 percent (\$54). Sales of leader model 13-inch sets imported from Taiwan also consistently undersold competing domestic models in sales to brand-name retailers. Margins of underselling ranged from 6.6 percent (\$19) to 18.3 percent (\$51).

Table 25.--13-inch price leader color television receivers (survey model No. 1 1/): Margins by which sets imported from Korea and Taiwan undersold or oversold domestic sets, by types of customers and by specified periods, 1981 and 1982, and January-April 1983

Class of customer and time period	Margins of underselling or overselling (-) of all domestic sets by imports from--				
	Korea		Taiwan		
	Amount	Percent	Amount	Percent	
Wholesalers or distributors:					
Jan.-June 1981-----	\$21	8.7	-		-
July-Dec. 1981-----	30	12.5	-		-
Jan.-June 1982-----	52	22.1	-		-
July-Dec. 1982-----	48	21.6	-		-
Jan.-Apr. 1983-----	31	15.2	-		-
Brand-name retailers:					
Jan.-June 1981-----	27	11.3	\$25	10.5	
July-Dec. 1981-----	42	18.4	23	9.9	
Jan.-June 1982-----	37	17.0	17	7.8	
July-Dec. 1982-----	36	16.8	18	8.4	
Jan.-Apr. 1983-----	28	13.9	17	8.7	
Private-label retailers:					
Jan.-June 1981-----	13	6.2	-		-
July-Dec. 1981-----	9	4.2	-		-
Jan.-June 1982-----	9	4.4	-		-
July-Dec. 1982-----	3	1.6	-		-
Jan.-Apr. 1983-----	7	3.7	-		-

1/ See product list for specifications.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 26.--19-inch price leader color television receivers (survey model No. 2 1): Margins by which sets imported from Korea and Taiwan undersold or oversold domestic sets, by types of customers and by specified periods, 1981 and 1982, and January-April 1983

Class of customer and time period	Margins of underselling or overselling (-) of all domestic sets by imports from--				
	Korea		Taiwan		
	Amount	Percent	Amount	Percent	
Wholesalers or distributors:					
Jan.-June 1981-----	\$43 :	14.5 :	- :		-
July-Dec. 1981-----	48 :	16.4 :	- :		-
Jan.-June 1982-----	55 :	19.5 :	- :		-
July-Dec. 1982-----	68 :	25.5 :	- :		-
Jan.-Apr. 1983-----	54 :	21.2 :	- :		-
Brand-name retailers:					
Jan.-June 1981-----	40 :	14.1 :	\$12 :	4.3	
July-Dec. 1981-----	66 :	22.9 :	10 :	3.5	
Jan.-June 1982-----	55 :	19.9 :	-2 :	-.7	
July-Dec. 1982-----	54 :	20.7 :	-10 :	-3.7	
Jan.-Apr. 1983-----	62 :	23.3 :	-5 :	-2.1	
Private-label retailers:					
Jan.-June 1981-----	15 :	6.1 :	- :		-
July-Dec. 1981-----	-4 :	-1.9 :	- :		-
Jan.-June 1982-----	3 :	1.2 :	20 :	8.3	
July-Dec. 1982-----	13 :	5.6 :	-26 :	-11.0	
Jan.-Apr. 1983-----	-4 :	-1.9 :	-37 :	-16.7	

1/ See product list for specifications.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 27.--13-inch remote control color television receivers (survey model No. 3 1/): Margins by which sets imported from Korea and Taiwan undersold or oversold domestic sets, by types of customers and by specified periods, 1981 and 1982, and January-April 1983

Class of customer and time period	Margins of underselling or overselling (-) of all domestic sets by imports from--				
	Korea		Taiwan		
	Amount	Percent	Amount	Percent	
Wholesalers or distributors:					
Jan.-June 1981-----	\$23	8.0	-	-	-
July-Dec. 1981-----	61	18.8	-	-	-
Jan.-June 1982-----	72	23.3	-	-	-
July-Dec. 1982-----	64	21.6	-	-	-
Jan.-Apr. 1983-----	58	20.8	-	-	-
Brand-name retailers:					
Jan.-June 1981-----	28	9.6	\$26	8.9	
July-Dec. 1981-----	29	9.8	19	6.6	
Jan.-June 1982-----	43	15.2	30	10.7	
July-Dec. 1982-----	54	19.5	51	18.3	
Jan.-Apr. 1983-----	49	18.0	21	7.8	
Private-label retailers:					
Jan.-June 1981-----	-	-	-	-	-
July-Dec. 1981-----	22	8.1	-	-	-
Jan.-June 1982-----	-	-	-	-	-
July-Dec. 1982-----	-	-	-	-	-
Jan.-Apr. 1983-----	-	-	-	-	-

1/ See product list for specifications.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 28.--19-inch remote control color television receivers (survey model No. 4 1/): Margins by which sets imported from Korea and Taiwan undersold or oversold domestic sets, by types of customers and by specified periods, 1981 and 1982, and January-April 1983

Class of customer and time period	Margins of underselling or overselling (-) of all domestic sets by imports from--				
	Korea		Taiwan		
	Amount	Percent	Amount	Percent	
Wholesalers or					
distributors:					
Jan.-June 1981-----	-	-	-\$77	-20.8	
July-Dec. 1981-----	\$90	23.5	21	5.5	
Jan.-June 1982-----	75	20.4	8	2.2	
July-Dec. 1982-----	90	24.6	5	1.4	
Jan.-Apr. 1983-----	74	21.3	-	-	
Brand-name					
retailers:					
Jan.-June 1981-----	48	12.8	-12	-3.2	
July-Dec. 1981-----	67	17.7	66	17.3	
Jan.-June 1982-----	73	20.3	12	3.3	
July-Dec. 1982-----	87	24.5	6	1.8	
Jan.-Apr. 1983-----	78	22.9	60	17.6	
Private-label					
retailers:					
Jan.-June 1981-----	-	-	-	-	
July-Dec. 1981-----	-	-	-	-	
Jan.-June 1982-----	-	-	26	8.8	
July-Dec. 1982-----	-	-	-	-	
Jan.-Apr. 1983-----	15	5.5	-	-	

1/ See product list for specifications.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Remote-control 19-inch color television receivers imported from Korea also undersold competing domestic models in sales to distributors and to brand-name retailers. Margins of underselling ranged from 20.4 percent (\$75) to 24.6 percent (\$90) in sales to distributors, and from 12.8 percent (\$48) to 24.5 percent (\$87) in sales to brand-name retailers.

