

SALMON GILL FISH NETTING OF MANMADE FIBERS FROM JAPAN

**Determination of the Commission
in Investigation No. 751-TA-11
Under the Tariff Act of 1930,
Together With the Information
Obtained in the Investigation**



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UNITED STATES INTERNATIONAL TRADE COMMISSION

COMMISSIONERS

Susan Liebeler, Chairman
Anne E. Brunsdale, Vice Chairman
Paula Stern
Alfred E. Eckes
Seeley G. Lodwick
David B. Rohr

Staff Assigned

Martha Mitchell, Office of Investigations
Lee Cook, Office of Industries
Terry Planton, Office of Economics
Marshall Wade, Office of Investigations
Carol McCue Verratti, Office of the General Counsel

Vera Libeau, Supervisory Investigator

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

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Note.— Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report. Deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC

Investigation No. 751-TA-11

SALMON GILL FISH NETTING OF MANMADE FIBERS FROM JAPAN

Determination

On the basis of the record 1/ developed in the subject investigation, the Commission determines, pursuant to section 751(b) of the Tariff Act of 1930 (19 U.S.C. § 1675(b)), that an industry in the United States would not be materially injured or threatened with material injury nor would the establishment of an industry in the United States be materially retarded by reason of imports of salmon gill fish netting of manmade fibers 2/ from Japan covered by antidumping order T.D. 72-158 if that portion of the order concerning salmon gill fish netting were to be revoked.

Background

On April 18, 1972, the Commission determined that an industry in the United States was being injured within the meaning of the Antidumping Act, 1921, by reason of imports from Japan of fish netting of manmade fibers determined by the Secretary of Treasury to be sold or likely to be sold at less than fair value (Fish Nets and Netting of Manmade Fibers from Japan, investigation No. AA1921-85, TC Publication 477 (1972)).

On June 1, 1972, the Department of the Treasury issued a finding of dumping (T.D. 72-158), and published notice of the finding in the Federal Register (37 F.R. 11560, June 9, 1972).

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/ Fish netting of continuous polyamide fibers (including nylon), consisting of monofilament yarns measuring not more than 0.806 millimeter in maximum cross-sectional dimension or multifilament yarns or cordage measuring not more than 210 denier, or a combination of the foregoing yarns or cordage, of double- or triple-knot construction, dyed or otherwise colored (except white), having a stretch mesh size of not less than 4-1/8 inches and not more than 8-1/2 inches. Such netting is provided for in item 355.45 of the Tariff Schedules of the United States.

On June 20, 1986, the Commission received a request to institute a third review investigation and modify its affirmative determination in investigation No. AA1921-85. ^{1/} The request was filed under section 751(b) of the Tariff Act of 1930 (19 U.S.C. 1675(b)), by George R. Tuttle, P.C. on behalf of Seattle, Washington/Portland Oregon, importers of salmon gill fish netting of manmade fibers.

On July 3, 1986, the Commission requested written comments as to whether the changed circumstances alleged by the petitioners were sufficient to warrant a third review investigation (51 F.R. 24451). Written comments were received from the law firm of Arnold & Porter on behalf of the Fishing Nets and Twine Division of the Japan Textile Products Exporters' Association, Osaka, Japan; Jovanovich Supply Co., Seattle, WA, an importer of the subject merchandise; and the petitioner, all supporting the request for instituting the investigation. Written comments were also received from the law firm of Taft, Stettinius & Hollister on behalf of the American Cordage and Twine Manufacturers (ACTM) opposing the request to institute a review investigation.

On the basis of the comments filed, the Commission instituted investigation No. 751-TA-11, effective August 20, 1986. Notice of the institution of the Commission's investigation and of the 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 (51 F.R. 29708). The hearing was held in Washington, DC, on October 30, 1986, and all persons who requested the opportunity were permitted to appear in person or by counsel.

^{1/} The two prior review investigations were Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751-TA-5, . . ., USITC Publication 1234, March 1982; and Salmon Gill Fish Netting of Manmade Fibers from Japan: Determination of the Commission in Investigation No. 751-TA-7, . . ., USITC Publication 1387, June 1983.

VIEWS OF THE COMMISSION

We unanimously determine that an industry in the United States will not be materially injured or threatened with material injury, nor will the establishment of an industry in the United States be materially retarded, by reason of less than fair value (LTFV) imports of salmon gill fish netting from Japan covered by antidumping order T.D. 72-158 ^{1/} if this order is revoked with regard to salmon gill fish netting.

In making this determination, we define the like product as salmon gill fish netting produced in the United States and the domestic industry as the one domestic producer of salmon gill fish netting, Harbor Net and Twine Inc., of Hoquiam, Washington. We have also considered whether two potential producers should be included in the domestic industry but the record shows that they have not made a substantial commitment to begin domestic production of salmon gill fish netting. Our determination that the domestic industry will not be materially injured if the antidumping order is revoked with regard to salmon gill fish netting is based on the finding that it maintains a small, stable, and separate niche in the marketplace that is not likely to be affected by possible price reductions or increased imports of the Japanese product.

Background

In 1972, the Commission determined that an industry in the United States was being injured within the meaning of the Antidumping Act of 1921 by reason of dumped imports of fish netting of manmade fibers from Japan. As a result, the Secretary of Treasury issued an antidumping order covering all fish

^{1/} 37 F.R. 11,560 (June 9, 1972).

netting of manmade fibers from Japan. ^{2/} Pursuant to section 751 of the Tariff Act of 1930, ^{3/} the Commission has conducted two previous review investigations of imports from Japan of salmon gill fish netting of manmade fibers covered by the order. In both investigations the Commission determined that the portion of the order dealing with salmon gill fish netting should not be revoked. ^{4/}

On June 20, 1986, the Commission was petitioned by importers in Seattle, Washington and Portland, Oregon to institute a third review investigation. ^{5/ 6/} Comments in support of the petition were received on behalf of the Fishing Nets and Twine Division of the Japan Textile Products Exporters' Association, Jovanovich Supply Co. (an importer), and the

^{2/} Fish Nets and Netting of Manmade Fibers from Japan, Inv. No. AA1921-85, TC Pub. 477 (1972).

^{3/} 19 U.S.C. § 1675(b).

^{4/} Salmon Gill Fish Netting of Manmade Fibers from Japan, Inv. No. 751-TA-5, USITC Pub. 1234 (1982) and Inv. No. 751-TA-7, USITC Pub. 1387 (1983).

^{5/} The petition alleged changed circumstances sufficient to warrant an investigation under section 751. These changed circumstances were: (1) Nichimo Northwest, Inc., a major producer of the subject merchandise in the United States, ceased production on Nov. 30, 1984, has not resumed production, and does not plan to resume production; (2) Harbor Net and Twine, Inc., the only known U.S. producer of salmon gill fish netting, primarily makes netting for sturgeon fishing and divers nets for salmon, and has been making little, if any, salmon gill fish netting; and (3) Nylon Net Co., a potential producer, has ceased all production of fish netting and filed a voluntary petition under Chapter 11 with the U.S. Bankruptcy Court on May 9, 1985.

^{6/} Notice of the Commission's request for written comments regarding the request for a third review was published in the Federal Register of July 1, 1986. 51 F.R. 24,451.

petitioners. The American Cordage and Twine Manufacturers (ACTM) ^{7/} opposed the review, alleging that modification or revocation of the current antidumping order would materially injure the domestic industry. ^{8/}

Introduction

The purpose of section 751 is to provide an opportunity for the review of an outstanding antidumping or countervailing duty order. Under section 751, the Commission determines whether an industry in the United States would be materially injured or would be threatened with material injury, or the establishment of an industry in the United States would be materially retarded, by reason of imports of the merchandise covered by the countervailing duty order or the antidumping order if the order were to be modified or revoked. ^{9/} To this end, the Commission considers the relevant facts and circumstances as they currently exist, assesses the intentions of the exporters and importers, and predicts the impact of revocation of the existing order on imports.

^{7/} ACTM participated in the investigation in opposition to the petition. This is an organization of cordage, twine and domestic netting manufacturers who currently produce fish netting and netting for other uses such as volleyball or tennis.

^{8/} On Aug. 20, 1986, the Commission instituted this investigation. 51 F.R. 29,706. An official of Nylon Net and Twine Co., Memphis, Tennessee, a former potential producer in the first two review investigations (Invs. Nos. 751-TA-5 and 751-TA-7) has indicated that Nylon Net is only interested in producing products which are established and profitable and that salmon gill fish netting is not such a product. Report of the Commission (Report) at A-12.

^{9/} Section 751(b) provides only that the Commission shall "review" its determinations. It does not provide any explicit standard for the Commission's determination in a review investigation. Consequently, the Commission has provided such a standard in its rules. See 19 C.F.R. § 207.45(a).

Like product and domestic industry

The Commission must first define the domestic industry to determine if that industry would be injured as a result of a modification or revocation of the subject order. Section 771(4)(A) of the Tariff Act of 1930 defines "industry" as "the domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product." 19 U.S.C. § 1677(4)(A). "Like product" is defined in section 771(10) as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle." 19 U.S.C. § 1677(10).

The product that is the subject of this investigation is salmon gill fish netting of manmade fibers from Japan. Three basic types of salmon gill fish netting have been imported into the United States from Japan: (1) monofilament netting (straight or twisted), ^{10/} (2) multifilament netting (crystal or

^{10/} Monofilament or single strand gill netting has a very simple construction. Straight (untwisted) monofilament is constructed from a yarn or cord which consists of single strands of monofilament. Report at A-6. Although it is not as strong as other types of netting it is very transparent. This type of netting is used by Japan and other foreign countries for use in salmon gill fishing nets. Twisted monofilament netting is constructed from a yarn or cord that consists of two or more monofilament strands that are twisted together in the same direction. Id. at A-6. Fishermen in the Puget Sound area of Washington have increased their use of this type of netting since the 1985 change in the law.

cable-laid), 11/ and (3) multimonofilament netting. 12/ Currently the only salmon gill fish netting produced in this country is crystal and cable-laid multifilament netting. The question has been raised whether these domestic products are sufficiently non-competitive with the Japanese imports that they should not be considered like the imported products.

There is some evidence in the record supporting the proposition that domestic and imported salmon gill fish netting are not directly competitive. None of the importers responding to the Commission's questionnaire indicated that it had imported cable-laid salmon gill fish netting during the period of investigation. Moreover, only minimal amounts of the cable-laid product have come from Japan since 1977. 13/ The crystal netting that is currently

11/ Multifilament netting (crystal or cable-laid) is constructed from a yarn or cord that usually consists of strands of numerous multifilaments that are twisted together. Crystal netting is constructed from a yarn or cord that usually consists of six or seven multifilament strands that are lightly twisted together. Each strand consists of a dozen or more filaments which are twisted together in the same direction. Cable-laid netting is constructed from a yarn or cord that consists of three or four multifilament strands that are twisted together in one direction, and the strands are twisted together in the opposite direction of the multifilaments in the strands. Cable-laid netting uses filaments that are generally thinner and more numerous than filaments used in crystal multifilament or multimonofilament netting. Id.

12/ Multimonofilament netting is constructed from a yarn or cord that consists of a varying number of multifilaments and monofilaments. These filaments are twisted together into various combinations to produce a yarn or cord with a minimum total filament count of 30 filaments, multifilaments and monofilaments combined. The number and/or thickness of the monofilaments used are determined by the species of salmon being targeted. The number of multifilaments used is determined by the number of monofilaments used in constructing the yarn or cord. End users prefer nets with maximum transparency and strength. Because multimonofilament netting has these characteristics to a greater degree than other types of salmon gill fish netting, it has been strongly preferred by importers, distributors, and fishermen, and therefore is imported from Japan in greater quantities than the other types of netting. Id. at A-7.

13/ Id. at A-6; Importers' Questionnaires.

domestically produced is considered to be of quality suitable for only a limited number of uses. ^{14/} There is also information that the domestically produced salmon gill fish netting is generally sold to purchasers who order outside the normal marketing channels that are used by the Japanese. ^{15/}

On the other hand, domestic salmon gill fish netting is bought and used for the same purposes as imported netting and is basically the same product. Each variety of salmon gill fish netting from Japan has some characteristics different from other varieties of Japanese salmon gill fish netting and is preferred by fishermen under particular conditions, depending on the species of salmon, the type of water and applicable fishing regulations. However, all salmon gill fish netting, including both Japanese and domestic, are manufactured according to a combination of specifications that distinguish salmon gill fish netting from other types of netting. ^{16/} Moreover, all types of Japanese salmon gill fish netting are used for the purpose of catching salmon and not other fish. The same is true for domestically produced salmon gill fish netting. Thus, we conclude that domestically produced salmon gill fish netting is like the imported product.

ACTM argued during this investigation that the like product should be all fish netting produced in the United States rather than just domestic salmon gill fish netting because this definition would conform the scope of the

^{14/} Report at A-27.

^{15/} Id. at A-17-18 and A-27. See text at n. 37-38.

^{16/} The specifications that are combined to produce salmon gill fish netting were included in a definition of salmon gill fish netting prepared by our staff to assist the Customs Service in distinguishing imports of salmon gill fish netting from imports of other fish netting. See infra at 10-11.

investigation to that of the outstanding antidumping order. Since petitioners are only seeking the removal of duties from salmon gill fish netting and not from all fish netting, the Commission has limited the subject of the investigation to salmon gill fish netting. No changed circumstances have been shown, pursuant to section 751(b)(1), to justify a broader investigation including all fish netting. Section 751(c) contemplates section 751 investigations that are more limited in scope than the order subject to review as it allows the administering authority to revoke a countervailing duty or antidumping order "in whole or in part."

ACTM argued that the like product should be all fish netting produced in the United States for the further reason that, because salmon gill fish netting can be used to catch several other types of fish, lifting the duty with regard to salmon gill fish netting alone will harm the entire fish netting industry. There is information on the record, however, demonstrating that salmon gill fish netting is not a viable alternative to other fish netting. Federal and state regulations restrict the type of netting that can be used to catch different types of fish. Also, salmon gill fish netting is more expensive than most other fish netting, making it unlikely that commercial fishermen would use salmon gill fish netting instead of less costly but adequate netting to catch other varieties of fish. ^{17/}

^{17/} For example, halibut catching is regulated by the International Pacific Halibut Fisheries Commission and halibut cannot be legally caught with a gill net. Trout are closely regulated by the states and are caught with gill nets less than 5" stretch mesh size. An official at the Alaska Entry Commission reported that Alaskan regulations only allow an incidental catch of other species weighing no more than 20 percent of the total catch landed. Report at A-8-9. See also Transcript of Hearing (Tr.) at 22; Affidavit of Barry L. Tyer, p. 2.

As a final reason for defining the like product as all domestic fish netting, ACTM argued that importers will attempt to avoid antidumping duties on other imports of fish netting by labelling them as salmon gill fish netting on relevant import documents. This, they argue, would harm the domestic producers of all fish netting. ACTM claimed it would be difficult for Customs to differentiate salmon gill fish netting from other fish netting under the current TSUS definition of salmon gill fish netting. In addition, the importers of salmon gill fish netting were concerned because some salmon gill fish netting imported from Japan does not meet the criteria of the current TSUS definition, especially with regard to mesh size.

In response to these concerns the Commission's staff has developed the following definition of salmon gill fish netting:

fish netting, of continuous polyamide fibers (including nylon), consisting of monofilament yarns measuring not more than 0.806 millimeter in maximum cross-sectional dimension or multifilament yarns or cordage measuring not more than 210 denier, or a combination of the foregoing yarns or cordage, of double- or triple-knot construction, dyed or otherwise colored (except white), having a stretch mesh size of not less than 4-1/8 inches and not more than 8-1/2 inches, provided for in item 355.45 of the Tariff Schedules of the United States. 18/

We are confident that if the U.S. Customs Service distinguishes the netting at points of entry based on this definition, confusion over whether a particular netting is salmon gill fish netting will be virtually eliminated.

18/ Report at A-11; Memorandum of Dec. 3, 1986, from the Director, Office of Tariff Affairs and Trade Agreements to the Director, Office of Investigations.

In short, we conclude that the information received in this investigation, as well as the two previous investigations, establishes that it is appropriate to consider salmon gill fish netting as a separate like product from other types of fish netting because of its distinctive characteristics and uses. ^{19/}

The only domestic producer of salmon gill fish netting in the United States is Harbor Net and Twine, Inc., of Hoquiam, Washington. Since the salmon gill fish netting produced by Harbor Net and Twine is like the salmon gill fish netting imported from Japan, the domestic industry consists of Harbor Net and Twine. ^{20/}

Potential producers

During this investigation, allegations were made that two U.S. producers of fish netting, West Coast Netting, Inc. (West Coast) of Rancho Cucamonga, California, and Blue Mountain Industries, Inc., (Blue Mountain) of Blue Mountain, Alabama, were interested in producing salmon gill fish netting domestically. For these companies to be considered part of an industry that might or might not be injured by revocation of the antidumping order, they must demonstrate, at the least, a substantial commitment to the production of

^{19/} See Salmon Gill Fish Netting of Manmade Fibers from Japan, Inv. Nos. 751-TA-5 and 751-TA-7, supra, n. 4.

^{20/} 19 U.S.C. § 1677(4)(A). This conclusion is in conformity with our decision in Salmon Gill Fish Netting of Manmade Fibers from Japan, Inv. No. 751-TA-7, supra, the most recent review investigation, where we found Harbor Net and Twine to be part of the domestic industry that, at that time, also included Nichimo Northwest of Everson, Washington.

salmon gill fish netting. This is the same standard we traditionally apply when there is no established domestic industry and material retardation is the issue in an investigation. ^{21/} The standard is intended to screen out companies seeking relief that might intend or wish to become established in an industry but have taken no substantial steps toward doing so.

Mr. Bill Kirkland, president of West Coast, told the Commission that he was pursuing certain plans to make a netting that would compete directly with the Japanese netting. During the investigation, the Commission requested documentation and other verification of West Coast's allegations, including verification of West Coast's contacts with potential suppliers of the yarn and specific constructions of the yarn and netting to be made. ^{22/}

Blue Mountain, a former U.S. producer of salmon gill fish netting, also alleged that it was a potential producer. Again, the Commission requested verification, asking Blue Mountain to provide documentation and examples of test runs and cost surveys of netting, as well as details of the costs of changing machine gears and dies for production of salmon gill fish netting, evidence of negotiations with potential suppliers of yarn, and the details of the construction of the types of salmon gill fish netting Blue Mountain claimed it was planning to produce.

^{21/} Commissioner Rohr notes that material retardation analysis is not usually used if there is an existing domestic industry. He notes that because of the unique, limited participation of the only domestic producer in the salmon gill fish netting industry it does appear appropriate to use this analysis in this investigation.

^{22/} The subject matter of the other requests is confidential. Report at A-14.

Because much of the information provided by West Coast and Blue Mountain concerning their alleged plans to enter the domestic salmon gill fish netting industry is confidential, we are unable to discuss those plans in detail in this opinion. However, after considering the documentation and the physical samples submitted by these potential entrants, we conclude that they have not demonstrated a substantial commitment to produce salmon gill fish netting in this country.

West Coast's documentation and other verification did not fully support its claims. In fact, much of the information provided concerned fish netting other than salmon gill without persuasive information that it was equally applicable to salmon gill netting. ^{23/} Moreover, evidence in the record conflicted directly with the claims of both West Coast and Blue Mountain, so that their ability and commitment to enter the industry is uncertain. ^{24/} Blue Mountain failed to provide any support for its claims, and its representative, who was scheduled to appear at the hearing, failed to appear due to the "pressures of business." ^{25/}

The potential producers in this investigation clearly did not demonstrate that they had made a substantial commitment. Our decision on this issue conforms with our earlier decisions in Thin Sheet Glass from Switzerland, Belgium, and the Federal Republic of Germany, Invs. Nos. 731-TA-127, 128, and

^{23/} Post-Hearing Submissions of ACTM, Oct. 14, 1986-Oct. 20, 1986.

