

IMPRESSION FABRIC OF MANMADE FIBER FROM JAPAN

Determination of Likelihood of Injury
in Investigation No. AA1921-176
Under the Antidumping Act, 1921,
as Amended, Together with the
Information Obtained in
the Investigation



USITC PUBLICATION 872
MARCH 1978



NEWS

(202) 523-0161

UNITED STATES INTERNATIONAL TRADE COMMISSION • Office of the Secretary • Washington, D.C. 20436

FOR RELEASE
March 28, 1978

CONTACT: Hal Sundstrom
(202) 523-0161

USITC 78-014

USITC FINDS U.S. INDUSTRY LIKELY TO BE INJURED BY IMPRESSION FABRIC OF MANMADE FIBER FROM JAPAN SOLD AT LESS THAN FAIR VALUE

The United States International Trade Commission today reported to the Secretary of the Treasury its determination, by a 3-to-2 vote, that a domestic industry is likely to be injured by the importation of impression fabric of manmade fiber from Japan. In December, 1977, the Department of the Treasury determined that impression fabric of manmade fiber from Japan was being sold in the United States at less than fair value. Treasury specifically excluded merchandise produced by Asahi Chemical Industry, Co., Ltd., and Shirasaki Tape Co., Ltd., from its finding.

Commissioners George M. Moore, Catherine Bedell, and Italo H. Ablondi found likelihood of injury. Chairman Daniel Minchew and Commissioner Alberger found no injury or likelihood of injury with respect to the less than fair value imports. Vice Chairman Joseph O. Parker did not participate in the determination.

The Commission investigation began January 5, 1978, under section 201 of the Antidumping Act, 1921, as amended. Complaints which led to the Commission investigation were filed by Bomont Industries of Totowa, N.J., Standard Products Corp. of New Rochelle, N.Y., and Schwarzenbach Huber of Juniata-Altoona, Pa., firms which slit impression fabric.

more

UNITED STATES INTERNATIONAL TRADE COMMISSION

COMMISSIONERS

Daniel Minchew, Chairman

Joseph O. Parker, Vice Chairman

George M. Moore

Catherine Bedell

Italo H. Ablondi

Bill Alberger

Kenneth R. Mason, Secretary to the Commission

This report was principally prepared by

Lynn Featherstone, Investigator

E. William Fry, Supervisory Investigator

Address all communications to
Office of the Secretary
United States International Trade Commission
Washington, D.C. 20436

C O N T E N T S

	<u>Page</u>
Determination of likelihood of injury-----	1
Statement of reasons for the affirmative determination of Commissioners George M. Moore, Catherine Bedell, and Italo H. Ablondi-----	3
Statement of reasons for the negative determination of Chairman Daniel Minchew and Commissioner Bill Alberger-----	7
Summary-----	A-1
Information obtained in the investigation:	
Introduction-----	A-3
Description and uses-----	A-4
Manufacturing processes-----	A-5
Weaving-----	A-5
Finishing-----	A-6
Slitting-----	A-6
Inking-----	A-6
U.S. tariff treatment-----	A-7
Nature and extent of sales at LTFV-----	A-8
Asahi-----	A-9
Shirasaki-----	A-9
Nissei-----	A-9
Pending litigation-----	A-10
Domestic industry-----	A-10
Weavers-----	A-10
Finishers-----	A-12
Slitters-----	A-12
Converters-----	A-12
Inkers-----	A-13
Japanese industry-----	A-13
Asahi-----	A-14
Shirasaki-----	A-14
Nissei-----	A-14
Importers-----	A-15
Consideration of injury or likelihood thereof:	
U.S. production-----	A-15
Utilization of productive facilities-----	A-15
U.S. producers' shipments and exports-----	A-16
Inventories-----	A-18
U.S. imports-----	A-18
U.S. consumption of unslit impression fabric-----	A-20
U.S. consumption of slit impression fabric-----	A-20
Employment-----	A-20
Profit-and-loss experience of U.S. producers:	
Weavers-----	A-22
Slitters-----	A-22
Research and development expenditures-----	A-24

CONTENTS

	<u>Page</u>
Information obtained in the investigation--Continued	
Consideration of the causal relationship between LTFV imports and the alleged injury:	
Market penetration of imports from Japan-----	A-25
Loss of sales-----	A-27
Prices-----	A-29
Appendix A. Treasury's letter notifying the Commission of LTFV sales-----	A-33
Appendix B. <u>Federal Register</u> notices of the Commission's investigation and hearing-----	A-35
Appendix C. <u>Federal Register</u> notices of Treasury's investigation, withholding of appraisement, and determination of sales at LTFV-----	A-38
Appendix D. <u>Federal Register</u> notices of Commission inquiry No. AA1921-Inq.-6-----	A-46
Appendix E. Statistical tables-----	A-50

Figures

1. Flow chart of impression fabric for U.S. consumption-----	A-11
2. Average lowest net selling prices of U.S.-made, 14-1/16-inch, nontexturized impression fabric and wholesale price indexes for textile goods and wearing apparel, by specified periods, 1974-77-----	A-32

Tables

1. Impression fabric of manmade fiber: Sales of broadwoven impression fabric and other products made in the establishments in which impression fabric is woven, by firms, 1974-77--	A-51
2. Impression fabric of manmade fiber: Sales of slit impression fabric and other products made in the establishments in which impression fabric is slit, by firms, 1974-77-----	A-52
3. Impression fabric of manmade fiber: Purchases of U.S.-made and imported broadwoven fabric by U.S. converters for slitting, by firms, 1974-77-----	A-53
4. Impression fabric of manmade fiber: U.S. converters' sales of slit impression fabric, by firms, 1974-77-----	A-54
5. Impression fabric of manmade fiber: U.S. imports for consumption, total and imports from Japan, by types and by TSUSA items, 1973-77-----	A-55

CONTENTS

	<u>Page</u>
6. Profit-and-loss experience of 2 U.S. weavers on their impression fabric operations and of 3 U.S. slitters on the total operations of their establishments in which impression fabric is slit and on their impression fabric operations, 1974-77-----	A-56
7. Unslit impression fabric of manmade fiber: Ranges and weighted averages of the lowest net selling prices of domestically produced fabric, by types and by specified periods, 1974-77---	A-57

Note.—Information which would disclose 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, D.C.

[AA1921-176]

IMPRESSION FABRIC OF MANMADE FIBER FROM JAPAN

Determination of Likelihood of Injury

On December 28, 1977, the United States International Trade Commission received advice from the Department of the Treasury that impression fabric of manmade fiber from Japan, with the exception of that merchandise produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd., is being, or is likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). Accordingly, on January 5, 1978, the Commission instituted investigation No. AA1921-176 under section 201(a) of said act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Notice of the institution of the investigation and of the public hearing to be held in connection therewith was published in the Federal Register on January 11, 1978 (43 F.R. 1655). On February 15, 1978, a hearing was held in New York City, at which all interested parties were provided an opportunity to appear by counsel or in person.

In arriving at its determination, the Commission gave due consideration to all written submissions from interested parties and information adduced at the hearing as well as information provided by the Department of the Treasury and data obtained by the Commission's staff from questionnaires, personal interviews, and other sources.

On the basis of its investigation, the Commission determines (Chairman Minchew and Commissioner Alberger dissenting and Vice Chairman Parker not participating) that an industry in the United States is likely to be injured by reason of the importation of impression fabric of manmade fiber from Japan, with the exception of that merchandise produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd., which is being or is likely to be, sold at LTFV within the meaning of the Antidumping Act, 1921, as amended.

STATEMENT OF REASONS FOR THE AFFIRMATIVE DETERMINATION OF COMMISSIONERS
GEORGE M. MOORE, CATHERINE BEDELL, AND ITALO H. ABLONDI

On December 28, 1977, the United States International Trade Commission received advice from the Department of the Treasury that impression fabric of manmade fiber from Japan, with the exception of that merchandise produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd., is being, or is likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). Accordingly, on January 5, 1978, the Commission instituted investigation No. AA1921-176 under section 201(a) of said act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, 1/ by reason of the importation of such merchandise into the United States.

