

# **CALCIUM HYPOCHLORITE FROM JAPAN**

**Determination of the Commission in  
Investigation No. 731-TA-189  
(Final) Under the Tariff Act of  
1930, Together With the  
Information Obtained in the  
Investigation**



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# UNITED STATES INTERNATIONAL TRADE COMMISSION

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## C O N T E N T S

	Page
Determination-----	1
Views of Chairwoman Stern, Commissioner Eckes and Commissioner Rohr-----	3
Views of Vice Chairman Liebeler and Commissioner Lodwick-----	9
Information obtained in the investigation:	
Introduction-----	A-1
Nature and extent of sales at LTFV-----	A-2
The product:	
Description and uses-----	A-2
U.S. tariff treatment-----	A-3
U.S. channels of distribution-----	A-4
U.S. producers-----	A-4
U.S. importers-----	A-4
The question of material injury:	
U.S. production, capacity, and capacity utilization-----	A-5
U.S. producers' domestic shipments and exports-----	A-6
Inventories-----	A-6
Employment-----	A-6
Financial experience of U.S. producers-----	A-10
Overall establishment operations-----	A-10
Calcium hypochlorite operations-----	A-11
Investment in productive facilities-----	A-15
Capital expenditures-----	A-15
Research and development expenses-----	A-15
The question of threat of material injury-----	A-15
The question of the causal relationship between the LTFV imports and the alleged material injury or threat thereof:	
U.S. imports, consumption, and import penetration-----	A-17
Prices and marketing practices-----	A-18
Pool market-----	A-18
Non-pool market-----	A-21
Transportation costs-----	A-21
U.S. producers' prices-----	A-21
Importers' prices-----	A-23
Margins of underselling-----	A-24
Exchange rates-----	A-25
Lost sales-----	A-26
Appendix A. Commerce's and Commission's Federal Register notices-----	A-29
Appendix B. Calendar of public hearing-----	A-41

### Tables

1. Calcium hypochlorite: U.S. production, average practical capacity, and capacity utilization, by firms, 1981-84-----	A-5
2. Calcium hypochlorite: U.S. producers' domestic shipments and exports, by firms, 1981-84-----	A-7
3. Calcium hypochlorite: U.S. producers' end-of-period inventories, by firms, 1981-84-----	A-8

## CONTENTS

	<u>Page</u>
4. Average number of production and related workers producing calcium hypochlorite in U.S. establishments, hours worked by such workers, and output per hour worked, by firms, 1981-84-----	A-9
5. Total compensation and average hourly compensation paid to production and related workers producing calcium hypochlorite in U.S. establishments, and unit labor cost of such production, by firms, 1981-84-----	A-10
6. Income-and-loss experience of Olin on the overall operation of its establishments in which calcium hypochlorite is produced, 1981-84-----	A-11
7. Income-and-loss experience of Olin and PPG on their calcium hypochlorite operations, 1981-84-----	A-12
8. Income-and-loss experience of Olin and PPG on their calcium hypochlorite operations, on the basis of material sold per pound, 1981-84-----	A-14
9. Investment in productive facilities, capital expenditures, and research and development expenses related to calcium hypochlorite operations, by firms, 1981-84-----	A-16
10. Calcium hypochlorite: Nippon's and Missin's capacity, production, and exports, 1981-84-----	A-17
11. Calcium hypochlorite: U.S. imports for consumption, by principal sources, 1981-84-----	A-18
12. Calcium hypochlorite: U.S. producers' shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1981-84-----	A-19
13. Calcium hypochlorite: U.S. producers' and importers' weighted-average delivered prices for sales to repackagers, by quarters, January-March 1981 through October-December 1984-----	A-22
14. Calcium hypochlorite: U.S. producers' and importers' weighted-average delivered prices for sales to non-pool trade industrial users, by quarters, January-March 1981 through October-December 1984-----	A-23
15. Calcium hypochlorite: U.S. producers' and importer's weighted-average delivered prices for sales to pool-trade distributors, by quarters, January-March 1981 through October-December 1984-----	A-24

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, DC

Investigation No. 731-TA-189 (Final)

CALCIUM HYPOCHLORITE FROM JAPAN

Determination

On the basis of the record 1/ developed in the subject investigation, the Commission determines, 2/ pursuant to section 735(b)(1) of the Tariff Act of 1930 (19 U.S.C. § 1673d(b)(1)), that an industry in the United States is materially injured by reason of imports from Japan of calcium hypochlorite, provided for in item 418.22 of the Tariff Schedules of the United States, which have been found by the Department of Commerce to be sold in the United States at less than fair value (LTFV).

Background

The Commission instituted this investigation effective October 9, 1984, following a preliminary determination by the Department of Commerce that imports of calcium hypochlorite from Japan were being sold at LTFV within the meaning of section 731 of the Act (19 U.S.C. § 1673). Notice of the institution of the Commission's investigation and of a public hearing 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, DC, and by publishing the notice in the Federal Register of October 31, 1984 (49 FR 43807). A notice revising the Commission's schedule for the conduct of the investigation was published in the Federal Register of November 28, 1984 (49 FR 46817). The hearing was held in Washington, DC, on February 26, 1985, and all persons who requested the opportunity were permitted to appear in person or by counsel.

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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/ Vice Chairman Liebel and Commissioner Lodwick dissenting.



## VIEWS OF CHAIRWOMAN STERN, COMMISSIONER

## ECKES AND COMMISSIONER ROHR

We determine that an industry in the United States is materially injured by reason of imports of calcium hypochlorite from Japan which were found to have been sold at less than fair value. 1/ This determination is based upon data showing that production, shipments, and capacity utilization in the domestic calcium hypochlorite industry declined from 1981 to 1983, although there was improvement in 1984. The ratio of operating income to net sales declined throughout the period of investigation. Imports from Japan increased substantially during this period, particularly between 1981 and 1983. There is also evidence of lost sales to such imports on the basis of price.

The domestic industry

Section 771(4)(A) of the Tariff Act of 1930 defines the term "industry" in an antidumping duty investigation 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." 2/ "Like product," in turn, is defined as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to [the] investigation." 3/

Calcium hypochlorite is a solid chemical compound used principally for disinfecting swimming pools. 4/ Depending on the amount of hydration, it may

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1/ Because there is a well-established domestic calcium hypochlorite industry, material retardation of the establishment of a domestic industry is not an issue in this investigation.

2/ 19 U.S.C. § 1677(4)(A).

3/ 19 U.S.C. § 1677(10).

4/ Commission Staff Report ("Report") at A-2.

provide 65 percent or 70 percent available chlorine. 5/ The 65 percent and 70 percent products are considered essentially interchangeable and identical for use in the pool trade. 6/

In the preliminary investigation, the Commission defined the like product as calcium hypochlorite 7/ and the industry as the domestic producers of calcium hypochlorite. 8/ The staff has not discovered any new information which would require a change in that definition. Further, the parties have not disputed that definition in this final investigation.

#### Condition of the domestic industry 9/

Under section 735 of the Tariff Act of 1930, the Commission is required to determine, in the first instance, whether an industry in the United States is materially injured or threatened with material injury. 10/ In making a material injury determination, the Commission considers, among other factors, whether there are declines in production, domestic prices, market share, employment, and profitability. 11/

Consumption of calcium hypochlorite in the United States declined from 1981 to 1983 partially as a result of weather conditions unfavorable for

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5/ Id.

6/ Report at A-2.

7/ The definition of calcium hypochlorite includes both the anhydrous and hydrated forms.

8/ Calcium Hypochlorite from Japan, Inv. No. 731-TA-189 (Preliminary), USITC Pub. No. 1540 (June 1984) 4. There are three producers of calcium hypochlorite in the United States: Olin Corp., PPG Industries, Inc, and Westley Industries, Inc. Report at A-4.

9/ Most of the information available on this subject is business confidential. Thus, we must limit our discussion to general trends and public information.

10/ 19 U.S.C. § 1673d. The statute defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant." 19 U.S.C. § 1677(7).

11/ 19 U.S.C. § 1677(7)(C)(iii).

outdoor swimming and partially as a result of a shift to isocyanurates. 12/  
Consumption rose, however, from 1983 to 1984. 13/

Production decreased from 1981 to 1983, and, although it increased in 1984, it did not return to 1981 levels. 14/ The trend in U.S. producers' domestic shipments paralleled that for production. 15/ U.S. producers' end-of-period inventories declined from 1981 to 1983, but increased from 1983 to 1984. 16/

An assessment of industry trends regarding capacity and capacity utilization is complicated by plant openings and closings which occurred between 1982 and 1984. Capacity significantly increased between 1983 and 1984 due to the opening of a new plant by PPG and the entry of Westley later in the year. 17/ Capacity utilization for the domestic industry decreased from 1981 to 1983, but increased in 1984. 18/

Net sales of calcium hypochlorite increased marginally from 1981 to 1982, but declined significantly in 1983. Sales rose again in 1984, but not to 1981 or 1982 levels. 19/ Gross income, operating income, and net income declined

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12/ Report at A-18.

13/ Id.

14/ Report at A-5.

15/ Report at A-7.

16/ Report at A-8.

17/ Report at A-5 to A-6.

18/ Capacity and capacity utilization figures are distorted somewhat by the inclusion of a plant closed by Olin. Olin claims that this plant could resume production without much delay and, therefore, should be included in current capacity. Even when this plant is excluded from capacity figures, capacity utilization for the domestic industry did not return to 1981 levels.

19/ Report at A-12.

throughout the period. The ratio of both operating and net income to net sales for the industry also decreased markedly. 20/

Material injury by reason of less than fair value imports

Section 771(7)(B) of the Tariff Act of 1930 directs the Commission to consider, among other factors, (1) the volume of imports of merchandise under investigation, (2) the effect of such imports on domestic prices, and (3) the impact of such imports on the domestic industry. 21/

Imports of calcium hypochlorite from Japan increased during the period 1981-1983 in both absolute and relative terms. These imports increased from 6.9 million pounds in 1981 to 7.0 million pounds in 1982, and then to nearly 11 million pounds in 1983. 22/ The increases from 1981 to 1983 occurred despite decreases in domestic consumption. Imports from Japan declined in 1984 to 8.4 million pounds, but still remained above 1981 and 1982 levels. 23/ Thus, the ratio of imports from Japan to apparent domestic consumption increased slightly from 1981 to 1982 and increased more sharply in 1983. 24/ This ratio decreased somewhat in 1984 but was still above 1981 and 1982 levels. 25/

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20/ Report at A-13. Some of the decline in profitability of the industry, particularly during 1983 and 1984, is attributable to shutdown and start-up costs associated with plant openings and closings. However, even when these are taken into account, profitability in the industry did not recover to levels normally found in other chemical industries such as the one under investigation.

21/ 19 U.S.C. § 1677(7)(B).

22/ Report at A-19.

23/ Id.

24/ Report at A-19.

25/ Id.

The pricing information available in this final investigation indicates imported calcium hypochlorite from Japan undersold domestic producers' prices in every quarter of the period by margins of 6 to 15 percent in the repackager market, where most import sales occurred, and generally undersold domestic producers in the industrial market and pool-trade distributor market as well. Further, the margins of underselling increased during the period of declining market demand and rising imports. 26/ Differences in terms of sale do not significantly offset these price differentials. 27/ There is evidence that price is the major factor in purchases, and the Commission confirmed several instances of sales lost to imports from Japan on the basis of price. 28/

Lower-priced imports from Japan helped to depress domestic prices and reduce the profitability of the domestic industry. As the industry faced other problems, including reduced demand for its product and intense domestic competition, it was particularly vulnerable to injury from unfairly traded imports. Therefore, we conclude that imports from Japan are a cause of material injury to the domestic calcium hypochlorite industry.

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26/ Report at A-21 to A-25. Chairwoman Stern notes that the average weighted LTFV margins of 12.29% account for a major portion of the underselling by the subject imports.

27/ Questionnaire data does reflect significant price competition between the two major domestic producers. While an examination of the individual company prices does explain some of the pricing behavior of the domestic industry, it does not account for the underselling which is evident when Japanese imports are compared with average domestic prices.

28/ Report at A-26 to A-28.



VIEWS OF VICE CHAIRMAN LIEBELER AND COMMISSIONER LODWICK

We determine that an industry in the United States is not materially injured or threatened with material injury, nor is the establishment of an industry in the United States materially retarded, <sup>1/</sup> by reason of imports of calcium hypochlorite from Japan which the Department of Commerce has determined are sold at less than fair value (LTFV). We base our negative determination on the absence of injury to the domestic industry and the lack of a causal link between the condition of the industry and the LTFV imports from Japan.

Domestic Industry

We concur with the views of the Commission majority on the definition of the like product and domestic industry.

No Material Injury by Reason of LTFV Imports from Japan <sup>2/</sup>

In the following paragraphs we discuss our findings that: (1) due to a combination of increased competition stemming from the extraordinary performance of the industry, and slack demand, the performance of the domestic industry has declined somewhat from its extraordinary level in the early years under investigation, (2) however, the condition of the industry remains healthy, and (3) imports from Japan were not a cause of material injury to the domestic industry and were at most a de minimis cause of the decline in the industry's performance.

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<sup>1/</sup> Material retardation is not an issue in this investigation and will not be discussed further.

<sup>2/</sup> The vast bulk of information pertinent to this determination is confidential and can therefore be discussed only in general terms.

The domestic industry's financial data including operating income, operating income relative to net sales, cash flow, cash flow relative to capital investment, and cash flow relative to capital expenditures and research and development expenses, clearly indicates that the domestic industry experienced extraordinary financial performance in 1981. Further, despite a modest decline in apparent consumption and a substantial increase in costs of goods sold on a per pound basis in 1982, operating margins and cash flow return on invested capital remained at robust levels. <sup>3/</sup>

The above normal economic performance of the domestic industry stimulated market forces, resulting in increased competitive pressure. For example, new capacity brought on stream during 1981-1984 amounted to roughly 40 percent of existing capacity in 1981. <sup>4/</sup> In addition, competitive pressure from substitute products also intensified. Much of the strength of the 1981 financial performance is attributable to substantial price increases from 1979 to 1981. But these price increases caused the ratio of isocyanurate (iso) prices to calcium hypochlorite (cal hypo) prices to decline sharply. Not surprisingly, growth in apparent consumption of iso significantly outperformed growth in cal hypo consumption during 1981-1984. In fact, iso consumption increased while cal hypo consumption declined. <sup>5/</sup>

The decline in cal hypo consumption largely reflected slack demand in end use applications. Apparent consumption of cal hypo fell substantially from 1981 to 1983 and remained below 1981 levels in 1984. <sup>6/</sup>

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<sup>3/</sup> Rpt. at A-11-15, 18.

<sup>4/</sup> Rpt. at A-6.

<sup>5/</sup> Derived from petitioner submissions.