^{24/} Report at A-14-15.

^{25/} Tr. at 121.

129 (Preliminary) ^{26/} and Salmon Gill Fish Netting of Manmade Fibers from Japan, Inv. No. 751-TA-5. ^{27/} In Thin Sheet Glass, we found that there was no substantial commitment even though the potential producer of high-quality thin sheet glass had the facilities to produce that glass ^{28/} and provided samples to potential customers. The potential customers found the samples to be deficient. The Court of International Trade affirmed our finding of no substantial commitment in Jeannette Sheet Glass Corp. v. United States. ^{29/}

In Salmon Gill Fish Netting, (Inv. No. 751-TA-5), ^{30/} we found that revocation of the order would have materially retarded the potential producers at that time, Nylon Net Co. (Nylon Net) of Memphis, Tennessee, and Nichimo Northwest, Inc. (Nichimo Northwest) of Everson, Washington, in their attempts to enter the market. Evidence of substantial commitment included Nylon Net's ongoing relationship with Firestone, Inc. (Firestone), in the development of yarns for the production of salmon gill fish netting and Nylon Net's then current testing of yarn supplied by Firestone for salmon gill fish netting applications. Even more significant was the fact that Nichimo Northwest had started production of salmon gill fish netting and had already made one shipment. ^{31/}

^{26/} USITC Pub. 1376 (May 1983).

^{27/} supra.

^{28/} The potential producer was already a producer of regular quality thin sheet glass.

^{29/} 607 F. Supp. 123 (Ct. Int'l Trade 1985).

^{30/} This was the first review investigation on this product.

^{31/} Salmon Gill Fish Netting of Manmade Fibers from Japan, Inv. No. 751-TA-5, supra, at 7.

In this investigation, no ongoing relationship between a potential producer and a supplier of yarn with the purpose of developing a salmon gill fish netting yarn has been established. No samples of U.S.-produced salmon gill fish netting have been submitted, and there has been no testing of yarn that appears close to a type usable for salmon gill fish netting.

In light of this record, we cannot find a substantial commitment on the part of either potential entrant to the salmon gill fish netting industry. Thus, we do not consider them to be viable potential producers in the domestic industry and do not reach the question of how revocation of the order might affect them. 32/ 33/

The likely effect of revoking the antidumping order with regard to salmon gill fish netting.

Since there is no substantial commitment by the potential producers, the only member of the domestic industry to be considered when judging the effect of revocation is Harbor Net and Twine. The record indicates that Harbor Net and Twine produces two types of salmon gill fish netting, cable-laid and

32/ Chairman Liebler and Vice Chairman Brunsdale note that their determination in this case would be the same if they were to reach the question of how revocation of the order would affect the two potential producers. Though revocation may make these potential producers marginally less likely to enter the industry, their failure to make a substantial commitment to the industry during the fourteen years that antidumping duties have been in effect suggests that they are unlikely to enter the industry in any event. Thus, if Chairman Liebler and Vice Chairman Brunsdale were to reach the issue, they would find that the effect of revocation on the potential producers, combined with the effect on Harbor Net and Twine, does not rise to the level of material injury.

33/ Commissioner Rohr concludes that it is appropriate, having undertaken a material retardation analysis to reach a determination on the issue. He concludes that because they have not demonstrated a substantial commitment, the potential entrants have not been materially retarded from entering the domestic industry.

crystal. ^{34/} Minimal amounts, if any, of cable-laid salmon gill fish netting have been imported from Japan since 1977. ^{35/} Yet this is the larger portion of Harbor Net and Twine's production. ^{36/} According to fish netting distributors and fishermen, the firm's cable-laid netting is not considered to be competitive with multifilament or multimonofilament netting imported from Japan since it lacks the characteristics of transparency or flexibility that fisherman find necessary. ^{37/} Importers and fishermen have also alleged that Harbor Net and Twine's crystal multifilament netting is inferior to that produced by the Japanese manufacturers. ^{38/}

The record also discloses that most orders for imported salmon gill fish netting are placed up to six months in advance of the particular fishing season. Orders not placed in advance tend to have longer delivery times and often are delayed as Japanese suppliers react to demand in their home market. As a result, a substantial portion of the customers that order from Harbor Net and Twine place their orders irregularly, often after the season has begun. ^{39/} One U.S. distributor has indicated that Harbor Net and Twine

^{34/} Report at A-22. The record indicates that the owner of Harbor Net and Twine has been offering to sell her entire business including that involving the production of salmon gill fish netting: Id. at A-12.

^{35/} Id. at A-6; Importers' Questionnaires.

^{36/} Report at A-22.

^{37/} Id. at A-27.

^{38/} Id.

^{39/} Report at A-13. See also Id. at A-27. There is also information on the record indicating that some of Harbor Net and Twine's customers are not full-time fishermen. Telephone notes of Investigator (Oct. 2, 1986).

continues to have customers for its inferior-quality crystal netting because it is able to supply the netting on short notice. ^{40/}

The record in this investigation confirms our findings in the earlier review investigation that Harbor Net and Twine has a special niche in the market for salmon gill fish netting, that it maintains small but stable sales of crystal netting to fishermen, and that its cable-laid netting, which is the larger portion of its production, is not a close substitute for imported multifilament nettings. ^{41/} The apparent reasons why fishermen buy from Harbor Net and Twine are not related to the volume or price levels of the Japanese netting. ^{42/} Thus, even if the Japanese lowered their prices as a result of revocation of the dumping order, Harbor Net and Twine would not be significantly affected. We therefore conclude that the domestic industry will not be materially injured if the dumping order is revoked with regard to salmon gill fish netting. ^{43/}

^{40/} Report at A-27.

^{41/} Salmon Gill Fish Netting of Manmade Fibers, Inv. No. 751-TA-7, supra, n. 10 at 7. See also the views of Commissioner Stern, in Inv. No. 751-TA-7, supra, at 18.

^{42/} This conclusion is consistent with our views concerning Harbor Net and Twine's unique position in the market in the two previous investigations.

^{43/} An additional factor that Chairman Liebeler, Vice Chairman Brunsdale and Commissioner Stern consider relevant in determining whether revocation of an outstanding antidumping order will materially injure or threaten to materially injure a domestic industry is an assessment of the impact of the unfair nature of the imports as reflected in the size of the antidumping duties imposed pursuant to the order. They note that, at the present time, the average antidumping duty on imports of fish netting of manmade fibers from Japan is 4.35 percent. Report at A-7. Elimination of this level of dumping with regard to imports of salmon gill fish netting would not lead to material injury or threat of material injury to the domestic industry.

Retroactive revocation of the antidumping order

In this investigation, the petitioners have requested that the Commission recommend that the Department of Commerce (Commerce) revoke the antidumping order as of January 1, 1976. ^{44/} ^{45/} They based this request on the allegation that all significant domestic production of salmon gill fish netting had ended by that date. ^{46/} ^{47/}

The legislative history of section 751(b) gives no indication that Congress anticipated that the Commission would recommend retroactive revocation in section 751 investigations. ^{48/} It indicates instead that section 751 was merely a codification of the Commission's existing practice in conducting review investigations. Those review investigations were conducted only to determine whether an industry continued to warrant the protection

^{44/} Chairman Liebeler thus concludes that because of the low dumping margins, and since the imported and domestically produced salmon gill fish netting are not close substitutes, the domestic industry will not be materially injured if the dumping order is revoked with respect to salmon gill fish netting.

^{45/} During the investigation the petitioner suggested dates in 1972, 1976, and 1984 but settled on the Jan. 1, 1976 date in their post-hearing brief.

^{46/} Harbor Net and Twine was a producer at the time but the petitioner argued that Harbor Net and Twine would not have been harmed by lifting the antidumping order in 1976 because its products were not competitive with the Japanese imports.

^{47/} It is clear under section 751 that the Commission does not have any authority to determine the effective date of a revocation. Section 751(c) provides that the Administering Authority shall determine the date. The Commission could only recommend an effective date.

^{48/} See S. Rep. No. 249, 96th Cong., 1st Sess. 107 (1979).

offered by the antidumping or countervailing duty order. Such determinations were based on a prediction of whether the industry would be injured in the future if the order were revoked.

The Commission's rules were written and all of its section 751 investigations have been conducted to conform with the idea that review investigations are prospective in nature. The only section 751 investigation in which the Commission did recommend an earlier effective date for a Commerce order was in Synthetic L-Methionine from Japan.^{49/} That recommendation was merely a clarification of the Commission's original determination and was requested by Commerce.^{50/}

In this investigation we find it unnecessary to decide whether the Commission has authority to independently recommend retroactive revocation of antidumping and countervailing duty orders. We reject petitioners' request for retroactive revocation on the ground that, assuming the Commission has such authority, petitioners have not demonstrated entitlement to such relief. Though petitioners may be correct that significant domestic production of salmon gill fish netting ended in 1976, this does not mean that antidumping duties were not necessary to protect the remaining domestic industry, and any

49/ Inv. No. 751-TA-4, USITC Pub. No. 1167 (1981). See also American Cyanamid v. United States, 8 CIT 252 (Ct. Int'l Trade 1984).

50/ Commissioner Rohr notes that the statutory language does not specifically address the question or expressly prohibit the Commission from recommending retroactive revocation. The very nature and purpose of a section 751 review requires that it have only prospective effect. To determine that retroactive effect should be given to a recommendation under section 751 would be to determine that at some date in the past prospective revocation would not have injured the domestic industry. This is not contemplated by the statute. In light of the history of the statute and the legislative endorsement of the Commission's prior practice, he concludes that the Commission is not empowered by section 751(b) to recommend retroactive revocation.

potential entrants to that industry, from material injury subsequent to 1976. Indeed, the Commission concluded to the contrary in its two previous section 751 reviews of duties on imports of salmon gill fish netting from Japan. ^{51/} In asking the Commission to recommend retroactive revocation, petitioners are, in effect, asking us to say that we erred in our two previous section 751 reviews. The record in the instant investigation will not support such a finding.

^{51/} See Salmon Gill Fish Netting of Manmade Fibers from Japan, Inv. No. 751-TA-5, USITC Pub. 1234 (1982), and Inv. No. 751-TA-7, USITC Pub. 1387 (1983).

INFORMATION OBTAINED IN THE INVESTIGATION

Introduction

On April 18, 1972, in investigation No. AA1921-85, 1/ the Commission determined that an industry in the United States was being injured within the meaning of the Antidumping Act, 1921, 2/ by reason of imports from Japan of fish netting of manmade fibers 3/ determined by the Secretary of Treasury to be sold or likely to be sold at less than fair value (LTFV). As a result of this determination, the Department of the Treasury issued a dumping order applicable to this merchandise on June 1, 1972. 4/ The Commission has conducted two 751 review investigations with respect to imports from Japan of salmon gill fish netting of manmade fibers, provided for in item 355.45 of the Tariff Schedules of the United States (TSUS). The Commission determined in both investigations that the portion of the order dealing with salmon gill fish netting should not be revoked. 5/

On June 20, 1986, the Commission received a request to institute a third review investigation and modify its affirmative determination in investigation No. AA1921-85. The request was filed pursuant to section 751(b) of the Tariff Act of 1930 by George R. Tuttle on behalf of Seattle, Washington/Portland, Oregon, importers of salmon gill fish netting, including Seattle Marine and Fishing Supply Co., Redden Net Co., and L.F.S., Inc. (formerly Lummi Fishing Supply Co.). The petition requested that the Commission revoke that portion of the outstanding order dealing with salmon gill fish netting retroactively to June 1, 1972; however, petitioners request on page 10 of their posthearing brief that the Commission retroactively revoke the order to January 1, 1976.

On July 3, 1986, the Commission requested written comments as to whether the changed circumstances alleged by the petitioner 6/ were sufficient to warrant a third section 751(b) review investigation. 7/ Written comments were

1/ Fish Nets and Netting of Manmade Fiber From Japan . . ., investigation No. AA1921-85, TC Publication 477 (1972).

2/ 19 U.S.C. 160-171 (replaced by Tariff Act of 1930, secs. 731-740, 19 U.S.C. 1673-1673i, effective Jan. 1, 1980).

3/ Commissioners Leonard and Young dissenting. In addition, the Commission unanimously determined that an industry in the United States was not being, nor likely to be injured, nor was prevented from being established, by reason of the importation of fish nets of manmade fibers from Japan.

4/ A copy of Treasury Decision 72-158 (37 F.R. 11560, June 9, 1972) is presented in app. A.

5/ For information concerning review investigations Nos. 751-TA-5 and 751-TA-7, see section entitled "Previous Commission Investigations."

6/ The petitioner alleged three major changed circumstances: (1) Nichimo Northwest Inc., Everson, WA, the major producer of the subject merchandise in the United States, ceased production on Nov. 30, 1984, has not resumed production, and has no intention of resuming production; (2) Harbor Net and Twine Inc., Hoquiam, WA, the only other known U.S. producer of the subject merchandise, has primarily been making netting for sturgeon fishing and divers nets for salmon; has been making, little if any, salmon gill fish netting, and would not be adversely affected by retroactive revocation or modification of the order since it is a minor producer of the subject merchandise for a specialized market; and (3) Nylon Net Co., Memphis, TN, a potential producer, has ceased all production of fish netting, and on May 9, 1985, filed a voluntary petition under Chapter 11 with the United States Bankruptcy Court.

7/ A copy of the Commission's notice is presented in app. B.

received from the law firm of Arnold & Porter on behalf of the Fishing Nets and Twine Division of the Japan Textile Products Exporters' Association, Osaka, Japan; Jovanovich Supply Co., Seattle, WA, an importer of the subject merchandise; and the petitioner, all supporting the request for instituting the investigation. Written comments were also received from the law firm of Taft, Stettinius & Hollister on behalf of the American Cordage and Twine Manufacturers (ACTM) alleging that the modification or revocation of the current antidumping order against fish nets and netting of manmade fibers from Japan would materially injure the U.S. industry.

On the basis of the comments filed, the Commission instituted investigation No. 751-TA-11, effective August 20, 1986. The purpose of this investigation is to determine whether an industry in the United States would be materially injured, or would be threatened with material injury, or the establishment of an industry in the United States would be materially retarded, if the present antidumping order were to be modified or revoked to exclude salmon gill fish netting of manmade fibers from Japan. Modification or revocation of the dumping order as to salmon gill fish netting would not affect the Commission's affirmative determination with respect to other forms of fish netting of manmade fibers from Japan. Notice of the institution of the investigation and of the 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 August 20, 1986 (51 F.R. 29708). 1/ In connection with the Commission's investigation, a public hearing was held in Washington, DC, on October 30, 1986. 2/ The Commission voted on this investigation on December 3, 1986, and is scheduled to transmit its determination to the Department of Commerce on December 12, 1986.

Previous Commission Investigations

On July 28, 1981, the Commission received a request to review its affirmative determination in investigation No. AA1921-85, filed on behalf of nine Seattle, Washington/Portland, Oregon, area importers of salmon gill fish netting from Japan. The request, which was filed under section 751(b) of the Tariff Act of 1930, asked that the Commission retroactively modify its injury determination to exclude double-knot salmon gill fish netting, in light of changed circumstances. Importers alleged that significant production of salmon gill fish netting in the United States had ceased by 1974.

On the basis of the request for review and all comments filed concerning the request, the Commission voted to institute investigation No. 751-TA-5 on October 14, 1981. On March 31, 1982, the Commission unanimously determined that the establishment of an industry in the United States would be materially retarded by reason of imports of salmon gill fish netting of manmade fibers from Japan covered by antidumping order T.D. 72-158, if the order were to be modified or revoked. 3/ The Commission's unanimous determination was supported by the finding that although domestic production of salmon gill fish netting

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

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

3/ Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751-TA-5, . . ., USITC Publication 1234, March 1982.

was so insignificant that there was no established industry in the United States, Nylon Net Co., Memphis, TN, one of the largest domestic producers of fish netting, had made substantial investments in the development of a marketable salmon gill fish netting. An important part of Nylon Net's plans was the projected development of a nylon yarn by Firestone Fibers & Textile Co. at its plant in Hopewell, VA, that would permit Nylon Net to produce netting that would be competitive with the Japanese netting. Nylon Net's ability to enter the salmon gill fish netting market depended on the successful commercial development of the nylon yarn, ***. 1/

On November 24, 1982, following receipt of information that Firestone Fibers & Textile Co. expected to cease production of nylon at its Hopewell, VA, plant, the Commission requested comments regarding the institution of a second section 751(b) review investigation.

On the basis of the request for review and all comments filed concerning the request, the Commission voted to institute investigation No. 751-TA-7 on January 25, 1983. On May 24, 1983, the Commission determined 2/ that an industry in the United States would be materially injured, by reason of imports of salmon gill fish netting of manmade fibers from Japan covered by antidumping order T.D. 72-158, if the order were to be modified or revoked. 3/ The Commission's determination was supported by the finding that there were two producers of the subject merchandise: Harbor Net and Twine, Inc., of Hoquiam, WA, and Nichimo Northwest, Inc., of Everson, WA. The Commission determined that Nichimo Northwest, which began production in February 1982, was in direct competition with the Japanese producers and exporters of salmon gill fish netting. The Commission concluded that it was necessary to keep the antidumping order in place in order for Nichimo Northwest to continue its progress toward becoming a profitable U.S. producer of salmon gill fish netting.

Nature and Extent of Sales at LTFV

On June 9, 1972, a dumping finding on all types of fish netting of manmade fibers from Japan (T.D. 72-158) was published in the Federal Register (37 F.R. 11560). Treasury's investigation concerning LTFV sales covered a sample of sales of fish nets and fish netting of manmade fibers to customers in the United States by four Japanese firms. Sales by those firms represented 55 percent of the dutiable value of all sales to the United States of Japanese fish nets and netting of manmade fibers during the period from October 1, 1969, through September 30, 1970. Treasury determined that two firms—Momoi Fishing Net Manufacturing Co., Ltd., and Amikan Fishing Net Manufacturing Co., Ltd.—were selling fish nets and netting at LTFV. Margins for these firms were 7.9 and 5.1 percent, respectively.

1/ Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751-TA-5, . . ., USITC Publication 1234, March 1982.

2/ Commissioner Stern dissenting.

3/ Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751-TA-7, . . ., USITC Publication 1387, June 1983.

Subsequent to the issuance of the dumping order, Treasury released appraisement orders (master lists) to U.S. Customs Service districts to permit the liquidation of entries and the collection of any dumping duties required for both Momoi and Amikan, as well as entries from other firms. It is normal customs' procedure to liquidate import entries by firms for which appraisement orders are in effect after all applicable duties have been collected.

On January 2, 1980, the authority for administering the antidumping law was transferred from Treasury to the Department of Commerce. On March 28, 1980 (45 F.R. 20511), Commerce published a notice of its intent to conduct annual administrative reviews of all outstanding antidumping findings. On September 22, 1983, Commerce published notice in the Federal Register (48 F.R. 43210) of the final results of the first administrative review of the antidumping finding of fish netting of manmade fibers from Japan. 1/ Commerce reviewed 74 manufacturers, exporters, and third-country resellers of Japanese fish netting of manmade fibers to the United States for various time periods through May 31, 1980. The margins ranged from de minimis to 18.30 percent.