Determination

On the basis of the information obtained in the investigation, we determine that an industry in the United States is likely to be injured by reason of the importation of impression fabric of manmade fiber from Japan which the Department of the Treasury has determined is being, or is likely to be, sold at LTFV.

The imported article and the domestic industry

The impression fabric of manmade fiber which is the subject of this investigation is closely woven nylon fabric suitable for making typewriter and machine ribbon.

1/ Prevention of establishment of an industry is not an issue in this investigation and will not be discussed further.

There are four major operations involved in the manufacture of impression fabric: weaving, finishing, slitting, and inking. Some U.S. firms specialize in a single major operation, but in most cases the firms involved perform more than one of these operations. An exception is the inking operation--no domestic firm which inks impression fabric performs any of the other major operations. Six domestic firms weave impression fabric. One weaver also performs finishing and slitting operations; the other five weavers sell the bulk of their output, some of which is finished internally, to two domestic firms for slitting. In addition to these firms, there are three U.S. companies (called converters for the purpose of this investigation) that take title to either imported or domestically produced impression fabric and arrange to have the fabric slit, and sometimes finished, on contract.

In making our determination in this investigation, we have considered the industry most likely to be adversely affected by LTFV imports of impression fabric of manmade fiber to consist of the U.S. facilities devoted to the slitting of such fabric. In 1978, three U.S. firms slit impression fabric for sale, and a fourth firm slit impression fabric on a commission basis.

Likelihood of injury by reason of LTFV imports

Treasury found an average dumping margin of 7.5 percent on sales made by Nissei Co., Ltd. Currently, Nissei's prices are 5 to 10 percent lower than those of domestic producers, a margin of underselling that effectively prevents U.S. slitters from raising prices. Despite increases in manufacturing costs, U.S. producers' prices for most widths of slit impression fabric in October-December 1977 were the same as or lower than they were in

January-June 1975. Price suppression in this industry is also indicated by the fact that while U.S. slitters' selling prices for impression fabric have remained nearly constant since mid-1974, the wholesale price index for textile goods and wearing apparel has risen by about 12 percent. Many purchasers of slit impression fabric report that price is their primary consideration in placing orders. They often tell prospective suppliers what prices must be offered to obtain their business, and U.S. producers almost always meet this price. The depressed condition of the Japanese synthetic fiber industry makes it likely that Nissei will continue to offer impression fabric for sale in the United States at LTFV prices. Furthermore, in the absence of an affirmative finding by this Commission, it is likely that other Japanese producers will find it necessary to sell at LTFV in order to maintain or increase their share of the U.S. market in competition with the LTFV sales by Nissei.

Despite an expanding U.S. market as was forecast in the Commission's earlier antidumping investigation, 1/ profits of U.S. producers of slit impression fabric declined during 1974-76 and rose only slightly in 1977 to a level still well below the levels in 1974 and 1975. The Commission verified that U.S. producers lost substantial revenue as a result of lowering their prices to meet the LTFV prices of Nissei. Such losses combined with losses resulting from sales lost outright to Nissei contributed materially to the reduction in net operating profit of the three major U.S. slitters.

We believe that the market penetration of imports from Nissei is artificially low in 1977 because of the pending antidumping proceeding which

1/ Impression Fabric of Manmade Fiber From Japan . . . Investigation No. AA1921-116 . . . , TC Publication 577, 1973.

commenced with the filing of the petition with Treasury on February 7, 1977, and was permitted to continue when this Commission determined on April 11, 1977, that there was a reasonable indication that an industry in the United States was being or was likely to be injured by reason of the importation of impression fabric of manmade fiber from Japan into the United States at LTFV. Nissei's west coast distributor refused to accept any orders for impression fabric during April-June 1977.

Nissei's existing production capacity, based on a one-shift-a-day operating level and 1977's product mix, exceeds its 1977 exports to the United States by more than 600 percent, clearly indicating an ability to capture an increased share of the U.S. market. Less than 50 percent of U.S. producers' capacity to produce slit impression fabric was utilized in either 1976 or 1977. Any significant increase in Nissei's exports to the United States would tend to intensify the competitive conditions that currently exist in the U.S. market and further contribute to the decline in U.S. producers' profits and the underutilization of their productive capacity.

Conclusion

On the basis of the information obtained in the Commission's investigation, we conclude that an industry in the United States is likely to be injured by reason of the importation of impression fabric of manmade fiber from Japan sold at LTFV within the meaning of the Antidumping Act, 1921, as amended.

STATEMENT OF REASONS FOR THE NEGATIVE DETERMINATION OF CHAIRMAN
DANIEL MINCHEW AND COMMISSIONER BILL ALBERGER

In order for the United States International Trade Commission (Commission) to find in the affirmative in an investigation under the Anti-dumping Act, 1921, as amended (19 U.S.C. 160(a)), it is necessary to find that an industry in the United States is being or is likely to be injured, or is prevented from being established, 1/ and the injury or likelihood thereof must be by reason of imports at less than fair value (LTFV).

Determination

On the basis of the information obtained in this investigation, we determine that an industry in the United States is not being and is not likely to be injured by reason of the importation of impression fabric of manmade fiber from Japan which is being, or is likely to be, sold at LTFV.

The imported article and the domestic industry

Impression fabric of manmade fiber is closely woven nylon fabric suitable for making typewriter or machine ribbon.

There are four major operations involved in the manufacture of impression fabric: weaving, finishing, slitting, and inking. Some U.S. firms specialize in a single major operation, but in most cases the firms involved perform more than one of these operations. An exception is the inking operation--no domestic firm which inks impression fabric performs any of the other major operations. Six domestic firms weave impression fabric. One weaver also performs finishing and slitting operations; the other five

1/ Prevention of establishment of an industry is not an issue in this investigation and will not be discussed further.

weavers sell the bulk of their output, some of which is finished internally, to two domestic firms for slitting. In addition, there are three companies (called converters for purposes of this investigation) that take title to either imported or domestically produced impression fabric and arrange to have the fabric slit, and sometimes finished, on contract.

In making our determination, we have considered the industry most likely to be adversely affected by LTFV imports to consist of the U.S. facilities devoted to the slitting of such fabric. In 1978, three U.S. firms slit impression fabric for sale, and a fourth firm slit impression fabric on a commission basis.

LTFV sales

The Department of the Treasury (Treasury) investigation on impression fabric of manmade fiber from Japan covered sales made during the period October 1, 1976, through March 31, 1977. The investigation was limited to three manufacturers which together accounted for approximately 99.6 percent of all Japanese-made impression fabric of manmade fiber sold for export to the United States. They are Asahi Chemical Industry Co., Ltd., Osaka, Japan (Asahi); Nissei Co., Ltd., Osaka, Japan (Nissei); and Shirasaki Tape Co., Ltd., Fukui, Japan (Shirasaki). Fair-value comparisons were made on approximately 98 percent of the sales to the United States by these manufacturers.

Sales by Asahi accounted for about half of the total quantity of Japanese sales to the United States during the period. Margins found ranged from 0.1 percent to 1 percent. Treasury considered this to be de minimis and excluded Asahi from the LTFV finding.

Shirasaki accounted for about one-third of the quantity of Japanese

sales to the United States during the period. Margins ranging from 0.3 percent to 4.3 percent (weighted average of 0.34 percent) were found. This was considered minimal in relation to total volume of sales, and Shirasaki was also excluded.

Sales by Nissei accounted for about one-eighth of the total. Margins ranged from 3 percent to 14 percent (weighted average of 7.5 percent) on 92 percent of Nissei's sales.