<sup>6/</sup> Rpt. at A-18.

The combination of increased competitive pressures, specifically the infusion of capital (which resulted in capacity increases) and competition from substitutes, along with slack demand conditions, caused a decline in the returns to the domestic industry. Nonetheless, a detailed company by company examination of changes in the size and use of physical resources, employment costs and labor productivity, and financial performance, clearly indicates that the industry remains healthy. Though specific results are obviously confidential, it can be readily observed that the domestic industry has considerably increased its productive capacity, and has generated significant production from this capacity in the relatively short amount of time since initial start-up. <sup>7/</sup>

Additional observations based on excluding the distortive effects of new capacity and concentrating on resources that have been in operation for a longer time frame include:

- (1) High utilization of capacity in operation, <sup>8/</sup>
- (2) Adjustments in employment related factors that have reversed trends of declining productivity and rising unit labor costs while still allowing for substantial wage increases, <sup>9/</sup>

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<sup>7/</sup> Rpt. at A-5.

<sup>8/</sup> Rpt. at A-5.

<sup>9/</sup> Rpt. at A-9-10.

- (3) Substantial operating margins, and 10/
- (4) Cash flows which were significant relative to capital investment and more than covered average capital expenditures and research and development expenses. 11/

Further, the U.S. industry steadily and substantially increased export volumes during 1981-1984, which also indicates its international competitiveness. 12/

Since the domestic industry remains healthy, imports from Japan could not have caused material injury. Further, imports from Japan were at most a de minimus cause of the decline in the industry's performance. Imports increased by 1.5 million pounds from 1981 to 1984. The peak year for imports was 1983 and imports in that year were up nearly 4 million pounds from 1981 levels. 13/ Concentrating on the 1981-1983 period when the increase in imports was relatively larger, the data 14/ show that declines in apparent consumption were several times the change in imports, 15/ drawdowns from primary stocks were several fold the change in imports 16/ (and this does not even consider withdrawals from secondary storage), and even increases in U.S. exports

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10/ Rpt. at A-11-15.

11/ Id.

12/ Rpt. at A-6.

13/ Rpt. at A-18.

14/ Specific figures cannot be discussed because the information is confidential.

15/ Rpt. at A-17-18.

16/ Rpt. at A-8.

exceeded increases in imports. 17/ Looking over the longer period, the increase in domestic capacity, and production from this new capacity, far exceeded increases in imports. 18/

No Threat of Material Injury by Reason of LTFV Imports from Japan

The following factors, among others, indicate that imports from Japan pose no threat to the domestic industry.

- (1) The trend in actual import volumes and market penetrations has increased only slightly. 19/
- (2) Import pricing policy does not appear to have changed during 1981-1984. The Japanese product has steadily undersold the domestic product by similar margins. There is no indication of a more aggressive, threatening pricing strategy. 20/
- (3) Importers essentially hold no inventories in the U.S. 21/
- (4) The capacity of the Japanese industry increased only slightly during 1981-84; certainly far less than the increase in domestic capacity. 23/
- (5) The industry in Japan is currently operating at a very high level of capacity utilization. 24/
- (6) The Japanese industry has a large number of customers other than the U.S., and exports to the U.S. comprise only a modest portion of total sales. 25/
- (7) U.S. exports increased steadily during 1981-1984, indicating the international competitiveness of the U.S. industry. 26/

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17/ Rpt. at A-7.

18/ Rpt. at A-5-6.

19/ Rpt. at A-18.

20/ Rpt. at A-21-25.

21/ Rpt. at A-15.

22/ Rpt. at A-23.

23/ Id.

24/ Id.

25/ Rpt. at A-11.



## INFORMATION OBTAINED IN THE INVESTIGATION

## Introduction

On April 25, 1984, a petition was filed with the U.S. International Trade Commission and the U.S. Department of Commerce on behalf of Olin Corp. (Olin), Stamford, Connecticut, alleging that imports of calcium hypochlorite from Japan are being sold in the United States at less than fair value (LTFV) and that an industry in the United States is materially injured or threatened with material injury by reason of such imports.

Accordingly, effective April 25, 1984, the Commission instituted antidumping investigation No. 731-TA-189 (Preliminary) under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)) to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry is materially retarded, by reason of imports of the alleged LTFV merchandise, provided for in item 418.22 of the Tariff Schedules of the United States (TSUS).

On June 4, 1984, the Commission determined that there was a reasonable indication that an industry in the United States is materially injured by reason of alleged LTFV imports of calcium hypochlorite from Japan. Commerce, therefore, continued its investigation into the question of alleged LTFV imports and published its preliminary determination in the Federal Register of October 9, 1984 (49 F.R. 39590). Commerce preliminarily determined that calcium hypochlorite from Japan is being sold, or is likely to be sold, in the United States at LTFV. 1/ On the basis of Commerce's preliminary determination, the Commission instituted a final antidumping investigation on October 9, 1984.

Notice of the institution of the Commission's investigation and of a hearing 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, DC, and by publishing the notice in the Federal Register of October 31, 1984 (49 F.R. 43807). On November 15, 1984, Commerce published a notice in the Federal Register (49 F.R. 45204) postponing its final antidumping determination. Accordingly, the Commission published a notice in the Federal Register of November 28, 1984 (49 F.R. 46817) revising its schedule for the conduct of the investigation. 2/ Commerce published an affirmative final LTFV determination in the Federal Register of February 27, 1985 (50 F.R. 7941). 3/ The Commission's public hearing was held on February 26, 1985, 4/ and the briefing and vote were held on March 28, 1985. The Commission is scheduled to notify Commerce of its final determination by April 8, 1985.

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1/ A copy of Commerce's notice of its preliminary determination is shown in app. A.

2/ Copies of the Commission's notice of institution of final investigation and revision of schedule are shown in app. A.

3/ A copy of Commerce's notice of its final determination is shown in app. A.

4/ A list of witness appearing at the hearing is presented in app. B.

Calcium hypochlorite has not been the subject of any other investigation conducted by the Commission.

#### Nature and Extent of Sales at LTFV

The Department of Commerce's final LTFV determination was based on an examination of calcium hypochlorite exported to the United States by two firms--Nippon Soda and Nissin Denka--during the period April 1, 1983-April 30, 1984. Nippon Soda, Tokyo, and Nissin Denka, Yamagata Prefecture, accounted for approximately 99 percent of exports of calcium hypochlorite to the United States from Japan during this period. (Nankai, Osaka, accounted for the remainder).

For the purpose of determining whether these exports were, or were likely to be, sold at LTFV, Commerce compared the purchase price to U.S. customers with a fair market value based on home-market sales. The purchase price was used since the U.S. customers are unrelated to the Japanese manufacturers, and the home-market price was used since calcium hypochlorite is sold in Japan in sufficient quantities to provide a basis of comparison. Using the above criteria, Commerce found final dumping margins which ranged from 0.43 percent to 48.05 percent on 76.5 percent of the sales compared. The weighted-average margins were 20.01 percent for Nippon Soda, 0.9 percent for Nissin Denka, and 12.29 percent overall.

#### The Product

##### Description and uses

The product which is the subject of the petitioner's complaint is calcium hypochlorite, a solid chemical compound with the formula  $\text{Ca}(\text{OCl})_2$ , used primarily as a disinfectant in swimming pools. Its swimming pool application accounts for about 85 percent of its use in the United States. The remainder is used primarily as a disinfectant in drinking water and sewage, as a bleaching agent in detergents and in the manufacture of paper, and as a sanitizing agent for food and beverage processing equipment.

Two forms of calcium hypochlorite are sold in the United States: a hydrated form, which contains up to 10 percent water and provides 65 percent available chlorine; and an anhydrous form, which contains about 1 percent water and provides 70 percent available chlorine. The hydrated form, which accounted for over 97 percent of U.S. consumption in 1984, is reduced to the anhydrous form by the application of additional heat, which drives off water bonded molecularly to the former. (The production of 1.00 ton of the anhydrous form requires approximately 1.08 tons of the hydrated form). The hydrated form was introduced in the early 1970's and quickly displaced the anhydrous form because it better resisted decomposition resulting from contamination. The anhydrous form has not been produced in the United States since September 1982. For all but a few nonswimming-pool users, the hydrated and anhydrous forms are interchangeable. Some swimming-pool users continue to buy the anhydrous variety, but only because they have traditionally done so. In any case, anhydrous calcium hypochlorite is not sold at a premium. Calcium hypochlorite is shipped in granular or tablet form and in 1 to 125 pound

packages or 100 to 400 pound steel drums, depending on the type of buyer and/or the buyer's specifications. Most sales and shipments are in 36,000-40,000 pound (truckload) units.

All known processes for the production of calcium hypochlorite currently sold in the U.S. market require three raw materials: caustic soda (sodium hydroxide), chlorine, and hydrated lime (calcium hydroxide). To produce calcium hypochlorite, most producers selling in the U.S. market \* \* \*. Calcium hypochlorite producers differ in how they make use of the filtrate. It may be recycled, sold, or decomposed. 1/ After the calcium hypochlorite is separated from the salt and the filtrate, it is subjected to proprietary drying processes. Once it has reached the required moisture content, it is screened for particle size and packaged.

Several products, including trichloroisocyanuric acid (trichloro), dichloro isocyanurate (dichloro), sodium hypochlorite liquid, and chlorine gas, can be used in place of calcium hypochlorite as a disinfectant. These products, however, are not interchangeable. They differ in terms of their effect on the acid balance of water, available chlorine rating, rate of chlorine release, ease of handling during application, price, and other factors. The isocyanurates (trichloro and dichloro) are the products most often used in place of calcium hypochlorite in swimming pool applications. Because the isocyanurates dissolve more slowly in water, they may be added less frequently than calcium hypochlorite. Calcium hypochlorite, on the other hand, is less expensive. From 1981 through most of 1984, the consumption of trichloro and dichloro for residential swimming pool use increased relative to the consumption of calcium hypochlorite. The petitioner, which sells both chemicals in the United States, estimates that while calcium hypochlorite's share of this market declined from over \* \* \* percent in 1981 to \* \* \* percent in 1984, isocyanurate's share increased from \* \* \* percent to \* \* \* percent. Purchasers concur that most of the market share calcium hypochlorite lost in this period shifted to isocyanurates. Most of the shift occurred on the West Coast, where the acid balance of the region's water is generally less affected by the isocyanurates than by calcium hypochlorite. The opposite is true for the East and Gulf Coasts.

#### U.S. tariff treatment

Calcium hypochlorite is provided for in item 418.22 of the TSUS. The column 1 rate of duty, applicable to imports from Japan, is 3.3 percent ad valorem and the column 2 rate of duty is 25 percent ad valorem. The current column 1 rate of duty is the sixth of eight staged reductions resulting from concessions made by the United States in the most recent (Tokyo) round of the Multilateral Trade Negotiations (MTN), which will result in a column 1 rate of duty for this item of 2.4 percent ad valorem on January 1, 1987. Least developed developing countries (LDDC's) designated in general headnote 3(d) of the TSUS are subject to this final 2.4 percent duty rate. Imports under item 418.22 from designated beneficiary developing countries are eligible for duty-free treatment under the Generalized System of Preferences (GSP) and the Caribbean Basin Initiative (CBI). Of the current suppliers of calcium hypochlorite to the U.S. market, Brazil and Mexico are eligible for duty-free

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1/ \* \* \*.

treatment under the GSP. No countries designated as LDDC's are currently exporters of calcium hypochlorite to the United States.

#### U.S. Channels of Distribution

From the primary suppliers of calcium hypochlorite (U.S. producers and importers) to the end users, there are three levels of distribution: repackagers, distributors, and retailers. Primary suppliers sell calcium hypochlorite to all of these levels, although the proportion they sell to each varies from supplier to supplier and from time to time. Members of respective levels, moreover, may purchase from any preceding level and sell to any succeeding level.

There are 30 to 40 repackagers in the United States, 500 to 700 distributors, and more than 17,000 retailers. Many of the repackagers and distributors can be classified in more than one category. Almost all repackagers, distributors, and retailers, moreover, sell other chemicals and other pool-related equipment and accessories in addition to calcium hypochlorite. Whereas most calcium hypochlorite sold by primary suppliers to repackagers is unbranded and in bulk form (100- to 400-pound drums), most sold to distributors and retailers is branded, either with the supplier's brand or a private label, and in packaged form (1- to 125-pound bags). About 80 percent of all imports is sold to repackagers. In contrast, only about 15 percent of U.S. production is sold to repackagers; most of the remainder is sold to distributors. (Despite the disparity in proportions sold to repackagers, U.S. producers still sell more calcium hypochlorite to this group than do importers).

#### U.S. Producers

Three firms currently produce calcium hypochlorite in the United States: Olin, at Charleston, Tennessee, and until September 1982, at Niagara Falls, New York; PPG Corp., at New Martinsville, West Virginia, and at Barberton, Ohio; and Westley Industries, Inc., at Daphne, Alabama. Westley began producing small quantities in October 1984 and intends to remain a small producer. Olin, which accounted for \* \* \* percent of U.S. production in 1984, manufactures many different types of chemicals in the United States, including the chlorine and caustic soda used in calcium hypochlorite production. Calcium hypochlorite accounts for less than \* \* \* percent of Olin's total revenue. PPG, which accounted for \* \* \* production, also manufactures many different types of chemicals in the United States, including chlorine and caustic soda. Calcium hypochlorite accounts for less than \* \* \* percent of PPG's total revenue. \* \* \*

#### U.S. Importers

Four importers account for at least 90 percent of the imports of calcium hypochlorite from Japan: Toyomenka (America) Inc., New York, New York; Nissho Iwai American Corp., New York, New York; ICI Americas Inc., Wilmington, Delaware; and ICD Group Inc., New York, New York. \* \* \*. All of the firms identified above, \* \* \*, are well-established chemical distributors, and none are related to calcium hypochlorite producers in Japan. Most shipments of

Japanese-produced calcium hypochlorite are made directly to customers through East-, West-, and Gulf-Coast ports. The importers maintain few or no warehousing facilities. In general, they order calcium hypochlorite from Japanese producers upon receipt of orders from repackagers and distributors.

### The Question of Material Injury

#### U.S. production, capacity, and capacity utilization

U.S. production of calcium hypochlorite declined by \* \* \* percent from 1981 to 1983, but increased by \* \* \* percent from 1983 to 1984 (table 1).