On April 30, 1984, Commerce published notice in the Federal Register (49 F.R. 18339) of the final results of the second administrative review of the antidumping finding of fish netting of manmade fibers from Japan. 2/ Commerce reviewed 69 manufacturers, exporters, and third-country resellers of Japanese fish netting of manmade fibers to the United States in two consecutive time periods, June 1, 1980, through May 31, 1982. Commerce examined 100 percent of the sales of the subject merchandise from Japan during this period. The margins ranged from 0 percent to 18.30 percent. For entries from a new exporter not covered by this administrative review, whose shipments occurred after May 31, 1982, and who was unrelated to any covered firm, a cash deposit of 4.35 percent has been required. The final margins issued in the second administrative review are in effect at this time. 3/

After Commerce publishes the final margins in a review investigation, Commerce must issue appraisement orders to the Customs Service before entries covered in the review investigation can be liquidated. Appraisement orders instruct Customs officials to calculate and collect duties for each firm's transactions during the review period. Customs officials have 90 days to liquidate the entries for which Commerce has issued appraisement orders. As of November 10, 1986, Commerce had not issued appraisement orders for approximately *** of U.S. imports for consumption of fish netting of manmade fibers from Japan for the period of June 1, 1980, through May 31, 1982, the period covered in Commerce's last completed administrative review.

In 1980, Commerce rules required that administrative reviews be conducted annually for all outstanding antidumping findings; however, in 1985 Commerce

1/ A copy of Commerce's notice is presented in app. B.

2/ Ibid.

3/ On May 8, 1984, Commerce published notice in the Federal Register (49 F.R. 19559) of a tentative determination to revoke in part the antidumping finding for Inagaki Fishing Net Mfg. Co., Ltd./Nichimen Co., Ltd; Osada Fishing Net Co., Ltd./Nichimen Co., Ltd; and Miye Seimo Co., Ltd. ***. Commerce concluded that sales by these firms were made at not less than fair value for a 2-year period. A final determination on the revocation of the order with respect to these three firms has not yet been published.

changed its rules for conducting administrative reviews. ^{1/} The new rules state that each year during the anniversary month of the publication of an antidumping finding, an interested party may request that Commerce conduct an administrative review of specified transactions of the subject merchandise. Commerce no longer automatically conducts administrative review investigations of all imports of covered merchandise.

For the period June 1, 1982, through May 31, 1985, Commerce instituted administrative review investigations only for those transactions of Japanese manufacturers, exporters, and third-country resellers of covered merchandise stated in requests from interested parties. Commerce has initiated 3 such review investigations concerning transactions made by 23 firms. To date, no preliminary or final results of these administrative reviews have been published. ^{2/}

On June 10, 1986 (51 F.R. 21011), Commerce published an opportunity notice for interested parties to request an administrative review investigation of the antidumping order on fish netting from Japan during the period June 1, 1985, through May 31, 1986. On July 17, 1986 (51 F.R. 25923), Commerce published a notice of initiation of an administrative review of the transactions of 14 Japanese manufacturers, exporters, and third-country resellers of fish netting to the United States. Commerce intends to issue the final results of this review no later than July 31, 1987.

The Product

Description and uses

The subject of this investigation is salmon gill fish netting of manmade fibers, imported from Japan. ^{3/} Imports from Japan of salmon gill fish netting of manmade fibers, as reported in responses to Commission questionnaires, accounted for approximately 48 percent of the quantity of 1985 imports of fish netting from Japan that were covered by the outstanding dumping order (T.D. 72-158). ^{4/}

Fish netting and fishing nets represent different stages of construction of the same product. Netting is an intermediate stage; nets are normally an end product. Manmade fiber filaments are extruded and then twisted and drawn. This product is further twisted or combined to form a yarn or cord.

^{1/} 19 CFR Pt. 353. On Aug. 13, 1986, Commerce published notice in the Federal Register of proposed revisions to regulations implementing this rule and requested public comments (51 F.R. 29046).

^{2/} Feb. 12, 1986 (51 F.R. 5219); Mar. 14, 1986 (51 F.R. 8862); and July 9, 1986 (51 F.R. 24883). Commerce intends to issue final results of these reviews not later than Feb. 28, 1987, Mar. 31, 1987, and July 31, 1987, respectively.

^{3/} For information on the definition of the subject merchandise, see section entitled "U.S. tariff treatment."

^{4/} Provided for under TSUS (Annotated) items 355.4520 and 355.4530.

The netting is constructed by knitting or knotting the yarn or cord together by machine to form piece goods of uniform mesh sizes. The netting is then dyed to a specified color or shade and may also be coated with resin to increase its durability. 1/

Netting mesh sizes, dimensions, and characteristics vary depending on the type of fishing net to be produced and the species of fish desired to be caught. Most of the nets used are entrapment types (i.e., seine, trawl, etc.) as opposed to gill nets. Gill nets are designed to catch fish by having the mesh size just large enough to admit the head of the fish. When the fish swims into the opening, its head or body is wedged into the mesh as it attempts to swim forward. The mesh of the net tightens or twines around the body of the fish. In some cases the mesh actually slips under and in back of the gills, trapping the fish.

Monofilament or single-strand gill netting has one of the simplest constructions. Straight (untwisted) monofilament is constructed from a yarn or cord that consists of single strands of monofilament. Although not as strong as other types of netting, it is highly transparent. Japan and other foreign countries use this type of netting for salmon gill fishing nets. During 1955-85, straight monofilament was illegal for use in Washington except by native American tribal entities, because it is too efficient in catching salmon. In July 1985, the Revised Code of Washington allowed the use of monofilament in the Puget Sound region of Washington. Straight monofilament remains illegal in the Columbia River area of Washington, where a joint agreement is required by the governments of Washington and Oregon. 2/ Twisted monofilament netting is constructed from a yarn or cord that consists of two or more monofilament strands that are twisted together in the same direction. This netting is traditionally used in the Puget Sound area of Washington.

Prior to 1981, multifilament netting was the most common type used in the United States, especially in the Alaskan fisheries. Multifilament netting is constructed from a yarn or cord that usually consists of strands of numerous multifilaments that are twisted together. Crystal netting is a type of multifilament netting constructed from a yarn or cord that usually consists of six or seven multifilament strands that are lightly twisted together. Each strand usually consists of a dozen or more filaments that are twisted together in the same direction. Cable-laid netting is another type of multifilament netting constructed from a yarn or cord that consists of three or four multifilament strands that are twisted together in one direction. The strands are twisted together in the opposite direction of the multifilaments in the strands. The filaments used in cable-laid netting are not the same as those used in crystal multifilament or multimonofilament netting because they are generally thinner and more numerous. Although cable-laid netting is produced in Japan, importers/distributors stated that very little has been imported since 1977. 3/

1/ For further information see section entitled "U.S. Producers of Salmon Gill Fish Netting—Current U.S. Producer."

2/ Staff conversation with ***, Patrol Division, Department of Fisheries, Olympia, WA, Oct. 9, 1986.

3/ Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751-TA-7, . . . , USITC Publication 1387, June 1983.

In 1981, a new version of netting was introduced in the Alaskan fisheries, and importers/distributors have indicated that purchasers in Alaska have expressed an increasingly strong preference for this product. The new product is typically referred to as "multimono." ^{1/} Multimono-filament is constructed from a yarn or cord that consists of a varying number of multifilaments and a varying number of monofilaments. These filaments are twisted together into various combinations to produce a yarn or cord with a minimum total filament count of 30 filaments, multifilaments and monofilaments combined, so as to comply with Alaska Fisheries Department Regulations. The number and/or thickness of the monofilaments are determined by the species of salmon being targeted. The number of multifilaments are determined by the number of monofilaments used in constructing the yarn or cord. The optimum preference is to use a netting with maximum transparency and strength.

As with the type of netting, the preferred method of salmon fishing used will depend on such factors as ground rights, season, location, license, and species of salmon to be caught. There are two methods of using salmon gill nets—the set method and the drift method. When used in the set method, the gill net is usually staked or anchored in place near the shore or beach and rigged with floats and sinkers to form a type of fence or barrier. In the drift method, the netting is rigged with floats and sinkers and placed in the water from a boat across the path of salmon to intercept them. The majority of commercial salmon gill net fishermen use the drift method; the set method is popular with native (Indian) fishermen.

Fishermen consider strength, flexibility, and transparency characteristics when selecting gill netting. A yarn or cord with less twist and fewer filaments usually lends itself to greater transparency, in addition to being more flexible. Many salmon gill net fishermen view their nets as precise tools, so quality is of utmost importance when they select their netting. The major factors that are considered when judging the quality of a salmon gill fishing net are (1) mesh sizes that are uniform, (2) yarns or cords that form loosely hanging mesh, (3) knots that are tight and do not slip when stretched, and (4) dyeing that provides the correct shade of color with no fading. When knot slippage occurs, the meshes lose their shape and will reveal white areas near the knots where the dye did not penetrate. The net then becomes more visible in the water, possibly causing the fish to swim around it.

Some salmon gill net fishermen are so particular that they prefer the shackles or sections of their nets be of different shades or colors since the angle of sunlight will reflect differently off the water and nets. Many fishermen believe that one shade is superior or more desirable in the morning for catching fish, and another shade or color is superior or more desirable in the afternoon or evening.

The fishing industry is highly regulated and closely monitored by State governments. The total amount of salmon that can be harvested in any one area is determined by State government officials. The harvesting capacity of U.S. salmon fishermen far exceeds the allowable harvests; hence, an increase in salmon stock predictions may not directly increase the demand for salmon gill

^{1/} May be referred to as one of the following: monotwist centercore, mono-crystal, monomulti, etc.

fish netting. 1/ The legal minimum mesh size and length of netting is also regulated on the basis of the location and time period. Some fishermen will order their netting with a mesh 1/8 to 1/4 inch under the legal mesh size. When the mesh becomes wet, it will stretch to the legal minimum size. Some fishermen claim that their catch can increase as much as 25 percent by using a net with a mesh size 1/4 inch smaller than the legal minimum size. The most common mesh size (not necessarily the minimum allowable mesh size) for specific species of salmon caught in the Bristol Bay area of Alaska, one of the most productive salmon fishing grounds, and the Puget Sound area of Washington are shown in the following tabulation (mesh sizes in inches): 2/

<u>Species of salmon</u>	<u>Bristol Bay, AK</u>	<u>Puget Sound, OR</u>
King (Chinook)	8-1/4	7-1/2
Red (Sockeye)	5-3/16	5, 5-1/8
Pink (Humpie)	4-1/2	5, 5-1/8
Silver (Coho)	6	6
Dog (Chum)	6	6-1/4

The 1986 Bristol Bay salmon fishing season began on May 1 and ended on September 1, with numerous, unpredictable openings and closings. The Alaskan government controlled these emergency openings and closings, and based its determinations on the number of salmon coming through a particular fishing district or area. Because of the relatively short fishing season, the fisherman's objective is to catch the largest number and largest size species of fish in the shortest period of time. A salmon fisherman in the Bristol Bay area will often catch three-fourths of his total catch in a 2-week period. Not only is the fisherman limited in the allowable time to fish, but also in the total size of his net. In the Bristol Bay area, salmon gill nets are not allowed to exceed, in length, 150 fathoms (900 feet) for drift nets and 50 fathoms (300 feet) for set nets, or more than 29 meshes in depth for both drift and set nets. Not more than two set nets are allowed per person, and the total length cannot exceed 50 fathoms. In the Puget Sound area of Washington, salmon gill fish nets are not to exceed 300 fathoms (1,800 feet) in length or 120 to 200 meshes in depth.

ACTM alleged in their prehearing brief that salmon gill fish netting as defined in the Commission's questionnaires is currently being used to catch the following species in addition to salmon: thresher shark, sword, halibut, rock cod, bass, tuna, trout, and redfish (where legal). 3/ Staff contacted Federal and State government officials responsible for regulating U.S. commercial fisheries to determine whether the subject merchandise is currently being used to catch species other than salmon. *** National Marine

1/ Staff conversation with ***, National Marine Fisheries, AK, July 17, 1986.

2/ Staff conversation with ***.

3/ Prehearing brief on behalf of ACTM, Oct. 27, 1986, p. 5.

Fisheries, Washington, DC, reported that State governments regulate the catch of fish in inland waters and waters up to 3 miles off the U.S. shore, and the Federal Government regulates the catch of fish in waters between 3 and 200 miles off the U.S. shore. *** reported the following: halibut are regulated by the International Pacific Halibut Fisheries Commission and cannot legally be fished with a gill net; tuna are caught with purse seine nets; and trout are closely regulated by the States and caught with gill nets less than 5-inch stretch mesh size. 1/

*** Alaska Entry Commission, reported that when fishing for salmon with an Alaskan gill net permit, Alaskan regulation 20AAC 05.120 allows an incidental catch of other species weighing no more than 20 percent of the total catch landed. This regulation is enforced in each of Alaska's 26 commercial salmon fisheries. Salmon is never allowed to be part of an incidental catch—if a fisherman is not holding a salmon permit, he must throw the salmon back into the water. *** is not aware of any swordfish, bass or redfish landings in Alaska, and reported that rock cod can only be caught with a long line or trawl net. *** added that tuna are caught offshore in federally regulated waters. 2/ *** Alaska Commercial Fisheries Division, reported that in Alaska's waters there are no thresher shark, swordfish, tuna, stripe bass, or redfish commercial fisheries; the Halibut Commission only allows the use of long line gear; gill nets are not feasible for catching rock cod because of the species' location in open waters that are affected by the strong tides; and the trout catch is minimal and in freshwater where a fisherman could use a small gill net with a 2- to 3-inch stretch mesh size. 3/

*** Fisheries Patrol Division, Washington State Department of Fisheries, reported the following Washington regulations (these regulations are generally applicable in Oregon as well): it is illegal to fish for halibut with a gill net; thresher shark are very large and salmon gill nets are not strong enough to catch this species; there is no commercial fishing for tuna in Washington waters; redfish and swordfish are only caught in California; and rock cod, sea bass, and white bass are bottom fish, which are not caught efficiently with gill nets. 4/ *** of the Washington Department of Fish and Game, reported that only American Indians can commercially harvest steelhead trout; and that in sports fishing for trout, no gill nets are allowed. 5/

U.S. tariff treatment

Imports of salmon gill fish netting are provided for in TSUS item 355.45 and reported for statistical purposes in TSUSA items 355.4520 and 355.4530. The current most-favored-nation (column 1) rate of duty, which applies to imports from Japan, is 9 cents per pound plus 22.8 percent ad valorem. The

1/ Staff conversation with *** National Marine Fisheries, Washington, DC, Nov. 7, 1986.

2/ Staff conversation with *** Alaska Entry Commission, Nov. 10, 1986.

3/ Staff conversation with *** Alaska Commercial Fisheries Division, Nov. 14, 1986.

4/ Staff conversation with *** Fisheries Patrol Division, Washington State Department of Fisheries, Nov. 10, 1986.

5/ Staff conversation with *** Washington Dept. of Fish and Game, Nov. 14, 1986.

column 2 rate of duty is 82 percent ad valorem. Such imports are not eligible for benefits of the Generalized System of Preferences (GSP). ^{1/} The staged reductions in the col. 1 rate of duty under the Tokyo Round of Multilateral Trade Negotiations (MTN) are shown in the following tabulation:

<u>Year</u>	<u>Rates of duty effective with respect to articles entered on or after Jan. 1</u>
1983.....	18¢/lb + 28.6% ad val.
1984.....	15¢/lb + 26.7% ad val.
1985.....	12¢/lb + 24.8% ad val.
1986.....	9¢/lb + 22.8% ad val.
1987.....	6¢/lb + 20.9% ad val.
1988.....	3¢/lb + 18.9% ad val.
1989.....	17.0% ad val.

TSUS item 355.45 was annotated for statistical purposes effective January 1, 1981. The annotation separated salmon gill netting of nylon (item 355.4520) from other fish netting and fishing nets of manmade fibers. The term "salmon gill netting, of nylon" as used in item 355.4520 is defined in TSUS part 4C, statistical headnote 1 as 'netting of nylon multifilament, twisted single plied, with double- or triple-knot construction; nylon monofilament, twisted multi-ply or multi-stranded, with double- or triple-knot construction; all the foregoing not less than 5-1/4 inch stretch mesh size.'

Not all salmon gill fish netting currently meets the above definition for purposes of reporting under TSUSA item 355.4520. U.S. customs officials responsible for the classification of the subject merchandise stated that they do not make a distinction among monofilament, multifilament, or multimonomofilament netting for statistical purposes, when reviewing the reporting of this merchandise. ^{2/} In deciding whether an article identified on the import documents as salmon gill fish netting is properly reported, the most critical factor that U.S. customs officials consider is the minimum 5-1/4-inch stretch mesh size specified in statistical headnote 1. Accordingly, imports of multimono salmon gill fish netting entering the United States are considered correctly reported under TSUSA item 355.4520 if so identified on the import documents. ^{3/}

^{1/} The GSP, enacted as title V of the Trade Act of 1974, provides duty-free entry to specified eligible articles imported directly from designated beneficiary developing countries. The GSP, implemented in Executive Order No. 11888 of Nov. 24, 1975, applies to merchandise imported on or after Jan. 1, 1976, and before the close of July 4, 1993.

^{2/} Although the U.S. Customs Service in Alaska receives imported merchandise, there is no commercial division in Anchorage to review the 7501 entry documents and invoices submitted by U.S. brokers for classification. Alaska customs officials forward the documents to the U.S. Customs Service in Portland, OR, where the paperwork is processed. Customs officials in Portland do not see samples of merchandise that enters Alaska.

^{3/} Staff conversation with ***, U.S. Customs Service, Seattle, WA, Aug. 22, 1986; *** U.S. Customs Service, Portland, OR, Aug. 22, 1986; and *** U.S. Customs Service, Portland, OR, Aug. 28, 1986.

According to headnote 1, salmon gill fish netting under 5-1/4-inch stretch mesh size should be reported under TSUSA item 355.4530. Salmon gill fish netting of manmade fibers other than nylon should also be reported under TSUSA item 355.4530; however, questionnaire respondents and industry officials have stated that no known manmade fiber other than nylon is currently used to construct the subject merchandise. Accordingly, import data for salmon gill fish netting of nylon, as defined in headnote 1 and provided for under TSUSA item 355.4520, does not account for all of the imports of the subject merchandise in the United States. 1/

In an effort to describe only that netting that would be used in U.S. commercial salmon fishing, the Commission staff has developed the following definition of salmon gill fish netting: fish netting, of continuous polyamide fibers (including nylon), consisting of monofilament yarns measuring not more than 0.806 millimeter in maximum cross-sectional dimension or multifilament yarns or cordage measuring not more than 210 denier, or a combination of the foregoing yarns or cordage, of double- or triple-knot construction, dyed or otherwise colored (except white), having a stretch mesh size of not less than 4-1/8 inches and not more than 8-1/2 inches, provided for in TSUS item 355.45. 2/

The duty on fish netting and fishing nets purchased in foreign ports by U.S. fishing vessels during a specified period of departure from the United States is 50 percent ad valorem (19 U.S.C. 1466). Such purchases are also covered by U.S. Customs Service regulations in the Code of Federal Regulations (19 CFR 4.14 and 4.15). On meeting one of three statutory criteria, the owner or master of the vessel may obtain a remission of the duties paid when the purchases were made in a specified period (19 U.S.C. 1466(d)). Section 4.14 of Customs regulations provides specific standards for the duty refunds, requiring proof that the transaction met the legal qualifications of replacing such equipment 3/ damaged at sea.