Sales of remote control 19-inch sets imported from Taiwan and sold to distributors show one instance of overselling by imports, by a margin of 20.8 percent (\$77). Again, this example reflects small sales to distributors by ***. In contrast, sales of Taiwan remote control 19-inch models to brand-name retailers show margins of underselling in each time period except January-June 1981. 1/ Such margins ranged from 1.8 percent (\$6) to 17.6 percent (\$60).

Margins of underselling did not change when prices of leader model 13-inch and 19-inch sets and remote control model 13-inch and 19-inch sets produced by only U.S.-and Dutch-owned firms were compared with competing models imported from Taiwan. However, there was a minimal response from Japanese-owned firms to the Commission's questionnaire; 2/

Lost sales to imports from Korea

*** named *** as the purchasing firm involved in two allegations of lost sales to competing imports from Korea. One instance cited a sale lost for *** 13-inch color sets, and the other alleged lost sale was for *** 19-inch color receivers. *** and the Commission's staff to discuss the allegation. *** had identified *** as the period of its quotes to *** on these two sales opportunities. *** acknowledged that the volumes were quite accurate and explained that both instances involved anticipated or projected leader model 13-inch and 19-inch volume needs for July-December 1983. ***.

The dollar volume allegedly lost by *** on the 13-inch sets totaled *** and the value of the competing *** bid amounted to ***. These totals translate into a domestic unit price of *** compared with a price of *** for the Korean 13-inch model. *** stated that the offer prices of comparable domestic models from four different domestic producers ranged from *** to ***. The actual price of the accepted *** quote was *** per receiver.

Comparative dollar value totals involved in the 19-inch competition were *** in alleged lost sales volume for *** and a *** total value of estimated volume that will go to ***. The domestic unit price was *** per set compared with *** for the 19-inch Korean leader model. *** verified these prices as close, but added that the lowest domestic offer price for a comparable 19-inch mechanical tuner, leader model was ***. He also noted that he has been offered a 13-inch leader model from a domestic producer for *** for an August-December promotion. So far, the domestic source will ***.

1/ ***.
2/ ***.

*** estimates its needs for that promotion at *** receivers. As for quality and service, *** stated that *** has tried all the import brands from Taiwan and Korea, and apart from its lower price, the reason *** is on the *** floors rather than other competing imports is that *** has provided better parts and service in response to ***'s needs than have other Korean and Taiwan brand-name sources.

*** identified *** as the purchaser involved in a lost sale for *** 13-inch color sets for a lost-sales volume of ***. *** provided data on the transaction. ***'s rejected quote, alleged to be ***, would have been *** net of the cash discount. The competing import price for the Korean model accepted by *** was ***. *** stated that the competing models were considered comparable in quality and that the principal reason for selecting the import model was price. As alleged by ***, this purchase of roughly *** sets was made during ***. Quite recently, *** noted, the company has had problems regarding supply of electronic products from both domestic and import sources. This would be a stronger consideration today in selecting a source, especially if domestic and import prices were closer.

Another instance cited by *** of allegedly lost sales involved a *** firm, ***, as having made a purchase decision in favor of imported Korean 19-inch color sets. ***, television buyer, provided the following insights on his purchase decision. The quantity involved in ***'s estimate was a little too high. On the basis of projected volume for the second and third quarter, this first quarter 1983 purchase decision probably would translate into a total of *** sets of that leader model. These quotes, *** by *** and *** by ***, were "****" of actual prices and were quotes on leader models. *** is buying the *** 19-inch leader model "****." Quality of the imported set, however, is good, and service problems, minimal. *** buys from several sources; among them, *** is the largest volume domestic source, and ***, the largest import source. *** also buys 13-inch leader models from ***.

*** identified *** as another firm involved in a large quantity lost sale by ***. The cited transaction was a *** purchase decision by *** to buy *** 19-inch Korean color sets rather than a competing model from ***. ***, electronics buyer for the firm, attested to the fact that *** had made that purchase decision in favor of the Korean color sets. There were competing quotes from at least six domestic producers and three importers for this order. The quantity was based on ***'s anticipated volume for the period July-December 1983. *** paid *** to *** percent less for the imported sets. Features on the competing models were about the same, and the principal reason for buying the Korean model was price. The alleged competing prices were confirmed by *** as roughly *** for the *** model and *** for the Korean model. *** emphasized that these prices are targeted toward a retail price of *** for a 19-inch leader model. This customer perceived value (***), according to ***, was first created by private-label retailers advertising 19-inch color sets at this price. Then brand-name retailers, domestic and imported, met this price to prevent lost sales. Domestic sets, *** stated, offer less margin to retailers at this price than do imported sets from Korea and Taiwan. Both, however, serve this leader model segment of the market.

*** were also cited by *** as examples of lost sales, but representatives refused to comment without a written request stating specific questions.

*** cited two instances of lost sales that involved ***. One instance was for an estimated potential volume of *** to *** 13-inch leader model color sets. *** sold only *** sets at a price of *** each. *** allegedly received the remaining volume at a price of *** per set. The other instance was for an estimated potential volume of *** 19-inch leader model color sets. *** sold *** sets at *** per set; *** allegedly sold the remaining volume at a price of *** per set. *** affirmed the general quantities stated by ***. The price of the competing *** model was about ***, however, and the 19-inch *** model was about ***. The two competing models should not be exactly compared for several reasons. First, the quality of the *** model is adequate, but it may not be as good as that of the ***. Second, the low price of the *** models puts them out of competition with ***. However, the brand name of the *** has some offsetting customer acceptance. *** stated that if there were no low-priced imports, domestic models would get more volume unless they raised their prices too much, which would cause them to lose some of their current volume from customers that couldn't afford the higher prices. He stated that a *** price difference would not be enough to make any difference in volume because of too high a price.

Lost sales to imports from Taiwan

*** provided two instances of alleged lost sales in competition with color television receivers imported from Taiwan. Both allegations, one for *** 13-inch sets and the other for *** 19-inch sets, involved ***. *** confirmed the alleged volume of lost sales in both instances cited. These were purchases of *** sets by *** during August 1982-April 1983 and were low-end mechanical tuner models in both 13-inch and 19-inch sizes. The *** price for the 13-inch set was ***, compared with *** for the competing *** model. In the 19-inch screen size, the *** model was ***, compared with *** for the competing domestic model. *** claimed that it sold a limited number of the 19-inch leader model sets to *** by reducing its price from *** to ***. ***, not aware of the specific identity of the alleging domestic producer, stated that the domestic price to *** was ***. In terms of value, had the purchases from *** gone to ***, they would have amounted to about *** in 13-inch volume and roughly *** in 19-inch volume.