\* \* \*

Table 1.--Calcium hypochlorite: U.S. production, average practical capacity, and capacity utilization, by firms, 1981-84

Item and firm	1981	1982	1983	1984
Capacity:				
Olin 1/- - -1,000 pounds	*** :2/	*** :2/	*** :	2/ ***
PPG 1/- - -do	*** :	*** :	*** :	3/ ***
Westley - - -do	*** :	*** :	*** :	***
Total - - -do	*** :	*** :	*** :	***
Production:				
Olin - - -do	*** :	*** :	*** :	***
PPG - - -do	*** :	*** :	*** :	***
Westley - - -do	*** :	*** :	*** :	4/ ***
Total - - -do	*** :	*** :	*** :	***
Capacity utilization:				
Olin - - -percent	*** :	*** :	*** :	***
PPG - - -do	*** :	*** :	*** :	***
Westley - - -do	*** :	*** :	*** :	4/ ***
Average - - -do	*** :	*** :	*** :	***

1/ Capacity based on operating facilities 168 hours per week, 52 weeks per year.

2/ Includes capacity of Niagara Falls plant (\* \* \* pounds per year), at which production ceased in September 1982.

3/ Includes capacity of New Martinsville plant (\* \* \* pounds per year), at which production began in January 1984.

4/ Approximate.

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

U.S. practical capacity to produce calcium hypochlorite remained at \* \* \* pounds annually from 1981 through 1983. The capacity reported by U.S. producers is based on operating their facilities 168 hours per week, 52 weeks per year. Although Olin ceased producing calcium hypochlorite at its Niagara Falls plant in September 1982, it continues to maintain the facility and reports that it could resume production within \* \* \*. The plant's annual

capacity is \* \* \* pounds. In January 1984 PPG opened a new plant with an annual capacity of \* \* \* pounds in New Martinsville, West Virginia (known as the Natrium plant), and in October 1984 Westley opened a new plant with an annual capacity of \* \* \* pounds in Daphne, Alabama. \* \* \*. As a result, U.S. capacity to produce calcium hypochlorite increased by \* \* \* percent from 1983 to 1984. PPG closed its Barberton, Ohio, plant, with an annual capacity of \* \* \* pounds, in September 1984.

In keeping with the trend in production, capacity utilization declined from \* \* \* percent in 1981 to \* \* \* percent in 1983, and then increased to \* \* \* percent in 1984.

#### U.S. producers' domestic shipments and exports

The trend in U.S. producers' total shipments parallels that for production (table 2). While domestic shipments declined by \* \* \* percent from 1981 to 1983, however, exports increased by \* \* \* percent. As a share of total shipments in this period, exports increased from \* \* \* percent to \* \* \* percent. From 1983 to 1984, domestic shipments increased by \* \* \* percent while exports increased by \* \* \* percent. \* \* \*.

#### Inventories

U.S. producers' end-of-period inventories of calcium hypochlorite declined by \* \* \* percent from 1981 to 1983, but then increased by \* \* \* percent from 1983 to 1984 (table 3). A similar trend is evident for inventories as a percent of total shipments during the previous period. From \* \* \* percent of the preceding period's shipments in 1981, inventories declined to \* \* \* percent of shipments in 1983 and increased to \* \* \* percent of shipments in 1984.

#### Employment

For most of the chemical industry, a decline in production of one chemical does not ordinarily result in a decline in employment, since a worker's time may be allocated among several different chemicals. Even in an instance in which the production of several chemicals at a plant declines, workers are usually retained to maintain the equipment so that it will be ready for use when production resumes. Basic changes in employment occur when new plants are opened or when old plants are closed or converted to new methods of production.

From 1981 to 1983, the average number of production and related workers producing calcium hypochlorite declined by \* \* \* percent, \* \* \* (table 4). From 1983 to 1984, the number of these workers increased by \* \* \* percent, \* \* \*. The trend for the hours worked by these workers is similar, as shown in table 4. The output of calcium hypochlorite per hour worked declined by \* \* \* percent from 1981 to 1982, but increased by \* \* \* percent from 1982 to 1983, and by \* \* \* percent from 1983 to 1984.

Table 2.--Calcium hypochlorite: U.S. producers' domestic shipments and exports, by firms, 1981-84

Item and firm	1981	1982	1983	1984
Quantity (1,000 pounds)				
Domestic shipments:				
Olin-----	***	***	***	***
PPG-----	***	***	***	***
Westley-----	***	***	***	1/ ***
Total-----	***	***	***	***
Exports:				
Olin-----	***	***	***	***
PPG-----	***	***	***	***
Westley-----	***	***	***	***
Total-----	***	***	***	***
Value (1,000 dollars)				
Domestic shipments:				
Olin-----	***	***	***	***
PPG-----	***	***	***	***
Westley-----	***	***	***	***
Total-----	***	***	***	***
Exports:				
Olin-----	***	***	***	***
PPG-----	***	***	***	***
Westley-----	***	***	***	***
Total-----	***	***	***	***
Unit value (per pound)				
Domestic shipments:				
Olin-----	***	***	***	***
PPG-----	***	***	***	***
Westley-----	***	***	***	***
Average-----	***	***	***	***
Exports:				
Olin-----	***	***	***	***
PPG-----	***	***	***	***
Westley-----	***	***	***	***
Average-----	***	***	***	***

1/ Approximate.

2/ Not available.

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

Table 3.--Calcium hypochlorite: U.S. producers' end-of-period inventories, by firms, 1981-84

Item and firm	1981	1982	1983	1984
Inventories:				
Olin-----1,000 pounds--	***	***	***	***
PPG-----do-----	***	***	***	***
Westley-----do-----	***	***	***	1/ ***
Total-----do-----	***	***	***	***
Ratio of inventories to total shipments during the preceding period:				
Olin-----percent--	***	***	***	***
PPG-----do-----	***	***	***	***
Westley-----do-----	***	***	***	***
Average-----do-----	***	***	***	***

1/ Approximate.

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

Table 4.--Average number of production and related workers producing calcium hypochlorite in U.S. establishments, hours worked by such workers, and output per hour worked, by firms, 1981-84

Item and firm	1981	1982	1983	1984
Average number of production and related workers producing calcium hypochlorite:				
Olin-----	***	***	***	***
PPG-----	***	***	***	***
Total-----	***	***	***	***
Hours worked by production and related workers producing calcium hypochlorite:				
Olin-----1,000 hours--	***	***	***	***
PPG-----do-----	***	***	***	***
Total-----do-----	***	***	***	***
Output of calcium hypochlorite per hour worked:				
Olin-----pounds--	***	***	***	***
PPG-----do-----	***	***	***	***
Average-----do-----	***	***	***	***

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

Total compensation paid to production and related workers declined by \* \* \* percent from 1981 to 1983, but increased by \* \* \* percent from 1983 to 1984 (table 5). Average hourly compensation and unit labor costs increased throughout the period, as shown in table 5.

Table 5.--Total compensation and average hourly compensation paid to production and related workers producing calcium hypochlorite in U.S. establishments, and unit labor cost of such production, by firms, 1981-84

Item and firm	1981	1982	1983	1984
Total compensation paid to production and related workers:				
Olin-----1,000 dollars--:	***	***	***	***
PPG-----do-----:	***	***	***	***
Total-----do-----:	***	***	***	***
Hourly compensation paid to production and related workers:				
Olin-----:	***	***	***	***
PPG-----:	***	***	***	***
Average-----:	***	***	***	***
Unit labor cost of producing calcium hypochlorite:				
Olin----per 1,000 pounds--:	***	***	***	***
PPG-----do-----:	***	***	***	***
Average-----do-----:	***	***	***	***

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

#### Financial experience of U.S. producers

Olin furnished usable income-and-loss data concerning both its overall establishment operations and its operations producing calcium hypochlorite. PPG supplied income-and-loss data for its calcium hypochlorite operations only. \* \* \*

Overall establishment operations.--The income-and-loss experience of Olin on its overall establishment operations is presented in table 6 for 1981-84.

\* \* \* \* \*

Table 6.--Income-and-loss experience of Olin on the overall operations of its establishments in which calcium hypochlorite is produced, 1981-84 1/

Item	1981	1982	1983	1984
Net sales:				
Calcium hypochlorite				
1,000 dollars--	***	***	***	***
Other products-----do-----	***	***	***	***
Total net sales-----do-----	***	***	***	***
Cost of goods sold-----do-----	***	***	***	***
Gross income-----do-----	***	***	***	***
General, selling, and admin- istrative expenses				
1,000 dollars--	***	***	***	***
Operating income-----do-----	***	***	***	***
Other income or (expense), net-----1,000 dollars--	***	***	***	***
Net income before income taxes-----1,000 dollars--	***	***	***	***
Depreciation and amortiza- tion-----1,000 dollars--	***	***	***	***
Cash flow from operations				
1,000 dollars--	***	***	***	***
Ratio to total net sales of--				
Gross income-----percent--	***	***	***	***
Operating income-----do-----	***	***	***	***
Net income before income taxes-----percent--	***	***	***	***
Calcium hypochlorite net sales-----percent--	***	***	***	***

1/ \* \* \*

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

\* \* \* \* \*

Calcium hypochlorite operations.--The income-and-loss experience of Olin and PPG on their calcium hypochlorite operations is presented in table 7.  
\* \* \*

\* \* \* \* \*

\* \* \* \* \*

Table 7.--Income-and-loss experience of Olin and PPG on their calcium hypochlorite operations, 1981-84

Item and firm	1981	1982	1983	1984
Net sales:				
Olin-----1,000 dollars--:	***	***	***	***
PPG-----do-----:	***	***	***	***
Total-----do-----:	***	***	***	***
Cost of goods sold:				
Olin-----do-----:	***	<u>1/</u> ***	***	***
PPG-----do-----:	***	***	2/ ***	3/ ***
Total-----do-----:	***	***	***	***
Gross income or (loss):				
Olin-----do-----:	***	***	***	***
PPG-----do-----:	***	***	***	***
Total-----do-----:	***	***	***	***
General, selling, and administrative expenses:				
Olin-----do-----:	***	***	***	***
PPG-----do-----:	4/ ***	***	***	***
Total-----do-----:	***	***	***	***
Operating income or (loss):				
Olin-----do-----:	***	***	***	***
PPG-----do-----:	***	***	***	***
Total-----do-----:	***	***	***	***
Other income or (expense), net:				
Olin-----do-----:	***	***	5/ ***	***
PPG-----do-----:	***	***	6/ ***	***
Total-----do-----:	***	***	***	***
Net income or (loss) before income taxes:				
Olin-----do-----:	***	***	***	***
PPG-----do-----:	***	***	***	***
Total-----do-----:	***	***	***	***
Depreciation and amortization:				
Olin-----do-----:	***	***	***	***
PPG-----do-----:	***	***	***	***
Total-----do-----:	***	***	***	***

See footnotes on next page.

Table 7.--Income-and-loss experience of Olin and PPG on their calcium hypochlorite operations, 1981-84--continued

Item and firm	1981	1982	1983	1984
Cash flow from operations:				
Olin-----1,000 dollars--	***	***	***	***
PPG-----do-----	***	***	***	***
Total-----do-----	***	***	***	***
Ratio of operating income or (loss) to net sales:				
Olin-----percent--	***	***	***	***
PPG-----do-----	***	***	***	***
Average-----do-----	***	***	***	***
Ratio of net income or (loss) to net sales:				
Olin-----do-----	***	***	***	***
PPG-----do-----	***	***	***	***
Average-----do-----	***	***	***	***

1/ \* \* \*

2/ \* \* \*

3/ \* \* \*

4/ \* \* \*

5/ \* \* \*

6/ \* \* \*

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

The quantity of calcium hypochlorite sold and the income-and-loss experience of U.S. producers per pound of material sold are shown in table 8.  
\* \* \*

Table 8.--Income-and-loss experience of Olin and PPG on their calcium hypochlorite operations, on the basis of material sold per pound, 1981-84

Item and firm	1981	1982	1983	1984
Net sales:				
Olin-----1,000 pounds---	***	***	***	***
PPG-----do-----	***	***	***	***
Total-----do-----	***	***	***	***
Net sales:				
Olin-----cents per pound---	***	***	***	***
PPG-----do-----	***	***	***	***
Average-----do-----	***	***	***	***
Cost of goods sold:				
Olin-----do-----	***	***	***	***
PPG-----do-----	***	***	1/ ***	2/ ***
Average-----do-----	***	***	***	***
Gross income or (loss):				
Olin-----cents per pound---	***	***	***	***
PPG-----do-----	***	***	***	***
Average-----do-----	***	***	***	***
General, selling, and admini- strative expenses:				
Olin-----cents per pound---	***	***	***	***
PPG-----do-----	3/ ***	***	***	***
Average-----do-----	***	***	***	***
Operating income or (loss):				
Olin-----cents per pound---	***	***	***	***
PPG-----do-----	***	***	***	***
Average-----do-----	***	***	***	***
Ratio of operating income or (loss) to net sales:				
Olin-----percent---	***	***	***	***
PPG-----do-----	***	***	***	***
Average-----do-----	***	***	***	***

1/ \* \* \*

2/ \* \* \*

3/ \* \* \*

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.

\* \* \* \* \*

Investment in productive facilities.--

\* \* \* \* \*

Capital expenditures.--

\* \* \* \* \*

Research and development expenses.--

\* \* \* \* \*

The Question of Threat of Material Injury

In the examination of the question of threat of material injury to an industry in the United States, the Commission may take into consideration such factors as the rate of increase of imports, the capacity of producers in the exporting country to generate exports, the availability of export markets other than the United States, and U.S. importers' inventories. Import trends for calcium hypochlorite are discussed in the following section. A discussion of importers' inventories and foreign capacity and exports, to the extent such information is available, is presented below.

Importers keep only modest levels of inventories. Most shipments of Japanese-produced calcium hypochlorite are made directly to customers through East-, West-, and Gulf-Coast ports, with little or no warehousing. Data received from U.S. importers which account for nearly all imports from Japan show that end-of-period inventories of Japanese-produced calcium hypochlorite increased from \* \* \* pounds, or \* \* \* percent of imports, in 1981 to \* \* \* pounds, or \* \* \* percent of imports, in 1983; and then declined to \* \* \* pounds, or \* \* \* percent of imports in 1984.

Over \* \* \* percent of the calcium hypochlorite exported to the United States is produced by two firms: Nippon Soda and Nissin Denka. The capacity, production, and exports of these firms are shown in table 10. Together, Nippon's and Nissin's capacity to produce calcium hypochlorite increased by about \* \* \* percent from \* \* \* pounds in 1981 to \* \* \* pounds in 1984. In the same period production increased, albeit irregularly, from \* \* \* pounds, or \* \* \* percent of capacity, to \* \* \* pounds, or \* \* \* percent of capacity. As a share of its total production, Japan's exports increased from \* \* \* percent in 1981 to \* \* \* percent in 1982, but then declined to \* \* \* percent in 1983 before increasing slightly to \* \* \* percent in 1984.