U.S. Producers of Salmon Gill Fish Netting

Previous U.S. producers

Since the early 1960's, salmon gill fish netting has been produced by five known U.S. firms: First Washington Net Factory, Blue Mountain Industries, Nichimo Northwest Inc., Nylon Net & Twine Co., and Harbor Net and

1/ In the Commission's importer, producer, and potential producer questionnaires, salmon gill fish netting of manmade fibers was defined as: Netting of manmade fiber filaments of nylon or other manmade fibers, with double or triple knot construction, with not less than 4-1/8-inch stretch mesh size. Designed to catch salmon by having the mesh size just large enough to admit the head of the fish. Mesh sizes are determined by the species of salmon being targeted. If imported, this netting is provided for in items 355.4520 and 355.4530 of the TSUSA.

2/ Memorandum of Dec. 3, 1986, from the Director, Office of Tariff Affairs and Trade Agreements to the Director, Office of Investigations.

3/ "Fish nets and netting are considered vessel equipment and not vessel supplies," 19 CFR 4.15 (Fn. 28) (1982). Thus, such purchases in a foreign port are subject to duty under sec. 466 of the Tariff Act of 1930 (19 U.S.C. 1466).

Twine. First Washington Net Factory, Blaine, WA, produced the subject merchandise from 1960 to 1977. Blue Mountain Industries, Blue Mountain, AL, also produced salmon gill fish netting, with the largest production of multifilament netting recorded in the early to mid-1960's. Blue Mountain's production of the subject merchandise declined sharply until it ceased completely in 1972.

On April 30, 1981, Nichimo Northwest Inc., was incorporated in the State of Washington. The firm was a *** in which *** controlled *** percent of the stock and *** controlled *** percent. *** Nichimo Northwest Inc., located in Everson, WA, started its manufacturing operations in February 1982, and ceased all production in November 1984. The firm was dissolved on October 17, 1985. At this time, the Everson, WA, plant and all the equipment remain idle. Counsel for Nichimo Trading (U.S.A.) Inc., a U.S. importer of the subject merchandise which is a subsidiary of Nichimo Co., Ltd., Japan, told staff that ***. 1/ Mr. Hayakawa, president of Nichimo Trading (U.S.A.) Inc., reported that Nichimo Northwest Inc., ceased production because of patent infringement and sales problems. 2/

During investigations Nos. 751-TA-5 and 751-TA-7, Nylon Net and Twine Co., Memphis, TN, a large domestic manufacturer of other types of fish netting, stated that it had both the intent and the capability to produce crystal multifilament salmon gill fish netting. On May 9, 1985, Nylon Net filed a voluntary petition under Chapter 11 with the United States Bankruptcy Court. *** stated that although the firm is currently producing multifilament netting for fish other than salmon, ***. He added that Nylon Net is only interested in producing products which are established and profitable and that salmon gill fish netting is not such a product. 3/

Current U.S. producer

The manufacturing processes used in producing salmon gill fish netting consist of knotting or knitting yarn/cordage into uniform mesh sizes, stretching the resulting netting or webbing, setting the knots by a heat treatment, and dyeing the finished product.

Harbor Net and Twine Inc., Hoquiam, WA, a small family owned and operated establishment, is the only known current U.S. producer of the subject merchandise. Mrs. Grace Savola, Harbor's president, has stated that her production facilities and store are currently offered for sale. 4/ ***. Harbor has the capacity to manufacture ***. 5/

Harbor purchases nylon yarn for the cable-laid netting from *** and the yarn for the crystal netting from *** along with certain dyes and chemicals required to produce salmon gill fish netting. To obtain the desired number of

1/ Staff conversation with Mr. Rayton, counsel for Nichimo Trading, U.S.A. Ltd., Aug. 28, 1986.

2/ ***.

3/ Conversation with *** Nylon Net, July 10, 1986.

4/ Staff conversation with *** Harbor Net and Twine Co., Inc., Oct. 2, 1986.

5/ Staff conversation with *** Harbor Net and Twine, Nov. 7, 1986.

plies and denier, yarns are blended together and then wound on cardboard spools. The spools are placed on the knitting or knotting machine that produces the netting. The number of spools placed on the machine will provide a netting of equal number of meshes. ***. 1/

Once a netting machine begins to operate, it will continue to produce netting until the yarn breaks or is depleted, or the machine is turned off. The netting is gathered into a large container as it comes off the netting machine. The netting is spread out and loose yarns are pulled and removed to form the selvage or side edges of the netting. The netting is then inspected for flaws or imperfections. The next major manufacturing step is placing the netting on a depth stretching machine. ***. Each mesh on both ends of the netting is placed over individual hooks. The stretching machine pulls the netting evenly in one direction to tighten the knots. How much pressure and how long it will be applied will depend on the size of the netting's yarn. The stretching machine can tighten knots of all types of netting. After the stretching process is completed, the netting is dipped into a large vat of water solution that has been heated to a temperature of *** degrees F. The water solution contains the chemical ***, which assists the heat to set the knot and shrink the yarn. Dye in the water solution tints the netting to the desired color. The netting is then removed from the vat, dried, and placed into a container for shipment.

Various models of machinery can be used to manufacture salmon gill fish netting. Some machines are faster and can accommodate more spools ***. However, all machinery must be able to make at least a double-knot constructed netting. To produce salmon gill fish netting of double-knot construction, the netting machine must be capable of rotating each yarn twice when forming the knot for each mesh. The larger the mesh size of the netting produced, the slower the machine produces each knot. ***. When manufacturing multimono salmon gill fish netting, the yarn must be dyed prior to being placed on the netting machine; whereas, in producing other types of salmon gill netting, the netting is dyed last. The netting would then be removed and packaged for shipping.

Most orders for imported salmon gill fish netting are placed up to 6 months in advance of the particular fishing season. Orders not placed in advance tend to have longer delivery times and often are delayed as Japanese suppliers react to demand in their home market. About *** percent of Harbor's customers order netting in advance of the fishing season, and *** percent are customers who place orders irregularly, often after a season has begun. Approximately *** percent of Harbor's product mix is crystal netting. 2/ The remaining *** percent of Harbor's production is cable-laid netting destined for river fishing in Alaska, where flexibility and transparency of the netting are relatively unimportant quality features, because of the fast currents and murkiness of the water. 3/

1/ Staff conversation with *** Harbor Net and Twine, Nov. 7, 1986.

2/ ***.

3/ ***.

Potential U.S. producers 1/

The Commission sent a potential producer questionnaire to 20 firms including the following: all known previous U.S. producers of salmon gill fish netting, firms suggested by counsel for ACTM, and other firms that were involved in investigations Nos. 751-TA-5 and 751-TA-7. The 12-page potential producer questionnaire requested the respondent to provide data concerning the firm's previous, current, and future plans to produce salmon gill fish netting. Detailed correspondence and other forms of documentation were requested concerning the source of nylon or other yarn that had been, is, or will be used in the production of salmon gill fish netting; the past, present, and future sales and pricing of the subject merchandise; equipment purchases, capital investment, marketing plans, and cost studies made in preparation for future production; the conditions under which the respondent would consider starting production; and other relevant issues.

Two manufacturers of other types of netting responded to the Commission's potential producer questionnaire in this investigation. West Coast Netting Inc., Rancho Cucamonga, CA, reported ***. Mr. Kirkland, president of West Coast, stated that the firm ***; however, ***. West Coast reported current production of multifilament, single- and double-knot gill nets for tuna and sea bass. 2/ ***. 3/

Mr. Kirkland told staff ***. ***. 4/

Mr. Kirkland stated ***. ***. Staff requested documentation regarding the following: West Coast's ***.

During the hearing, Mr. Kirkland alleged that "We also have a manufacturer up in the northeast part of the country, Brownell. Rest assured they have plenty of capacity. They have weft stretching, steam setting." 5/ ***. 6/ ***. 7/

Blue Mountain Industries, Inc., a former U.S. producer of the subject merchandise in Blue Mountain, AL, reported current production of ***. Blue

1/ Questionnaire responses of those U.S. firms interested in the production of the subject merchandise are presented in app. D.

2/ Transcript of the public hearing, p. 96.

3/ Staff conversation with ***.

4/ Staff conversation with ***.

5/ Transcript of the public hearing, p. 97.

6/ ***.

7/ ***.

Mountain submitted a potential producer questionnaire *** and staff requested that the firm provide documentation to verify the information reported in the questionnaire. Staff requested that Blue Mountain provide documentation and examples of the test runs and cost surveys of netting ***; details of the costs of changing machine gears and dies for production of salmon gill fish netting; negotiations with potential suppliers of yarn for ***; ***, and the specific construction of the types of salmon gill fish netting Blue Mountain plans to produce. *** Blue Mountain would purchase its nylon yarn for production of the subject merchandise from ***, *** informed the Commission's staff that *** regarding production of this yarn. 1/

During investigation No. 751-TA-7, Blue Mountain Industries also indicated an intention to enter into the production of salmon gill fish netting. Mr. Robert Batey, vice president, testified that if the dumping order was not modified or revoked his firm would be able to become a viable producer of salmon gill fish netting. Blue Mountain reported having machinery to twist yarn and knitting machines to transform the yarn into netting. Mr. Batey concluded that his firm would "not go forward (in committing resources to the salmon gill netting project) as long as the future of the dumping order is so very much in question." 2/ Mr. Donald Whitlow, president of Blue Mountain, set the following three conditions for his firm's entry into salmon gill production: (1) the continuation and active enforcement of the antidumping order; (2) no acceleration of the staged duty reductions; and (3) a continuation of the MFA provisions affecting fish netting. 3/ Blue Mountain did not commence production of the subject merchandise after the Commission's decision in investigation No. 751-TA-7 not to modify or revoke the antidumping order. In a November 14, 1986, posthearing submission on behalf of Blue Mountain, ***.

ACTM alleged in their posthearing brief that, "American manufacturers, such as Zapata-Henie and Nor'east Trawl, have tested various elements of DuPont's Kevlar netting construction for a full-range of fish netting with positive results." 4/ ***. 5/ ***. 6/ 7/

U.S. Importers

Salmon gill fish netting is principally imported by firms located in Oregon and Washington. In 1985, firms responding to the Commission's

1/ ***.

2/ Transcript of the hearing in investigation No. 751-TA-7, pp. 125 and 126.

3/ Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751-TA-7, . . ., USITC Publication 1387, June 1983.

4/ Posthearing brief on behalf of ACTM, Nov. 6, 1986, p. 4.

5/ Staff conversation with ***.

6/ Staff conversation with ***.

7/ Counsel for petitioners allege that ***. Posthearing submissions of Nov. 14 and Nov. 20, 1986.

questionnaire accounted for approximately 82 percent of U.S imports of the subject merchandise under TSUSA item 355.4520, and 25 percent of imports under TSUSA item 355.4530, a basket item. The share of reported U.S. imports of salmon gill fish netting from Japan in 1985, by firms, is shown in the following tabulation (in percent):

* * * * *

The typical importer is actually a fishing supply house, providing not only netting but almost any product fishermen would need for their fishing operations. These firms purchase various types of netting from both foreign and domestic sources and distribute the product to the fishermen.

The Foreign Industry 1/

Japan, Korea, and Taiwan are the world's principal producers of all types of fish netting and fishing nets. Japan is the leading world producer of fish netting and fishing nets, and maintains a network of domestic and foreign factories and warehouses located in most market areas of the world. The Japanese fish netting and fishing net manufacturers are usually affiliated with Japanese petrochemical producers, which are their source of manmade fibers. The Japanese producers are usually able to obtain the amount and type of fibers and yarn needed with less difficulty than most U.S. producers because of Japan's larger market for fish netting. 2/

The Japan Textile Products Exporters' Association (JTPEA) reported that salmon gill fish netting is only constructed of nylon and estimated total annual production to be between 4,410,000 and 6,615,000 pounds. JTPEA estimates that 10 of the 20 producers in Japan account for more than 80 percent of total salmon gill fish netting production. 3/ MITI reported the following Japanese shipments, domestic and exports, of all fish netting, by types of fiber (in thousands of pounds):

<u>Fiber</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Jan.-June 1986</u>
Nylon.....	41,086	38,440	38,815	21,726
Other manmade fibers..	39,236	40,645	40,248	18,650
Cotton.....	35	57	31	7
Total.....	80,357	79,142	79,093	40,382

1/ The source of information is the Department of State telegram, Nov. 21, 1986, except where noted.

2/ Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751-TA-7, . . ., USITC Publication 1387, June 1983.

3/ Amikan Fishing Net Co., Ltd.; Hakodate Seimo Sengu Co., Ltd.; Hirata Spinning Co., Ltd.; Inagaki Seimo Co., Ltd.; Momoi Fishing Net Mfg. Co., Ltd.; Morishita Fish Net Mfg. Co., Ltd.; Nagaura Seimosho Co., Ltd.; Nichimo Co., Ltd.; Taito Seiko Co., Ltd.; and Toyama Fishing Net Mfg. Co., Ltd.

JTPEA estimates that Japanese domestic demand for all fish netting, including salmon gill, will decrease by 20 percent from 1985 to 1986, because of a 200-nautical-mile fishing zone restriction. ^{1/} JTPEA alleges that "there will be no changes in Japanese exports of salmon gill fish netting to the United States during 1987-1988, whether or not the dumping order remains in effect because dumping margins for Japan are zero." Japanese exports of salmon gill fish netting are mostly to the United States, Canada, Norway, and Denmark. Exports of the subject merchandise to these countries is not available. Japanese Customs export statistics of all fish netting of manmade fibers are reported in the following tabulation (in thousands of pounds):

<u>Country</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Jan.-Sept. 1986</u>
United States	284 ^{1/}	256 ^{1/}	1,197 ^{1/}	805
Canada	58	73	196	243
Norway	24	122	455	375
Denmark	22	27	130	58
All other countries	<u>4,582</u>	<u>5,038</u>	<u>9,153</u>	<u>6,272</u>
Total	4,969	5,516	11,131	7,752

^{1/} Official statistics of the U.S. Department of Commerce for imports of fish netting of manmade fibers from Japan (TSUSA items 355.4520 and 355.4530) reported 767,647 pounds in 1983; 748,137 pounds in 1984; and 948,885 pounds in 1985.

The U.S. Market

Channels of distribution and marketing considerations

Distribution of salmon gill fish netting is usually made through marine supply houses that furnish fishermen with nets, netting, boating equipment, and other supplies used by the fishing industry. Although some of the large importers have their own sales organizations, most nets are sold to supply houses, which are typically located in the Northwest.

Marine supply houses sell directly to fishermen who custom order their nets. Fishermen provide detailed specifications for the nets they purchase, including mesh size, the type of twine (i.e., the twist of the nylon and the configuration of the filaments), the precise coloring and shading of the net, the twine strength and flexibility, and also the type of knots. Fishermen consider these specifications vital for a successful fishing season and will pay a premium for nets that meet their stringent standards. Marine supply houses also make sales to fish canneries, which in turn contract with fishermen for their catch and also provide them with nets.

^{1/} In the Nov. 10, 1986, posthearing submission on behalf of Trans-Pacific Trading, Mr. Barry Tyrer, president, Trans-Pacific Trading, stated that the salmon gill fish netting sold in Japan is a monofilament, triple knot, or U knot, used by the Japanese high seas salmon fleet. He added that the nets sold in the United States cannot be compared with those sold in Japan.

To obtain custom-ordered nets, fishermen endure long delivery times. Fisherman operating in Alaskan waters typically order nets from September to March to ensure delivery in May. Fishermen in the Northwest order nets from January through May for delivery in July. Because of the long delivery time for nets, the fisherman must have a net that performs up to his standards for the entire salmon season. Quality therefore is of prime concern to the net purchaser. Once a fisherman has had a profitable season with a particular net, he is generally reluctant to alter his specifications during the next season. The fisherman believes that an entire season's revenue may be lost if a net does not perform to his quality standards. According to industry sources, five Japanese brand name nets have set the industry standards for durability and quality. ***. 1/

The marine supply houses are also reluctant to switch suppliers of nets because of their customers' quality demands. Although supply houses offer no formal warranty on the nets they sell, prevailing local conditions may force the supply houses to guarantee the nets they sell. Most marine supply houses service limited geographic areas that are composed of small loosely organized fishing fleets. If a supply house refuses to replace a net of low quality that has been sold to a fleet member, the supply house risks losing the business of the whole fleet. *** reported that he had experienced this problem with a Taiwan net. The Taiwan-produced net was priced well below the recognized Japanese net. Although the nets were sold without guarantees, a number of fishermen demanded new nets when the Taiwan nets failed to meet their standards. *** fearing a boycott from other fleet members, reluctantly replaced the nets. Consequently, the marine supply houses are as hesitant as the fishermen to experiment with new producers, regardless of price. Seven questionnaires received by the Commission from marine supply houses cited a reluctance to buy U.S.-produced netting unless quality standards equal to that of the Japanese nets could first be established.

Market developments

Demand in the U.S. market for salmon gill fish netting has been almost entirely served by imports from Japan, Taiwan or Korea. Imports have been a factor in the U.S. market since the 1950's. They became predominant in the late 1960's and early 1970's. The salmon gill netting currently in use is the result of an evolutionary process predating World War II. At that time, salmon gill netting was constructed from cotton or flax that was tarred to prevent rotting. The resulting product was a coarse, heavy item, far different from the light, transparent netting employed today. After World War II, nylon was introduced in many markets that had traditionally depended on natural fibers. Fish netting was such a market.

U.S. producers introduced nylon gill netting in the mid-1950's. Japanese producers also exported to the United States a cable-laid nylon gill fish netting product containing from 15 to 24 multifilament strands. In the mid-1960's, the Japanese introduced a netting that used fewer multifilament strands (six or seven) and therefore was much lighter and more transparent. By the late 1960's and early 1970's, this product dominated the market. The

1/ Staff conversation with ***, Sept. 3, 1986.

key to the new product was obtaining the yarn, which consisted of six or seven multifilament strands. Domestic producers contend they could not interest U.S. fiber producers in making this type of multifilament yarn, since it was such a small volume item. Domestic producers were using a multifilament yarn which was produced for use as tire cord. These same producers attempted to secure an adequate supply of the multifilament yarn from Japan but were unable to do so. They contend that when they did receive shipments of such yarn from Japan, the shipments were late. Some domestically produced crystal multifilament gill netting was available in the U.S. market in the early 1970's, but importers and fishermen contend that it was not comparable in quality with Japanese netting. By the late 1970's, domestic producers, with the exception of Harbor Net and Twine, had abandoned production of salmon gill netting. As stated previously, Nichimo Northwest, Inc., produced salmon gill fish netting in Everson, WA, during 1982-84. The firm produced both salmon and herring gill netting, using equipment and raw materials imported from Japan.

In 1981, Alaskan game and fish officials reworded their regulation on minimum yarn or cord sizes allowed in salmon gill fish netting. The regulations had set limits in terms of denier, a dimensional factor that was difficult to determine through visual inspection. The new regulations determined yarn or cord size by setting minimum limits on the number of filaments used to form the yarn or cord. A limit of 30 filaments was established. Japanese manufacturers responded to this change by introducing "multimono" salmon gill netting to Alaska. 1/ Because of the limited number of very fine filaments used in this netting, it closely resembles monofilament netting, which is banned in Alaska. Fish and game officials unsuccessfully attempted to have the legislature ban this product as well. However, salmon fishing is a heavily regulated industry where the need to employ fishermen must be balanced against the need to ensure the spawning of a sufficient number of salmon to allow for plentiful supplies of fish in succeeding years. The number of fishing days is regulated to ensure sufficient escapement. 2/

Apparent U.S. consumption

U.S. consumption of salmon gill fish netting is dependent on a number of factors, including the number of days fishing is allowed, the number of licenses (vessel and gear) issued, the number of salmon caught in a season, and the financial condition of salmon gill net fishermen. Industry officials stated that the useful life of a net depends on factors such as the amount of ultraviolet exposure and the wear caused by hauling nets onto vessels with heavy loads. The average salmon gill fish net lasts two fishing seasons. 3/

1/ The initial entry to the U.S. market was a patented product called "centercore" produced by Momoi Net Manufacturing Co. Other major Japanese producers have either entered into licensing arrangements with Momoi or developed and patented comparable types of netting.