According to *** the quality of *** sets has improved and currently is equal to that of competing domestic sets, and availability is dependable. However, parts and service on the imported receivers has been and can be a problem, and ***'s purchase decision was based on price. *** does not agree that domestic producers do not serve the same market segment. He states that domestic producers make and offer competing models in terms of features designed to serve the price leader market, but can't meet the prices of the imported sets. Moreover, Korean sets, *** noted, are priced slightly lower than sets imported from Taiwan. Price competition sharpened in 1982 according to ***. ***, with its top-quality image and brand-name recognition, was in trouble with "****" and had to adjust downward. At the same time, there

has developed somewhat of a shortage situation from both domestic and import sources. This has not affected on the fierce price competition in the market.

Lost revenues

*** submitted 13 allegations of lost revenues. These instances involved sales at reduced prices of varied quantities, ranging from *** to *** domestic sets, and included both 13-inch and 19-inch screen sizes and remote control as well as price leader models. The Commission staff was able to contact six of the firms named; five of these firms were those identified with the largest purchases of domestic color sets at reduced prices.

*** was named by *** as the purchaser of *** 19-inch color sets in *** at a price of ***, after rejecting a price of ***. *** stated that the *** price was still too high at that level and that he did not purchase the cited *** model. Moreover, the competing imported model, priced at *** net, was not a Korean set as *** alleged, but was ***. *** confirmed that *** had purchased *** of the *** sets. This rejected revised quote, if accepted, would have been a sale of *** for ***.

*** allegedly purchased *** 19-inch color sets at *** after rejecting an initial price of ***. A competing *** model imported from Korea was offered to *** for ***. ***, television buyer for the firm, confirmed these competing prices in the *** instance that resulted in a decision to purchase the *** model. In other cases, *** has purchased sets from ***; he noted that, although they were initially poor in quality, the Korean sets have improved lately. With competitors of *** buying imported models, *** stated that it takes strong emphasis of the buyer acceptance of the *** brand name and quality to offset the wide margin of underselling by sets imported from Korea and Taiwan. He commented that shoppers today are wise and that this makes price competition more difficult. *** would like to push U.S. brand-name sets but faces tough competition from competing imports.

*** named *** as another instance of lost revenues. *** allegedly bought *** 19-inch *** color sets in *** after *** cut its price in the face of a competing Korean model. *** provided the following information. As alleged, *** made an initial quote on *** of *** per set. The competing Korean offer price was ***. *** eventually bought the *** model at ***. *** received a subsequent "****" discount that netted the price down to ***. 1/ Lost revenues to *** on this ***-set transaction totaled about ***.

Another instance of alleged lost revenue to *** involved *** as the purchaser in *** of *** 19-inch *** color sets after *** reduced its price from *** to *** in competing with an imported Taiwan set. ***, buyer, affirmed the purchase of the *** sets. *** stated that the list price based on a ***-set purchase at that time was ***. *** bought the *** sets

1/ *** noted that the latter discount involved standard *** terms and did not relate to the Korean competition.

for less; however, he could not be certain as to how much less because *** hasn't saved invoices. As for the alleged competing import price of ***, *** noted that the accepted *** price was sharply higher than the imported model price. *** has not purchased the imported model, so *** could not be specific on the offer price. The margin of underselling, however, was *** or more.

*** identified *** in another instance of lost revenues. The purchase of *** 13-inch *** sets by this firm in *** allegedly was at a price of ***, reduced from *** in competition with a Korean model priced at ***. ***, television buyer, could not readily comment on the specific allegation. *** stated, however, that domestic producers have reduced prices to *** to meet competition from ***. But they have also lost sales, because they could not meet the prices of imports from Korea and Taiwan. For example, 13-inch color sets from *** are as much as *** below domestic prices. For 19-inch models, *** prices are as much as *** to *** below domestic prices. *** uses such models as advertised leaders. If the imported sets were not in the market, *** says domestic brand names would sell "****." Imports have had about the same share of ***'s volume during the last year. As to parts and service, parts for sets imported from Korea and Taiwan frequently are hard to get, and repairs take four to five times as long as on domestic brand-name sets. *** emphasized that when "****" in such instances, import sources are forced to simply exchange the set.

Another instance of lost revenues cited *** as the purchasing firm of *** 19-inch color sets after *** reduced its price from *** to *** per set. A competing Korean model was offered by *** at ***. The purchasing manager for *** provided the following facts on this transaction. Competing prices were about as alleged. *** did discount its model about *** percent. However, the domestic price was still about *** too high compared with competing imports. *** has bought sets from *** but has discontinued that company as a source. Communications were very difficult, which adversely affected delivery. *** noted that ***. However, that firm's pricing in 13-inch as well as 19-inch sizes was very aggressive.

***, which were also allegedly involved in lost revenue sales by ***, could not be contacted.

Exchange rates 1/

The recent strength of the U.S. dollar against the Korean won could have increased the price competitiveness of Korean exports. Fewer dollars buy more won than previously. Consequently, as a result of the appreciated dollar, imported Korean television receivers could be less expensive. For several reason, however, prices of Korean television sets may not have decreased as much as the won depreciated against the dollar. First, if purchase contracts are drawn in dollar terms, the price would be fixed. Some contracts do have price-change clauses for specific swings in exchange rates. Second, if Korean

1/ Taiwan's currency, the new Taiwan dollar, is tied to the value of the U.S. dollar. Consequently, Taiwan's products have not had a depreciation potential to be more competitive in the recent past.

producers import raw materials or other inputs from the United States or from countries whose currencies are tied to the dollar, a portion of their costs will rise with the dollar. Finally, Korean television producers and/or importers may choose to increase their profitability by lowering their dollar prices by less than the depreciation would allow. By limiting the pass through of lower prices to their customers, either link in the channel of distribution could increase per unit profit. Table 29 presents an index of the real exchange rate between the U.S. dollar and the Korean won from January-March 1981 through January-March 1983. ^{1/} When the index is less than 100, the foreign currency has depreciated against the dollar from the base period. Depreciation of the foreign currency tends to make the foreign product more competitive. During the subject period, the won first appreciated slightly (2 percent) vis-a-vis the dollar; in 1982 and January-March 1983, the won depreciated by about 5 percent. This percentage change indicates the maximum amount that Korean producers or importers of Korean television receivers could have reduced their dollar prices without diluting profit margins, assuming they had no dollar-denominated costs.

Table 29.--Index of real exchange rate of the Korean won against the dollar, by quarters, January 1981-March 1983 ^{1/}

(January-March 1981=100)

Period	Index
1981:	
January-March-----	100
April-June-----	101
July-September-----	102
October-December-----	102
1982:	
January-March-----	99
April-June-----	98
July-September-----	95
October-December-----	95
1983:	
January-March-----	95

^{1/} The index was calculated from period average exchange rates that were expressed in U.S. dollars per unit of foreign currency.