The question of injury of likelihood thereof by reason of LTFV sales

Imports and market share.--Imports from Nissei (the only Japanese exporter found by Treasury to have LTFV sales) declined by 38 percent from 1975 to 1976 and again by the same percentage in 1977. The ratio of imports-to-consumption also declined in those years; it was less than 3 percent in 1977. From 1975 to 1977 the share of the U.S. market obtained by three U.S. converters of impression fabric more than doubled. In 1977, the converters' share of the market was nearly five times the share held by Nissei. Thus, if there has been any injury to the U.S. slitters, it is attributable to competition from these converters.

Capacity utilization.--Utilization of U.S. producers' capacity to slit impression fabric declined from 70 percent in 1974 to 41 percent in 1976 and then recovered to 46 percent in 1977. This decline in slitters' capacity utilization is attributable, however, to overexpansion of production facilities and not LTFV import competition. Slitters' capacity exceeded apparent U.S. consumption of slit fabric by about one-third in 1974 and by nearly 100 percent in 1977.

Shipments and inventory.--Domestic producers' shipments of slit impression fabric rose from 36.7 million square yards in 1975 to 41 million

square yards in 1976 and 45.3 million square yards in 1977, exceeding the previous record of 43.5 million square yards shipped in 1974. As a percentage of U.S. producers' shipments, inventories of slit fabric have remained nearly constant at 7 percent (less than one month's supply) during 1975-77.

Employment.--The number of production and related workers engaged in slitting impression fabric fell in 1975 but held nearly constant in 1976 and rose 16 percent in 1977. Even though the number of workers was lower in 1977 than in 1974, output per worker increased sharply from 118 square yards per hour in 1974 to 146 square yards per hour in 1977, an increase of 24 percent.

Profit-and-loss experience.--Operating profits of the three primary U.S. slitters fell in 1976 from the relatively high levels of 1974 and 1975, and then increased by 19 percent in 1977. All three slitters were profitable in each of the four years 1974-77. In 1976, when profits were at the lowest level during the period, the ratio of net operating profit to net sales for the three slitters was 7.6 percent whereas the average operating return of companies in the broadwoven fabric industry was only 4.9 percent. 1/

Prices.--Prices of U.S.-made slit impression fabric increased sharply in 1974 and then remained relatively stable during 1975-77. This price trend closely followed the price trend for broadwoven impression fabric, the raw material that accounts for approximately 75 percent of the total costs of producing the slit fabric. Thus, the level of U.S. producers' prices in 1975-77 is largely attributable to the stability of the prices for the broadwoven fabric and not to the diminishing imports from Nissei.

1/ Aggregate data for 89 companies in the broadwoven fabric industry for accounting years ending June 30, 1976 to Mar. 31, 1977 as published by Robert Morris Associates, Annual Statement Studies 1977, p. 94.

Lost sales.--During 1975-77, exports by Nissei to the United States declined and U.S. producers' shipments increased, indicating that any sales lost to Nissei neither increased Nissei's market share nor decreased that of U.S. producers. U.S. converters increased their sales significantly during this period and increased their market share by 128 percent. In addition, some purchasers indicated that orders were sometimes placed for Japanese fabric because of quality.

Likelihood of injury.--Information compiled in this investigation does not reveal that an industry in the United States is being or is likely to be injured by LTFV imports. To the contrary, there is evidence of a healthy recovery from the level of operations in the recession year 1975. In view of the increasing trends noted above with respect to U.S. producers' shipments, employment, and profitability and the decreasing trend of LTFV imports, we do not feel that there is likelihood of injury to the U.S. industry. Furthermore, discussions pending between the governments of the United States and Japan with respect to Japanese exports of impression fabric to the United States may preclude any significant increase in the quantity of such exports.

Conclusion

It is clear from the above considerations that the U.S. industry slitting impression fabric in the United States is not being and is not likely to be injured by reason of the importation of impression fabric of manmade fiber from Japan found by Treasury to be, or likely to be, sold in the United States at LTFV. Therefore, we find in the negative.

SUMMARY

Investigation No. AA1921-176 was instituted on January 5, 1978, by the United States International Trade Commission following the receipt of advice from the Department of the Treasury that impression fabric of manmade fiber from Japan, with the exception of that merchandise produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd., is being, or is likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended.

Impression fabric of manmade fiber is closely woven fabric, suitable for making typewriter and machine ribbon. The "impression" is made on paper by a key striking the ribbon. The fabric is woven by six U.S. firms and slit to width by four U.S. firms, with only one firm both weaving and slitting impression fabric. Three Japanese firms export impression fabric of manmade fiber to the United States: Asahi Chemical Industry Co., Ltd. (which accounted for * * * percent of total exports to the United States during the period of Treasury's investigation--October 1976 through March 1977), Shirasaki Tape Co., Ltd. (* * * percent of total exports during the period), and Nissei Co., Ltd. (* * * percent of total exports during the period). Treasury found the weighted average margin of 0.15 percent on sales made by Asahi to be de minimis and the weighted average margin of 0.34 percent on sales made by Shirasaki to be minimal in relation to the total volume of sales. Accordingly, both Asahi and Shirasaki were excluded from Treasury's determination. The weighted average dumping margin on sales by Nissei was 7.5 percent.

Apparent U.S. consumption of unslit impression fabric of manmade fiber rose irregularly from * * * million square yards in 1974 to * * * million square yards in 1977, while the import-to-consumption ratio rose each year from * * * percent in 1974 to * * * percent in 1977. Imports of unslit impression fabric were not found to be sold at LTFV by Treasury.

Apparent U.S. consumption of slit impression fabric of manmade fiber fell from * * * million square yards in 1974 to * * * million square yards in 1975, and then rose to * * * million square yards in 1976 and * * * million square yards in 1977. Import-to-consumption ratios were * * * percent in 1974, * * * percent in 1975, * * * percent in 1976, and * * * percent in 1977. Such ratios for Japanese exporters other than Asahi and Shirasaki were * * * percent in 1974, * * * percent in 1975, * * * percent in 1976, and * * * percent in 1977.

Overall, the domestic slitting industry suffered a decline in shipments, employment, profits, and capacity utilization from 1974-76, and then recovered somewhat in 1977 as shown on the following page.

Year	: Shipments	: Production: and related: workers	: Operating profits	: Capacity utilization
	: <u>Million</u> : <u>square yards</u>	: :	: <u>Million</u> : <u>dollars</u>	: <u>Percent</u>
1974-----	43.5	167	4.4	70
1975-----	36.7	130	4.0	51
1976-----	41.0	129	2.6	41
1977-----	45.3	149	3.1	46

Net selling prices for impression fabric, both slit and unslit, have remained relatively constant since the last half of 1974.

INFORMATION OBTAINED IN THE INVESTIGATION

Introduction

On December 28, 1977, the United States International Trade Commission received advice from the Department of the Treasury that impression fabric of manmade fiber from Japan, with the exception of that merchandise produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd., is being, or is likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). 1/ Accordingly, on January 5, 1978, the Commission instituted investigation No. AA1921-176 under section 201(a) of said act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. By statute, the Commission must render its determination within 3 months of its receipt of advice from Treasury--in this case by March 28, 1978.

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, D.C., and at the Commission's office in New York City, and by publishing the notice in the Federal Register of January 11, 1978 (43 F.R. 1655). Notice of the time and place of the public hearing was published in the Federal Register of January 24, 1978 (43 F.R. 3319). 2/ The hearing was held in New York City on February 15, 1978.

The complaint which led to Treasury's determination of LTFV sales was filed on February 7, 1977, by counsel acting on behalf of Bomont Industries, Totowa, N.J.; Schwarzenbach-Huber, a company of Carisbrook Industries, Inc., New York, N.Y.; and Standard Products Corp., New Rochelle, N.Y. On March 10, 1977, Treasury advised the U.S. International Trade Commission that, in accordance with section 201(c) of the Antidumping Act, 1921, as amended, an antidumping investigation was being initiated with respect to impression fabric of manmade fiber from Japan, and that, pursuant to section 201(c) of the act, information developed during the summary investigation led to the conclusion that there was substantial doubt whether an industry in the United States was being, or was likely to be injured, or was prevented from being established, by reason of the importation of such merchandise into the United States (notice published in the Federal Register of March 15, 1977 (42 F.R. 14189)). 3/ Accordingly,

1/ A copy of Treasury's letter to the Commission concerning LTFV sales of impression fabric from Japan is presented in app. A.