2/ The percentage of a run of salmon allowed to proceed upstream to spawn.

3/ Staff conversations with *** L.F.S.; *** Seattle Marine; and *** Redden Net, ***.

Apparent U.S. consumption of total salmon gill fish netting increased from *** pounds in 1983 to *** pounds in 1984, or less than *** percent, then increased by *** percent to *** pounds in 1985 (table 1). Apparent U.S. consumption was *** pounds during January-June 1986, representing a *** percent increase from that of *** pounds during January-June 1985. U.S.-produced salmon gill fish netting as a share of apparent U.S. consumption decreased *** during the period of investigation, reflecting Nichimo Northwest's departure from the U.S. industry; imports from Japan as a share of such consumption decreased irregularly from 1983 to 1985. Imports from Japan as a share of apparent U.S. consumption reached a high of *** percent during ***.

Table 1.—Salmon gill fish netting: U.S.-produced domestic shipments, domestic shipments of imports from Japan, imports for consumption from all other countries, and apparent U.S. consumption, 1/ 1983-85, January-June 1985, and January-June 1986

Source	1983	1984	1985	January-June—	
				1985	1986
Quantity (pounds)					
U.S. Producers:					
Nichimo Northwest...	***	***	***	***	***
Harbor Net 2/.....	***	***	***	***	***
Total.....	***	***	***	***	***
Imports from:					
Japan 3/.....	390,003	352,373	502,300	338,860	418,416
All other 4/.....	60,369	149,690	253,145	127,124	94,771
Total.....	450,372	502,063	755,445	465,984	513,187
Apparent U.S. consumption.....	***	***	***	***	***
Percent of total					
U.S. Producers:					
Nichimo Northwest...	***	***	***	***	***
Harbor Net 2/.....	***	***	***	***	***
Total.....	***	***	***	***	***
Imports from:					
Japan 3/.....	***	***	***	***	***
All other 4/.....	***	***	***	***	***
Total.....	***	***	***	***	***
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0

1/ Apparent U.S. consumption based on value is reported in app. table E-1.

2/ ***.

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

4/ Compiled from official statistics of the U.S. Department of Commerce for TSUSA item 355.4520.

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

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

Apparent consumption by sources and types of netting is shown in table 2. Since Nichimo Northwest ceased production in 1984, Harbor Net and Twine has been the only known U.S. producer of salmon gill fish netting. The firm has *** production and U.S. domestic shipment levels of multifilament netting. Until January-June 1986, multimonomofilament netting accounted for the majority of imports of Japanese netting for U.S. consumption. Imports of monofilament from Japan increased by 159 percent during 1983-85, and more than doubled during January-June 1986 compared with such imports during January-June 1985.

*** reported imports of *** pounds and *** pounds of monofilament from Japan during January-June 1985 and January-June 1986, respectively. *** imports of monofilament accounted for *** percent and *** percent of total reported imports of such merchandise during January-June 1985 and January-June 1986, respectively. *** told staff that *** increased its imports of

Table 2.—Salmon gill fish netting: Apparent U.S. consumption, U.S.-produced domestic shipments, domestic shipments of imports from Japan, and imports for consumption from all other countries, by types, 1983-85, January-June 1985, and January-June 1986

Type	(In pounds)				
	1983	1984	1985	January-June— 1985 1986	
U.S.-produced: <u>1/</u>					
Monofilament.....	***	***	***	***	***
Multifilament.....	***	***	***	***	***
Multimonomofilament.....	***	***	***	***	***
Total.....	***	***	***	***	***
Imports from—					
Japan: <u>2/</u>					
Monofilament.....	55,377	91,192	143,579	72,125	172,662
Multifilament.....	39,173	40,896	31,821	24,264	38,333
Multimonomofilament.....	295,453	220,285	326,900	242,471	207,421
Total.....	390,003	352,373	502,300	338,860	418,416
All other countries:					
Monofilament <u>3/</u>	—	—	—	—	—
Multifilament <u>3/</u>	—	—	—	—	—
Multimonomofilament <u>3/</u>	—	—	—	—	—
Total <u>4/</u>	60,369	149,690	253,145	127,124	94,771
Grand total.....	***	***	***	***	***

1/ ***.

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

3/ Data not available.

4/ Compiled from official statistics of the U.S. Department of Commerce for TSUSA item 355.4520.

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

monofilament from Japan during January-June 1986 compared with such imports during January-June 1985 for several reasons. 1/ First, the State of Washington made the usage of monofilament salmon gill fish netting in the Puget Sound region legal for all fishermen in 1985, hence *** increased monofilament imports in anticipation of increased customer demands for this product. Second, the Sockeye salmon stock runs in 4-year cycles, and 1986 was projected to be a peak year. *** suggested that *** had put *** orders in for monofilament earlier than other U.S. importers. *** stated that *** increased imports of monofilament netting from *** pounds during January-June 1985 to *** pounds during January-June 1986 because of the change in the Washington law. 2/

Apparent U.S. consumption of salmon gill fish netting and the U.S. salmon harvest increased regularly during 1983-85. Although apparent U.S. consumption of the subject merchandise was *** percent higher during January-June 1986 compared with such consumption during January-June 1985, the reported U.S. salmon harvest was 8 percent lower during January-August 1986 compared with the harvest during January-August 1985. Data in the following tabulation present the U.S. salmon harvest (in millions of pounds): 3/

State	1983	1984	1985	January-August—	
				1985	1986
Alaska.....	633	658	729	624	566
Washington.....	24	27	55	28	29
Oregon.....	2	3	6	3	6
Total.....	659	688	790	655	601

Consideration of Material Injury or the Threat of Material Injury

Status of the domestic industry

Harbor Net and Twine, the sole remaining U.S. producer, currently produces a relatively small quantity of crystal multifilament salmon gill fish netting and a somewhat larger volume of cable-laid salmon gill fish netting, as shown by the data in table 3. Harbor produces only on order, does not export, and does not carry any netting inventory. The firm employs from *** to *** production workers, depending on the demand for netting.

Mrs. Savola, president of Harbor, stated in investigation No. 751-TA-7 and in this investigation that the firm's operations would be *** if the

1/ Staff conversation with *** Oct. 6, 1986.

2/ Staff conversation with *** Oct. 9, 1986.

3/ National Marine Fisheries Service, Fisheries Development Division.

dumping order were modified or revoked. 1/ *** in investigation No. 751-TA-5, Mrs. Savola submitted a letter to the Commission in which she stated that, "We at Harbor Net & Twine do not feel that our business has been hurt in any way. Business has always been affected more by the amount of production of fish by the fisherman." 2/

As noted earlier, Nichimo Northwest began its manufacturing operations in February 1982, and ceased production in November 1984. The plant produced herring gill fish netting in addition to salmon gill fish netting. Nichimo Northwest was a joint venture owned by both Japanese and American interests. By 1983, Nichimo was supplying all of its parent firm's former U.S. customers, since Nichimo Japan was no longer exporting salmon gill fish netting to the United States. Nichimo Northwest used yarn ***. It was testing yarn received from ***. If the tests were successful, the firm anticipated that its costs would *** from the *** per pound for the *** yarn, to *** per pound. That *** percent *** in cost would have been very significant, since it was reported that yarn costs accounted for *** percent of the firm's production costs from December 1982 to March 1983. 3/ The next highest cost was labor,

Table 3.—Salmon gill fish netting: U.S. production, by firms and types, 1983-85, January-June 1985, and January-June 1986

Item	(In pounds)			
	1983	1984	1985	January-June— 1985 1986
Harbor Net: <u>1/</u>				
Multifilament:				
Crystal.....	***	***	***	*** ***
Cable-laid.....	***	***	***	*** ***
Total.....	***	***	***	*** ***
Nichimo Northwest:				
Twisted monofilament.	***	***	***	*** ***
Multifilament:				
Crystal.....	***	***	***	*** ***
Multimonofilament....	***	***	***	*** ***
Total.....	***	***	***	*** ***

1/ ***.

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

1/ Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751-TA-7, . . . , USITC Publication 1387, June 1983.

2/ Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751-TA-5, . . . , USITC Publication 1234, March 1982, app. E. Letter to the Commission, Dec. 21, 1981.

3/ Nichimo Northwest's operations were ***.

which constituted *** percent. Mr. Hayakawa, president of Nichimo Trading, reported *** in this investigation that the firm ceased production in 1984 because of patent and sales problems. 1/

Financial experience of U.S. producers

Nichimo Trading U.S.A., Ltd., reported data for the dissolved U.S. producer, Nichimo Northwest. The latter firm represented *** percent of U.S.-produced domestic shipments in 1983 and *** percent of such shipments in 1984. Data were provided on income-and-loss for its salmon gill fish netting operations for 1983 and 1984. The other known U.S. producer during the period covered by this investigation, Harbor Net and Twine, accounted for the remaining share of U.S.-produced domestic shipments in 1983-84, and 100 percent in 1985-86. Harbor did not provide income-and-loss data on its salmon gill fish netting operations because ***. However, Mrs. Savola indicated that ***. Mrs. Savola estimated that sales of salmon gill fish netting ***. 2/ ***.

Table 4 shows Nichimo Northwest's income-and-loss data for its overall operations that were primarily devoted to the manufacture of the subject product during the years it was in operation. 3/

* * * * *

Table 4.—Income-and-loss experience of Nichimo Northwest on its salmon gill fish netting operations, accounting years 1983 and 1984

* * * * *

U.S. imports

Total imports of salmon gill fish netting decreased slightly from 457,938 pounds in 1983 to 456,681 pounds in 1984, or by 0.3 percent; however, imports increased to 712,586 pounds, or by 56.0 percent, in 1985 (table 5). Total imports were 28.2 percent higher during January-June 1986 compared with imports during January-June 1985.

Japan was the principal source of imports during the period of investigation. Imports of the subject merchandise from Japan increased irregularly from 397,569 pounds in 1983 to 459,441 pounds in 1985, representing an increase of 15.6 percent. Such imports were 48.7 percent higher during January-June 1986 than during January-June 1985.

1/ ***. Conversation with staff, Oct. 1, 1986.

2/ Staff conversation with Mrs. Grace Savola, Harbor Net and Twine, Oct. 20, 1986.

3/ In response to the U.S. producer's questionnaire in investigation No. 751-TA-7, Nichimo Northwest reported ***.

Table 5.—Salmon gill fish netting: U.S. imports for consumption, 1/ by principal sources, 1983-85, January-June 1985, and January-June 1986

Source	1983	1984	1985	January-June—	
				1985	1986
Quantity (pounds)					
Japan 2/.....	397,569	306,991	459,441	333,776	496,169
Taiwan 3/.....	42,625	70,636	120,967	56,540	57,143
Republic of Korea 3/..	17,314	78,190	96,165	52,630	24,591
Thailand 3/.....	0	157	36,013	17,954	12,930
All other 3/.....	430	707	0	0	107
Total.....	457,938	456,681	712,586	460,900	590,940
Value (in dollars)					
Japan 2/.....	3,933,000	2,881,000	3,656,000	3,045,000	4,045,000
Taiwan 3/.....	189,157	255,572	416,660	177,596	177,216
Republic of Korea 3/..	55,895	236,608	255,151	133,506	70,800
Thailand 3/.....	-	1,277	130,515	64,277	45,861
All other 3/.....	3,123	6,938	-	-	1,190
Total.....	4,181,175	3,381,395	4,458,326	3,420,379	4,340,067
Unit value (per pound)					
Japan 2/.....	\$9.89	\$9.38	\$7.96	\$9.12	\$8.15
Taiwan 3/.....	4.44	3.62	3.44	3.14	3.10
Republic of Korea 3/..	3.23	3.03	2.65	2.54	2.88
Thailand 3/.....	-	8.13	3.62	3.58	3.55
All other 3/.....	7.26	9.81	-	-	11.12
Average.....	9.13	7.40	6.26	7.42	7.34

1/ Imports based on U.S. Customs value are reported in table E-2.

2/ Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission. Value is the landed, duty-paid value, including the cost of ocean freight and insurance, brokerage charges, and import duties, but excluding importers' markup.

3/ Compiled from official statistics of the U.S. Department of Commerce for TSUSA item 355.4520. Value is the c.i.f., duty-paid value; it does not include brokerage charges or importers' markup.

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

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

The majority of the imports of salmon gill fish netting from Japan in 1985 (92 percent), provided for under TSUSA item 355.4520, entered the United States at Seattle, WA.

*** importers, accounting for *** percent of reported imports of the subject merchandise from Japan in 1985, reported inventories of salmon gill fish netting during the period of investigation. U.S. importers' end-of-period inventories of imports from Japan are shown in the following tabulation (in pounds):

Item	1983	1984	1985	January-June	
				1985	1986
End-of-period inventories.....	148,000	136,000	126,000	109,000	220,000
Ratio of inventories to domestic shipments of imports from Japan percent.	37.9	38.6	25.1	<u>1/</u> 20.2	<u>1/</u> 41.1

1/ Based on annualized shipment data. Data for ***.

***. *** stated that because the firm was slow in filling customers' orders, *** decided to stock higher inventories in ***, 1/ ***. An official of *** reported a *** percent increase in sales in the beginning of ***; consequently, the firm has increased its inventories. 2/

Staff also contacted officials of *** importers that accounted for over *** percent of reported yearend inventories in 1985. 3/ *** stated that *** must lower the price of inventories of salmon gill fish netting held over from a previous season. He added that only *** to *** percent of such inventories can be sold at a profit in a later season. The remaining inventories are either sold at extremely low prices, donated to institutions such as a university, or burned in their bonded warehouses in the presence of U.S. Customs officials. ***, stated that approximately *** percent of the firm's salmon gill fish netting stock is basic in size and type, and the remaining *** percent is unusual and cannot be sold in later seasons. He added that multifilament netting is "dead" stock and must be sold in a timely manner, whereas multimonofilament netting can be sold in following seasons. *** stated that most of the firm's salmon gill fish netting inventories can be sold in seasons following the original orders. He stated that when a new type of netting arrives on the market, the old inventories will sell at "distressed" prices.

1/ Staff conversation with ***.

2/ Staff conversation with ***.

3/ Staff conversations with ***.

Prices

The Commission requested delivered price information from purchasers of domestic and imported salmon gill fish netting. Six firms, accounting for approximately 89 percent of reported imports of the subject merchandise from Japan in 1985, provided usable price information.

Monofilament.—Three firms, accounting for *** percent of reported imports from Japan of monofilament salmon gill fish netting in 1985, reported that c.i.f. purchase prices remained constant (C.I.F. prices are equal to the price of a product including cargo, insurance, and freight to the port of entry, but before any duties have been paid.) *** (table 6).

Table 6.—Monofilament salmon gill fish netting: C.I.F. and delivered import prices, by purchasers, January 1983–June 1986

* * * * *

Multifilament.—Four firms reported prices of U.S.–produced multifilament salmon gill fish netting. Two firms reported purchasing crystal multifilament and multimonofilament netting from Nichimo Northwest during 1983–84. The other two firms reported purchases of cable–laid multifilament netting from Harbor Net and Twine during 1983–86. 1/ As noted above, Harbor appears to have a unique spot in the market for salmon gill fish netting. Although importers and fishermen have alleged that Harbor's crystal multifilament netting is inferior to that available from Japanese manufacturers, ***. According to fish netting distributors and fishermen, the firm's cable–laid netting is not considered to be competitive with imported multifilament or multimonofilament netting, since it has none of the characteristics of transparency or flexibility that fishermen deem desirable. 2/ Reported U.S.–produced crystal multifilament and multimonofilament netting specifications varied widely from period to period; therefore, no price trends could be determined for these products. However, the price of the cable–laid multifilament netting produced by Harbor was *** and *** for the other firm (table 7).

* * * * * 3/

Table 7.—Salmon gill fish netting: Delivered purchase prices for U.S.–produced multimono, crystal, and cable–laid netting, by producers, January 1983–June 1986

* * * * *

1/ ***.

2/ Salmon Gill Fish Netting of Manmade Fibers From Japan: Determination of the Commission in Investigation No. 751–TA–7, . . ., USITC Publication 1387, June 1983.

3/ Staff conversation with ***.

The remaining Harbor customers consist of approximately ***percent professional fishermen and *** percent sports fishermen. 1/

Multimonofilament.—Four firms, accounting for 58 percent of reported imports from Japan of multimonofilament salmon gill fish netting in 1985, reported prices (table 8). Because of the wide range of specifications within the multimonofilament category, prices are not directly comparable with each other. There was a general declining trend for delivered prices during the

Table 8.—Multimonofilament salmon gill fish netting: C.I.F. and delivered import prices, by purchaser, January 1983–June 1986

* * * * *

period of investigation. This decline may have been caused by scheduled tariff reductions since c.i.f. purchase prices were fairly stable throughout the period.

Prices for salmon gill fish netting are high relative to other types of fish netting. Seine netting with stretch mesh sizes over 3-1/2 inches can be obtained from domestic manufacturers for approximately *** per pound, or can be imported from Japan for about *** per pound. However, fishermen are willing to pay the additional cost for salmon gill netting, because gill netting provides greater efficiency in trapping salmon. Conversely, fishermen are unwilling to purchase expensive salmon gill netting to fish other species when less expensive netting would be just as efficient.

*** told staff that there are currently no U.S. producers of herring gill netting. He stated that herring gill nets are illegal for use to catch salmon in most regions of the United States because they are all constructed of single-strand monofilament netting. Herring gill netting is dyed and has between 2 and 3 inches stretch mesh size. *** has recently purchased Japanese-produced herring gill netting for *** per pound. 2/

Exchange rates

Quarterly data reported by the International Monetary Fund indicate that during the interval January 1983–September 1986 the quarterly nominal value of the Japanese yen advanced sharply by 51.3 percent against the U.S. dollar (table 9). 3/ After adjustment for the relative economic movement of each currency over the 15-quarter period by the respective Producer Price Index in each of the aforementioned countries, the projected real value of Japan's currency appreciated 36.5 percent relative to the dollar—significantly less than the apparent appreciation of 51.3 percent suggested by the nominal exchange rate.

1/ Staff conversation with ***, Oct. 2, 1986.

2/ Staff conversation with ***.

3/ International Financial Statistics, November 1986.

Table 9.—U.S.—Japanese exchange rates: 1/ Nominal-exchange-rate equivalents of the Japanese yen in U.S. dollars, real-exchange-rate equivalents, and producer price indicators in the United States and Japan, 2/ indexed by quarters, January 1983–September 1986

Period	U.S. Producers Price Index	Japanese Producers Price Index	Nominal- exchange- rate index —U.S. dollars per yen—	Real- exchange- rate index <u>3/</u>
1983:				
January–March.....	100.0	100.0	100.0	100.0
April–June.....	100.3	99.0	99.2	98.0
July–September.....	101.3	99.2	97.2	95.2
October–December....	101.8	98.6	100.6	97.5
1984:				
January–March.....	102.9	98.7	102.0	97.9
April–June.....	103.6	98.8	102.7	97.9
July–September.....	103.3	99.4	96.8	93.1
October–December....	103.0	99.1	95.8	92.2
1985:				
January–March.....	102.9	99.5	91.5	88.5
April–June.....	103.0	98.8	94.0	90.2
July–September.....	102.2	97.7	98.8	94.4
October–December....	102.9	95.5	113.8	105.6
1986:				
January–March.....	101.3	93.2	125.4	115.4
April–June.....	99.4	89.3	138.6	124.5
July–September.....	99.0	<u>4/</u> 87.6	151.3	<u>4/</u> 136.5

1/ Exchange rates expressed in U.S. dollars per Japanese yen.