Source: Compiled from official statistics of the International Monetary Fund.

^{1/} Real exchange rates (i.e., inflation adjusted) are analyzed, instead of nominal exchange rates, to more accurately show the effect of exchange-rate changes on international competitiveness. A domestic inflation rate greater than the inflation rate of a trading partner increases the home currency price of the traded product, thereby offsetting (at least partially) a lower foreign currency price resulting from devaluation of the home currency. The index of real exchange rate provides a combined measure of changes in the rates of inflation between the two countries and in the nominal exchange rates.

APPENDIX A

NOTICE OF THE COMMISSION'S INSTITUTION OF PRELIMINARY INVESTIGATIONS

INTERNATIONAL TRADE COMMISSION

[Investigations Nos. 731-TA-134 and 135 (Preliminary)]

Color Television Receivers From the Republic of Korea and Taiwan

AGENCY: International Trade Commission.

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

SUMMARY: The United States International Trade Commission hereby gives notice of the institution of preliminary antidumping investigations under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673(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 the Republic of Korea and Taiwan of color television receivers, complete or incomplete, provided for in items 685.11 and 635.14 of the Tariff Schedules of the United States, which are alleged to be sold in the United States at less than fair value.

EFFECTIVE DATE: May 2, 1983.

FOR FURTHER INFORMATION CONTACT: Mr. Robert Eninger, Office of Investigations, U.S. International Trade Commission, 701 E St., NW., Washington, D.C. 20436, telephone 202-523-0312.

SUPPLEMENTARY INFORMATION:

Background.—These investigations are being instituted in response to petitions filed on May 2, 1983, by counsel on behalf of the Industrial Union Department, AFL-CIO; the International Brotherhood of Electrical Workers; the International Union of Electrical, Radio and Machine Workers; the Independent Radionic Workers of America; and the

Committee to Preserve American Color Television. The Commission must make its determination in these investigations within 45 days after the date of the filing of the petition, or by June 16, 1983 (19 CFR 207.17).

Participation.—Persons wishing to participate in these investigations as parties must file an entry of appearance with the Secretary to the Commission, as provided for in section 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 these investigations. Any party submitting a document in connection with the investigations shall, in addition to complying with § 201.8 of the Commission's rules (19 CFR 201.8), serve a copy of each such document on all other parties in the investigations. 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 these investigations 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 May 31, 1983, a written statement of information pertinent to the subject matter of these investigations (19 CFR 207.15). A signed original and fourteen (14) copies of such statements must be submitted (19 CFR 201.8).

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 § 201.8 of the Commission's rules (19 CFR 201.8). 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 these investigations for 10 a.m. on May 26, 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. Robert Eninger (202-523-0312), not later than May 24, 1983, to arrange for their appearance. Parties in support of the imposition of antidumping duties in these investigations 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 petitions 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 these investigations 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 33682, Aug. 4, 1982). Further information concerning the conduct of the conference will be provided by Mr. Eninger.

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

Issued: May 5, 1983.

Kenneth F. Mason,
Secretary.

[FR Doc. 83-12646 Filed 5-10-83; 8:45 am]

BILLING CODE 7020-02-M

APPENDIX B

NOTICE OF THE DEPARTMENT OF COMMERCE'S INSTITUTION
OF PRELIMINARY INVESTIGATIONS

Initiation of Antidumping Investigations; Color Television Receivers From the Republic of Korea and Taiwan

AGENCY: International Trade Administration, Commerce.

ACTION: Initiation of antidumping investigations.

SUMMARY: On the basis of petitions filed with the United States Department of Commerce, we are initiating antidumping investigations to determine whether color television receivers from the Republic of Korea (Korea) and Taiwan 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 these actions so that it may determine whether imports of this merchandise are materially injuring, or threatening to materially injure, a United States industry. If the investigations proceed normally, the ITC will make its preliminary determinations on or before June 16, 1983 and we will make ours on or before October 11, 1983.

EFFECTIVE DATE: May 27, 1983.

FOR FURTHER INFORMATION CONTACT: Richard Rimlinger, Steven Lim or Paul Thran, Office of Investigations,

International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230 telephone: (202) 377-3962 or 377-1776.

SUPPLEMENTARY INFORMATION: On May 2, 1983, we received petitions from counsel for the Independent Radionic Workers of America; the International Brotherhood of Electrical Workers; the International Union of Electrical, Radio & Machine Workers; and the Industrial Union Department, AFL-CIO. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petitions allege that imports of the subject merchandise from Korea and Taiwan 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 of the merchandise under investigation from Korea and Taiwan are supported by comparisons of actual United States prices with the foreign market value based on actual home market prices for comparable models.

Initiation of Investigations

Under section 732(c) of the Act, we must determine, within 20 days after a petition is filed, whether it sets forth the allegations necessary for the initiation of an antidumping investigation and whether it contains information reasonably available to the petitioners supporting the allegations. We have examined the petitions filed by the representatives of the domestic manufacturers of color television receivers, and we have found that they meet the requirements of section 732(b) of the Act. Therefore, we are initiating antidumping investigations to determine whether color television receivers from Korea and Taiwan are being, or are likely to be, sold at less than fair value in the United States. If our investigations proceed normally, we will make our preliminary determinations by October 11, 1983.

Scope of the Investigations

The merchandise covered by these investigations are color television receivers, complete or incomplete, currently classified under items 685.11 and 685.14 of the *Tariff Schedules of the United States* (1983).

Notification to the ITC

A-68

Section 732(d) of the Act requires us to notify the United States International

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Trade Commission of these actions and to provide it with the information we used to arrive at these determinations. 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 it confirms that 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 Determinations by ITC

The ITC will determine within 45 days of the date the petitions were received whether there is a reasonable indication that imports of color television receivers from Korea and Taiwan are materially injuring, or are threatening to materially injure, a United States industry. If its determinations are negative, these investigations will terminate; otherwise they will proceed according to the statutory procedures.

David Diebold,

Acting Deputy (for Policy), to the Deputy Assistant Secretary for Import Administration.

May 23, 1983.

[FR Doc. 83-14299 Filed 5-28-83; 8:45 am]

BILLING CODE 3510-25-40

APPENDIX C
CALENDAR OF PUBLIC CONFERENCE

CALENDAR OF PUBLIC CONFERENCE

Investigations Nos. 731-TA-134 and 135 (Preliminary)

COLOR TELEVISION RECEIVERS
FROM THE REPUBLIC OF KOREA AND TAIWAN

Those listed below appeared as witnesses at the United States International Trade Commission's conference held in connection with the subject investigations on May 26, 1983, in the Hearing Room at the USITC Building, 701 E Street, NW., Washington, D.C.