Table 9.--Investment in productive facilities, capital expenditures, and research and development expenses related to calcium hypochlorite operations, by firms, 1981-84

(In thousands of dollars)				
Item	1981	1982	1983	1984
Investment in productive facilities:				
All products:				
Original cost:				
Olin-----	***	***	***	***
PPG <u>1</u> /-----	***	***	***	***
Total-----	***	***	***	***
Book value:				
Olin-----	***	***	***	***
PPG <u>1</u> /-----	***	***	***	***
Total-----	***	***	***	***
Calcium hypochlorite:				
Original cost:				
Olin-----	***	***	***	***
PPG <u>1</u> /-----	***	***	***	***
Total-----	***	***	***	***
Book value:				
Olin-----	***	***	***	***
PPG <u>1</u> /-----	***	***	***	***
Total-----	***	***	***	***
Capital expenditures:				
All products:				
Olin-----	***	***	***	***
PPG <u>1</u> /-----	***	***	***	***
Total-----	***	***	***	***
Calcium hypochlorite:				
Olin-----	***	***	***	***
PPG <u>1</u> /-----	***	***	***	***
Total-----	***	***	***	***
Research and development expenses				
Calcium hypochlorite:				
Olin-----	***	***	***	***
PPG <u>1</u> /-----	***	***	***	***
Total-----	***	***	***	***

1/ \* \* \*.

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

Table 10.--Calcium hypochlorite: Nippon's and Nissin's capacity, production, and exports, 1981-84

Item	1981	1982	1983	1984
Capacity-----1,000 pounds---	***	***	***	***
Production-----do-----	***	***	***	***
Capacity utilization-----percent---	***	***	***	***
Exports to--				
United States-----1,000 pounds---	***	***	***	***
All other-----do-----	***	***	***	***
Total-----do-----	***	***	***	***
Share of production				
that is exported-----percent---	***	***	***	***
Share of total exports to--				
United States-----percent---	***	***	***	***
All other-----do-----	***	***	***	***
Total-----do-----	100.0	100.0	100.0	100.0

Source: Confidential submission by counsel for Nippon Soda and Nissin Denka.

The United States' share of these exports increased from \* \* \* percent in 1981 to \* \* \* percent in 1983, but then declined to \* \* \* percent in 1984. In addition to the United States, Japan exports relatively large quantities to Australia, Iran, Canada, Indonesia, the U.S.S.R., and Hong Kong.

The Question of the Causal Relationship Between  
the LTFV Imports and the Alleged Material  
Injury or Threat Thereof

U.S. imports, consumption, and import penetration

From 1981 to 1984, Japan accounted for more than 98 percent of imports of calcium hypochlorite into the United States (table 11). Imports from Japan increased by 57.3 percent from 6.9 million pounds, valued at \$4.2 million, in 1981 to 10.8 million pounds, valued at \$5.9 million, in 1983. The trend reversed from 1983 to 1984, when imports from Japan fell by 22.5 percent. Other countries which have exported calcium hypochlorite to the United States in recent periods include Canada, the Republic of Korea, the Federal Republic of Germany, France, Mexico, and Brazil.

\* \* \* \* \*

Table 11.--Calcium hypochlorite: U.S. imports for consumption, by principal sources, 1981-84

Source	1981	1982	1983	1984
Quantity (1,000 pounds)				
Japan-----	6,895	6,975	10,843	8,403
All other-----	1	2	114	444
Total-----	6,896	6,977	10,956	8,847
Value (1,000 dollars)				
Japan-----	4,228	4,260	5,914	4,459
All other-----	1	2	68	247
Total-----	4,229	4,262	5,982	4,706
Unit value (per pound)				
Japan-----	\$0.61	\$0.61	\$0.55	\$.53
All other-----	.73	.81	.60	.56
Average-----	.61	.61	.55	.53

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

From 1981 to 1983, U.S. consumption of calcium hypochlorite declined by \* \* \* percent, partially as a result of weather conditions unfavorable for outdoor swimming and partially as a result of a shift to isocyanurates (table 12). From 1983 to 1984, consumption increased by \* \* \* percent. As a share of consumption, imports from Japan increased from \* \* \* percent in 1981 to \* \* \* percent in 1983, but declined to \* \* \* percent in 1984. \* \* \*.

### Prices and marketing practices

There are two basic markets for calcium hypochlorite in the United States: the pool-trade market, which is by far the largest, and the nonpool-trade or industrial market, which accounted for approximately 15 percent of total sales in 1984. Each market has characteristics that require different marketing techniques.

Pool market.--The pool market consists of three levels: repackagers, distributors, and retailers. Most sales to repackagers are made on a spot basis, dictated by demand from the end users throughout the summer season. Industry sources report that by mid-August sales to the pool market will virtually be finished for the current summer season. However, some of the customers contract for their needs for a longer time period (usually a year) and place monthly orders for delivery. These contracts are binding only with respect to maximum price. If a purchaser can obtain the product from an alternate source at a more advantageous price, it may switch suppliers, after

Table 12.--Calcium hypochlorite: U.S. producers' shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1981-84

Year	U.S. producers' shipments	Imports--			U.S. producers' exports	Apparent consumption	Ratio of imports to consumption--		
		From Japan	From other countries	Total			From Japan <sup>1/</sup>	From other countries	Total
		-----1,000 pounds-----					-----percent-----		
1981-----	***	6,895	1	6,896	***	***	***	***	***
1982-----	***	6,975	2	6,977	***	***	***	***	***
1983-----	***	10,843	114	10,956	***	***	***	***	***
1984-----	***	8,403	444	8,847	***	***	***	***	***

<sup>1/</sup> \* \* \*

Source: Import data compiled from official statistics of the U.S. Department of Commerce; all other data compiled from information submitted in response to questionnaires of the U.S. International Trade Commission.

providing the original supplier an opportunity to make a price concession. Although orders may cover large quantities, shipments are normally delivered in truckloads. 1/

Much of the sales activity in the swimming-pool market takes place in anticipation of the summer season. "Early-buy" sales are usually negotiated during the fourth quarter of each year. During this period, known as the "preseason," suppliers may offer discounts and other incentives to attract larger commitments. Although Olin normally offers payment terms of net 30 days, payments for preseason sales are delayed until June for sales of its branded calcium hypochlorite (HTH) in the distributor market and for a limited amount of sales to some repackagers. Some importers offer terms up to 90 days on preseason sales; however, the standard terms of payment are also 30 days.

A number of repackagers reported supply problems in 1983 and 1984, even though they had purchased by contract during the preseason. 2/ Some had experienced delays in deliveries; others had been put on monthly allocations.

Olin confirmed that shortages occurred in April-May 1984. According to Olin, it had announced a price increase in April that was to be effective 4 weeks from the date of the announcement. Olin's customers placed large orders in order to get the preincrease price. Olin was unable to cover this surge of orders from inventories and, therefore, allocated its supplies among its customers based on their historic purchases. By mid-May 1984, according to Olin, this shortage had been alleviated. In connection with the alleged shortage, \* \* \* reported that Olin had technical problems with 10 million pounds of calcium hypochlorite in 1984 and was forced to reprocess it, thus limiting domestic availability. Olin has denied this, stating that although problems had caused them to recall some calcium hypochlorite in the past, this is by no means uncommon in the industry. Olin stated that recalls in 1984 were far less than 10 million pounds. 3/

Two repackagers mentioned delivery problems in 1983 and 1984. According to these buyers, U.S. producers usually shipped orders immediately, and shipments could be received within 2 to 3 weeks. 4/ \* \* \* stated that his shipments from \* \* \* were \* \* \* behind schedule; \* \* \* stated that his orders from \* \* \* were \* \* \* short on the last shipment.

Unlike some repackagers, the majority of the distributors contacted by the staff stated that they are not experiencing supply problems with U.S. producers. They also stated that demand was strong for calcium hypochlorite in 1984. Purchases by distributors of packaged products are not as sensitive to small price variations as purchases of bulk product by repackagers.

Olin offers a number of incentives to distributors and retailers that purchase the HTH brand product in sizable quantities. Olin presents "Award

1/ According to industry sources, a truckload from Japanese suppliers consists of 39,000 pounds, Olin delivers in truckloads of 39,600 pounds, and a truckload from PPG consists of 40,000 pounds.

2/ Telephone inquiries with \* \* \*.

3/ Olin's Post Conference Brief for the preliminary investigation, p. 4.

4/ Ron Vale, Purex, indicated that it takes 6 weeks under optimal conditions to receive the Japanese product (staff conference transcript, p. 84).

Pounds" to retailers that purchase HTH directly from Olin during the period October through April. For every pound of HTH brand calcium hypochlorite purchased, the retailer earns an award pound. Award pounds are tabulated for the season by Olin and the participants are notified of their award pounds earned at the conclusion of the promotion. Award pounds are redeemable for a wide range of merchandise in five "award levels." Merchandise selections range from an all-expense-paid trip for two to Hawaii for level 1 purchasers (76,000 pounds and over) to small appliances and other small items for level 5 purchasers (5,000 to 9,999 pounds). Distributors are also eligible to participate in the program by redeeming "dealer award claim forms" for sales of HTH made from dealers' stock. Retailers purchasing from dealers' stock receive the full value of award pounds. The distributor salesman earns 25 percent of this value.

\* \* \*, a retail outlet, informed the staff that Olin also offers discounts, rebates, and advertising bonuses during the season for the HTH brand product. However, there are price premiums associated with Olin's HTH brand rendering price comparisons difficult between the U.S.-produced product and calcium hypochlorite purchased from repackagers.

Nonpool market.--Calcium hypochlorite is sold in the nonpool or industrial market in a manner completely different from that sold in the pool market. Large industrial users typically invite bids from qualified producers. Firms wishing to supply the large industrial accounts must first have their calcium hypochlorite qualified internally by the user to guarantee consistent performance of the product. Suppliers are chosen on the basis of product quality, lowest bid price, and assurances of delivery. Imports from Japan are a relatively small factor in this market. \* \* \*

Transportation costs.--Calcium hypochlorite is sold by the two major U.S. producers and by the importers both on an f.o.b. (plant, U.S. warehouse, or port of entry) basis and on a delivered basis. The U.S. producers initially quote prices on an f.o.b. basis, but often provide allowances for freight (for freight equalization or to meet other competitive situations), effectively establishing a delivered price. Importers more often quote delivered prices, owing to the flexibility of delivery to the various ports of entry. Reported U.S. inland shipping costs as a share of U.S. f.o.b. prices are: \* \* \*. Both the producers' and importers' price data in this report are converted (if needed) to delivered prices.

U.S. producers' prices.--U.S. producers' weighted-average prices in the repackager market increased from \* \* \* per pound in January-March 1981 to \* \* \* per pound in October-December 1981, or by about 10 percent (table 13). Prices then gradually declined throughout 1982 and 1983 to \* \* \* per pound in January-March 1984. This represents a 15-percent decline from the October-December 1981 high. From January-March 1984 to October-December 1984, prices to repackagers increased to \* \* \* per pound, or by 7 percent.

U.S. producers' weighted-average prices to the industrial market increased by 10 percent in 1981 (table 14). U.S. producers' prices then declined from \* \* \* per pound in October-December 1981 to \* \* \* per pound in April-June 1984, or by 25 percent. Prices increased by 6 percent to \* \* \* per pound in October-December 1984.

Table 13.--Calcium hypochlorite: U.S. producers' and importers' weighted-average delivered prices for sales to repackagers, by quarters, January-March 1981 through October-December 1984

Period	Importers		U.S. producers		Margins of underselling or (overselling) -----Percent-----
	Quantity	Weighted-average price	Quantity	Weighted-average price	
	<u>1,000 pounds</u>	<u>Per pound</u>	<u>1,000 pounds</u>	<u>Per pound</u>	
1981:					
Jan.-Mar---	***	***	***	***	6
Apr.-June--	***	***	***	***	8
July-Sept--	***	***	***	***	9
Oct.-Dec---	***	***	***	***	15
1982:					
Jan.-Mar---	***	***	***	***	8
Apr.-June--	***	***	***	***	7
July-Sept--	***	***	***	***	8
Oct.-Dec---	***	***	***	***	14
1983:					
Jan.-Mar---	***	***	***	***	7
Apr.-June--	***	***	***	***	14
July-Sept--	***	***	***	***	12
Oct.-Dec---	***	***	***	***	8
1984:					
Jan.-Mar---	***	***	***	***	7
Apr.-June--	***	***	***	***	5
July-Sept--	***	***	***	***	9
Oct.-Dec---	***	***	***	***	9

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

Table 14.--Calcium hypochlorite: U.S. producers' and importers' weighted-average delivered prices for sales to nonpool trade industrial users, by quarters, January-March 1981 through October-December 1984

Period	Importers		U.S. producers		Margins of underselling or (overselling) Percent
	Quantity	Weighted-average price	Quantity	Weighted-average price	
	1,000 pounds	Per pound	1,000 pounds	Per pound	
1981:					
Jan.-Mar---	***	***	***	***	11
Apr.-June--	***	***	***	***	7
July-Sept--	***	***	***	***	9
Oct.-Dec---	***	***	***	***	18
1982:					
Jan.-Mar---	***	***	***	***	12
Apr.-June--	***	***	***	***	5
July-Sept--	***	***	***	***	2
Oct.-Dec---	***	***	***	***	6
1983:					
Jan.-Mar---	***	***	***	***	3
Apr.-June--	***	***	***	***	4
July-Sept--	***	***	***	***	3
Oct.-Dec---	***	***	***	***	1/
1984:					
Jan.-Mar---	***	***	***	***	1/
Apr.-June--	***	***	***	***	1/
July-Sept--	***	***	***	***	1/
Oct.-Dec---	***	***	***	***	1/

1/ Not available.

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

In the pool-trade distributor market, U.S. producers' weighted-average prices are generally lowest in July-September and highest in January-March (table 15). Prices increased 12 percent from January-March 1981 to January-March 1982, but then declined by 5 percent from January-March 1982 to January-March 1983, and by 10 percent from January-March 1983 to January-March 1984. From January-March 1984 to October-December 1984, prices increased by more than 7 percent.

Importers' prices.--Importers' weighted-average prices to the repackagers were very stable in 1981, remaining at \* \* \* per pound throughout the year (table 13). In January-March 1982 prices increased by 8 percent to \* \* \* per pound. Importers' prices to repackagers decreased during the 1982-83 seasons. The decline continued, to \* \* \* per pound, in January-March 1984, representing a drop of 14 percent from prices in January-March 1982. Importers' prices to repackagers rose slightly to \* \* \* per pound during April-September 1984, before rising 3 percent to \* \* \* per pound in October-December 1984.