2/ Producers price indicators—intended to measure final product prices—are based on average quarterly indexes presented in line 63 of the International Financial Statistics.

3/ The indexed real exchange rate represents the nominal exchange rate adjusted for the relative economic movement of each currency as measured here by the Producer Price Index in the United States and Japan. Producer prices in the United States decreased 1.0 percent during the interval January 1983–September 1986 compared with a projected 12.4-percent decrease in Japanese prices for the same period.

4/ Derived from Japanese producers price data for July only.

Source: International Monetary Fund, International Financial Statistics, November 1986.

Note. —January–March 1983=100.0.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that proper record-keeping is essential for ensuring transparency and accountability in financial operations. This section also highlights the role of internal controls in preventing fraud and errors.

2. The second part of the document focuses on the implementation of a robust risk management framework. It outlines the various risks that an organization may face, including financial, operational, and reputational risks. The document provides a detailed description of the risk assessment process, which involves identifying, measuring, and evaluating risks to determine their potential impact on the organization's objectives.

3. The third part of the document addresses the importance of effective communication and reporting. It stresses that clear and concise communication is crucial for ensuring that all stakeholders are informed of the organization's performance and any potential issues. This section also discusses the role of the board of directors in overseeing the organization's activities and providing guidance on key strategic decisions.

4. The fourth part of the document discusses the importance of maintaining a strong relationship with external stakeholders, including customers, suppliers, and regulatory bodies. It emphasizes that a strong relationship with these stakeholders is essential for ensuring the organization's long-term success and sustainability. This section also discusses the role of the organization in promoting social responsibility and ethical behavior.

5. The fifth part of the document discusses the importance of maintaining a strong financial position. It emphasizes that a strong financial position is essential for ensuring the organization's ability to meet its obligations and invest in future growth. This section also discusses the role of the organization in managing its financial resources effectively and efficiently.

6. The sixth part of the document discusses the importance of maintaining a strong human resource base. It emphasizes that a strong human resource base is essential for ensuring the organization's ability to attract and retain top talent. This section also discusses the role of the organization in providing training and development opportunities for its employees.

7. The seventh part of the document discusses the importance of maintaining a strong legal and regulatory compliance framework. It emphasizes that a strong legal and regulatory compliance framework is essential for ensuring the organization's ability to operate in a lawful and ethical manner. This section also discusses the role of the organization in staying up-to-date on changes in the legal and regulatory environment.

8. The eighth part of the document discusses the importance of maintaining a strong information technology infrastructure. It emphasizes that a strong information technology infrastructure is essential for ensuring the organization's ability to store, process, and analyze data effectively. This section also discusses the role of the organization in protecting its information technology assets from cyber threats.

9. The ninth part of the document discusses the importance of maintaining a strong environmental and social governance (ESG) framework. It emphasizes that a strong ESG framework is essential for ensuring the organization's ability to manage its environmental and social impacts effectively. This section also discusses the role of the organization in promoting sustainable development and social responsibility.

10. The tenth part of the document discusses the importance of maintaining a strong corporate governance framework. It emphasizes that a strong corporate governance framework is essential for ensuring the organization's ability to operate in a transparent and accountable manner. This section also discusses the role of the organization in promoting ethical behavior and transparency in its operations.

APPENDIX A

TREASURY DECISION 72-158

(T.D. 72-158)

Antidumping—Fish netting of manmade fibers from Japan

The Secretary of the Treasury makes public a finding of dumping with respect to fish netting of manmade fibers from Japan. Section 153.43, Customs Regulations, amended.

DEPARTMENT OF THE TREASURY,
Washington, D.C., June 1, 1972.

TITLE 19—CUSTOMS DUTIES**CHAPTER I—BUREAU OF CUSTOMS****PART 153—ANTIDUMPING**

Section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)), gives the Secretary of the Treasury responsibility for determination of sales at less than fair value. Pursuant to this authority the Secretary of the Treasury has determined that fish nets and netting of manmade fibers from Japan are being, or are likely to be, sold at less than fair value within the meaning of section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). (Published in the Federal Register of January 19, 1972 (37 F.R. 815, F.R. Doc. 72-897)).

Section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)), gives the United States Tariff Commission responsibility for determination of injury or likelihood of injury. The United States Tariff Commission has determined, and on April 18, 1972, it notified the Secretary of the Treasury that an industry in the United States is being and is likely to be injured by reason of the importation of fish netting of manmade fibers from Japan, sold at less than fair value; and that no industry in the United States is being, or is likely to be, injured, or prevented from being established, by reason of the importation of fish nets of manmade fibers from Japan, sold at less than fair value. (Published in the Federal Register of April 22, 1972 (37 F.R. 8038, F.R. Doc. 72-6211).)

On behalf of the Secretary of the Treasury, I hereby make public these determinations, which constitute a finding of dumping with respect to fish netting of manmade fibers from Japan.

Section 153.43 of the Customs Regulations is amended by adding the following to the list of findings of dumping currently in effect:

<i>Merchandise</i>	<i>Country</i>	<i>T.D.</i>
Fish netting of manmade fibers	Japan	72-158

(Sections 201, 407, 42 Stat. 11, as amended, 18; 19 U.S.C. 160, 173.)
(643.3)

ERGENE T. ROSSIDES,
Assistant Secretary of the Treasury.

(Published in the Federal Register June 9, 1972 (37 F.R. 11500))

APPENDIX B

FEDERAL REGISTER NOTICES.

Wilderness Review, and Wild River Plan.

Dated: June 27, 1986.

Robert E. Gilmore,
Regional Director.

[FR Doc. 86-15027 Filed 7-2-86; 8:45 am]

BILLING CODE 4310-55-M

INTERNATIONAL TRADE COMMISSION**Salmon Gill Fish Netting of Manmade Fibers From Japan; Request for Comments Concerning the Institution of a Section 751(b) Review Investigation**

AGENCY: International Trade Commission.

ACTION: Request for comments regarding the institution of a section 751(b) review investigation concerning the Commission's affirmative determination in investigation No. AA1921-85, Fish Nets and Netting of Manmade Fibers from Japan.

SUMMARY: The Commission invites comments from the public on whether changed circumstances exist which warrant the institution of an investigation pursuant to section 751(b) of the Tariff Act of 1930 (19 U.S.C. 1675(b)) to review the Commission's affirmative determination in investigation No. AA1921-85, regarding fish nets and netting of manmade fibers from Japan, provided for in item 355.45 of the Tariff Schedules of the United States (TSUS). The purpose of the proposed section 751(b) review investigation, if instituted, would be to determine whether an industry in the United States would be materially injured, would be threatened with material injury, or the establishment of an industry would be materially retarded, by reason of imports of salmon gill fish netting of manmade fibers from Japan if the antidumping duty order is modified or revoked with respect to such merchandise, provided for in TSUS item 355.45.

FOR FURTHER INFORMATION CONTACT: Martha Mitchell (202-523-6620), Office of Investigations, U.S. International Trade Commission, 701 E Street NW., Washington, DC 20438. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-724-0002.

SUPPLEMENTARY INFORMATION: On April 18, 1972, the Commission determined that an industry in the United States was injured within the meaning of the

Antidumping Act, 1921, by reason of imports of fish netting of manmade fibers from Japan determined by the Secretary of Treasury to be sold or likely to be sold at less than fair value (investigation No. AA1921-85). On June 1, 1972, the Department of the Treasury issued a dumping order, T.D. 72-158, and published notice thereof in the Federal Register (37 FR 11560, June 9, 1972).

On October 14, 1981, following receipt of a request to review its affirmative determination in investigation No. AA1921-85, the Commission instituted investigation No. 751-TA-5, Salmon gill fish netting of manmade fibers from Japan. On March 31, 1982, the Commission unanimously determined that the establishment of an industry in the United States would be materially retarded by reason of imports of salmon gill fish netting of manmade fibers from Japan, covered by antidumping order T.D. 72-158, if the order were to be modified or revoked.

On January 25, 1983, following receipt of a request to review its affirmative determination in investigation No. AA1921-85, the Commission instituted investigation No. 751-TA-7, Salmon gill fish netting of manmade fibers from Japan. On May 24, 1983, the Commission determined that an industry in the United States would be materially injured by reason of imports of salmon gill fish netting of manmade fibers from Japan, covered by antidumping order T.D. 72-158, if the order were to be modified or revoked.

On June 20, 1986, the Commission received a request to review and modify its affirmative determination in investigation No. AA1921-85. The request was filed pursuant to section 751(b) of the Tariff Act of 1930 by George R. Tuttle on behalf of Seattle, Washington/Portland, Oregon importers of salmon gill fish netting, including Seattle Marine and Fishing Supply Co., Redden Net Co., and LSS, Inc., (formerly Lummi Fishery Supply Co.). The petition requests that the Commission revoke that portion of the outstanding order dealing with salmon gill fish netting retroactively to June 1, 1972.

Written Comment Requested:

Pursuant to 207.45(b)(2) of the Commission's Rules of Practice and Procedure (19 CFR 207.45(b)(2)), the Commission requests public comments concerning whether the following changed circumstances alleged in the request for review are sufficient to warrant institution of a review investigation: (1) Nichimo Northwest, Inc., the major producers of salmon gill fish netting in the United States, ceased production of salmon gill fish netting on

November 30, 1984, has not resumed production, and has no intention of resuming production of this product; (2) Harbor Net and Twine, Inc., the only other known commercial producer of salmon gill fish netting in the United States, has been making primarily netting for sturgeon fishing and diver nets for salmon, has been making little, if any, salmon gill fish netting, and would not be adversely affected by retroactive revocation or modification of the order since it is a minor producer of the subject merchandise for a specialized market; and (3) Nylon Net Co., a potential producer, has ceased production of all fish netting, and on May 9, 1985, filed a voluntary petition under Chapter 11 with the United States Bankruptcy Court.

Additional Information

Under § 201.8 of the Commission's Rules of Practice and Procedure (19 CFR 201.8), the signed original and 14 true copies of all written submissions must be filed with the Secretary to the Commission, 701 E Street, NW., Washington, DC 20438. All comments must be filed no later than 30 days after the date of publication of this notice in the Federal Register. Any person desiring to submit a document (or portion thereof) to the Commission in confidence must request business confidential treatment under § 201.6 of the Commission's Rules of Practice and Procedure (19 CFR 201.6). Such request should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. Each sheet must be clearly marked at the top "Confidential Business Data." The Commission will either accept the submission in confidence or return it. All nonconfidential written submissions will be available for public inspection in the Office of the Secretary.

Copies of the request for review of the injury determination and any other public documents in this matter are available to the public during official working 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, DC 20438; telephone 202-523-0161.

Issued: June 30, 1986.

By order of the Commission
Kenneth R. Mason,
Secretary.

[FR Doc. 86-15101 Filed 7-2-86; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 751-TA-11]

Salmon Gill Fish Netting of Manmade Fibers From Japan

AGENCY: International Trade Commission.

ACTION: Institution of a review investigation concerning the Commission's affirmative determination in investigation No. AA1921-85, Fish Nets and Netting of Manmade Fibers from Japan.

SUMMARY: The Commission hereby gives notice that it has initiated an investigation pursuant to section 751(b) of the Tariff Act of 1930 (19 U.S.C. 1675(b)) to review its determination in investigation No. AA1921-85. The purpose of the investigation is to determine whether an industry in the United States would be materially injured, or would be threatened with material injury, or the establishment of an industry in the United States would be materially retarded, by reason of imports of salmon gill fish netting of manmade fibers from Japan if the outstanding order regarding such merchandise were to be modified or revoked. Salmon gill fish netting is provided for in item 355.45 of the Tariff Schedules of the United States. As provided in § 207.45(b) of the Commission's Rules of Practice and Procedure (19 CFR 207.45(b)), the 120-day period for completion of this investigation begins on the date of publication of this notice in the Federal Register.

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

EFFECTIVE DATE: August 20, 1986.

FOR FURTHER INFORMATION CONTACT: Martha Mitchell (202-523-8620), Office of Investigations, U.S. International Trade Commission, 701 E Street NW., Washington, DC 20438. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-724-0002.

SUPPLEMENTARY INFORMATION:

Background

On April 18, 1972, in investigation No. AA1921-85, the Commission determined that an industry in the United States was being injured within the meaning of the Antidumping Act, 1921, by reason of imports of fish netting of manmade fibers from Japan determined by the Secretary of the Treasury to be sold or likely to be sold at less than fair value (LTFV). As a result of this determination, the Department of the Treasury issued a dumping order applicable to this merchandise on June 1, 1972 (Treasury Decision 72-158). The Commission has conducted two 751 review investigations with respect to salmon gill fish netting of manmade fibers from Japan (investigations Nos. 751-TA-5, March 31, 1982, and 751-TA-7, May 24, 1983), and, in both instances, determined that the portion of the order dealing with salmon gill fish netting should not be revoked.

On June 20, 1986, the Commission received a new request from counsel representing Seattle, Washington/Portland, Oregon importers of salmon gill fish netting, including Seattle Marine and Fishing Supply Co., Redden Net Co., and LSS, Inc. (formerly Lummi Fishery Supply Co.). The petition requests that the Commission modify its affirmative determination and revoke that portion of the outstanding order on fish nets and netting of manmade fibers from Japan dealing with salmon gill fish netting retroactively to June 1, 1972. Modification or revocation of the dumping finding as to salmon gill fish netting would not affect the Commission's affirmative determination as to other forms of fish netting of manmade fibers from Japan. The petition alleges the existence of changed circumstances which warrant the institution of a third section 751 review investigation. In July 3, 1986, the Commission requested written comments in the Federal Register (51 FR 24451) as to whether the changed circumstances alleged by the petitioner were sufficient to warrant a review investigation. After reviewing comments received in response to that request, the Commission has determined that the changed circumstances alleged in the petition were sufficient to warrant a review investigation.

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 (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 Chairman, 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 § 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(c) and 207.3 of the rules (19 CFR 201.16(c) and 207.3), 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 prehearing staff report in this investigation will be placed in the public record on October 17, 1986, 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 9:30 a.m. on October 30, 1986, 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 October 14, 1986. 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 9:30 a.m. on October 17, 1986, in room 117 of the U.S. International Trade Commission Building. The deadline for filing prehearing briefs is October 27, 1986.

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))).

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 November 6, 1986. 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 November 6, 1986.

A signed original and fourteen (14) copies of each submission must be filed with the Secretary to the Commission in accordance with section 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).

Authority

This investigation is being conducted under authority of the Tariff Act of 1930, title VII. This notice is published pursuant to § 207.45 of the Commission's rules (19 CFR 207.45).

Issued: August 13, 1986.

By order of the Commission.

Kenneth R. Mason,

Secretary.

[FR Doc. 86-18787 Filed 8-19-86; 8:45 am]

BILLING CODE 7020-02-M

on carbon steel wire rod from Trinidad and Tobago, entered, or withdrawn from the warehouse, for consumption after the suspension of liquidation, equal to the amount by which the foreign market value of the merchandise exceeds the United States price. This determination is being published pursuant to section 735(d) of the Act (19 U.S.C. 1673(d)).

Dated: September 16, 1983.

Lawrence J. Brady,

Assistant Secretary for Trade Administration.

[FR Doc. 83-25681 Filed 9-21-83; 8:45 AM]

BILLING CODE 3510-25-M

[A-598-029]

Fish Netting of Man-Made Fibers From Japan; Final Results of Administrative Review of Antidumping Finding

AGENCY: International Trade Administration, Commerce.

ACTION: Notice of Final Results of Administrative Review of Antidumping Finding.

SUMMARY: On December 27, 1982, the Department of Commerce published the revised preliminary results of its administrative review of the antidumping finding on fish netting of man-made fibers from Japan. The review covers 74 of the 81 known manufacturers, exporters, and third-country resellers of this merchandise to the United States and various time periods through May 31, 1980.

Interested parties were given an opportunity to submit oral or written comments on the revised preliminary results. At the request of certain importers and exporters, we held a public hearing on January 28, 1983.

As a result of our analysis of the comments received and because of mathematical errors, the Department has changed the weighted-average margins for 51 firms. The margins remain the same as those presented in the revised preliminary results for all other exporters.

EFFECTIVE DATE: September 21, 1983.

FOR FURTHER INFORMATION CONTACT: Laurie Lucksinger or Susan M. Crawford, Office of Compliance, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230, telephone: (202) 377-1130.

SUPPLEMENTARY INFORMATION:

Background

On May 5, 1981, the Department of Commerce ("the department") published in the Federal Register (46 FR 25118-20) the preliminary results of its administrative review of the antidumping finding on fish netting of

man-made fibers from Japan (37 FR 11560, June 6, 1972). On December 27, 1982, we published our revised preliminary results in the Federal Register (47 FR 57546). The Department has now completed that administrative review.

Scope of the Review

Imports covered by the review are shipments of fish netting of man-made fibers, currently classifiable under items 355.4520 and 355.4530 of the Tariff Schedules of the United States Annotated.

The review covers 74 of 81 known manufacturers, exporters, and third-country resellers of Japanese fish netting of man-made fibers to the United States for various periods through May 31, 1980.

Analysis of Comments Received

We invited interested parties to submit written comments or request a hearing on our revised preliminary results. At the request of certain importers and exporters, we held a public hearing on January 28, 1983. Several other companies submitted written comments.

Comment 1: Morishita Fishing Net Mfg. Co., Ltd., Mitsui & Co., Ltd., Trans-Pacific Trading Co., Ltd., Seattle Marine & Fishing supply Co., Nordby Supply Co., Lummi Supply Co., Redden Net Co., Fisheries Supply Co., Nets, Inc., Tacoma Marine Supply Co., Astoria Marine, Englund Marine Supply Co., and Nichimen Corp., argue that the petitioner's submission of "Cost of Production Differences in fish Netting", submitted in January 1983 after the hearing, is untimely and, further, the cost differences submitted, lack any evidentiary support.

Department's Position: The Department agrees that the study lacked evidentiary support. Therefore, we have not used the data in completing our analysis.

Comment 2: Momoi Fishing Net Mfg. Co., Ltd. argues that its dumping margin percentage for the period April 1978 through May 1980, which the Department based on the best information available because the Department considered Momoi's submission untimely, should be adjusted downward. Momoi contends that the Department's rejection of Momoi's response as untimely is contrary to the principles of the Trade Agreements Act of 1979 and the General Agreement on Tariffs and Trade.

Department's Position: We notified all parties on July 28, 1981, that companies that failed to respond or provided inadequate responses to questionnaires

prepared prior to 1980 by the Customs Service would be allowed to supplement those responses. Companies that failed to respond to questionnaires prepared by the Department were considered untimely and would not be allowed to respond further. Momoi's response for the period April 1978 through May 1980, submitted in October 1981, was in response to a questionnaire prepared by the Department. Therefore, we consider that response untimely and will not use it.

Comment 3: Momoi argues that in some instances we included sales with contract dates outside our review period and that in some others we made incorrect comparisons. Additionally, it argues that we should use a weighted-average home market price when comparing purchase prices of a certain group of U.S. sales to foreign market values.