2/ Copies of Federal Register notices concerning the Commission's investigation and the public hearing are presented in app. B.

3/ Copies of Federal Register notices concerning Treasury's investigation are presented in app. C.

the Commission, on March 14, 1977, instituted inquiry No. AA1921-Inq.-6, under section 201(c)(2) of the act, to determine whether there was no reasonable indication that an industry in the United States was being or was likely to be injured, or was prevented from being established, by reason of the importation of such merchandise into the United States (notice published in the Federal Register of March 21, 1977 (42 F.R. 15375)). 1/ On April 11, 1977, the Commission notified the Secretary of the Treasury that, on the basis of its inquiry, it did not determine that there was no reasonable indication that an industry in the United States was being or was likely to be injured, or was prevented from being established, by reason of the importation of impression fabric of manmade fiber from Japan (notice published in the Federal Register of April 15, 1977 (42 F.R. 19934)). Thus, Treasury's investigation of sales at LTFV was continued. Treasury's notice of Withholding of Appraisement was published in the Federal Register of September 22, 1977 (42 F.R. 47908), and its determination of sales at LTFV was published in the Federal Register of December 30, 1977 (42 F.R. 65344).

The Commission conducted another investigation concerning impression fabric from Japan in 1973. In that investigation (No. AA1921-116) the Commission unanimously determined that an industry in the United States was not being injured or was not likely to be injured, or was not being prevented from being established, by reason of the importation of impression fabric of manmade fiber from Japan, sold, or likely to be sold, at LTFV within the meaning of the Antidumping Act, 1921, as amended. In support of its determination, the Commission cited the strong upward trend in sales of domestically manufactured impression fabric during 1968-72 and the existence of certain provisions of the 1971 textile agreement with Japan, which restricted Japanese exports of broad-woven fabric to the United States (see Impression Fabric of Manmade Fiber from Japan, Investigation No. AA1921-116 . . ., TC Publication 577, May 1973).

Description and Uses

Impression fabric of manmade fiber is closely woven fabric, suitable for making typewriter and machine ribbon. The "impression" is made on paper by a key striking the ribbon. Impression fabric must meet the following specifications: (1) the average denier 2/ of the yarn exceeds 25 but not 75; (2) the total thread count per inch (treating ply yarns as single threads) is 150 to 210 warp 3/ and 100 to 140 filling 4/; and (3) the thread count of the warp does not exceed 60 percent of the total thread count of the warp and filling.

1/ Copies of Federal Register notices concerning Commission inquiry No. AA1921-Inq.-6 are presented in app. D.

2/ Denier is the weight in grams for a length of 9,000 meters.

3/ A warp is the yarn running lengthwise in a woven fabric.

4/ A filling yarn runs from edge to edge of a woven fabric, at right angles to the warp.

Impression fabric of manmade fiber is generally made from continuous filament yarns; in the United States it is made entirely from nylon continuous filament yarns produced primarily by * * *. All impression fabric made in the United States is of nylon 66 yarn, while some of that imported is made of nylon 6 yarn, which differs from nylon 66 in the raw materials used in its manufacture. The yarn may be texturized or nontexturized; texturized yarn is crimped during manufacture to give it more surface area per inch (and thus more ink absorbancy).



Nontexturized
yarn



Texturized
yarn

Impression fabrics are used solely as inking ribbons on typewriters, adding machines, computers, and similar machines.

Manufacturing Processes

Four distinct manufacturing processes are required to prepare impression fabric for use: weaving, finishing, slitting, and inking.

Weaving

Several operations are performed on warping yarn before it is ready for weaving. First it is "thrown," or twisted to give added strength; one to two turns per inch are common. About 700 strands of thrown yarn are then wound from bobbins onto a 4-to 6-foot wide spool called a "section beam." During this process the yarn is subjected to a static removing operation and inspected by an electric scanner for imperfections. The yarn is then wound from several section beams onto a "loom beam." To prepare a 60-inch loom beam for weaving impression fabric, yarn would need to be taken from 13 to 18 section beams in order to achieve the required thread count per inch of 150 to 210 warp. While the yarn is being transferred from section beams to the loom beam, it is "slashed," i.e., coated with a sizing solution that protects the yarn from fraying during weaving. Filling yarns are thrown but do not undergo these other operations; they are, however, generally conditioned for 3 days in a controlled humidity area to remove some of the static properties that are inherent in nylon yarns.

Impression fabric is woven on special looms that are both sophisticated and expensive (the new water-jet looms being installed by Burlington Industrial Fabrics Co., for example, cost * * * apiece). The weaving principle of separating the warp yarns (called "shedding") and passing a

filling yarn through them (called "picking") is the same in all looms, but the manner in which the filling yarn is inserted varies widely. In traditional looms, a "shuttle" carries the filling back and forth. In the new water-jet loom, a stream of water under intense pressure shoots the filling yarn through the warp yarns, and in the rapier loom, a sword-like device carries the filling yarn. After the impression fabric is woven, it is wound onto "cloth beams," removed from the loom, visually inspected for defects, and readied for further processing or shipment. Fabric freshly removed from the loom and not "finished" is known as "greige" (pronounced "gray") fabric. Such fabric is normally produced and marketed in reels that are 45 to 60 inches in width and 600 to 700 yards in length.

Finishing

Finishing impression fabric of manmade fiber is primarily a cleaning operation wherein the sizing that was applied to facilitate weaving is removed from the fabric. This is a particularly difficult problem for fabric woven on a water-jet loom as the sizing must not be readily water soluble. Finishing solutions are considered highly proprietary but bear a general likeness to laundry detergents. After boiling and scouring to remove the sizing, the fabric is stretched to remove elasticity and dried and heat-set to reduce it to use specifications.

Slitting

Before slitting, the finished impression fabric is thoroughly inspected and defects are marked. It is then tightly rerolled in preparation for the cutting machines, which are specially designed slitting and fusing machines. Most cutting machines are proprietary units which are custom made in the slitter's plant, but all operate on the principle of simultaneously cutting the fabric with a heated blade and heat fusing the cut edges. The machines are designed specifically for nylon fabrics, although they could be used to cut polyester fabrics.

Inking

The slit rolls of fabric are sold to inkers, who ink the fabrics in varying degrees of intensity using proprietary inking formulas. Almost all inking machines have adjustable rollers, capable of receiving all types of slit impression fabrics. These rollers squeeze the ink into the cloth. The inked rolls are then cut to specified lengths, spooled, and packaged for shipment.

The use of inked ribbons can generally be determined from their width:

<u>Width in inches</u>	<u>Use</u>
7/16 and under-----	Adding machines keypunch machines, card imprinters, and calculators.
1/2 and 9/16-----	Typewriters
10/16 to 15/16-----	Tabulating machines, accounting machines, and cash registers.
1 to 6-----	Small computers
Over 6-----	High-speed computer printing machines (primarily 14-1/16-inch ribbons).