In support of the petitions

Collier, Shannon, Rill & Scott--Counsel
Washington, D.C.
on behalf of

Industrial Union Department, AFL-CIO
International Brotherhood of Electrical Workers
International Union of Electrical, Radio and Machine Workers
Independent Radionic Workers of America

Industrial Union Department, AFL-CIO:
Brian Turner, Director of Legislation and Economic Policy

International Union of Electrical, Radio and Machine Workers:
George Collins, Director of Legislation and COPE

International Brotherhood of Electrical Workers
Richard E. Collins, International Representative

Economic Consulting Services, Inc.:
Stanley Nehmer, President
Mark Love

Paul D. Cullen)
Robert L. Meuser)--OF COUNSEL

Frederick L. Ikenson, P.C.--Counsel
Washington, D.C.
on behalf of

Zenith Radio Corp.

Walter C. Fisher, Executive Vice President--Sales and Marketing
Philip J. Curtis, Vice President and General Counsel

Frederick L. Ikenson--OF COUNSEL

In support of the petitions--Continued

General Electric Co.
Video Products Business Division
Portsmouth, Virginia

William F. Marx, Division Counsel
Phil Perchonok, Manager, Industry Analysis

In opposition to the petitions

Oppenheimer, Wolff, Foster, Shepard & Donnelly--Counsel
Washington, D.C.
on behalf of

Electronic Industries Association of Korea
Daewoo Electronics Co., Ltd. (Korea)
Taihan (America) Corp.

David A. Gantz--OF COUNSEL

Dow, Lohnes & Albertson--Counsel
Washington, D.C.
on behalf of

Gold Star Co., Ltd. (Seoul, Korea)
Gold Star Electronics International, Inc.

Yong Nam, Vice President, Operation, Gold Star Electronics
International, Inc.

Paul A. Eschmann, Associate Buyer, Major Applicances, K MART Corp.
Charles Yager, Senior Manager, Peat, Marwick, Mitchell & Co.

William Silverman)
Edward M. Lebow)--OF COUNSEL

Arnold & Porter--Counsel
Washington, D.C.
On behalf of

Samsung Electronics Co., Ltd. (Korea)
Samsung Electronics America, Inc.

Samsung Electronics America, Inc.:
Yong-Suk Lee, President
Mr. Kim

Patrick F. J. Macrory--OF COUNSEL

In opposition to the petitions--Continued

Kaplan, Russin & Vecchi
Washington, D.C.
on behalf of

Certain manufacturers and exporters in Taiwan

Dennis James, Jr.)
Kathleen F. Patterson)--OF COUNSEL

APPENDIX D

EXPANDED STATISTICAL TABLES

Table D-1.--Color television receivers: Purchases of U.S.-made and imported components and value added by manufacture in the United States, by firm ownerships, 1977-81

(In thousands of dollars)						
Item	1977	1978	1979	1980	1981	
Purchases:						
Imported articles:						
U.S.- or Dutch-						
owned firms-----	304,965	392,918	508,691	557,247		***
Japanese-owned firms--	156,832	225,487	296,816	374,576		***
Korean-owned firms----	0	0	0	0		0
Taiwan-owned firms----	0	0	0	0		***
Total-----	461,797	618,405	805,507	931,823		996,202
U.S.-made articles:						
U.S.- or Dutch-						
owned firms-----	791,357	890,176	870,575	927,113		***
Japanese-owned firms--	135,109	168,536	222,507	406,587		***
Korean-owned firms----	0	0	0	0		0
Taiwan-owned firms----	0	0	0	0		***
Total-----	926,466	1,058,712	1,093,082	1,333,700		1,399,352
U.S. value added:						
Direct labor:						
U.S.- or Dutch-						
owned firms-----	284,090	293,456	305,090	300,366		***
Japanese-owned firms--	30,108	35,346	40,391	56,593		***
Korean-owned firms----	0	0	0	0		0
Taiwan-owned firms----	0	0	0	0		***
Total-----	314,198	328,802	345,481	356,959		354,980
Other value added:						
U.S.-or Dutch-						
owned firms-----	635,842	664,356	729,184	757,823		***
Japanese-owned firms--	117,997	126,288	146,689	208,030		***
Korean-owned firms----	0	0	0	0		0
Taiwan-owned firms----	0	0	0	0		***
Total-----	753,839	790,644	875,873	965,853		852,928
Total value of shipments:						
U.S.-or Dutch-						
owned firms-----	2,016,254	2,240,906	2,413,540	2,542,549		***
Japanese-owned firms----	440,046	555,657	706,403	1,045,786		***
Korean-owned firms----	0	0	0	0		0
Taiwan-owned firms----	0	0	0	0		***
Total-----	2,456,300	2,796,563	3,119,943	3,588,335		3,603,461

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table D-2.--Color television receivers: U.S. production, capacity, 1/ and capacity utilization, by firm ownerships, 1976-81

Year	U.S.- or Dutch- owned	Japanese- owned	Korean- owned	Taiwan- owned	Total
Production (1,000 units)					
1976-----	***	***	0	0	5,870
1977-----	5,762	1,243	0	0	7,005
1978-----	6,649	1,633	0	0	8,282
1979-----	***	***	0	0	9,012
1980-----	7,433	3,227	0	0	10,660
1981-----	***	***	0	***	10,514
Capacity (1,000 units) <u>1/</u>					
1976-----	***	***	0	0	9,748
1977-----	8,609	1,686	0	0	10,295
1978-----	8,431	1,975	0	0	10,406
1979-----	***	***	0	0	11,259
1980-----	8,954	3,216	0	0	12,170
1981-----	***	***	0	***	12,620
Capacity utilization (percent)					
1976-----	***	***	-	-	60.2
1977-----	66.9	73.7	-	-	68.0
1978-----	78.9	82.7	-	-	79.6
1979-----	***	***	-	-	80.0
1980-----	83.0	100.3	-	-	87.6
1981-----	***	***	-	***	83.3

1/ Capacity based on operations of assembly plants 1 shift a day, 5 days a week, assuming no change in the product mix.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table D-3.--Color television receivers: U.S. producers' domestic shipments, by firm ownerships, 1976-81