Table 15.--Calcium hypochlorite: U.S. producers' and importers' weighted-average delivered prices for sales to pool-trade distributors, by quarters, January-March 1981 through October-December 1984

Period	Importers		U.S. producers		Margins of underselling or (overselling) -----Percent-----
	Quantity	Weighted-average price	Quantity	Weighted-average price	
	<u>1,000</u> pounds	<u>Per pound</u>	<u>1,000</u> pounds	<u>Per pound</u>	
1981:					
Jan.-Mar----	***	***	***	***	1/
Apr.-June---	***	***	***	***	1/
July-Sept---	***	***	***	***	1/
Oct.-Dec----	***	***	***	***	0
1982:					
Jan.-Mar----	***	***	***	***	16
Apr.-June---	***	***	***	***	10
July-Sept---	***	***	***	***	1
Oct.-Dec----	***	***	***	***	1/
1983:					
Jan.-Mar----	***	***	***	***	19
Apr.-June---	***	***	***	***	6
July-Sept---	***	***	***	***	10
Oct.-Dec----	***	***	***	***	12
1984:					
Jan.-Mar----	***	***	***	***	20
Apr.-June---	***	***	***	***	1/
July-Sept---	***	***	***	***	1/
Oct.-Dec----	***	***	***	***	1/

1/ Not available.

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

Importers' weighted-average prices in the industrial market were relatively stable from January-March 1981 to July-September 1982 (table 14). Prices in this period varied by no more than 4 percent. From October-December 1982 to July-September 1983, weighted-average prices alternated between \* \* \* and \* \* \* per pound. \* \* \*.

In the pool-trade distributor market, quantities reported by importers fluctuated widely, thus making trend analysis unreliable (table 15). 1/ The data show that weighted-average prices fell 22 percent from \* \* \* per pound in October-December 1981 to \* \* \* per pound in January-March 1984. \* \* \*.

1/ Most sales of imported products to distributors are made only after repackaging by domestic firms; therefore, sales by importers at this level are relatively rare.

**Margins of underselling.**--Japanese-produced calcium hypochlorite consistently undersold the U.S.-produced product in the repackager market. Margins ranged from 5 to 15 percent (table 13).

In the industrial market the Japanese-produced calcium hypochlorite also undersold the U.S. product during all periods examined (table 14). Margins ranged from 7 to 18 percent during 1981, from 2 to 12 percent in 1982, and from 3 to 4 percent in 1983. Comparisons were unavailable for products sold in 1984.

Importers' prices to the pool-trade distributor market were erratic; however, in all but one of the periods in which comparisons could be made Japanese-produced calcium hypochlorite undersold the U.S. product (table 15).

**Exchange rates.**--The nominal value of the yen in terms of dollars declined by 21 percent from January-March 1981 to October-December 1982. It then strengthened throughout 1983 and the first half of 1984, but then declined by 7 percent in July-September 1984. However, when these figures are adjusted for inflation by the Producer Price Index, the "real" dollar-per-yen exchange rate declined even further in 1981 and 1982 than the nominal rate because of relatively low inflation rates in Japan. The real value of the yen in terms of dollars declined by 22 percent from January-March 1981 to October-December 1982. It then strengthened only by 6 percent in April-June 1984, before declining by 5 percent in July-September 1984, as shown in the following tabulation (January-March 1981 = 100):

Period	: Dollars/yen index : (nominal rate)	: Dollars/yen index : (real rate)
1981:	:	:
January-March-----:	100	100
April-June-----:	94	92
July-September-----:	89	88
October-December-----:	92	91
1982:	:	:
January-March-----:	88	87
April-June-----:	84	83
July-September-----:	79	79
October-December-----:	79	78
1983:	:	:
January-March-----:	87	85
April-June-----:	87	83
July-September-----:	85	81
October-December-----:	88	83
1984:	:	:
January-March-----:	89	83
April-June-----:	90	83
July-September-----:	84	79

Source: International Financial Statistics, International Monetary Fund.

Lost sales

U.S. producers cited 68 allegations of lost sales to imports of calcium hypochlorite from Japan; these allegations involved 37 purchasers. The staff contacted 21 of these purchasers concerning 47 allegations.

\*\*\* stated that he rejected a quote of \*\*\* per pound from \*\*\* in favor of a \*\*\* per pound quote from an importer in 1983. He is currently buying the U.S.-produced product, now at \*\*\* per pound.

\*\*\* acknowledged buying \*\*\* pounds of Japanese calcium hypochlorite in 1982. He buys predominantly for price considerations, and the Japanese price was \*\*\* per pound compared with a \*\*\* per pound quote from a U.S. producer.

\*\*\* confirmed an allegation made by \*\*\* that his firm had purchased \*\*\* pounds of calcium hypochlorite from a Japanese supplier at \*\*\* per pound. He stated that his purchases of Japanese-produced material totaled \*\*\* pounds in 1982. He said this was approximately \*\*\* percent of his total purchases. He said he was looking for a second supply source, but will purchase more of \*\*\* product now \*\*\*. \*\*\*. Finally, he stated that the market is strong and prices have risen about 15 percent during the last year.

\*\*\* confirmed \*\*\* allegations made by \*\*\* that his firm had purchased imported calcium hypochlorite in 1981 and 1982. He could not recall the amounts purchased but stated they were for less than the nearly \*\*\* pounds alleged by \*\*\*. Price was his major consideration; however, he was also trying to establish a second source of supply. \*\*\* could neither confirm nor deny a \*\*\* allegation concerning purchases in 1983.

\*\*\*, was alleged to have purchased \*\*\* pounds of Japanese calcium hypochlorite because of low prices. \*\*\* confirmed that \*\*\* had rejected a quote of \*\*\* per pound from a U.S. producer in favor of a \*\*\* per pound price from an importer of Japanese material.

\*\*\* confirmed \*\*\* allegations made by \*\*\* that his firm had purchased imported calcium hypochlorite in 1981-83. \*\*\* outlined his purchasing history over the last 10 years. \*\*\*. He then began purchasing Japanese material from \*\*\*, as well as from his major (U.S.) supplier, \*\*\*. \*\*\* then purchased from \*\*\* during 1978-83, in addition to purchasing the imported product from Japan. During this 10-year span, \*\*\* had always purchased more from domestic sources than from Japan. In 1983, however, \*\*\*. For these reasons he became a major buyer of Japanese calcium hypochlorite.

\*\*\*, a retail and distributor outlet, confirmed \*\*\* allegations made by \*\*\* that \*\*\* purchased Japanese calcium hypochlorite in 1983-84. He stated that he was offered \*\*\* at \*\*\* per pound compared with \*\*\* per pound for the imported product. He stated that he would have paid a premium for the Japanese material just to have another source of supply besides \*\*\*.

\*\*\*, confirmed \*\*\* allegations made by \*\*\* that his firm had purchased calcium hypochlorite from Japan in 1981-83, but only \*\*\* of the \*\*\* pounds alleged. \*\*\* stated that he purchases \*\*\* percent of his requirements from domestic sources, mostly from \*\*\*. He also purchased small amounts of the Japanese product at a price equal to that of \*\*\*. He said he was attempting to force \*\*\* to lower its price but was unsuccessful. \*\*\* also stated that he was developing a second supply source other than \*\*\*, which he considers unreliable. \*\*\* still buys small quantities from \*\*\*, mostly the \*\*\*.

\*\*\*, denied \*\*\* allegations. He stated that \*\*\* has not purchased Japanese calcium hypochlorite in 2 years. \*\*\* advised that the Japanese calcium hypochlorite generally is lower priced; however, for him the price is not low enough to compensate his company for the added delivery time it takes to obtain the imported calcium hypochlorite.

\*\*\* denied \*\*\* allegations that his firm had purchased calcium hypochlorite from Japan. He did state, however, that he received lower prices from \*\*\* because of the lower-priced imported product available.

\*\*\* denied \*\*\* allegations made by \*\*\* that his firm had purchased imported material. He stated that although the Japanese product was priced lower at \*\*\* per pound, he purchased the domestic product. He stated that he used the availability of the Japanese product to get a lower price from \*\*\*.

\*\*\* denied a lost sale allegation of \*\*\* pounds. He stated that \*\*\* had not purchased any Japanese calcium hypochlorite during the period specified in this allegation. He further stated that, although he does buy Japanese calcium hypochlorite, he does not buy for price considerations, but because of dissatisfaction with \*\*\* marketing techniques--namely, \*\*\*. \*\*\* likes to deal with the importers of the Japanese calcium hypochlorite because "they deal on a dollar for dollar basis."

\*\*\* denied \*\*\* lost sale allegations concerning \*\*\* pounds of calcium hypochlorite. \*\*\* had not purchased any Japanese product in the period specified, but he did feel that the importers were definitely setting the price.

\*\*\* confirmed that he had purchased Japanese-produced material, but only because the initial quote of \*\*\* per pound by the U.S. producer was "ridiculous" given the present condition of the market.

\*\*\* denied a lost sale which allegedly occurred in 1982, stating that he had merely switched from one U.S. producer to another.

\*\*\*, also denied a lost sale which allegedly occurred in 1982, stating that his firm buys the domestic product only.

\*\*\*, a repackager, denied that his firm had purchased any Japanese calcium hypochlorite. The allegation, which focused on purchases made in \*\*\* 1983, was the result of \*\*\* switching from \*\*\* to \*\*\* as their supplier. \*\*\* stated that the \*\*\* per pound price offered by \*\*\* during that time was the best available price.

\* \* \* could neither confirm nor deny the allegation. He stated that he had purchased Japanese material based on better service and to have an alternate source of supply.

Seven allegations involving \* \* \* firms and over \* \* \* pounds of calcium hypochlorite could not be examined because officials at these companies refused to answer questions related to their firm's operations.

APPENDIX A

COMMERCE'S AND COMMISSION'S FEDERAL REGISTER NOTICES

### Maryland Advisory Committee; Amendment to Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights that a meeting of the Advisory Committee to the Commission originally scheduled for October 10, 1984, at Rockville, Maryland (FR Doc 84-24503 on page 36422, September 17, 1984) has a new meeting date and time.

The meeting will be held on October 24, 1984, from 6:30 p.m. until 9:00 p.m. The address will remain the same.

Dated at Washington, D.C., October 3, 1984.

John I. Binkley,

Advisory Committee Management Officer.

(FR Doc. 84-30880 Filed 10-9-84; 8:45 am)

BILLING CODE 6356-01-01

### Rhode Island Advisory Committee; Agenda and Notice of Public Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a meeting of the Rhode Island Advisory Committee to the Commission will convene at 12:00 noon and will end at 1:30 p.m., on October 22, 1984, at the Urban League of Rhode Island, 246 Prairie Avenue, Providence, Rhode Island 02905. The purpose of the meeting is for the Affirmative Action Subcommittee to review its preliminary plans for identifying sample firms and a proposed interview schedule.

Persons desiring additional information, or planning a presentation to the Committee, should contact the New England Regional Office at (617) 223-4671.

The meeting will be conducted pursuant to the provisions of the Rules and Regulations of the Commission.

Dated at Washington, DC., October 1, 1984.

John I. Binkley,

Advisory Committee Management Officer.

(FR Doc. 84-28197 Filed 10-5-84; 8:45 am)

BILLING CODE 6356-01-01

## DEPARTMENT OF COMMERCE

### International Trade Administration

(A-588-401)

### Calcium Hypochlorite From Japan; Preliminary Determination of Sales at Less Than Fair Value

**AGENCY:** Import Administration,  
International Trade Administration,  
Commerce.

**ACTION:** Notice.

**SUMMARY:** We have preliminarily determined that calcium hypochlorite from Japan is being, or is likely to be, sold in the United States at less than fair value. We have notified the U.S. International Trade Commission (ITC) of our determination, and we have directed the U.S. Customs Service to suspend the liquidation of all entries of calcium hypochlorite from Japan that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice, and to require a cash deposit or bond for each entry in an amount equal to the estimated dumping margin as described in the "Suspension of Liquidation" section of this notice. We have examined the sales of two Japanese producers, which account for approximately 99 percent of imports into the United States.

If this investigation proceeds normally, we will make a final determination by December 17, 1984.

**EFFECTIVE DATE:** October 9, 1984.

**FOR FURTHER INFORMATION CONTACT:** William D. Kane, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230; telephone: (202) 377-1768.

#### SUPPLEMENTARY INFORMATION:

##### Preliminary Determination

We have preliminarily determined that calcium hypochlorite from Japan is being, or is likely to be, sold in the United States at less than fair value, as provided in section 733 of the Tariff Act of 1930, as amended (the Act). We have found margins on sales of calcium hypochlorite by both firms investigated.

We have found that the foreign market value of calcium hypochlorite exceeded the United States price on 72.9 percent of the sales we compared. These margins ranged from 0.9 percent to 38 percent. The overall weighted-average margin on all sales compared is 13.39 percent. The weighted-average margins for individual companies investigated are presented in the "Suspension of Liquidation" section of this notice.

If this investigation proceeds normally, we will make a final determination by December 17, 1984.

##### Case History

On April 25, 1984, we received a petition filed by Olin Corporation, on behalf of the U.S. industry producing calcium hypochlorite. In compliance with the filing requirements of § 353.36 of our Regulations (19 CFR 353.36), the petition alleged that imports of calcium

hypochlorite from Japan 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 Act, and that these imports are materially injuring, or are threatening material injury to, a U.S. industry. The petition also alleged that critical circumstances exist under section 733(e) of the Act.

After reviewing the petition, we determined that it contained sufficient grounds upon which to initiate an antidumping investigation. We notified the ITC of our action and initiated such an investigation on May 21, 1984 (49 FR 21390). The ITC subsequently found, on June 11, 1984, that there is a reasonable indication that imports of calcium hypochlorite are materially injuring, or are threatening material injury to, a United States industry.

The petitioner alleged that at least three Japanese companies produce calcium hypochlorite for export to the United States. We found that two of these companies, Nippon Soda and Nissin Denka, accounted for 99 percent of imports and 100 percent of sales to the United States during the period of investigation. Questionnaires were presented to these companies in Japan on May 31, 1984. Nissin Denka responded to the questionnaire on June 29, 1984. Nippon Soda responded on July 2, 1984.

##### Scope of Investigation

The product covered by the investigation is calcium hypochlorite, currently provided for in item 418.2200 of the *Tariff Schedules of the United States, Annotated* (TSUSA).

Since the respondents produced and exported approximately 99 percent of the calcium hypochlorite shipped from Japan to the United States during the period of investigation, we limited our investigation to them.

We investigated sales of calcium hypochlorite by these respondents during the period from April 1, 1983 to April 30, 1984.

##### Fair Value Comparison

To determine whether sales of the subject merchandise in the United States were made at less than fair value, we compared the United States price with the foreign market value.

##### United States Price

As provided in section 772(b) of the Act, we used the purchase price of the subject merchandise to represent the United States price for the sales by the Japanese producers, because the merchandise was sold to unrelated

purchasers prior to its importation into the United States.

We calculated the purchase price on the ex-go-down, FOB, or CIF, duty paid, delivered, packed price to unrelated purchasers in the United States. We made deductions, where appropriate, for foreign inland freight, foreign inland insurance, foreign brokerage and handling charges, ocean freight, marine insurance, U.S. Customs duties, U.S. brokerage and handling charges, and U.S. inland freight.