U.S. Tariff Treatment

Virtually all imports of impression fabric of manmade fiber are uninked and enter under two Tariff Schedules of the United States (TSUS) item numbers depending on the fabric's width. The imports are dutiable under item 338.30 if over 12 inches wide and under item 347.60 if not over 12 inches wide. The column 1 rate of duty for item 338.30 is 13 cents per pound plus 22.5 percent ad valorem, and the rate for item 347.60 is 12 cents per pound plus 10 percent ad valorem. These rates of duty have been in effect since January 1, 1972. The average ad valorem equivalent (AVE) for imports from Japan in 1977 was 25 percent under item 338.30 and 12 percent under item 347.60. Impression fabric is not an eligible article for purposes of duty-free treatment under the Generalized System of Preferences. The following tabulation presents a brief description and lists the rates of duty for the Tariff Schedules of the United States, Annotated (TSUSA) item numbers applicable to impression fabric of manmade fiber:

TSUSA item no.	Brief description	Column 1 rate of duty	1977 AVE for U.S. imports from Japan
	Woven fabric of manmade fiber, suitable for making typewriter and machine ribbon: Over 12 inches in width:		
338.3014	Slit, with fast edges--	13¢ per lb. + 22.5% ad val.	24.9
338.3016	Other-----	13¢ per lb. + 22.5% ad val.	25.2
	Narrow fabrics of manmade fibers:		
347.6020	Typewriter and machine ribbons.	12¢ per lb. + 10% ad val.	11.9

Nature and Extent of Sales At LTFV

Treasury's investigation of U.S. imports of impression fabric of manmade fiber from Japan covered the 6-month period from October 1, 1976 through March 31, 1977. For purposes of its determination, Treasury defined "impression fabric of manmade fiber" as "finished impression fabric, slit or uncut, and not inked." The investigation was limited to three manufacturers, which together accounted for approximately 99.6 percent of all Japanese-made impression fabric of manmade fiber sold for export to the United States. They are Asahi Chemical Industry Co., Ltd., Osaka, Japan (Asahi); Nissei Co., Ltd., Osaka, Japan (Nissei); and Shirasaki Tape Co., Ltd., Fukui, Japan (Shirasaki). Fair-value comparisons were made on approximately 98 percent of the sales of the subject merchandise to the United States by these manufacturers. Since all export sales by the three companies were made to nonrelated customers in the United States, purchase price was used in the fair-value comparisons. Purchase price was calculated on the basis of the c.i.f. or f.o.b. price to the U.S. customers or the price to an unrelated trading company for export to the United States after deductions had been made for ocean freight, marine insurance, shipping expenses, Japanese inland freight, containerization, an association fee, and an inspection fee, as appropriate.

Asahi

Margins were found ranging from 0.1 percent to 1 percent (weighted average of 0.15 percent) on sales made by Asahi on 25 percent of the sales compared. This weighted average margin was considered to be de minimis, and Asahi was therefore excluded from Treasury's determination. During the period of the investigation, Asahi's sales to the United States were * * * square yards (* * * percent of the total quantity of Japanese sales to the United States), valued at * * * (* * * percent of the total). Fair-value comparisons were made between purchase price and sales for exportation to countries other than the United States, since such or similar merchandise was not sold by Asahi in the home market.

Shirasaki

Margins were found ranging from 0.3 percent to 4.3 percent (weighted average of 0.34 percent) on sales made by Shirasaki on 16 percent of the sales compared. This weighted average margin was considered to be minimal in relation to the total volume of sales, and thus Shirasaki was also excluded from Treasury's determination. In addition, formal assurances have been received from Shirasaki, advising that it would make no future sales at LTFV within the meaning of the act. During the period of the investigation, Shirasaki's sales to the United States were * * * square yards (* * * percent of the total quantity of Japanese sales to the United States), valued at * * * (* * * percent of the total). Fair-value comparisons were made between purchase price and sales for exportation to countries other than the United States, since such or similar merchandise was not sold by Shirasaki in the home market in sufficient quantities to form an adequate basis for comparison.

Nissei

Margins were found ranging from 3 to 14 percent (weighted average of 7.5 percent) on sales made by Nissei on 92 percent of the sales compared. During the period of the investigation, Nissei's sales to the United States were * * * square yards (* * * percent of the total) valued at * * * (* * * percent of the total). Fair-value comparisons were made between purchase price and home-market sales since such or similar merchandise was sold in the home market in sufficient quantities to form an adequate basis of comparison. The home-market price was calculated on the basis of the delivered price in the home market to unrelated purchasers after adjustments had been made for differences in inland freight, packing, and interest expenses between home market sales and export sales; and after a deduction was made for rebates made on home-market sales which are directly related to the sales under consideration. Adjustments were also made, where applicable, for differences in the merchandise compared.

Pending litigation

On January 16, 1978, counsel for Bomont Industries, Schwarzenbach Huber, and Standard Products Corp. served Notice, pursuant to the Tariff Act of 1930, as amended, 1/ of a desire to contest the determination of the Secretary of the Treasury that impression fabric of manmade fiber from Japan "produced by Asahi Chemical Industry Co., Ltd. and Shirasaki Tape Co., Ltd." is not being, nor likely to be, sold in the United States at LTFV. This is the initial step in the process of securing judicial review of the Secretary's determination excluding such fabric from the scope of the LTFV determination. 2/

Domestic Industry

As previously indicated, there are four major operations involved in the manufacture of impression fabric: weaving, finishing, slitting, and inking (see flow chart on page A-11). Some domestic firms specialize in a single major operation (inking, for example), but others perform several (weaving and finishing, or finishing and slitting, for example). Three domestic firms, called converters for purposes of this report, take title to either imported or domestically produced impression fabric and arrange to have the fabric slit, and sometimes finished, on contract.

Weavers

Six U.S. firms are known to weave impression fabric of manmade fiber. The largest, by far, is Burlington Industrial Fabrics Co. (Burlington), a division of Burlington Industries, which accounts for * * * of total domestic shipments. Burlington's Roanoke, Va., plant is in the midst of an * * * capital investment program in which * * *.

The other five U.S. weavers, their plant locations, and their share of total 1977 shipments are: Schwarzenbach Huber, a company of Carisbrook Industries, Inc., 3/ Juniata-Altoona, Pa. (* * * percent); Greenwood Mills, Inc., Greenwood, S.C. (* * * percent); Milliken & Co., Williamston, S.C. (* * * percent); Frank Ix & Sons, Inc., Lexington, N.C. (* * * percent); and Starr Textiles Mills, Starr, S.C. (* * * percent). * * *.

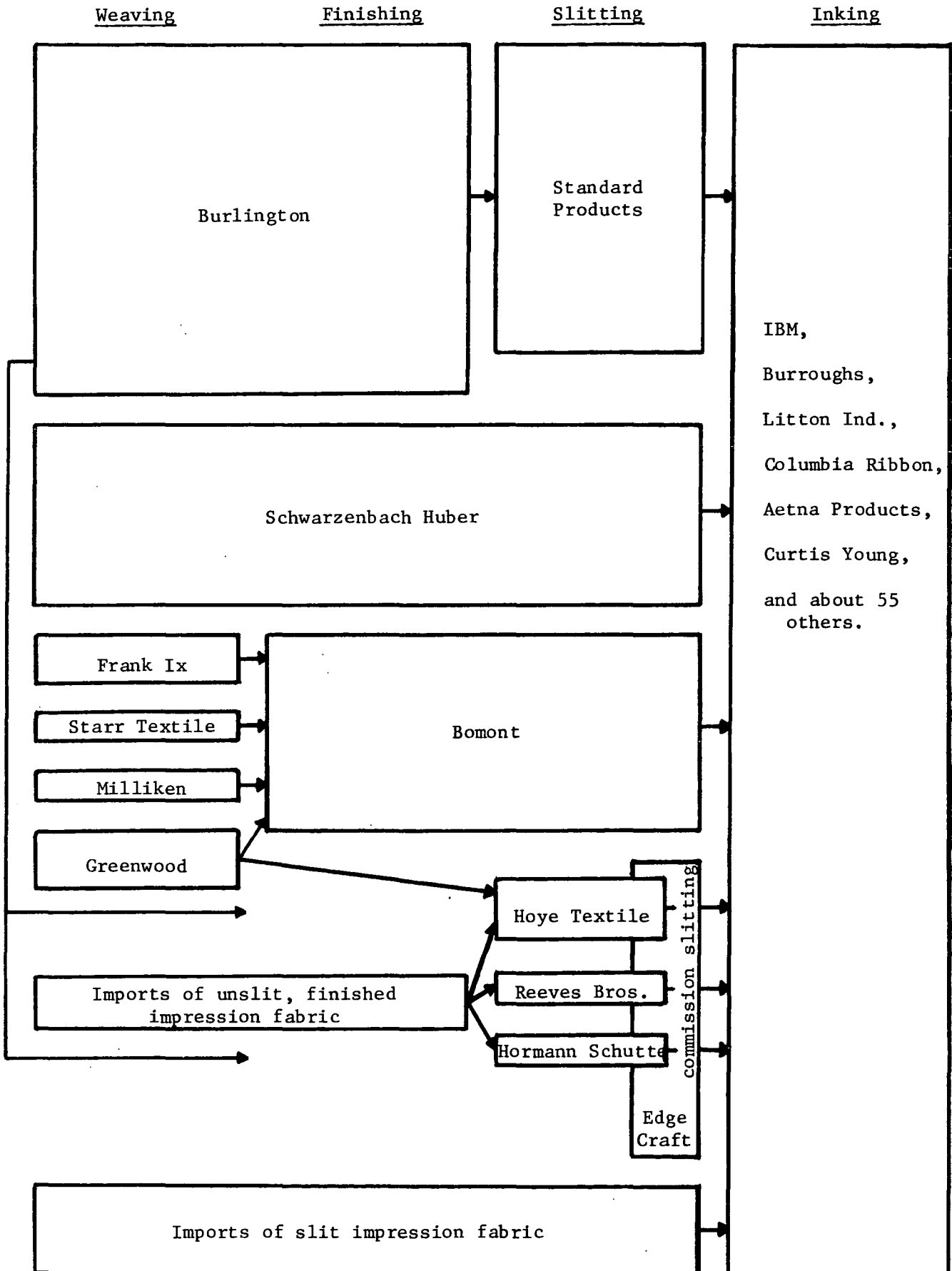
Starr Textile Mills Corp. ceased production of impression fabric in 1978 and is * * *.