Year	U.S.- or Dutch- owned	Japanese- owned	Korean- owned	Taiwan- owned	Total
Quantity (1,000 units)					
1976-----	***	***	0	0	5,744
1977-----	5,541	1,159	0	0	6,700
1978-----	6,218	1,498	0	0	7,716
1979-----	***	***	0	0	8,716
1980-----	6,761	2,942	0	0	9,703
1981-----	***	***	0	***	9,676
Value (million dollars)					
1976-----	***	***	-	-	2,071
1977-----	1,949	437	-	-	2,386
1978-----	2,136	532	-	-	2,668
1979-----	***		-	-	2,984
1980-----	2,382	979	-	-	3,361
1981-----	***	***	-	***	3,425

1/ ***.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

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

Table D-4.--Color television receivers: U.S. producers' export shipments,
by firm ownerships, 1976-81

Year	U.S.- or Dutch- owned	Japanese- owned	Korean- owned	Taiwan- owned	Total
Quantity (1,000 units)					
1976-----	***	***	0	0	160
1977-----	185	10	0	0	195
1978-----	343	73	0	0	416
1979-----	***	***	0	0	451
1980-----	497	201	0	0	698
1981-----	***	***	0	***	509
Value (million dollars)					
1976-----	***	***	-	-	58
1977-----	64	3	-	-	67
1978-----	113	33	-	-	146
1979-----	***	***	-	-	141
1980-----	161	69	-	-	231
1981-----	***	***	-	***	178

Source: Compiled from data submitted in response to questionnaires of the
U.S. International Trade Commission.

Table D-5.--Color television receivers: U.S. producers' end-of-period inventories, by firm ownerships, 1976-81

Year	: U.S.- or : Dutch- : owned	: Japanese- : owned	: Korean- : owned	: Taiwan- : owned	: Total
	Quantity (1,000 units)				
1976-----	***	***	0	0	532
1977-----	402	203	0	0	605
1978-----	437	259	0	0	696
1979-----	***	***	0	0	510
1980-----	551	190	0	0	741
1981-----	***	***	0	***	938

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table D-6.--Average number of production and related workers in U.S. establishments producing color television receivers, and hours worked by, wages paid to, and productivity of such employees, by firm ownerships, 1976-81

Year	U.S.- or Dutch- owned	Japanese- owned	Korean- owned	Taiwan- owned	Total
Average number of workers					
1976-----	***	***	0	0	26,957
1977-----	21,685	3,300	0	0	24,985
1978-----	20,056	3,798	0	0	23,854
1979-----	***	***	0	0	22,470
1980-----	16,767	4,912	0	0	21,679
1981-----	***	***	0	***	18,751
Manhours worked (1,000 hours)					
1976-----	***	***	-	-	52,554
1977-----	44,069	6,285	-	-	50,354
1978-----	41,657	6,635	-	-	48,292
1979-----	***	***	-	-	46,194
1980-----	33,838	10,754	-	-	44,592
1981-----	***	***	-	***	37,755
Wages (1,000 dollars)					
1976-----	1/	1/	-	-	1/
1977-----	***	***	-	-	***
1978-----	***	***	-	-	***
1979-----	***	***	-	-	***
1980-----	***	***	-	-	***
1981-----	1/	1/	-	1/	1/
Productivity (sets per hour)					
1976-----	***	***	-	-	0.1117
1977-----	0.1308	0.1976	-	-	.1391
1978-----	.1595	.2461	-	-	.1715
1979-----	***	***	-	-	.1951
1980-----	.2197	.3001	-	-	.2391
1981-----	***	***	-	***	.2785

1/ Not available.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table D-7.--Color television receivers: Profit-and-loss experience of U.S. producers, by firm ownerships, 1976-81

Firm ownership and period	Net sales	Cost of goods sold	Gross profit or (loss)	General, selling, and administrative expenses	Net operating profit or (loss)	Other net income or (expense)	Net profit or (loss) before taxes	Ratio of net operating profit or (loss) to net sales
								Percent
U.S.-or Dutch-owned:								
1976	***	***	***	***	***	***	***	***
1977	2,395,324	2,008,630	386,694	318,954	67,740	(51,213)	16,527	2.8
1978	2,429,964	2,079,729	350,235	306,557	43,678	(33,169)	10,509	1.8
1979	2,547,053	2,189,788	357,265	316,571	40,694	(32,996)	7,698	1.6
1980	2,586,821	2,234,377	352,444	307,604	44,840	1/	1/	1.7
1981	***	***	***	***	***	1/	1/	***
Japanese-owned:								
1976	***	***	***	***	***	***	***	***
1977	512,863	418,510	94,353	81,115	13,238	(3,933)	9,305	2.6
1978	588,434	497,984	90,450	89,455	995	(13,135)	(12,140)	.2
1979	652,316	605,472	46,844	63,538	(16,694)	(15,994)	(32,688)	(2.6)
1980	980,179	853,324	126,855	104,450	22,405	1/	1/	2.3
1981	***	***	***	***	***	1/	1/	***
Taiwan-owned:								
1980	-	-	-	-	-	-	-	-
1981	***	***	***	***	***	1/	1/	***
Total:								
1976	2,625,427	2,175,295	450,132	353,881	96,251	(59,414)	36,837	3.7
1977	2,908,187	2,427,140	481,047	400,068	80,979	(55,146)	25,833	2.8
1978	3,018,398	2,577,713	440,685	396,012	44,673	(46,304)	(1,631)	1.5
1979	3,199,369	2,795,260	404,109	380,109	24,000	(48,990)	(24,990)	.8
1980	3,567,000	3,087,701	479,299	412,054	67,245	1/	1/	1.9
1981	3,740,110	3,260,544	479,566	481,820	(2,254)	1/	1/	(.1)

1/ Not available.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table D-8.--Complete color television receivers: 1/ U.S. imports for consumption, by principal sources, 1976-79

Source	1976	1977	1978	1979
Quantity (units)				
Japan-----	2,530,098	2,029,119	1,433,639	513,389
Korea-----	47,544	96,474	436,885	314,039
Taiwan-----	235,406	321,941	624,456	367,525
Singapore-----	3,580	14,633	61,341	73,332
Canada-----	15,587	74,028	211,561	90,887
Malaysia-----	<u>2/</u>	<u>2/</u>	0	0
United Kingdom-----	<u>2/</u>	<u>2/</u>	955	706
Hong Kong-----	<u>2/</u>	<u>2/</u>	2	86
All other-----	1,523	2,501	6,017	8,636
Total-----	2,833,738	2,538,696	2,774,856	1,368,600
Value (1,000 dollars)				
Japan-----	470,243	405,553	317,175	128,857
Korea-----	7,135	14,570	71,657	53,497
Taiwan-----	38,821	56,928	116,269	70,314
Singapore-----	625	2,400	10,564	15,281
Canada-----	4,139	20,574	58,717	30,001
Malaysia-----	<u>2/</u>	<u>2/</u>	-	-
United Kingdom-----	<u>2/</u>	<u>2/</u>	347	326
Hong Kong-----	<u>2/</u>	<u>2/</u>	1	38
All other-----	553	1,093	2,359	4,250
Total-----	521,516	501,118	577,089	302,564
Unit value				
Japan-----	\$186	\$200	\$221	\$251
Korea-----	150	151	164	170
Taiwan-----	165	177	186	191
Singapore-----	175	164	172	208
Canada-----	266	278	278	330
Malaysia-----	<u>2/</u>	<u>2/</u>	-	-
United Kingdom-----	<u>2/</u>	<u>2/</u>	363	462
Hong Kong-----	<u>2/</u>	<u>2/</u>	258	443
All other-----	363	437	392	492
Average-----	184	197	208	221

1/ TSUSA items 685.2025-685.2046.2/ Imports, if any, included in "All other."