#### Foreign Market Value

In accordance with section 773(a) of the Act, we calculated foreign market value based on home market FOB factory, C&F, or CIF, packed prices to unrelated purchasers. From these prices we made deductions, where appropriate, for foreign inland freight, foreign inland insurance and rebates. We made an adjustment for credit expenses in accordance with § 353.15 of the Commerce regulations. We made adjustments for the cost of materials, labor and direct factory overhead associated with differences in merchandise in accordance with § 353.16 of the Commerce regulations. We also deducted the home market packing cost and added the packing cost incurred on sales to the United States.

The following claims were disallowed in calculating foreign market value. Nissin Denka claimed an amount for indirect selling expenses in the home market to offset a claim for a direct selling expense allowance in the U.S. for sales it considered to be exporter's sales price. Because, as mentioned above, we considered these transactions to be purchase price sales, we did not deduct direct selling expenses in connection with the U.S. sales. Therefore, there are no expenses to offset, and we have not allowed these claims.

Nippon Soda has claimed amounts for rebates, technical services expenses, advertising and promotional expenses, post-sale loading, shipping, and communication expenses, and an adjustment for different levels of trade. None of these claims have been allowed at this time because of insufficient documentation and explanation. We will seek further information for purposes of our final determination.

Products being investigated are 65 percent and 70 percent calcium hypochlorite. These are in granular and tablet forms. In the case of Nippon Soda, only Hichlon brand product is sold to the U.S. Since there are sufficient sales of the identical brand in the home market, we are limiting our comparisons to that brand. For the 65 percent product sold to the U.S., but not sold in the home

market, we are using for comparison the 70 percent product, adjusted for differences in manufacturing costs.

In the case of Nissin Denka, we are comparing 65 percent and 70 percent granular form Niclon brand sold to the U.S. to 70 percent granular and tablet form Niclon brand sold in the home market with an adjustment to the tableted product for differences in cost of manufacture.

#### Verification

In accordance with section 776(a) of the Act, we will verify all data used in reaching a final determination in this investigation.

#### Critical Circumstances

We find no history dumping of calcium hypochlorite from Japan in the U.S. or elsewhere in the world nor is there any indication that importers of the merchandise knew or should have known it was being sold at less than fair value. Therefore, we have preliminarily determined that critical circumstances do not exist.

#### ITC Notification

In accordance with section 733(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonconfidential information relating to this investigation. We will allow the ITC access to all privileged and confidential information in our files, provided the ITC 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.

#### Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the United States Customs Service to suspend liquidation of all entries of calcium hypochlorite from Japan which are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the Federal Register. The Custom Service shall require a cash deposit of the posting of a bond equal to the estimated weighted-average amount by which the foreign market value of the merchandise subject to this investigation exceeds the United States price. This suspension of liquidation will remain in effect until further notice. The weighted-average margins are as follows:

Manufacturer	Weighted average margin (percent)
Nippon Soda	18.75
Nissin Denka	2.33
All other	13.30

#### Public Comment

In accordance with § 353.47 of the Commerce Regulations, if requested, we will hold a public hearing to afford interested parties an opportunity to comment on this preliminary determination at 10:00 a.m. on November 1, 1984, at the U.S. Department of Commerce, Room A, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Individuals who wish to participate in the hearing must submit a request to the Deputy Assistant Secretary for Import Administration, Room B-099, at the above address within 10 days of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; (3) the reason for attending; and (4) a list of the issues to be discussed. In addition, prehearing briefs in at least 10 copies must be submitted to the Deputy Assistant Secretary by October 25, 1984. Oral presentations will be limited to issues raised in the briefs. All written views should be filed in accordance with 19 CFR 353.46, within 30 days of publication of this notice, at the above address and in at least 10 copies.

Dated: October 2, 1984.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-39842 Filed 10-9-84; 9:45 am]

BILLING CODE 2510-25-01

(A-428-018)

#### Carbon Steel Plate From the Federal Republic of Germany: Preliminary Determination of Sales at Less Than Fair Value

AGENCY: International Trade Administration, Import Administration, Department of Commerce.

ACTION: Notice of Preliminary Determination.

SUMMARY: We have preliminarily determined that carbon steel plate from the Federal Republic of Germany (FRG) is being, or is likely to be, sold in the United States at less than fair value. We have notified the U.S. International Trade Commission (ITC) of our determination and we have directed the U.S. Customs Service to suspend the

These plats were prepared to meet certain administrative needs of this Bureau.

All inquiries about this land should be sent to the Colorado State Office, Bureau of Land Management, 2020 Arapahoe Street, Denver, Colorado 80205.

Kenneth D. Will,  
Chief Cadastral Surveyor for Colorado.

[FR Doc. 84-28637 Filed 10-30-84, 8:45 am]

BILLING CODE 4310-04-M

### Bureau of Reclamation

#### Information Collection Submitted to the Office of Management and Budget for Review Under the Paperwork Reduction Act

The proposal for the collection of information listed below has been submitted to the Office of Management and Budget for approval under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35). Copies of the proposed collection of information and related forms and explanatory material may be obtained by contacting the Bureau's clearance officer at the telephone number listed below. Comments and suggestions on the requirement should be made within 30 days directly to the Bureau clearance officer and/or to the Office of Management and Budget Interior Department Desk Officer, Washington, D.C. 20503, telephone 202-395-7340. Comments and suggestions in writing are preferred. See address below.

Title: Acreage Limitation, 43 CFR Part 426.

**Abstract:** Respondents to this information collection include landholders who own or lease irrigation land, as defined in 43 CFR Part 426, and water user districts, which must summarize the information received from the landholders. Landholders are required to submit relevant information concerning their irrigation landholdings in order to establish their compliance with Reclamation law, and to determine the appropriate water rate for each landholding.

Bureau Forms No.: 7-1781A, 7-1781B, 7-2180, 7-2181, 7-182, 7-2183, 7-2184, 7-2187, 7-2188, 7-2189, 7-2190, 7-2191, 7-2192, 7-2193, 7-2194, 7-2197, 7-2198, and 7-2199.

Frequency: Annually, or when landholding change occurs.

Description of respondents: Irrigation landholders, as defined in 43 CFR Part 426, and water user districts.

Annual Responses: 47,450.

Annual Burden Hours: 21,550.

Bureau clearance officer: Wilson M. Carr, Department of the Interior, Bureau of Reclamation, Room 7056, 18th and C Streets, NW., Washington, D.C. 20240, telephone 202-343-5356.

Dated: October 11, 1984.  
William C. Klostermeyer,  
Acting Commissioner.  
[FR Doc. 84-28640 Filed 10-30-84, 8:45 am]  
BILLING CODE 4310-09-M

### INTERNATIONAL TRADE COMMISSION

Investigation No. 337-TA-165)

**Import Investigations; Certain Alkaline Batteries; Extension of Administrative Deadline for Completion of Investigation by 14 Days**

**AGENCY:** International Trade Commission.

**ACTION:** Notice is hereby given that the Commission has extended the administrative deadline for completion of the above-captioned investigation by 14 days.

Authority: 19 U.S.C. 1337.

**SUMMARY:** The previous administrative deadline for completion of this investigation was October 22, 1984. The Commission has determined to extend the previous deadline by 14 days, i.e., until November 5, 1984.

**FOR FURTHER INFORMATION CONTACT:** William E. Perry, Esq., Office of the General Counsel, U.S. International Trade Commission, telephone 202-523-0499.

By order of the Commission.

Issued: October 24, 1984.

Kenneth R. Mason,

Secretary.

[FR Doc. 84-28624 Filed 10-30-84, 8:45 am]  
BILLING CODE 7020-02-M

(Investigation No. 731-TA-189; Final)

**Import Investigations; Calcium Hypochlorite From Japan**

**AGENCY:** International Trade Commission.

**ACTION:** Institution of a final antidumping investigation and scheduling of a hearing to be held in connection with the investigation.

**SUMMARY:** The Commission hereby gives notice of the institution of final antidumping investigation No. 731-TA-189 (Final) under section 735(b) of the Tariff Act of 1930 (19 U.S.C. 1673d(b)) to determine whether 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 Japan of calcium hypochlorite, provided for in item 418.22 of the Tariff Schedules of the United States, which have been found by the Department of Commerce, in a preliminary determination, to be sold in the United States at less than fair value. As provided in § 207.25 of its Rules of Practice and Procedure (19 CFR 207.25), the Commission will make its determination in this investigation by February 5, 1985.

**EFFECTIVE DATE:** October 9, 1984.

**FOR FURTHER INFORMATION CONTACT:** Lynn Featherstone (202-523-0242), Office of Investigations, U.S. International Trade Commission, 701 E Street NW., Washington, DC 20436.

**SUPPLEMENTARY INFORMATION:**

#### Background

This investigation is being instituted as a result of an affirmative preliminary determination by the Department of Commerce that imports of calcium hypochlorite from Japan are being sold in the United States at less than fair value within the meaning of section 731 of the act (19 U.S.C. 1673). The investigation was requested in a petition filed on April 25, 1984, by Olin Corp., Stamford, CT. In response to that petition the Commission conducted a preliminary antidumping investigation and, on the basis of information developed during the course of that investigation, determined that there was a reasonable indication that an industry in the United States was materially injured by reason of imports of the subject merchandise (49 FR 25316, June 20, 1984).

#### Participation in the Investigation

Persons wishing to participate in this investigation as parties must file an entry of appearance with the Secretary to the Commission, as provided in § 201.11 of the Commission's Rules of Practice and Procedure (19 CFR 201.11), not later than twenty-one (21) days after the publication of this notice in the Federal Register. Any entry of appearance filed after this date will be referred to the Chairwoman, who will determine whether to accept the late entry for good cause shown by the person desiring to file the entry.

#### Service List

Pursuant to section 201.11(d) of the Commission's rules (19 CFR 201.11(d)), the Secretary will prepare a service list

containing the names and addresses of all persons, or their representatives, who are parties to this investigation upon the expiration of the period for filing entries of appearance. In accordance with § 201.16 of the rules (19 CFR 201.16(c)), each document filed by a party to the investigation must be served on all other parties to the investigation (as identified by the service list), and a certificate of service must accompany the document. The Secretary will not accept a document for filing without a certificate of service.

#### Staff Report

A public version of the staff report containing preliminary findings of fact in this investigation will be placed in the public record on December 7, 1984, pursuant to § 207.21 of the Commission's rules (19 CFR 207.21).

#### Hearing

The Commission will hold a hearing in connection with this investigation beginning at 10:00 a.m. on December 20, 1984, at the U.S. International Trade Commission Building, 701 E Street NW., Washington, DC. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission not later than the close of business (5:15 p.m.) on December 5, 1984. All persons desiring to appear at the hearing and make oral presentations should file prehearing briefs and attend a prehearing conference to be held at 10:00 a.m. on December 11, 1984, in room 117 of the U.S. International Trade Commission Building. The deadline for filing prehearing briefs is December 17, 1984.

Testimony at the public hearing is governed by § 207.23 of the Commission's rules (19 CFR 207.23). This rule requires that testimony be limited to a nonconfidential summary and analysis of material contained in prehearing briefs and to information not available at the time the prehearing brief was submitted. All legal arguments, economic analyses, and factual materials relevant to the public hearing should be included in prehearing briefs in accordance with § 207.22 (19 CFR 207.22). Posthearing briefs must conform with the provisions of § 207.24 (19 CFR 207.24) and must be submitted not later than the close of business on January 2, 1985.

#### Written submissions

As mentioned, parties to this investigation may file prehearing and posthearing briefs by the dates shown above. In addition, any person who has not entered an appearance as a party to the investigation may submit a written

statement of information pertinent to the subject of the investigation on or before January 2, 1985. A signed original and fourteen (14) copies of each submission must be filed with the Secretary to the Commission in accordance with § 201.6 of the Commission's rules (19 CFR 201.6). All written submissions except for confidential business data will be available for public inspection during regular business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary to the Commission.

Any business information for which confidential treatment is desired must be submitted separately. The envelope and all pages of such submissions must be clearly labeled "Confidential Business Information." Confidential submissions and requests for confidential treatment must conform with the requirements of § 201.6 of the Commission's rules (19 CFR 201.6).

For further information concerning the conduct of this investigation, hearing procedures, and rules of general application, consult the Commission's Rules of Practice and Procedure, Part 207, Subparts A and C (19 CFR Part 207), and Part 201, Subparts A through E (19 CFR Part 201).

**Authority:** This investigation is being conducted under authority of the Tariff Act of 1930, title VII. This notice is published pursuant to § 207.20 of the Commission's rules (19 CFR 207.20).

By order of the Commission.  
Issued: October 23, 1984.  
Kenneth R. Mason,  
Secretary.

(FR Doc. 84-38822 Filed 10-30-84; 8:45 am)  
BILLING CODE 7030-02-01

#### (Investigation No. 337-TA-197)

#### Import Investigations; Certain Compound Action Metal Cutting Snips and Components Thereof; Commission Determination Not To Review Initial Determination Terminating Respondent

**AGENCY:** International Trade Commission.

**ACTION:** The Commission has determined not to review the presiding officer's initial determination (ID) (Order No. 4) terminating Action Eagle, Inc. as a respondent in the above-captioned investigation.

**Authority:** Section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) and 19 CFR 210.51 and 210.53.

**SUMMARY:** On August 6, 1984, respondent Action Eagle, Inc. moved for termination as a respondent in the investigation. Complainant Cooper

Industries, Inc. filed an opposition to this motion and the Commission investigative attorney recommended termination of Action Eagle, Inc. The presiding officer issued an ID granting respondent's motion on September 24, 1984. The Commission received no petitions for review of the ID or comments from Government agencies.

Copies of the presiding officer's ID and all other nonconfidential documents filed in connection with this investigation are available for inspection during official 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. 20436, telephone 202-523-0181.

**FOR FURTHER INFORMATION CONTACT:** Charles H. Nalls, Esq., Office of the General Counsel, U.S. International Trade Commission, telephone (202) 523-0375.

By order of the Commission.

Issued: October 24, 1984.

Kenneth R. Mason,  
Secretary.

(FR Doc. 84-38822 Filed 10-30-84; 8:45 am)  
BILLING CODE 7030-02-01

#### (Investigations Nos. 337-TA-182/188)

#### Import Investigations; Certain Fluidized Supporting Apparatus and Components Thereof; Resumption of Investigations

**AGENCY:** International Trade Commission.

**ACTION:** Notice is hereby given that the Commission has resumed the above-captioned consolidated investigations, which had previously been suspended.