1/ 19 U.S.C. 1516(d).

2/ Transcript of the hearing, p. 12.

3/ Schwarzenbach Huber is the only U.S. company that both weaves and slits impression fabric.

Figure 1.--Flow chart of impression fabric for U.S. consumption



Throughout the 1974-77 period, sales of impression fabric accounted for about 20 percent of sales of all products produced in the establishments in which impression fabric was woven, although this varied widely from firm to firm (table 1, app. E).

Finishers

Burlington and Schwarzenbach Huber have finishing plants for impression fabric. The other four weavers sell their greige goods to customers who arrange to have the goods finished in their own plants or shipped to contract finishers. Three domestic firms (Burlington, Schwarzenbach Huber, and Bomont) are contract finishers for impression fabric. In all three of these firms, the finishing of impression fabrics is a minor part of total operations.

Slitters

Four domestic firms slit impression fabric of manmade fiber: Standard Products Corp., New Rochelle, N.Y.; Bomont Industries, Totowa, N.J.; Schwarzenbach Huber, Juniata-Altoona, Pa.; and Edge-Craft Process Co., New York, N.Y. The first three of these are the petitioners in this investigation.

Standard Products Corp. slits nearly all of the impression fabric made by Burlington. Sales of * * * million square yards by this firm in 1977 accounted for * * * percent of total U.S. sales of slit impression fabric of manmade fiber. Schwarzenbach Huber, a vertically integrated company, * * *. Sales in 1977 were * * * million square yards (* * * percent of the total). Bomont slits most of the other impression fabric woven domestically and in 1974-76 slit a small amount of imported impression fabric. Sales in 1977 were * * * million square yards (* * * percent of the total). Sales of slit impression fabric for these three firms accounted for about 85 percent of their total sales of products produced in their slitting establishments in each year during 1974-77 (table 2).

Edge-Craft Process Co. slits impression fabric only on a commission basis; it is the main slitter of imported impression fabric and does some commission slitting of domestic fabric. In 1977, Edge-Craft slit * * * million square yards of impression fabric.

Converters

Three U.S. firms purchase broadwoven impression fabric and have it slit on a commission basis by Edge-Craft. They are: Hoyer Textile Corp., Croton-on-Hudson, N.Y.; Reeves Bros., Inc., New York, N.Y.; and Hormann,

Schutte & Co., Inc., Little Falls, N.J. A fourth converter, Bus Martin Sales, Inc., was purchased by Bomont in 1974. Prior to 1975, converters relied on imports for a large share of their impression fabric purchases, in part, because of their inability to obtain steady supplies from domestic weavers. * * * the share of impression fabric purchased by converters which was supplied by imports fell from 87 percent in 1974 to 55 percent in 1975, 42 percent in 1976, and 38 percent in 1977 (table 3). * * *. Sales of slit impression fabric by converters increased without interruption from * * * million square yards in 1974 to * * * million square yards in 1977, when they represented about * * * percent of total U.S. producers' sales of slit impression fabric (table 4).

Inkers

Most of the inking of impression fabric is done by the firms which produce the machines in which the inked fabric is used. The dominant firms (out of a total of approximately 60) are Burroughs Corp., Data Products Corp., IBM Corp., Royal Business Machines, Aetna Products Corp. (supplies * * *), Columbia Ribbon and Carbon Manufacturing Co. (supplies * * *), and Curtis-Young Corp. (supplies * * *). Virtually all imports of slit impression fabric are purchased by inkers, although most inkers, including * * *, normally purchase only domestically woven fabric.

Japanese Industry

The synthetic fiber industry in Japan is currently experiencing a recession that has idled productive facilities and reduced earnings. The Japan Economic Journal reported on Nov. 8, 1977, that "Nearly 50 percent of the total production volume, including processed products, are being exported, and the industry up to now was able to make up for the recession suffered domestically through exports. But exports have not expanded this year (1977) due to the continuing trend of the high value of the yen on the foreign exchange market. . . .Despite this, the makers continued to make exports even at a deficit in order to maintain their operation rate." 1/

Information on Japanese producers' capacity to weave and slit impression fabric was requested through the U.S. embassy in Tokyo, but data for only three slitters were obtained. In 1977 these companies reported capacity to slit impression fabric of manmade fiber on the basis of a one-shift-a-day operating level and 1977's product mix as follows:

1/ Transcript of the hearings, p. 25.

	<u>1,000 square</u> <u>yards 1/</u>
Nissei Co., Ltd-----	* * *
Nippon Kores K.K-----	* * *
Seiren Co., Ltd-----	* * *
Total-----	<u>10,621</u>

Nippon Kores K.K. and Seiren Co., Ltd., do not export impression fabric to the United States. Asahi Chemical Industry Co., Ltd., Shirasaki Tape Co., Ltd., and Seibu Fabrics, Inc., refused the embassy's request for information on capacity data for impression fabric and slit tapes.

There are three major exporters of impression fabric of manmade fiber from Japan to the United States: Asahi Chemical Industry Co., Ltd., Shirasaki Tape Co., Ltd., and Nissei Co., Ltd.

Asahi

During Treasury's investigation, Asahi accounted for about * * * of all Japanese exports of impression fabric of manmade fiber to the United States. It is a major producer of high quality nylon 66 yarn, but does not weave impression fabric in its own facilities. * * *.

Asahi exports only unslit impression fabric to the United States; transactions are handled primarily through two trading companies--* * *, and * * *. No sales are made in Japan.

Shirasaki

Shirasaki accounted for a little more than * * * of Japanese exports of impression fabric of manmade fiber to the United States during Treasury's investigation. Shirasaki buys woven impression fabric of nylon 6 yarn from * * * (a Japanese weaver), slits the fabric in its own facilities, and then sells the slit impression fabric to inkers. More than * * * percent of sales were to U.S. inkers; other markets include West Germany, Canada, Colombia, Brazil, Spain, and Japan. Only about * * * percent of Shirasaki's output is sold in Japan.

Nissei

During Treasury's investigation, Nissei accounted for about * * * percent of Japanese exports of impression fabric of manmade fiber to the

1/ Data have been converted from square meters to square yards by the Commission staff.

United States. Nissei buys nylon 66 impression fabric from * * * (another Japanese weaver), slits it, and sells it to inkers. Sales are made in Japan as well as the United States.