Department's Position: For Momoi, there were 89 sales with sale dates prior to September 1, 1978. These fall outside the 1978-79 review period and we have now excluded them. Several U.S. sales were not compared to the home market sales closest to the date of the U.S. sales. We have corrected that error and made new comparisons. However, there were no margins on the original comparisons, so our results did not change. We were unable to use a weighted-average price for one group of home market sales, as requested, because Momoi submitted no data on the quantities sold. We used the sale with the highest price in that group of sales as the best information available. We could not agree to Momoi's request that four U.S. sales be compared with home market sales closer in date to the U.S. sale date than the home market sales chosen by us. The comparison merchandise Momoi wanted us to use does not fall within the specification range of such or similar merchandise.

Comment 4: Momoi claims that its sales of braided netting were to a related purchaser and therefore the sales should be considered exporter's sales price sales. In addition, the firm claims that we should use a home market sale more contemporaneous than our choice for one of the U.S. related party transactions.

Department's Position: The Department agrees with the use of the suggested more contemporaneous home market sale for the transaction in question. Its use for comparison results in no margin on that sale. However, due to a clerical error, we excluded the original margin calculated but included its sales values in the weighted-average

margin calculation. Thus, there is no effect on the cash deposit rate.

With respect to the use of exporter's sales price for sales made to Momoi U.S.A. Corporation, the Department could not determine from the response of Momoi Fishing Net Manufacturing Co., Ltd. for September 1978 through March 1978 whether the use of exporter's sales price or purchase price was appropriate for these sales. We will attempt to establish the validity of the claim for use of exporter's sales price in our next administrative review.

Comment 5: Momoi believes that salmon gill netting should be considered a subclass of fish netting covered by the finding, and that we should revoke the finding with respect to salmon gill netting. Momoi argues that there were no less than fair value sales of this subclass for at least two years.

Department's Position: Absent exceptional circumstances, the Department does not calculate weighted-average margins for and will not revoke findings or orders for subdivisions of the class or kind of merchandise covered even in the event of the elimination of margins for that subclass.

Comment 6: Nichimo suggests that the ITA method for choosing particular home market sales for comparison with U.S. sales enables companies to stagger sales and escape dumping duties through timing of sales in both markets. Nichimo suggests that the Department use an average of home market sales occurring around the U.S. sale date.

Department's Position: In this review, the Department has made price comparisons based on individual contemporaneous sales of similar merchandise. Depending on the number of sales in the reviews, we will consider using weighted-average home market prices.

Comment 7: Nichimo argues for adjustments to the foreign market value for merchandise differences in yarn, both in price and grade, and an adjustment for quantity differences due to the large order size in U.S. sales.

Department's Position: Nichimo did not provide sufficient substantiation for the requested adjustments.

Comment 8: Several importers argue that the Department's use of the best information available for assessment and cash deposit purposes when manufacturers fail to respond to our questionnaire is fundamentally unsound and unfair. A trading company has no control over the timely submission of responses to our questionnaire by a netting manufacturer.

Department's Position: The

Department has clear statutory authority to use the best information available to establish assessment and cash deposit rates when a firm fails to respond to our questionnaire. A manufacturer which does not respond to our questionnaire cannot immunize sales from the use of best evidence merely by selling through a trading company.

Comment 9: Several importers question the Department's method for determining the best information available for assessment and cash deposit purposes. Specifically, they believe that the best information available for years of non-response should be the highest rate for responding firms with shipments in those specific years.

Department's Position: The Department establishes a new "best information" rate for each period of time it reviews. A company which is first unresponsive in one period will be assigned the rate for assessments in that period and for deposit of estimated antidumping duties in the subsequent period. If the company continues to be unresponsive in periods subsequent to the first period, it will receive its previous rate or a new best information rate if the latter is higher than its previous rate. The Department recognizes no unfairness in this procedure when applied to sales by companies which do not cooperate in our reviews.

Comment 10: Several importers argue that the Department should consider revocation requests submitted after publication of the revised preliminary results.

Department's Position: In order that all parties can comment on revocation requests, the Department ordinarily couples tentative determinations to revoke with preliminary results notices. The administrative procedures for the period between a preliminary and final determination provide the most efficient and fair method of deciding revocation issues.

Comment 11: American Netting Manufacturers Organization argues that the Department should deny Monoi's request for a partial revocation on salmon gill netting because there is doubt that there are no sales at less than fair value for at least a two-year period for such merchandise. Further, the petitioner contends that, even if there are no sales at less than fair value, salmon gill netting should not be the subject of a partial revocation.

Department's Position: We agree. See Comment 5.

Comment 12: On January 28, 1983, the International Trade Commission instituted an injury review under section

751(b) of the Tariff Act of 1930 ("the Tariff Act") on salmon gill netting provided for in item 355.45 of the Tariff Schedules of the United States. American Netting Manufacturers Organization states that the Department can only provide the ITC with the results of its administrative review for the period through May 1980, the period covered by the Department's review, even though the ITC is looking at a more recent period in its investigation.

Department's Position: This comment is moot because on June 8, 1983, the ITC published a determination in the Federal Register (48 FR 26541) that an industry in the United States would be materially injured by imports of salmon gill netting if the antidumping finding were revoked or modified.

Comment 13: American Netting Manufacturers Organization argues that we should not accept Momoi's questionnaire response for the period April 1, 1978 through May 31, 1980 because it is untimely.

Department's Position: We agree. See Comment 2.

Comment 14: The petitioner submitted a study of "Cost of Production Differences in Fish Netting" to assist the Department in adjusting the price of similar merchandise sold in the home market to account for differences in merchandise.

Department's Position: We maintain that the petitioner's study was unsupported and have not used it. See Comment 1.

Final Results of the Review: After analysis of all of the comments received, we determine that the following margins exist:

	Time period	Margin (percent)
Manufacturer/Exporter: Amikan Fishing Net Mfg. Co., Ltd.	12/01/78-05/31/79 06/01/79-05/31/80	8.53
Arihito Kabushiki Kaisha, Ltd.	05/01/71-05/31/80	4.30
Amika Company, Ltd.	09/01/76-12/31/76 01/01/77-05/31/80	8.08 18.30
Arai Gomi K.K.	05/01/71-05/31/80	4.30
Daiei Housing Co., Ltd.	01/01/76-08/31/76 09/01/76-12/31/76 01/01/77-05/31/80	4.30 8.08 18.30
Fukuda Shoten Fukui Fishing Net Co., Ltd.	05/01/71-05/31/80	4.30
Hakodate Seimo Sengu Co., Ltd.	04/01/78-05/31/79 06/01/79-05/31/80	2.41 1.94
Hakodate Seimo Sengu Co., Ltd./ Mitsui & Co., Ltd.	10/01/76-05/31/79 06/01/79-05/31/80	1.68 0.68
Hakodate Seimo Sengu Co., Ltd./ Mitsui & Co., Ltd.	09/01/76-09/30/76 10/01/76-05/31/79 06/01/79-05/31/80	8.08 1.68 0.68
Hashimoto Sangyo Co.	05/01/71-08/31/76 09/01/76-12/31/76 01/01/77-05/31/80	4.30 8.08 18.30
Hirose Fishing Net Mfg. Co., Ltd.	05/01/71-05/31/80	4.30

	Time period	Margin (percent)
Hiraga Fishing Net Mfg Co., Ltd./Sanyo Enterprises Co., Ltd.	05/01/71-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Hiraga Fishing Net Mfg Co., Ltd./ Yamada Trading Co., Ltd.	01/01/77-05/31/80	
Hirata Spinning Co., Ltd.	04/01/78-05/31/80	6.78
Hirata Spinning Co., Ltd./Nishimen Co., Ltd.	04/01/75-09/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Hirose Taniuchi Shoten	05/01/71-05/31/80	4.30
Hirose General Kogyo	09/01/78-12/31/78 01/01/77-05/31/80	8.08 18.30
Ibeson K.K.	05/01/71-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
I.K.K. International Corp.	01/01/78-05/31/80	6.78
Inagaki Fishing Net Mfg Co., Ltd.	09/01/78-05/31/80	4.30
Inagaki Fishing Net Mfg Co., Ltd./ Nishimen Co., Ltd.	09/01/78-05/31/80	0.002
Itoh-Soni Mfg Co., Ltd.	05/01/71-05/31/80	
Itoh-Soni Mfg Co., Ltd./Yamada Trading Co., Ltd.	01/01/77-05/31/80	
Japan Marine Material Co., Ltd.	01/01/78-05/31/80	6.78
Japan Mobe, Ltd.	06/01/73-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Kanematsu Trading, Ltd.	01/01/80-05/31/80	1.94
Kasumi Fishing Net Mfg Co., Ltd.	05/01/71-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Kasumi Fishing Net Mfg Co., Ltd./Sanyo Enterprises Co., Ltd.	05/01/71-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Kataoka Seimo Co., Ltd./Honriku Seimo Co., Ltd./K.Y. Corp.	05/01/71-05/31/80	(1)
Kinoshita Fishing Net Mfg Co., Ltd.	04/01/78-05/31/80	4.30
Kinoshita Fishing Net Mfg Co., Ltd./ Nishio-hwa Corp.	04/01/78-05/31/80	6.78
Kyoto Netting Co., Ltd.	05/01/71-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Manuel & Co.	06/01/73-05/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Maye Seimo Co., Ltd.	04/01/79-05/31/80	0.11
Maye Seimo Co., Ltd./ Nishimen Co., Ltd.	07/01/73-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Momoi Fishing Net Mfg Co., Ltd.	09/01/78-03/31/78 04/01/78-05/31/80	8.08 8.08
Moribun Shoten	05/01/71-05/31/80	
Moririn Co., Ltd.	05/01/71-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Morishita Fishing Net Mfg Co., Ltd.	06/01/73-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Morishita Fishing Net Mfg Co., Ltd./Mitsui & Co., Ltd.	09/01/78-12/31/78 01/01/77-05/31/80	8.08 18.30
Morishita Fishing Net Mfg Co., Ltd./ Nishio-hwa Corp.	04/01/78-05/31/78 05/01/78-05/31/80	0.52 0.52
Nagaoka Sumoshio Co., Ltd.	05/01/71-05/31/80	4.30

	Time period	Margin (percent)
Nakazawa Gyomo Co., Ltd.	07/01/78-05/31/80	6.78
Nichino Co., Ltd.	09/01/78-05/31/78 08/01/78-05/31/80	6.78
Nikka (Mitsui)	07/01/75-08/31/78 09/01/78-08/30/78 10/01/78-05/31/78 06/01/78-05/31/80	4.30 8.08 1.88 8.88
Nippon Kanro Co., Ltd.	01/01/77-05/31/80	18.30
Nitt. Seimo Co., Ltd.	04/01/78-05/31/80	(1)
Ogura Trading Co., Ltd.	09/01/78-05/31/80	(14.20)
Ohmi Netting Co., Ltd./Mitsui & Co., Ltd.	09/01/78-05/31/80	
Ono Trading Co., Ltd.	04/01/78-05/31/80	6.78
Onu Netting Co., Ltd.	09/01/78-12/31/78 01/01/77-05/31/80	8.08 18.30
Osada Fishing Net Co., Ltd.	09/01/78-05/31/80	4.30
Osada Fishing Co., Ltd./Nishimen Co., Ltd.	04/01/78-05/31/80	
Sakakura Net Kogyo-sho	09/01/78-12/31/78 01/01/77-05/31/80	8.08 18.30
Shindo Kogyo, K.K.	09/01/78-12/31/78 01/01/77-05/31/80	8.08 18.30
Shirawa Trading Co., Ltd.	07/01/78-05/31/80	
Tate Seiko Co., Ltd.	09/01/78-12/31/78 01/01/77-05/31/80	8.08 18.30
Taiyo Gyogyo K. K.	01/01/80-05/31/80	6.78
Tama Bussan Co., Ltd.	07/01/78-05/31/80	6.78
Techota Co.	05/01/71-05/31/80	
Toyama Fishing Net Mfg Co., Ltd.	04/01/78-05/31/80	
Toyonon Co., Ltd.	04/01/78-05/31/80	6.78
Wako Boeki K.K. (Wako Trading)	05/01/71-05/31/80	
Watanabe Chogen Shoten	09/01/78-12/31/78 01/01/77-05/31/80	8.08 18.30
Yagi Fishing Net Co., Ltd.	05/01/71-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Yamagen	05/01/71-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Yamazaki Fishing Net Co., Ltd.	02/01/78-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Third-Country Reseller (Canada):		
Aboc Acadie	07/01/78-05/31/80	6.78
Atlantic Netting, Rope & Twine, Ltd.	01/01/77-05/31/80	18.30
Bay Bulls Trading Co., Ltd.	01/01/80-05/31/80	1.94
Dennis Ross	07/01/78-05/31/80	6.78
Gourouk Division, Wire Rope Ind., Ltd.	07/01/74-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Industrial Marine Products, Ltd.	01/01/72-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
John Leckie, Ltd.	01/01/78-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
J.P. Forge, Ltd.	01/01/78-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30
Maxwell Calder	07/01/78-05/31/80	6.78
Prince Rupert Fisherman's Co-operative Ass'n	01/01/78-05/31/80	6.78
Pacific Supplies Co., Ltd.	01/01/75-08/31/78 09/01/78-12/31/78 01/01/77-05/31/80	4.30 8.08 18.30

*No shipments during the period.

The Department shall determine, and the U.S. Customs Service shall assess,

dumping duties on all appropriate entries with purchase dates during the time periods involved. Individual differences between United States price and foreign market value may vary from the percentages stated above. The Department will issue appraisal instructions on each exporter directly to the Customs Service.

Further, as provided for in section 353.48(b) of the Commerce Regulations, a cash deposit of estimated antidumping duties, based upon the most recent of the above margins shall be required on all shipments of Japanese fish netting of man-made fiber from these firms entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice. Because the weighted-average margins for Inagaki Fishing Net Mfg. Co., Ltd./Nishimen Co., Ltd. and Miye Seimo Co., Ltd. are less than 0.50 percent and therefore *de minimis* for cash deposit purposes, the Department waives the deposit requirement for future shipments from these firms. For future entries from a new exporter not covered in this administrative review, whose first shipments occurred after May 31, 1980 and who is unrelated to any covered firm, a cash deposit of 1.94 percent shall be required. These deposit requirements and waivers shall remain in effect until publication of the final results of the next administrative review. The Department intends to conduct the next administrative review immediately.

We will examine exports by Moribun Shoten made during the period June 1, 1980 through December 27, 1982, the date of our tentative determination to revoke with regard to Moribun Shoten, in our next administrative review.

The Department encourages interested parties to review the public record and submit applications for protective orders, if desired, as early as possible after the Department's receipt of the information during the next administrative review.

This administrative review and notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1875(a)(1)) and § 353.53 of the Commerce Regulations (19 CFR 353.53).

Dated: September 13, 1983.

Judith Hippler Bello,
Acting Deputy Assistant Secretary for Import Administration.

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BILLING CODE 3510-25-M

April 1, 1972) and announced its intent to conduct its next administrative review. As required by section 751 of the Tariff Act of 1930 (the Tariff Act), the Department has now conducted that administrative review.

Scope of the Review

Imports covered by the review are shipments of diamond tips for phonograph needles (diamond tips) consisting individually of an almost microscopic chip of diamond bonded to steel and shaped to fit into the grooves of a phonograph record. Diamond tips are currently classifiable under item 685.3400 of the Tariff Schedules of the United States Annotated.

The review covers the two known manufacturers and/or exporters of British diamond tips to the United States currently covered by the finding and the period April 1, 1982 through March 31, 1983.

One firm, Bauden Precision Diamonds Ltd., did not ship British diamond tips to the United States during the period. The estimated antidumping duties cash deposit rate for Bauden will be the most recent rate for that firm.

United States Price

In calculating United States price the Department used purchase price, as defined in section 772 of the Tariff Act. Purchase price was based on the delivered packed price to the first unrelated purchaser in the United States. We made deductions for insurance and postage. No other adjustments were claimed or allowed.

Foreign Market Value

In calculating foreign market value the Department used home market price, as defined in section 773 of the Tariff Act, since sufficient quantities of such or similar merchandise were sold in the home market to provide a basis for comparison. Home market price was based on the delivered packed price to unrelated purchasers, with an adjustment for postage. No other adjustments were claimed or allowed.

Preliminary Results of the Review

As a result of our comparison of United States price to foreign market value, we preliminarily determine that the following margins exist for the period April 1, 1982 through March 31, 1983:

Manufacturer and exporter	Margin (percent)
Bauden Precision Diamonds Ltd.	0.1
Diamond Styles Ltd.	9.86

* No shipments during this period.

Interested parties may submit written comments on these preliminary results within 30 days of the date of publication of this notice and may request disclosure and/or a hearing within 10 days of the date of publication. Any hearing, if requested, will be held 45 days after the date of publication or the first workday thereafter. Any request for an administrative protective order must be made within 5 days of the date of publication. The Department will publish the final results of the administrative review including the results of its analysis of any such comments or hearing.

The Department shall determine, and the Customs Service shall assess, dumping duties on all appropriate entries. Individual differences between United States price and foreign market value may vary from the percentage stated above. The Department will issue appraisement instructions directly to the Customs Service.

Further, as provided for in § 353.48(b) of the Commerce Regulations, a cash deposit of estimated antidumping duties based on the above margins shall be required for those firms. For any future entries from a new exporter not covered in this or prior reviews, whose first shipments of British diamond tips for phonograph needles occurred after March 31, 1983 and who is unrelated to any reviewed firm, a cash deposit of 9.86 percent shall be required. These deposit requirements are effective for all shipments of British diamond tips for phonograph needles entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review.

This administrative review and notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and section 353.53 of the Commerce Regulations (19 CFR 353.53).

Dated: April 20, 1984.

Alan F. Holmer,
Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-21329 Filed 4-27-84; 8:45 am]
BILLING CODE 3510-06-01

[A-588-029]

Fish Netting of Man-Made Fibers From Japan; Final Results of Administrative Review of Antidumping Finding

AGENCY: International Trade Administration, Department of Commerce.

ACTION: Notice of Final Results of Administrative Review of Antidumping Finding.

SUMMARY: On February 1, 1984, the Department of Commerce published the preliminary results of its administrative review of the antidumping finding on fish netting of man-made fibers from Japan. The review covers 69 of the 72 known manufacturers, exporters, and third-country resellers of this merchandise to the United States and two consecutive periods, June 1, 1980 through May 31, 1982.

We gave interested parties an opportunity to submit oral or written comments on the preliminary results. We received comments from several importers and an exporter.

As a result of our analysis of the comments received and because of mathematical and clerical errors, the Department has changed the weighted-average margins for 41 firms. Except for certain deferred firms, the margins remain the same as those presented in the preliminary results for all other companies.

EFFECTIVE DATE: April 30, 1984.

FOR FURTHER INFORMATION CONTACT: John M. Andersen, or David R. Chapman, Office of Compliance, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230, telephone: (202) 377-1130 or (202) 377-2923.

SUPPLEMENTARY INFORMATION:

Background

On February 1, 1984, the Department of Commerce ("the Department") published in the Federal Register (49 FR 4026-4028) the preliminary results of its administrative review of the antidumping finding on fish netting of man-made fibers from Japan (37 FR 11560, June 6, 1972). The Department has now completed that administrative review.

Scope of the Review

Imports covered by the review are shipments of fish netting of man-made fibers, currently classifiable under items 355.4520 and 355.4530 of the Tariff Schedules of the United States Annotated.