**Authority:** 19 U.S.C. 1337(b)(1) and 19 CFR 210.15.

**SUMMARY:** On August 31, 1984, the Commission suspended the above-captioned investigations under 19 U.S.C. 1337(b)(1) and Commission rule 210.15 because of a concurrent proceeding before the Federal Trade Commission and the Department of Justice under 15 U.S.C. 18a. 49 FR 35441 (September 7, 1984). On October 3, 1984, the Federal Trade Commission published notice that the concurrent proceeding on which the suspension had been based had been completed. 49 FR 39108 (October 3, 1984).

Copies of the nonconfidential version of the Commission's Action and Order and all other nonconfidential documents filed in connection with these investigations are available for

(Investigation No. 731-TA-189 (Final))

### Calcium Hypochlorite From Japan

**AGENCY:** International Trade Commission.

**ACTION:** Rescheduling of the hearing to be held in connection with the subject investigation.

**SUMMARY:** The Commission hereby announces the rescheduling of the hearing to be held in connection with the subject investigation from 10:00 a.m. on December 20, 1984 to 10:00 a.m. on February 26, 1985.

For further information concerning the conduct of the investigation, hearing procedures, and rules of general application, consult the Commission's Rules of Practice and Procedure, Part 207, Subparts A and C (19 CFR Part 207), and Part 201, Subparts A through E (19 CFR Part 201).

**EFFECTIVE DATE:** November 21, 1984.

**FOR FURTHER INFORMATION CONTACT:** Larry Reavis (202-523-0296), Office of Investigations, U.S. International Trade Commission, 701 E Street NW., Washington, DC 20436.

#### SUPPLEMENTARY INFORMATION:

##### Background

On October 9, 1984, the Commission instituted the subject investigation and scheduled a hearing to be held in connection therewith for December 20, 1984 (49 FR 43807, Oct. 31, 1984). Subsequently, the Department of Commerce extended the date for its final determination in the investigation from December 17, 1984, to February 22, 1985. The Commission, therefore, is revising its schedule in the investigation to conform with Commerce's new schedule. As provided in section 735(b)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1673d(b)(2)(B)), the Commission must make its final determination in antidumping investigations within 45 days of Commerce's final determination, or in this case by April 8, 1985.

##### Staff report

A public version of the prehearing staff report in this investigation will be placed in the public record on February 12, 1985, pursuant to § 207.21 of the Commission's rules (19 CFR 207.21).

##### Hearing

The Commission will hold a hearing in connection with this investigation beginning at 10:00 a.m. on February 26, 1985, at the U.S. International Trade Commission Building, 701 E Street NW., Washington, DC. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission

not later than the close of business (5:15 p.m.) on February 22, 1985. All persons desiring to appear at the hearing and make oral presentations should file prehearing briefs and attend a prehearing conference to be held at 10:00 a.m. on February 19, 1985, in room 117 of the U.S. International Trade Commission Building. The deadline for filing prehearing briefs is February 22, 1985.

Testimony at the public hearing is governed by § 207.23 of the Commission's rules (19 CFR 207.23). This rule requires that testimony be limited to a nonconfidential summary and analysis of material contained in prehearing briefs and to information not available at the time the prehearing brief was submitted. Any written materials submitted at the hearing must be filed in accordance with the procedures described below and any confidential materials must be submitted at least three (3) working days prior to the hearing (see § 201.6(b)(2) of the Commission's rules (19 CFR 201.6(b)(2), as amended by 49 FR 32568, Aug. 15, 1984)).

##### Written Submissions

All legal arguments, economic analyses, and factual materials relevant to the public hearing should be included in prehearing briefs in accordance with § 207.22 of the Commission's rules (19 CFR 207.22). Posthearing briefs must conform with the provisions of § 207.24 (19 CFR 207.24) and must be submitted not later than the close of business on March 8, 1985. In addition, any person who has not entered an appearance as a party to the investigation may submit a written statement of information pertinent to the subject of the investigation on or before March 8, 1985.

A signed original and fourteen (14) copies of each submission must be filed with the Secretary to the Commission in accordance with § 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 during regular business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary to the Commission.

Any business information for which confidential treatment is desired must be submitted separately. The envelope and all pages of such submissions must be clearly labeled "Confidential Business Information." Confidential submissions and requests for confidential treatment must conform with the requirements of § 201.6 of the Commission's rules (19 CFR 201.6, as amended by 49 FR 32568, Aug. 15, 1984).

**Authority:** This investigation is being conducted under authority of the Tariff Act of 1930, title VII. This notice is published pursuant to § 207.20 of the Commission's rules (19 CFR 207.20).

By order of the Commission.

Issued: November 23, 1984.

Kenneth R. Mason,  
Secretary.

[FR Doc. 84-31224 Filed 11-27-84; 8:45 am]

BILLING CODE 7020-02-M

(Investigation No. 337-TA-184)

### Certain Foam Earplugs; Decision Not To Review Initial Determination Terminating Respondent on the Basis of a Settlement Agreement

**AGENCY:** International Trade Commission.

**ACTION:** The Commission has determined not to review the presiding officer's initial determination (ID) (Order No. 12) terminating the above-captioned investigation with respect to respondent S.S. Trading Co., Ltd. on the basis of a settlement agreement.

**FOR FURTHER INFORMATION CONTACT:** Carol McCue Verratti, Esq., Office of the General Counsel, U.S. International Trade Commission, telephone 202-523-0079.

**SUPPLEMENTARY INFORMATION:** On June 28, 1984, complaint Cabot Corporation and respondent S.S. Trading Co., Ltd. filed a joint motion to terminate the investigation as to respondent S.S. Trading Co., Ltd. on the basis of a settlement agreement. The presiding officer issued an ID granting the joint motion for termination on September 24, 1984. No petitions for review or comments from Government agencies or the public were received.

Copies of the presiding officer's ID and all other nonconfidential documents filed in connection with this investigation are available for inspection during official 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. 20436, telephone 202-523-0161.

**Authority:** Section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) and 19 CFR 210.51 and 210.53.

By order of the Commission.

Issued: November 20, 1984.

Kenneth R. Mason,  
Secretary.

[FR Doc. 84-31218 Filed 11-27-84; 8:45 am]

BILLING CODE 7020-02-M

**International Trade Administration****Proposed Study of Foreign Country of Origin Markings on Imitation Native American Jewelry and Artifacts**

**AGENCY:** International Trade Administration, Commerce.

**ACTION:** Proposed Study of Foreign Country of Origin Markings on Imitation Native American Jewelry and Artifacts.

**SUMMARY:** This notice describes a proposed study regarding foreign country of origin markings on imitation Native American jewelry and artifacts which are imported into the United States and either sold domestically or exported. Public comment is being requested concerning such imports, domestic sales and exports in order to assist in carry out this study.

**Comments:** Comments should be submitted by March 29, 1985, to John M. Harris at the address listed below.

**FOR FURTHER INFORMATION CONTACT:** John M. Harris, Room 4312, Office of Consumer Goods, U.S. Department of Commerce, 14th St. and Constitution Ave., NW., Washington, D.C. 20230, (202) 377-1178. This is not a toll free number.

**SUPPLEMENTARY INFORMATION:** The U.S. Congress in its Conference Report 96-1150, accompanying H.J. Res. 648, expressed concern about the importation into the United States, domestic sale and exportation of imitation Native American jewelry and artifacts which lack foreign country of origin markings. The conferees have requested the Department of Commerce, in cooperation with the Secretary of the Treasury and the Chairman of the Federal Trade Commission, to conduct a study and submit a report on this subject by April 15, 1985, to the Appropriations Committees of the House and Senate, the Senate Governmental Affairs Committee, and the House Energy and Commerce Committee.

The Department of Commerce is requesting public comment to help ascertain the extent of this problem. Possible problem areas might include, but are not limited to, importation and domestic sale of imitation Native American jewelry and artifacts which lack foreign country of origin markings, removal of foreign country of origin markings, and the exportation of mislabeled jewelry and artifacts. Artifacts would include such items as pottery, baskets, rugs, paintings and dolls.

Information submitted in response to this request may be subject to

production under the Freedom of Information Act.

Dated: February 21, 1985.

Richard H. Shay,

Acting General Counsel.

[FR Doc. 85-4711 Filed 2-26-85; 8:45 am]

BILLING CODE 3970-07-01

[A-389-401]

**Calcium Hypochlorite From Japan; Final Determination of Sales at Less Than Fair Value**

**SUMMARY:** We have determined that calcium hypochlorite from Japan is being sold in the United States at less than fair value. The United States International Trade Commission (ITC) will determine within 45 days of publication of this notice whether these imports are materially injuring, or are threatening to materially injure, a United States industry.

**EFFECTIVE DATE:** February 27, 1985.

**FOR FURTHER INFORMATION CONTACT:** William D. Kane, Office of Investigations, United States Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230 Telephone: (202) 377-1768.

**SUPPLEMENTARY INFORMATION:****Case History**

On April 25, 1984, we received a petition filed by Olin Corporation, on behalf of the U.S. industry producing calcium hypochlorite. In compliance with the filing requirements of § 353.36 of our Regulations (19 CFR 353.36), the petition alleged that imports of calcium hypochlorite from Japan are being sold, 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 (the Act), and that these imports are materially injuring, or are threatening to materially injure, a United States industry. The petition also alleged that critical circumstances exist under section 733(e) of the Act.

After reviewing the petition, we determined that it contained sufficient grounds upon which to initiate an antidumping investigation. We notified the ITC of our action and initiated such an investigation on May 21, 1984 (49 FR 21390). The ITC subsequently found, on June 11, 1984, that there is a reasonable indication that imports of calcium hypochlorite are materially injuring, or are threatening to materially injure, a United States industry.

The petitioner alleged that at least three Japanese companies produce calcium hypochlorite for export to the

United States. We found that two of these companies, Nippon Soda (Nisso) and Nissin Denka (Nissin), accounted for 99 percent of imports and 100 percent of sales to the United States during the period of investigation. Questionnaires were presented to these companies in Japan on May 31, 1984. Nissin responded to the questionnaire on June 29, 1984. Nisso responded on July 2, 1984.

On October 2, 1984, we preliminarily determined that calcium hypochlorite from Japan was being, or was likely to be, sold in the United States at less than fair value, and that critical circumstances did not exist (49 FR 39580).

Our notice of preliminary determination provided interested parties an opportunity to submit views orally and in writing. Verifications were conducted at Sakata and Tokyo, Japan at the corporate offices of Nisso, Nissin and Toyo Soda Co., an affiliate of Nissin, on October 18 thru 25, 1984. Further verification of expenses incurred in the U.S. was conducted at the offices of Whitman & Ransom in New York City on November 19, 1984.

On November 15, 1984, we published a notice extending the period for making the final determination until February 21, 1985, at the request of an exporter who accounted for a significant proportion of exports of this merchandise in accordance with section 735(a)(2)(A) of the Act (49 FR 45204).

On December 7, 1984, we held a public hearing.

**Scope of Investigation**

The product covered by the investigation is calcium hypochlorite, currently provided for in item 418.2200 of the *Tariff Schedules of the United States, Annotated* (TSUSA).

Since Nisso and Nissin produced and exported approximately 99 percent of the calcium hypochlorite shipped from Japan to the United States during the period of investigation, we limited our investigation to these companies.

We investigated sales of calcium hypochlorite by these respondents during the period from April 1, 1983, to April 30, 1984.

**Fair Value Comparison**

To determine whether sales of the subject merchandise in the United States were made at less than fair value, we compared the United States price with the foreign market value.

**United States Price**

As provided in section 772 of the Act, we used the purchase price of calcium hypochlorite to represent the United

States price for sales by the Japanese producers because the merchandise was sold prior to the date of importation to unrelated United States purchasers.

We calculated the purchase price on the ex-go-down, FOB, or CIF, duty paid, packed price to unrelated purchasers in the United States. We made deductions, where appropriate, for foreign inland freight, foreign inland insurance, foreign brokerage and handling charges, ocean freight, marine insurance, U.S. Customs duties, and U.S. brokerage and handling charges.

#### *Nisso*

Sales prices to one customer through a related selling company did not reflect a commission paid to the related company. The prices of these sales were corrected to reflect the full amount charged to the customer.

#### *Nissin*

Verification revealed that, on certain sales, amounts reported for foreign inland freight, foreign brokerage and handling, and credit expenses were either overstated or understated due to computation errors. Verified amounts were deducted. Amounts for U.S. inland freight for two sales were found to have been borne by the U.S. purchaser. No deductions were made for these amounts.

A quantity of merchandise was found to have been misallocated to the wrong sale. This was corrected, and the quantity has been applied to the correct sale at the proper price. One date of sale was found to be erroneous. We corrected this to reflect the true date.

#### *Foreign Market Value*

In accordance with section 773(a) of the Act, we calculated foreign market value based on home market FOB factory, C&F, or CIF, packed prices to unrelated purchasers. From these prices we deducted, where appropriate, foreign inland freight, foreign inland insurance and rebates. We adjusted for credit expenses, technical service expenses, advertising expenses, and handling charges in accordance with § 353.15 of the Commerce Regulations. We adjusted for the costs associated with physical differences in merchandise compared in accordance with § 353.16 of the Commerce regulations. We deducted the home market packing cost and added the packing cost incurred on sales to the United States. For comparisons of the granulated product we considered only sales to one customer who is a repackager because these sales were most similar in quantities and level of trade to sales of that product to the United States. We found the volume of

sales to that customer to be sufficient for fair value comparisons.

For our preliminary determinations we compared brand-name sales in the United States to sales of identical brand-name products in the home market. We verified that merchandise sold in the home market, with one exception, was identical regardless of brand-name applied. One product sold in the home market was found to be a highly concentrated product, not such or similar to the merchandise under investigation. Sales of this product were not included in our calculations. Therefore, for this final determination we included in our calculations all such or similar products sold in the home market, under whatever brand-name sold.

We disallowed the following claims in calculating foreign market value. Nissin claimed an amount for indirect selling expenses as an offset to indirect selling expenses in the U.S. Since we used purchase price as the basis for United States price, we did not deduct any indirect selling expenses. Nissin's calculations of credit expenses were based on the number of days from the date of shipment to receipt of payment by Nissin. Verification revealed that these calculations did not reflect the actual dates of payment to Nissin's related selling company. An average of the verified numbers of days between shipment and receipt of payment by the related selling company was used to recalculate the amount of credit expense to be deducted.

Nisso claimed an amount for inland freight which included pre-sale freight costs to the warehouses of their branch sales offices. Only that portion reflecting inland freight costs from the sales branch to the customer was allowed. Nisso claimed an amount for technical service expenses which included salaries, benefits and travel expenses of 14 technical service employees. As the salaries and benefits of these employees would have been incurred regardless of sales, only that portion of the claim reflecting travel expenses for customer service was allowed. Nisso claimed deductions for "other rebates." The payments of these amounts to customers could not be verified, and were not allowed. Other rebates reflecting post-sale price adjustments were verified and allowed. Nisso claimed a level of trade adjustment based on differences in indirect selling expenses in the U.S. and home markets. Such an adjustment would have required the unsupported assumption that the indirect selling expenses in one market would have been incurred in the other market if sales at the same level of trade had

existed there. This adjustment was not allowed.