Importers

Approximately 50 firms imported impression fabric of manmade fiber during 1977, but imports for one-third of these were single transactions valued at less than \$1,000 each. Ten firms had imports valued in excess of \$100,000. Some importers, such as Burroughs Corp. and Aetna Products Corp., are the end users (inkers), while others, such as Kanematsu-Goshu USA, Inc., and Toyo Menka, Inc., import the fabric exclusively for resale. Importers are concentrated in New York, New Jersey, and California.

Consideration of Injury or Likelihood Thereof

U.S. Production

Production of slit impression fabric fell from 42.8 million square yards in 1974 to 33.8 million square yards in 1975, and then rose to 36.1 million square yards in 1976 and 43.6 million square yards in 1977 (see table on the following page). Trends in production of unslit impression fabric are similar to, but lag behind, those of slit impression fabric. Thus, the decline experienced in 1975 by slitters was not felt by weavers until 1976. In 1977, U.S. production of unslit fabric was 40.6 million square yards.

Utilization of productive facilities

Weavers of impression fabric generally find it best to run their looms 24 hours a day or not at all. Accordingly, down time is usually in the form of week-long plant closings. * * *, for example, closes for periods of varying duration around Christmas and the 4th of July. Weavers reported that there is ample capacity in the United States (more than 100 million square yards in 1977 on the basis of 3 shifts a day) to supply the entire domestic market, but that only 38 percent of this capacity was utilized in 1977. The looms used to weave impression fabric are also used, with some alteration, to make other closely woven nylon fabrics such as those used in ski parkas, parachutes, and tarpaulins.

Although slitters of impression fabric typically operate only one shift a day, they could easily operate on a two-shift basis if there were sufficient demand for their product. In 1977, only 46 percent of U.S. producer's capacity to slit impression fabric on a basis of one shift a day was utilized.

Impression fabric of manmade fiber: U.S. production of woven and slit
impression fabric and U.S. producers' capacity to weave and slit
impression fabric, 1/ 1974-77

Item	:	1974	:	1975	:	1976	:	1977
Production of--	:	:	:	:	:	:	:	:
Woven impression fabric-----1,000 yd. ² --	:	39,913	:	45,034	:	33,656	:	40,581
Slit impression fabric-----1,000 yd. ² --	:	42,767	:	33,850	:	36,118	:	43,649
Capacity to--	:	:	:	:	:	:	:	:
Weave impression fabric-----1,000 yd. ² --	:	103,964	:	107,138	:	108,032	:	108,148
Slit impression fabric-----1,000 yd. ² --	:	61,462	:	66,597	:	88,419	:	94,425
Ratio of production to capacity for--	:	:	:	:	:	:	:	:
Weaving-----percent--	:	38	:	42	:	31	:	38
Slitting-----do----	:	70	:	51	:	41	:	46

1/ Weaving capacity is based on each firm's maximum potential output with 1977's product mix and an operating level of 3 shifts a day, 5 days a week; slitting capacity is based on each firm's maximum potential output with 1977's product mix and an operating level of 1 shift a day, 5 days a week.

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

U.S. producers' shipments and exports

High demand for impression fabric in the United States in 1974 resulted in market shortages, and U.S. slitters were strained to capacity. The high-volume buying in 1974 consisted, in part, of consumers' stockpiling in anticipation of more shortages in 1975, and when these failed to materialize, purchases of slit fabric declined. As shown in the following table, shipments of slit fabric increased by 12 percent in 1976 and by 10 percent in 1977 to 45.3 million square yards, an alltime high. Three to five percent of total shipments of slit impression fabric were exported in each year during 1974-77.

Shipments of unslit fabric by domestic weavers fell from 43.3 million square yards in 1975 to 33.0 million square yards in 1976, and then recovered to 40.9 million square yards in 1977. There were no exports of unslit fabric during 1974-77.

The vast majority of U.S. producers' shipments of slit impression fabric are made by the three petitioners. Shipments by these firms fell from * * * million square yards in 1974 to * * * million square yards in 1975, and then rose to * * * million square yards in 1976 and * * * million square yards in 1977. Shipments of slit impression fabric by converters (all of which have the fabric slit on commission by Edge-Craft) rose from * * * million square yards in 1974 to * * * million square yards in 1975, * * * million square yards in 1976, and * * * million square yards in 1977.

Unslit and slit impression fabric of manmade fiber: U.S. producers' domestic shipments, intracompany transfers, and exports, 1974-77

Item and year	U.S. producers' shipments			
	Domestic shipments	Intracompany transfers	Exports	Total
Quantity (1,000 square yards)				
Unslit impression fabric:				
1974-----	* * *	* * *	0	40,914
1975-----	* * *	* * *	0	43,334
1976-----	* * *	* * *	0	33,037
1977-----	* * *	* * *	0	40,894
Slit impression fabric:				
1974-----	41,498	0	2,030	43,528
1975-----	34,969	0	1,710	36,679
1976-----	39,261	0	1,743	41,004
1977-----	43,681	0	1,605	45,286
Value (1,000 dollars)				
Unslit impression fabric:				
1974-----	* * *	* * *	0	22,755
1975-----	* * *	* * *	0	26,159
1976-----	* * *	* * *	0	20,690
1977-----	* * *	* * *	0	26,113
Slit impression fabric:				
1974-----	34,495	0	1,832	36,327
1975-----	30,018	0	1,639	31,657
1976-----	33,937	0	1,739	35,676
1977-----	38,641	0	1,532	40,173
Unit value (cents per square yard)				
Unslit impression fabric:				
1974-----	59	46	-	56
1975-----	62	53	-	60
1976-----	65	56	-	63
1977-----	66	56	-	64
Slit impression fabric:				
1974-----	83	-	90	84
1975-----	86	-	96	86
1976-----	86	-	100	87
1977-----	88	-	96	89

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

Inventories

U.S. producers' yearend inventories of unslit and slit impression fabric are shown below (in thousands of square yards):

As of December 31,—	: Unslit : impression : fabric	: Slit : impression : fabric
1974-----	: 5,579 :	: 919
1975-----	: 14,748 :	: 2,494
1976-----	: 11,838 :	: 2,970
1977-----	: 10,165 :	: 3,087

Weavers' inventories differ from those of slitters in that rapid inventory adjustments cannot be made. The time from receipt of nylon yarn to shipment of woven impression fabric averages 3 months, requiring careful production planning to avoid shortages or excess inventories. U.S. weavers assert that the shortages of 1974 would not have occurred had buyers allowed for adequate lead time on orders.

U.S. imports

Official statistics of the U.S. Department of Commerce are believed to moderately understate total imports of impression fabric of manmade fiber from Japan and significantly understate imports of slit impression fabric (TSUSA items 338.3014 and 347.6020). Therefore, official statistics for unslit impression fabric (TSUSA item 338.3016) are over-stated. Counsel for Asahi, Shirasaki, and Nissei was asked to provide detailed information on sales to the United States by his clients, the only known Japanese exporters of impression fabric. Information on imports obtained from this source, which was in large part verified by data reported to the Commission by importers, is used throughout this report. It should be noted that using official statistics 1/ would have resulted in lower market penetration ratios for the Japanese exports of the impression fabric that was sold at LTFV. Import data for countries other than Japan were obtained from official statistics of the U.S. Department of Commerce.

As shown below, imports of unslit impression fabric of manmade fiber rose each year from * * * million square yards in 1974 to * * * million square yards in 1977. Imports of slit impression fabric rose from * * *

1/ Official statistics are presented for comparison in table 5.

million square yards in 1974 to * * * million square yards in 1976, and then fell to * * * million square yards in 1977. The proportion of total imports accounted for by unslit fabric rose each year, from * * * percent in 1974 to * * * percent in 1977.