The review covers 69 of the 72 known manufacturers, exporters, and third-country resellers of Japanese fish netting or man-made fibers to the United States and two consecutive periods, June 1, 1980 through May 31, 1982.

We discovered some problems with the responses of two manufacturers, Toyama Fishing Net Mfg. Co. and Moriwhita Fishing Net Mfg. Co. and have

deferred our final analysis of those firms and of exporters to the United States of their merchandise until the next review.

Analysis of Comments Received

We received comments from several importers and one exporter.

Comment 1: Several importers argue that the Department's use of best information is not in accordance with the Tariff Act of 1930 (the Tariff Act). By applying the highest rate to a company which does not respond to our questionnaire, whether it is the highest rate for responding firms with shipments for the review period or the most recent rate for the non-responsive firm, the Department unfairly penalizes the importers of the merchandise. Exporters may fail to respond through misunderstanding, cost problems, language barriers, etc. rather than because they are selling with greater dumping margins than previously calculated for them. Use of prior rates for non-responsive firms ignores current market conditions. Use of prior rates also may force importers to file law suits after each review on the correctness of the same prior rate.

Department's Position: The Department has consistently applied its best information standards since the creation of the section 751 reviews in 1980. As stated in the final results of the last administrative review of this case, the Department recognizes no unfairness in its use of its best information standards when applied to sales by companies which do not cooperate in our reviews.

Comment 2: Several importers argue that shipments from Morishita and its exporters, companies which we are now deferring until the next review, should not be assessed on the basis of their highest previous margins simply because the Department has not completed the analysis of their submissions. The importers also argue that the cash deposit rate for Toyama, another deferred firm, should remain at zero percent, as published in the last administrative review.

Department's Position: As explained above, we are deferring our review of Morishita, its exporters, and Toyama. The most recently published final rates for those firms will remain in effect for cash deposit purposes until we complete our analysis and publish the final results.

Comment 3: Several importers claim that the margins used as best information unfairly penalize them, since the netting they import is not such or similar to the netting compared in calculating the best information rates for each period. Consequently, they argue

that the best information rate for importers of a specific type of netting should be solely determined by best evidence sales involving that type of netting.

Department's Position: We disagree. The importer's claim would require the Department to develop a best information rate for all non-responsive firms based on each type of netting covered in the finding. The Department, however, commonly applies one best information rate, derived from one currently adequate respondent within each review period, to all merchandise within the scope of the antidumping finding and to all non-responsive firms, provided those firms do not fall within one of our other best information standards. The non-respondents' dumping margins are not necessarily limited to margins found for responding firms on such or similar merchandise. We believe that application of a best information rate for the class of merchandise as a whole better anticipates the potential for dumping. Furthermore, the importers' proposed methodology would be impracticable for the Department and the U.S. Customs Service to administer.

Comment 4: Several importers complain that they were not given sufficient time to analyze adequately Amita's 1980-1981 response, once they were notified that Amita's rate would be used as the best information available for that period. Furthermore, they detail at least one incorrectly matched comparison in the Department's analysis of Amita's response.

Department's Position: The Department maintains that the issue of sufficient time should center on the overall time available for the importer's analysis of Amita's submission, and not, as the importers claim, on the time granted once we confirmed that Amita's response would be used as the best information available. Further, we described in detail how we calculated Amita's margins during disclosure to the importers approximately a month before final comments were due. We maintain that the importers has ample time to analyze Amita's submission and that consequently the comment is baseless. Moreover, the Department did not in fact make the comparison alleged to be wrong. We stand by our actual comparison.

Comment 5: Nissho Iwai Corporation claims that its exports of netting from Kinoshita Fishing Net Mfg. Co., Ltd. should not be assessed dumping duties since the netting involved is intended solely for purse seine netting, not salmon gill netting.

Department's Position: Nissho Iwai's argument implies that the scope of the finding covers only salmon gill netting. This is incorrect. The scope of the finding covers all netting of man-made fibers from Japan. See also Comment 3.

Comment 6: Inagaki Fishing Net Mfg. Co., Ltd. argues that the Department erred in assigning margins on its alleged sales through Shinwa Trading Company. Inagaki claims that it has never dealt with Shinwa Trading.

Department's Position: Our records show that netting manufactured by Inagaki Fishing Net Mfg. Co., Ltd. was eventually sold by Shinwa Trading Company to the U.S. We stand by our analysis.

Final Results of the Review

After analysis of all the comments received, we determine that the following margins exist:

MANUFACTURER AND EXPORTER		
	Time period	Margin (per cent)
Amikan Fishing Net Mfg. Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Amisho Kabushiki Kaishi, Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Amita Company, Ltd.	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	0.04
Chunichi	06/01/81-05/31/82	4.35
Fukui Fishing Net Co., Ltd.	06/01/80-05/31/81	4.99
	06/01/81-05/31/82	18.1
Hakodate Sempu Sengou Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Hakodate Sempu Sengou Co., Ltd./Mitsui & Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Heshimoto Sangyo Co.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Hiraga Fishing Net Mfg. Co., Ltd.	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Hiraga Fishing Next Mfg. Co., Ltd./Sanyo Enterprises Co., Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Hiraga Fishing Net Mfg. Co., Ltd./Yamada Trading Co., Ltd.	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Hiranka & Co., Ltd.	06/01/81-05/31/82	4.55
Hirate Spinning Co., Ltd.	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Ikegan K.K.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
I.K.K. International Corp.	06/01/80-05/31/81	16.78
	06/01/81-05/31/82	16.78
Iko Co., Ltd.	06/01/81-05/31/82	4.35
Inagaki Fishing Net Mfg. Co., Ltd./Moribun Shoten.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Inagaki Fishing Net Mfg. Co., Ltd./Nishimen Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Inagaki Fishing Net Mfg. Co., Ltd./Shinwa Trading Co.	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Itoh-Seni Mfg. Co., Ltd./Yamada Trading Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0

	Time period	Margin (per-cent)
Japan Merchandise, Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Kasumi Fishing Net Mfg. Co., Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Kasumi Fishing Net Mfg. Co., Ltd./Sanyo Enterprises Co., Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Kataoka Seimo Co., Ltd./K.Y. Corp.	06/01/80-05/31/81	10
	06/01/81-05/31/82	10
Kato Seimo	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Kinoshita Fishing Net Mfg. Co., Ltd./Nissho Nrai Corp.	06/01/80-05/31/81	0.61
	06/01/81-05/31/82	4.35
K. K. Tanaka Sajiro Seimo	06/01/81-05/31/82	4.35
Kokusai Gyomo	06/01/81-05/31/82	4.35
Kyoto Netting Co., Ltd.	06/01/80-05/31/81	16.78
	06/01/81-05/31/82	16.78
Makino	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Maruhei & Co.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Miye Seimo Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	10
Momoi Fishing Net Mfg. Co., Ltd.	06/01/80-05/31/81	2.30
	06/01/81-05/31/82	0.98
Moriri Co., Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Nagaura Seimochi Co., Ltd.	06/01/80-05/31/81	14.30
	06/01/81-05/31/82	0
Nakazawa Gyomo Co., Ltd./Kanematsu Trading	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Nichino Co., Ltd.	06/01/80-05/31/81	2.57
	06/01/81-05/31/82	0
Nippon Kenmo Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Odaka Seimo	06/01/81-05/31/82	4.35
Ogura Trading Co., Ltd.	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Ohmi Netting Co., Ltd./Mitsui & Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Ohmi Netting Co., Ltd./Nichimen Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Ono Trading	06/01/80-05/31/81	16.78
	06/01/81-05/31/82	16.78
Osada Fishing Net Co., Ltd./Moribum Shoten	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Osada Fishing Net Co., Ltd./Nichimen Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	0
Osada Fishing Net Co., Ltd./Sanyo	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Sakakura Net Kogyocho	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Taito Seiko Co., Ltd./Nakamura Suisan Co., Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30

	Time period	Margin (per-cent)
Taiyo Gyogyo K.K.	06/01/80-05/31/81	16.78
	06/01/81-05/31/82	16.78
Tame Bussan Co., Ltd.	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Toyonen Co., Ltd.	06/01/80-05/31/81	16.78
	06/01/81-05/31/82	16.78
Taugasa Seimo	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Tazuki Seimoshoh/Maki Enterprises	06/01/81-05/31/82	4.35
Wako Boeki K.K. (Wako Trading)	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Watanebee Chozan Shoten	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Yagi Fishing Net Co., Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Yamagen	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Yamaji Fishing Net Co., Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	0.33
Third-Country Reseller (Canada)		
Abco Acadia	06/01/80-05/31/81	16.78
	06/01/81-05/31/82	6.78
Atlantic Netting, Rope & Twine, Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Bay Bulls Trading Co., Ltd.	06/01/80-05/31/81	0
	06/01/81-05/31/82	10
Dennis Ross	06/01/80-05/31/81	9.83
	06/01/81-05/31/82	9.83
Gourock Division, Wire Rope Ind., Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	0.19
IMP Group (formerly John Lackie, Ltd.)	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Forsas (formerly J. P. Forge Ltd.)	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30
Puretic Supplies Co., Ltd.	06/01/80-05/31/81	18.30
	06/01/81-05/31/82	18.30

¹ No shipments.

The Department shall determine, and the U.S. Customs Service shall assess, dumping duties on all appropriate entries with purchase dates during the periods involved. Individual differences between United States price and foreign market value may vary from the percentages stated above. The Department will issue appraisal instructions on each exporter directly to the Customs Service.

Further, as provided for by § 353.48(b) of the Commerce Regulations, a cash deposit of estimated antidumping duties based upon the most recent of the above margins shall be required on all shipments of Japanese fish netting of man-made fibers from these firms entered, or withdrawn from warehouse,

for consumption on or after the date of publication of this notice. Because the weighted-average margins for the period of June 1, 1981 through May 31, 1982, for Amita Company, Ltd., Yamaji Fishing Net Co., Ltd., and Gourock Division, Wire Rope Ind., Ltd. are less than 0.50 percent, and therefore *de minimis* for cash deposit purposes, the Department waives the deposit requirement for future shipments from those firms. For future entries from a new exporter not covered in this administrative review, whose first shipments occurred after May 31, 1982, and who is unrelated to any covered firm, a cash deposit of 4.35 percent shall be required. These deposit requirements and waivers shall remain in effect until publication of the final results of the next administrative review. The Department intends to begin immediately the next administrative review.

The Department encourages interested parties to review the public record and submit applications for protective orders, if desired, as early as possible after the Department's receipt of the information during the next administrative review.

This administrative review and notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and section 353.53 of the Commerce Regulations (19 CFR 353.53).

Dated: April 18, 1984.

Alan F. Holmer,
Deputy Assistant Secretary for Import Administration.

[FR Doc. 84-11537 Filed 4-27-84; 845 am]

BILLING CODE 9510-08-01

APPENDIX C
CALENDAR OF PUBLIC HEARING

CALENDAR OF PUBLIC HEARING

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

Subject : SALMON GILL FISH NETTING OF
MANMADE FIBERS FROM JAPAN

Inv. No. : 751-TA-11

Date and time: October 30, 1986 - 9:30 a.m.

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

Parties in support of the application for review of the
determination of injury

George R. Tuttle—Counsel
Washington, D.C.
on behalf of

Seattle, Washington/Portland, Oregon imports of salmon gill fish netting, including Seattle Marine & Fishing Supply Co., Redden Net Co., and LSS, Inc. (formerly Lummi Fishery Supply Co.).

William Lee, Secretary of Treasury, Seattle Marine & Fishing Supply

Randy Chiabai, Vice-President, Redden Net Company

Gary Nelson, President, LSS, Inc.

George R. Tuttle)
Irving W. Smith) --OF COUNSEL

Parties opposing a review of the determination
of injury:

Taft, Stettinius & Hollister—Counsel
Washington, D.C.
on behalf of

The American Cordage and Twine Manufacturer's ("ACTM")

Thomas Guthrie, Vice-President, Shuford Mills

William Kirkland, President, West Coast Netting Co.

James D. Williams)
Ann Ottoson King) --OF COUNSEL
Dorothy P. Gay)

APPENDIX D

ORIGINAL QUESTIONNAIRE RESPONSES FROM POTENTIAL U.S. PRODUCERS

APPENDIX E

SELECTED DATA ON SALMON GILL FISH NETTING OF MANMADE FIBERS

Table E-1.—Salmon gill fish netting: U.S. producers' domestic shipments, imports for consumption, and apparent U.S. consumption, calculated on the basis of value, 1/ 1983-85, January-June 1985, and January-June 1986

(In dollars)					
Source	1983	1984	1985	January-June—	
				1985	1986
U.S. Producers:					
Nichimo Northwest...	***	***	***	***	***
Harbor Net <u>2/</u>	***	***	***	***	***
Total.....	***	***	***	***	***
Imports from—					
Japan <u>3/</u>	3,933,000	2,881,000	3,656,000	3,045,000	4,045,000
All other <u>4/</u>	248,175	500,395	802,326	375,379	295,067
Total.....	4,181,175	3,381,395	4,458,326	3,420,379	4,340,067
Apparent U.S. consumption.....					
	***	***	***	***	***
(In percent)					
U.S. Producers:					
Nichimo Northwest...	***	***	***	***	***
Harbor Net <u>2/</u>	***	***	***	***	***
Total.....	***	***	***	***	***
Imports from:					
Japan <u>3/</u>	***	***	***	***	***
All other <u>4/</u>	***	***	***	***	***
Total.....	***	***	***	***	***
Apparent U.S. consumption.....					
	100.0	100.0	100.0	100.0	100.0

1/ Import values are c.i.f. duty-paid values.

2/ ***.

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

4/ Compiled from official statistics of the U.S. Department of Commerce for TSUSA item 355.4520.

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

Note.—Imports as a share of apparent domestic consumption are calculated on the basis of landed, duty-paid value of shipments from Japan as reported in importers' questionnaire responses; c.i.f., duty-paid value of imports from all other countries as reported in official import statistics, and the value of domestic shipments based on net value, (i.e., gross sales value, f.o.b. the producer's point of shipment, less all discounted allowances and the value of returned goods), as reported in U.S. producers' questionnaire responses. No adjustments have been made to reflect importers' markup or the fact that the imported merchandise from Japan has been found to be sold at less than fair value by the U.S. Department of Commerce.

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

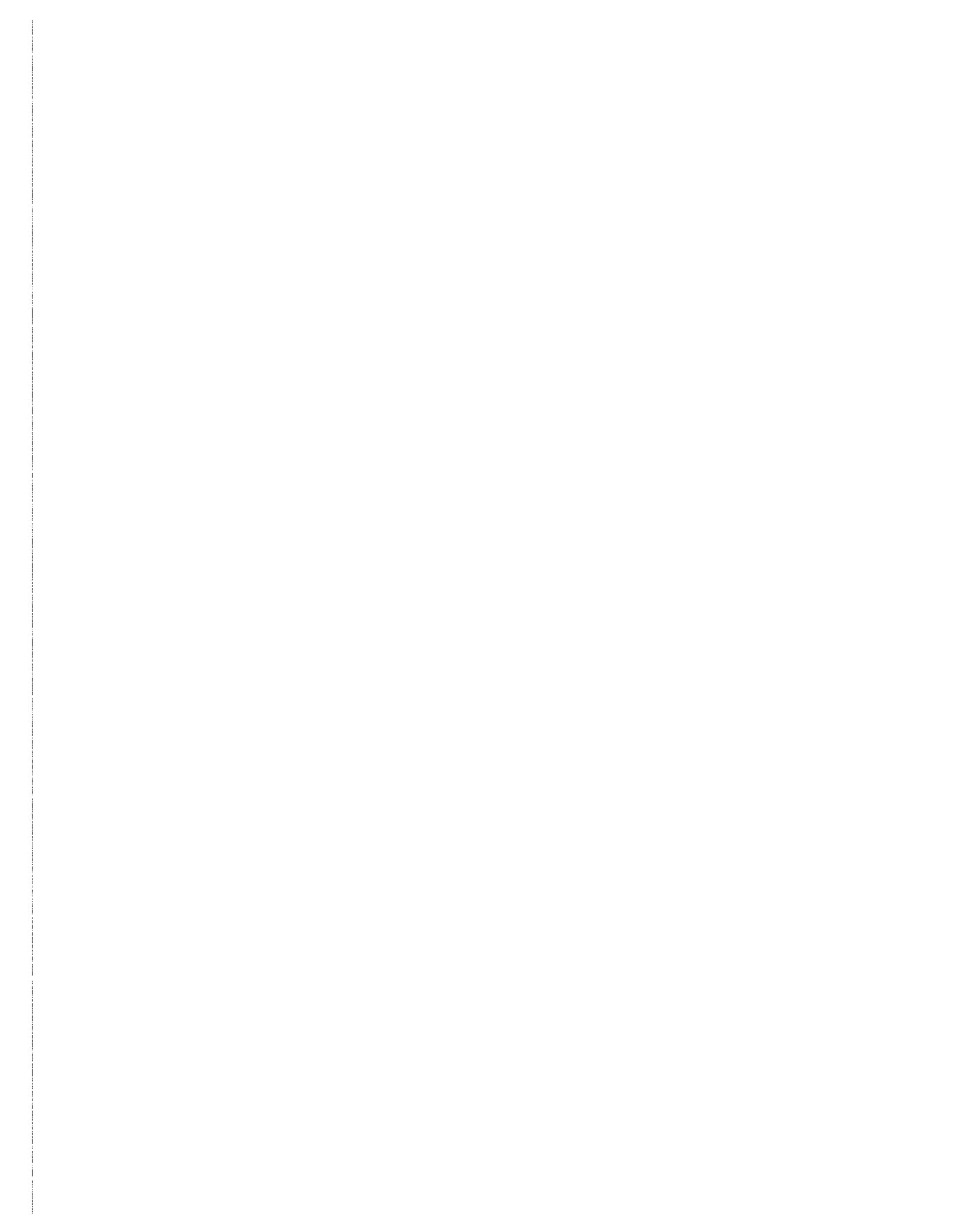
Table E-2.—Salmon gill fish netting: U.S. imports for consumption, 1/ by principal sources, 1983-85, January-June 1985, and January-June 1986

Source	1983	1984	1985	January-June	
				1985	1986
Quantity (pounds)					
Japan	296,540	279,878	399,703	234,660	284,063
Taiwan	42,625	70,636	120,967	56,540	57,143
Republic of Korea	17,314	78,190	96,165	52,630	24,591
Thailand	0	157	36,013	17,954	12,930
All other	430	707	0	0	107
Total.....	356,909	4429,568	652,848	361,784	378,834
Value (1,000 dollars) <u>1/</u>					
Japan	2,118	1,915	2,338	1,650	1,865
Taiwan	136	188	316	135	136
Republic of Korea	40	171	186	99	54
Thailand	-	1	100	49	36
All other	2	5	-	-	1
Total.....	2,296	2,281	2,940	1,933	2,092
Unit value (per pound)					
Japan	\$ 7.14	\$6.84	\$5.85	\$7.03	\$6.56
Taiwan	3.19	2.66	2.62	2.39	2.38
Republic of Korea	2.29	2.19	1.93	1.88	2.21
Thailand	-	6.27	2.78	2.75	2.78
All other	5.44	7.44	-	-	8.98
Average.....	6.43	5.30	4.50	5.34	5.52

1/ Value and unit value are customs import value that excludes U.S. import duties, freight, insurance, and other charges incurred in bringing the merchandise to the United States.

Source: Compiled from official statistics of the U.S. Department of Commerce for TSUSA item 355.4520.

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



**UNITED STATES
INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C. 20436**

OFFICIAL BUSINESS

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ITC-653

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