#### *Verification*

In accordance with section 776(a) of the Act, we verified all the information used in making this determination. We were granted access to the books and records of the companies involved. We used standard verification procedures, including examination of accounting records, financial statements and selected documents containing relevant information.

#### *Critical Circumstances*

We find no history of dumping of calcium hypochlorite from Japan in the United States or elsewhere in the world, nor is there any indication that importers of the merchandise knew or should have known it was being sold at less than fair value. Therefore, we determine that critical circumstances do not exist.

#### *Results of Investigation*

We made fair value comparisons on all the reported calcium hypochlorite sold in the United States by the two Japanese companies during the investigative period. We found margins on 76.5 percent of sales. The margins ranged from 43 percent to 48.05 percent. The overall weighted average margin on these sales was 12.29 percent.

#### *Petitioner's Comments*

*Comment 1:* Petitioner claims that Nisso has failed to establish a factual basis upon which a level of trade adjustment can be made based on differences in amounts of indirect selling expenses.

*DOC Position:* The Department agrees. Granting an adjustment would have required the unsupported assumption that the indirect selling expenses incurred in selling to the United States represent the expenses which would have been incurred in Japan if sales at the same level of trade existed there.

*Comment 2:* Petitioner claims that rebates claimed by Nisso, which have not been verified, cannot be allowed.

*DOC Position:* The Department agrees that those amounts claimed as "other rebates," the payment of which could not be verified, cannot be allowed. Rebates in the form of post-sale price adjustments were verified and have been allowed.

*Comment 3:* Petitioner claims that Nisso is not entitled to an adjustment for physical differences between its 65 percent and 70 percent calcium hypochlorite because there is no

physical difference in the end products it sells.

**DOC Position:** The Department disagrees. The very nature of the "percent" label refers to the physical difference in chlorine content of the two products. Technical information presented in the company's response and cost information reviewed at verification established this difference.

**Comment 4:** Petitioner claims that Nisso has overstated the extent of the adjustment claimed for technical services expenses.

**DOC Position:** The Department agrees that the amount included in this claim for the salaries and welfare benefits of Nisso's technical service personnel cannot be directly related to sales and would have been incurred regardless of sales. Only that portion of the adjustment reflecting travel expenses for after-sale customer services has been allowed.

**Comment 5:** Petitioner claims that Nisso's claimed adjustment for advertising expenses cannot be allowed because Nisso failed to provide English language translations for their advertising in Japan.

**DOC Position:** The Department disagrees. The lack of translations caused the adjustment to be disallowed in our preliminary determination. However, at the time of verification a survey of this advertising, with the assistance of a Department translator, verified its applicability as a circumstance of sale adjustment, since it was directed at ultimate purchasers and could be attributed to later sales of the merchandise in question.

**Comment 6:** Petitioner expressed concern that Nisso's claim for an adjustment for post-sale loading expenses might be the double-counting of an expense included under packing costs.

**DOC Position:** The amounts for post-sale loading expenses were verified as separate and distinct from packing costs through review of the contracts and records of the sub-contractor responsible for this function.

**Comment 7:** Petitioner claims that an affirmative critical circumstances determination should be made because U.S. importers should have known the Japanese producers were dumping their product in the United States by virtue of price reductions and the common knowledge that there is a lack of price competition in the producers' United States and home markets.

**DOC Position:** The Department cannot assess the equation of price reductions to dumping in the minds of importers, nor can't it expect importers to be cognizant of all the market factors

influencing the price policies of foreign producers. At the time of our preliminary determination we felt that the level of margins was not sufficient to imply knowledge of dumping on behalf of the importers. Our final calculations have provided no basis to change that determination.

**Comment 8:** Petitioner claimed that Nisso used two separate short-term interest rates in calculating home market and United States credit expenses.

**DOC Position:** Nisso applied the same interest rate to both home market and United States credit expense calculations. This rate was verified.

**Comment 9:** Petitioner claims that Nissin shows a substantially higher foreign inland freight expense than Nisso, for which there is no apparent basis.

**DOC Position:** The inland freight expenses of both companies were verified individually. While a comparative analysis was not made, at least two factors undoubtedly effect the differences: physical location of the companies, and the fact that Nisso employs a number of strategically located sales and stocking branches from which deliveries are made.

**Comment 10:** Petitioner claims that Nissin's amounts for rebates on home market sales seem excessively high.

**DOC Position:** The amounts claimed as rebates by Nissin were confirmed at the time of verification.

**Comment 11:** Petitioner questions whether a product adjustment for tableting costs does not reflect the double-counting of expenses claimed elsewhere as packing costs.

**DOC Position:** Expenses for the tableting of merchandise were verified apart from packing costs. The tableting operation is distinct in both physical location and cost accountability within the plant.

#### Respondents' Comment

**Nisso Comment 1:** Nisso claims a level of trade adjustment should be allowed to reflect the difference in distribution channels on sales in the home market and to the U.S., respectively. They claim, alternatively, that such an adjustment should be based either on the difference in indirect sales costs between the two markets, or by limiting home market comparison sales to only those sales to their sole repackager/and user customer.

**DOC Position:** As stated in response to petitioner's comment number 1, an adjustment based on differences in indirect selling expenses would not quantify the effect on home market prices of a distribution system which

does not exist in the home market. We agree, however, with Nisso's alternate claim that sales to their one customer who is a repackager would more closely approximate the sales quantities and distribution system of sales to the United States where granular product is concerned. We find the volume of sales to this one customer sufficient and have used them for fair value comparisons of granular product sold to the United States.

**Nisso Comment 2:** Nisso claims that certain sales in the home market to their one repackager customer were omitted in the Department's preliminary sales comparison calculations, and should be included in any final determination.

**DOC Position:** At the time of our preliminary determination it was unclear from the product descriptions provided whether certain product codes should properly be included as such or similar merchandise. Pending further clarification of product specifications, these product codes were not incorporated in our preliminary calculations. Thus, the elimination of sales to a particular customer was based not on customer, but on product. At the time of verification such products were found to be such or similar to those sold to the United States, and these sales have been included in our final calculations.

#### Final Determination

Based on our investigation and in accordance with section 735(a) of the Act, we have reached a final determination that calcium hypochlorite from Japan is being sold in the United States at less than fair value within the meaning of section 731 of the Act.

#### Continuation of Suspension of Liquidation

Liquidation will continue to be suspended on all entries of calcium hypochlorite from Japan that are entered into the United States, or withdrawn from warehouse, for consumption. The United States Customs Service will continue to require the posting of a cash deposit, bond, or other security in amounts based on the following weighted average margins. The security amounts established in our preliminary determinations of October 2, 1984, will no longer be in effect.

Company	Weighted average margin (percent)
Nippon Soda Co., Ltd.	20.01
Nissin Denka Co., Ltd.	.9
All other manufacturers/producers/exporters	12.29

**ITC Notification**

We are notifying the ITC and making available to it all nonprivileged and nonconfidential information relating to this determination. We will 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. If the ITC determines that material injury or threat of material injury does not exist, this proceeding will be terminated and all securities posted as a result of the suspension of liquidation will be refunded or cancelled. If the ITC determines that such injury does exist, we will issue an antidumping order directing Customs officers to assess an antidumping duty on calcium hypochlorite from Japan entered, or withdrawn from warehouse, for consumption after the suspension of liquidation, equal to the amount by which the foreign market value exceeds the United States price. This determination is being published pursuant to section 735(d) of the Act (19 U.S.C. 1673d).

Alan F. Holmer,

Acting Assistant Secretary for Trade Administration.

February 21, 1985.

[FR Doc 85-4763 Filed 2-26-85; 8:45 am]

BILLING CODE 3510-00-01

**Applications for Duty-Free Entry of Scientific Instruments; Environmental Protection Agency et al.**

Pursuant to section 6(c) of the Educational, Scientific and Cultural Materials Importation Act of 1966 (Pub. L. 89-651; 80 Stat. 897; 15 CFR Part 301), we invite comments on the question of whether instruments of equivalent scientific value, for the purposes for which the instruments shown below are intended to be used, are being manufactured in the United States.

Comments must comply with § 301.5(a) (3) and (4) of the regulations and be filed within 20 days with the Statutory Import Programs Staff, U.S. Department of Commerce, Washington, D.C. 20230. Applications may be examined between 8:30 A.M. and 5:00 P.M. in Room 1523, U.S. Department of Commerce, 14th and Constitution Avenue, NW., Washington, D.C.

Docket No. 85-079. Applicant: U.S. Environmental Protection Agency, 6201 Congdon Boulevard, Duluth, MN 55804. Instrument: Gas Chromatograph/Mass

Spectrometer/Data System, Model 8230. Manufacturer: Finnigan MAT, GmbH, West Germany. Intended use: The instrument is intended to be used for the identification and quantification of anthropogenic chemical residues in biological fluids for analysis of hazardous chemicals in soils, water and fish samples from throughout the United States. Application received by Commissioner of Customs: January 29, 1985.

Docket No. 85-083. Applicant: Texas A&M Research Foundation, P.O. Box 3578, College Station, TX 77843.

Instrument: Gas Isotope Ratio Mass Spectrometer System Model 251 PM. Manufacturer: Finnigan Corporation, West Germany. Intended use: The instrument will be used to study carbon, oxygen, and sulfur isotope composition of a variety of naturally occurring materials including oils, sediments, gases, seawater, and tissue from organisms. The objectives of the investigation are:

- i. Determine the source of hydrocarbons found in the marine environment.
- ii. Relate the geochemical properties of sedimentary organic carbon, including isotopic composition, to source and diagenesis.
- iii. Determine the extent of hydrocarbon uptake by marine benthic and planktonic macrofauna in selected areas.
- iv. Correlate hydrocarbons found in marine sediments.
- v. Determine the source of, and fractionation processes associated with the generation of naturally occurring gases and gas hydrates.

In addition, the instrument will be used for educational purposes in Marine Isotope Geochemistry a course to provide an understanding of how stable isotopes may be applied to marine geochemical problems, the assumptions to be made and the limitations of the data. Application received by Commissioner of Customs: February 1, 1985.

Docket No. 85-084. Applicant: University of Wyoming, University Station, Laramie, WY 82071. Instrument: Thermal Ionization Mass Spectrometer, Model IS 117. Manufacturer: VG-Isotopes, Ltd., United Kingdom. Intended use: Isotopic analyses of a wide variety of elements extracted from geologic specimens for the purpose of research in the fields of geochronology, geochemistry, and isotope geology. Experiments will be conducted to obtain accurate and precise crystallization ages and thermal histories of continental crustal rocks and to understand the

times and mechanisms involved in producing geochemical variations within the earth's crust and mantle. In addition, the instrument will be used in the upper-level undergraduate and graduate courses, Isotope Geology (GEOL 708), Advanced Geochemistry (GEOL 849) and Geochemical Analytical Methods (GEOL 846D). Application received by Commissioner of Customs: February 1, 1985.

Docket No. 85-085. Applicant: Microelectronics Center of North Carolina, 3021 Cornwallis Road, Research Triangle Park, NC 27709. Instrument: Electron Microscope, Model JEM 200CX with Accessories. Manufacturer: JEOL, Ltd., Japan. Intended use: Experiments involving high resolution studies of semiconductor defects, segregation of dopants, identification of undesirable impurities, electron beam lithography studies, oxidation studies, silicide formation studies and contact metallurgy, silicon on insulator studies and ion implantation induced defect investigations. The objectives of these investigations are the understanding and development of advanced semiconductor devices by the manipulation of defects and microstructural characteristics and parameters that will allow their fabrication. The article will also be used for reeducational purposes in the courses MAT 610 X-ray Diffraction, MAT 615 Electron Microscopy, and MAT 603 Ceramic Microscopy. Application received by Commissioner of Customs: February 4, 1985.

Docket No. 85-087. Applicant: New York Medical College, Biochemistry Department, Valhalla, NY 10585. Instrument: Automatic Recording Spectropolarimeter, Model J-500. Manufacturer: Japan Spectroscopic Co., Ltd., Japan. Intended use: Obtain circular dichroism spectra of plasma proteins in experiments to develop quantitative methods of assessing the structure of the plasma proteins, to study subtle changes of the environment of aromatic groups and to compare the predicted and experimental structures. Application received by Commissioner of Customs: February 5, 1985.

Docket No. 85-088. Applicant: Kent State University, Chemistry Department, Williams Hall, Summit Street, Kent, OH 44242. Instrument: Automatic Recording Spectropolarimeter, Model J-500A with Accessories. Manufacturer: Japan Spectroscopic Co., Ltd., Japan. Intended use: Studies of optical active polymers and biopolymers such as polynucleotides, polypeptides, and polynucleotide-drug complexes. Circular

APPENDIX B  
CALENDAR OF PUBLIC HEARING

CALENDAR OF PUBLIC HEARING

Those listed below appeared as witnesses at the United States International Trade Commission's hearing:

Subject : Calcium Hypochlorite from Japan

Inv. No. : 731-TA-189 (Final)

Date and time: February 26, 1985 - 10:00 a.m.

Sessions were held in the Hearing Room of the United States International Trade Commission, 701 E Street, N.W., in Washington.

In support of the imposition of antidumping duties:

Beveridge and Diamond--Counsel  
Washington, D.C.  
on behalf of

Olin Corporation

George Turnipseed, Director of Marketing and Sales  
for Pool Chemicals

Peter Kosche, Olin Corporation

Mari-Jo Scopac, Esq.

Alexander Sierck )  
Elisabeth Robinson)--OF COUNSEL  
Amy Edwards

Rogers and Wells--Counsel  
Washington, D.C.  
on behalf of

PPG Industries, Inc.

Robert V. McIntyre )  
John Seeley )--OF COUNSEL

In opposition to the imposition of antidumping duties:

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

Nippon Soda Co., Ltd., and Nissin Denka Company

Toshinaga Inouye, General Manager, Industrial  
Products Division, Nippon Soda Co., Ltd.

Ron Vale, Purchasing Manager, Purex Pool  
Products, Inc.

John Christensen, Sr., Chairman of the Board  
of Chem Lab Products, Inc.

Andrew Jasper, Product Development Specialist,  
Toyomenka (America) Inc.

John Reilly, Principal, ICF Incorporated

Lance Graef

Seiichi Yoshikawa, Esq.

Patrick F.J. Macrory )  
Spencer Griffith )--OF COUNSEL  
Richard Johnson )

Witman & Ranson--Counsel  
New York, N.Y.  
on behalf of

Nissin Denka Company

Max F. Schultzman )  
Jay Gladis )--OF COUNSEL  
Thomas G. Bailey, Jr.)