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

Table D-9.--Incomplete color television receivers having a picture tube and color television receiver kits: 1/ U.S. imports for consumption, by principal sources, 1976-79

Source	1976	1977	1978	1979
Quantity (units)				
Mexico-----	303,105	587,663	3,872	2,217
Japan-----	151,803	106,410	59,982	63,936
Malaysia-----	<u>2/</u>	<u>2/</u>	0	0
Taiwan-----	<u>2,776</u>	<u>2,447</u>	2,876	2,613
Canada-----	933	2,162	20	511
Belgium <u>3/</u> -----	<u>2/</u>	<u>2/</u>	6	0
Korea-----	<u>2/</u>	1,868	6	50
West Germany-----	<u>2/</u>	<u>2/</u>	19	152
All other-----	<u>2,760</u>	<u>4,479</u>	2	28
Total-----	461,377	705,029	66,783	69,507
Value (1,000 dollars)				
Mexico-----	22,978	38,889	236	130
Japan-----	15,402	14,081	9,870	10,725
Malaysia-----	<u>2/</u>	<u>2/</u>	-	-
Taiwan-----	98	145	183	445
Canada-----	142	211	4	96
Belgium <u>3/</u> -----	<u>2/</u>	<u>2/</u>	9	-
Korea-----	<u>2/</u>	142	1	3
West Germany-----	<u>2/</u>	<u>2/</u>	4	12
All other-----	191	268	1	18
Total-----	38,811	53,736	10,308	11,429
Unit value				
Mexico-----	\$76	\$66	\$61	\$59
Japan-----	101	132	164	168
Malaysia-----	<u>2/</u>	<u>2/</u>	-	-
Taiwan-----	35	59	64	170
Canada-----	152	98	183	188
Belgium <u>3/</u> -----	<u>2/</u>	<u>2/</u>	1,500	-
Korea-----	<u>2/</u>	76	94	59
West Germany-----	<u>2/</u>	<u>2/</u>	220	76
All other-----	69	60	500	646
Average-----	84	76	154	164

1/ TSUSA items 685.2006, 685.2055, 685.2061, and 685.2062

2/ Imports, if any, included in "All other."

3/ Includes imports, if any, from Luxembourg.

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

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

Table D-10.--Subassemblies and components for television receivers: 1/ U.S.
imports for consumption, by principal sources, 1976-79

(In thousands of dollars)

Source	1976	1977	1978	1979
Mexico-----	259,637	207,752	348,150	483,599
Japan-----	108,611	164,675	206,492	260,329
Singapore-----	24,709	45,018	66,460	96,270
Taiwan-----	105,830	82,700	108,796	88,520
Malaysia-----	2/	288	1,362	2,192
Korea-----	5,483	6,495	6,432	9,090
Canada-----	11,158	10,326	4,651	4,433
Philippine				
Republic-----	-	1	-	2,684
France-----	2/	2/	75	168
All other-----	11,548	5,565	5,412	7,421
Total-----	526,976	522,820	747,830	954,706

1/ In 1976, TSUSA items 685.2045-685.2070; in 1977, TSUSA items 685.2052-685.2054 and 685.2064-685.2078; and in 1978 and 1979, TSUSA items 685.2064-685.2078.

2/ Imports, if any, included in "All other."

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

Table D-11.--Complete color television receivers: U.S. imports for consumption, those entered under TSUS item 807.00, duty-free value, and adjusted value, 1/ by principal sources, 1976-79

(In thousands of dollars)					
Source	1976	1977	1978	1979	
Japan:					
Total imports-----	470,243	405,553	317,175	128,857	
807.00 imports-----	-	-	204	-	
Duty-free value-----	-	-	34	-	
Adjusted value-----	470,243	405,553	317,141	128,857	
Korea:					
Total imports-----	7,135	14,570	71,657	53,497	
807.00 imports-----	113	-	-	-	
Duty-free value-----	11	-	-	-	
Adjusted value-----	7,124	14,570	71,657	53,497	
Taiwan:					
Total imports-----	38,821	56,928	116,269	70,314	
807.00 imports-----	12,571	26,516	46,789	538	
Duty-free value-----	1,571	2,061	1,879	12	
Adjusted value-----	37,250	54,867	114,390	70,302	
Canada:					
Total imports-----	4,139	20,574	58,717	30,001	
807.00 imports-----	3,977	20,049	57,666	28,035	
Duty-free value-----	1,778	6,447	20,842	8,888	
Adjusted value-----	2,361	14,127	37,875	21,113	
Singapore:					
Total imports-----	625	2,400	10,564	15,281	
807.00 imports-----	-	-	-	-	
Duty-free value-----	-	-	-	-	
Adjusted value-----	625	2,400	10,564	15,281	
All other:					
Total imports-----	553	1,093	2,707	4,614	
807.00 imports-----	-	60	-	20	
Duty-free value-----	-	25	-	15	
Adjusted value-----	553	1,068	2,707	4,599	
Total:					
Total imports-----	521,516	501,118	577,089	302,564	
807.00 imports-----	16,661	46,625	104,659	28,594	
Duty-free value-----	3,360	8,533	22,755	8,915	
Adjusted value-----	518,156	492,585	554,334	293,649	

1/ Total value of imports less duty-free value.

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

Table D-12.--Incomplete color television receivers having a picture tube and color television receiver kits: U.S. imports for consumption, those entered under TSUS item 807.00, duty-free value, and adjusted value, 1/ by principal sources, 1976-79

(In thousands of dollars)					
Source	1976	1977	1978	1979	
Mexico:					
Total imports-----	1,149	1,167	236	130	
807.00 imports-----	677	1,163	236	129	
Duty-free value-----	306	487	114	48	
Adjusted value-----	843	680	122	82	
Japan:					
Total imports-----	770	2,205	9,870	10,725	
807.00 imports-----	-	12	-	4	
Duty-free value-----	-	5	-	2	
Adjusted value-----	770	2,200	9,870	10,723	
Taiwan:					
Total imports-----	5	6	183	445	
807.00 imports-----	-	1	165	-	
Duty-free value-----	-	<u>2/</u>	11	-	
Adjusted value-----	5	6	172	445	
Canada:					
Total imports-----	7	7	4	96	
807.00 imports-----	4	6	3	96	
Duty-free value-----	1	<u>2/</u>	1	26	
Adjusted value-----	6	7	3	70	
Korea:					
Total imports-----	-	5	1	3	
807.00 imports-----	-	4	-	-	
Duty-free value-----	-	2	-	-	
Adjusted value-----	-	3	1	3	
All other:					
Total imports-----	10	5	14	30	
807.00 imports-----	6	5	-	-	
Duty-free value-----	2	2	-	-	
Adjusted value-----	8	3	14	30	
Total:					
Total imports-----	1,941	3,395	10,308	11,429	
807.00 imports-----	687	1,193	404	229	
Duty-free value-----	309	496	126	76	
Adjusted value-----	1,632	2,899	10,182	11,353	

1/ Total value of imports less duty-free value.

2/ Less than \$500.

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

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

Table D-13.--Subassemblies and components for television receivers: U.S. imports for consumption, those entered under TSUS item 807.00, duty-free value, and adjusted value, 1/ by principal sources, 1976-79

(In thousands of dollars)					
Source	1976	1977	1978	1979	
Mexico:					
Total imports-----	259,637	207,752	348,150	483,599	
807.00 imports-----	256,126	206,511	347,000	473,505	
Duty-free value-----	104,398	86,934	150,804	175,934	
Adjusted value-----	155,239	120,818	197,346	307,665	
Japan:					
Total imports-----	108,611	164,675	206,492	260,329	
807.00 imports-----	530	4,552	3,438	6,959	
Duty-free value-----	148	1,789	1,357	1,863	
Adjusted value-----	108,463	162,886	205,135	258,466	
Singapore:					
Total imports-----	24,709	45,018	66,460	96,270	
807.00 imports-----	5,421	19,314	16,678	59,888	
Duty-free value-----	504	1,845	1,144	3,401	
Adjusted value-----	24,205	43,173	65,316	92,869	
Taiwan:					
Total imports-----	105,830	82,700	108,796	88,520	
807.00 imports-----	95,955	71,320	95,311	65,028	
Duty-free value-----	11,748	8,721	13,092	8,871	
Adjusted value-----	94,082	73,979	95,704	79,649	
Korea:					
Total imports-----	5,483	6,495	6,432	9,090	
807.00 imports-----	402	563	-	-	
Duty-free value-----	21	271	-	-	
Adjusted value-----	5,462	6,224	6,432	9,090	
Canada:					
Total imports-----	11,158	10,326	4,651	4,433	
807.00 imports-----	4,066	4,031	1,553	987	
Duty-free value-----	630	780	510	347	
Adjusted value-----	10,528	9,546	4,141	4,086	
All other:					
Total imports-----	11,548	5,854	6,849	12,465	
807.00 imports-----	6,714	2,796	855	2,712	
Duty-free value-----	1,962	779	410	1,183	
Adjusted value-----	9,586	5,075	6,439	11,282	
Total:					
Total imports-----	526,976	522,820	747,830	954,706	
807.00 imports-----	369,214	309,087	464,835	609,079	
Duty-free value-----	119,411	101,119	167,317	191,599	
Adjusted value-----	407,565	421,701	580,513	763,107	

1/ Total value of imports less duty-free value.

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

Table D-14.--Complete color television receivers: Domestic shipments, U.S. imports for consumption, and apparent U.S. consumption, 1976-79

Item	1976	1977	1978	1979
Quantity (1,000 units)				
Domestic shipments by--				
U.S.- or Dutch-owned firms-----	5,026	5,541	6,218	6,800
Japanese-owned firms-----	718	1,159	1,498	1,916
Korean-owned firms-----	0	0	0	0
Taiwan-owned firms-----	0	0	0	0
Total-----	5,744	6,700	7,716	8,716
U.S. imports from--				
Japan-----	2,530	2,029	1,434	513
Korea-----	48	96	437	314
Taiwan-----	235	322	624	368
All others-----	21	92	280	174
Total-----	2,834	2,539	2,775	1,369
Apparent U.S. consumption-----	8,578	9,239	10,491	10,085
Ratio to apparent consumption (percent)				
Domestic shipments by--				
U.S.- or Dutch-owned firms-----	58.6	60.0	59.3	67.4
Japanese-owned firms-----	8.4	12.5	14.3	19.0
Korean-owned firms-----	-	-	-	-
Taiwan-owned firms-----	-	-	-	-
Total-----	67.0	72.5	73.6	86.4
U.S. imports from--				
Japan-----	29.5	22.0	13.7	5.1
Korea-----	.6	1.0	4.2	3.1
Taiwan-----	2.7	3.5	5.9	3.6
All others-----	.2	1.0	2.7	1.7
Total-----	33.0	27.5	26.4	13.6

Table D-14.--Complete color television receivers: Domestic shipments, U.S. imports for consumption, and apparent U.S. consumption, 1976-82--Continued

Item	1976	1977	1978	1979
Value (million dollars)				
Domestic shipments by--				
U.S.- or Dutch-owned firms-----	1,812	1,949	2,136	2,312
Japanese-owned firms-----	259	437	532	672
Korean-owned firms-----	-	-	-	-
Taiwan-owned firms-----	-	-	-	-
Total-----	2,071	2,386	2,668	2,984
U.S. imports from--				
Japan-----	470	406	317	129
Korea-----	7	14	72	53
Taiwan-----	39	57	116	70
All others-----	6	24	72	50
Total-----	522	501	577	302
Apparent U.S. consumption-----	2,593	2,887	3,245	3,286
Ratio to apparent consumption (percent)				
Domestic shipments by--				
U.S.- or Dutch-owned firms-----	69.9	67.5	65.8	70.4
Japanese-owned firms-----	10.0	15.1	16.4	20.4
Korean-owned firms-----	-	-	-	-
Taiwan-owned firms-----	-	-	-	-
Total-----	79.9	82.6	82.2	90.8
U.S. imports from--				
Japan-----	18.1	14.1	9.8	3.9
Korea-----	.3	.5	2.2	1.6
Taiwan-----	1.5	2.0	3.6	2.1
All others-----	.2	.8	2.2	1.5
Total-----	20.1	17.4	17.8	9.2

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission and from official statistics of the U.S. Department of Commerce.

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