Unslit and slit impression fabric of manmade fiber: U.S. imports for consumption, total and imports from Japan, 1974-77

Item and year	: Unslit :impression : fabric	: Slit :impression : fabric	: Total	:Ratio of unslit : fabric to : total imports
	: <u>1,000</u> : <u>square</u> : <u>yards</u>	: <u>1,000</u> : <u>square</u> : <u>yards</u>	: <u>1,000</u> : <u>square</u> : <u>yards</u>	: : : : <u>Percent</u>
Total U.S. imports:	:	:	:	:
1974-----	: * * *	: * * *	: 6,212	: * * *
1975-----	: * * *	: * * *	: 6,632	: * * *
1976-----	: * * *	: * * *	: 7,025	: * * *
1977-----	: * * *	: * * *	: 7,146	: * * *
U.S. imports from	:	:	:	:
Japan:	:	:	:	:
1974-----	: * * *	: * * *	: 5,218	: * * *
1975-----	: * * *	: * * *	: 6,209	: * * *
1976-----	: * * *	: * * *	: 6,497	: * * *
1977-----	: * * *	: * * *	: 6,153	: * * *
	:	:	:	:

Source: Imports from Japan were obtained from counsel for the Japanese exporters; imports from other countries were obtained from official statistics of the U.S. Department of Commerce.

In April 1976 a restraint level was invoked under the provisions of a bilateral arrangement with Japan, limiting imports from Japan of fabric over 12 inches in width to 5.7 million square yards, the level of such imports in 1975. No request was made with regard to imports of the narrow fabric (TSUSA item 347.6020), all of which is slit, since the arrangement precludes a request by the United States for restraint on a category of product until imports exceed 1 million square yards equivalent. In 1975, imports of the narrow fabric from Japan amounted to 943,000 square yards. In 1976, such imports increased to 1.3 million square yards and are consequently now an eligible category of product for purposes of the arrangement.

The bilateral arrangement with Japan expired December 31, 1977, and negotiations to extend it are not scheduled to begin until March 1978. Until agreement is reached on a new arrangement, the terms of the old one are reportedly being followed on a voluntary basis.

U.S. consumption of unslit impression fabric

Apparent U.S. consumption of unslit impression fabric, as measured by domestic weavers' shipments of broad-woven fabric and imports of unslit fabric, rose irregularly from * * * million square yards in 1974 to * * * million square yards in 1977 (see table on the following page). Apparent consumption of unslit fabric may also be computed using total imports of impression fabric--not just imports of unslit fabric--since imports of all such fabric maintain a competitive relationship with domestically produced unslit fabric. Using this technique, consumption in 1977 would have been 48.0 million square yards and the import-to-consumption ratio would have been 14.9 percent.

U.S. consumption of slit impression fabric

Apparent U.S. consumption of slit impression fabric, as measured by domestic slitters' shipments of slit impression fabric and imports of slit impression fabric, decreased from * * * million square yards in 1974 to * * * million square yards in 1975, and then rose to * * * million square yards in 1976 and * * * million square yards in 1977.

Employment

As shown below, the average number of production and related workers engaged in the slitting of impression fabric fell sharply from 167 in 1974 to 130 in 1975, held steady in 1976, and then rose by 16 percent to 149 in 1977. The average number of production and related workers engaged in the weaving of impression fabric declined from 767 in 1975 to 532 in 1976, or by 31 percent, and then rose to 585 in 1977. There are approximately four times the number of persons involved in weaving impression fabric as there are in slitting such fabric.

Average number of employees, total and production and related workers, engaged in the weaving and slitting of impression fabric of manmade fiber, 1974-77

Year	Weaving establishments		Slitting establishments	
	All employees	Production and related workers	All employees	Production and related workers
1974-----	720	623	431	167
1975-----	881	767	385	130
1976-----	625	532	375	129
1977-----	690	585	402	149

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

Unslit and slit impression fabric of manmade fiber: U.S. producers' shipments, exports, imports for consumption, and apparent consumption, 1974-77

Item and year	Shipments	Exports	Imports	Imports from Japan	Apparent consumption	Ratio of--	
						Imports to consumption	Imports from Japan to consumption
	1,000 square yards	1,000 square yards	1,000 square yards	1,000 square yards	1,000 square yards	Percent	Percent
Unslit impression fabric:							
1974-----	40,914	0	***	***	***	***	***
1975-----	43,334	0	***	***	***	***	***
1976-----	33,037	0	***	***	***	***	***
1977-----	40,894	0	***	***	***	***	***
Slit impression fabric:							
1974-----	43,528	2,030	***	***	***	***	***
1975-----	36,679	1,710	***	***	***	***	***
1976-----	41,004	1,743	***	***	***	***	***
1977-----	45,286	1,605	***	***	***	***	***

Source: Producers' shipments compiled from data submitted in response to questionnaires of the U.S. International Trade Commission; imports from Japan were obtained from counsel for the Japanese exporters; and imports from other countries were obtained from official statistics of the U.S. Department of Commerce.

The number of man-hours reported for production and related workers engaged in the slitting of impression fabric declined from 363,600 man-hours in 1974 to 265,400 man-hours in 1976, and then rose to 299,700 man-hours in 1977. The following tabulation presents the man-hours reported for production and related workers engaged in the slitting and weaving of impression fabric of manmade fiber and the productivity of those workers as measured by U.S. production per man-hour.

Year	Weaving establishments		Slitting establishments	
	Square yards:		Square yards	
	Man-hours	produced per man-hour	Man-hours	produced per man-hour
1974-----	1,300,000	31	363,600	118
1975-----	1,428,000	32	271,000	125
1976-----	933,000	36	265,400	136
1977-----	1,121,000	36	299,700	146

Profit-and-loss experience of U.S. producers

Weavers.—Complete financial data on impression fabric operations were received from Burlington and Milliken, and information on net sales and profits was received from Frank Ix & Sons. These three firms accounted for 69 percent of U.S. producers' total shipments of unslit impression fabric in 1977. As shown in the following table, sales by these weavers in 1977 (* * * million) were the highest of any year during 1974-77, but net operating profits in 1977 amounted to only * * * percent of sales, compared with * * * percent in 1974 and * * * percent in 1975. These data are strongly influenced by Burlington because of its dominance in the industry.

Slitters.—Financial data were received from all U.S. slitters except Edge-Craft Process Co., which accounted for about * * * percent of production in 1977. Edge-Craft is a small, privately owned company with revenues from commission slitting * * *.

Net sales for the three major slitters fell by 16 percent in 1975, but rose in 1976 and 1977 when they reached \$34.1 million and \$36.4 million, respectively. Operating profits fell from \$4.4 million in 1974 to \$2.6 million in 1976, and then rose to \$3.1 million in 1977. Such profits were 8.5 percent of sales in 1977, compared with 11.8 percent in 1974 and 12.7 percent in 1975. Operating profits, as a percentage of the replacement value of fixed assets, declined each year from 50.2 percent in 1974 to 22.8 percent in 1977. None of the companies sustained a loss in any year from 1974 through 1977.

Additional financial data on the three slitters' overall establishment operations are presented in table 6.

Selected financial data on 3 U.S. weavers' and 3 U.S. slitters' impression fabric operations, by companies, 1974-77

Company and year	Net		Fixed assets at--		Ratio of--		
	Net sales	Net operating profit	Book value	Replacement value	2 to 1	2 to 3	2 to 4
	(1)	(2)	(3)	(4)			
Weavers:	1,000	1,000	1,000	1,000			
Burlington Industrial Fabrics Co.:	dollars	dollars	dollars	dollars	Percent	Percent	Percent
1974-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1975-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1976-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1977-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
Frank Ix & Sons:							
1974-----	* * *	* * *	1/	1/	* * *	1/	1/
1975-----	* * *	* * *	1/	1/	* * *	1/	1/
1976-----	* * *	* * *	1/	1/	* * *	1/	1/
1977-----	* * *	* * *	1/	1/	* * *	1/	1/
Milliken & Co.:							
1974-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1975-----	* * *	* * *	1/	1/	* * *	1/	1/
1976-----	* * *	* * *	1/	1/	* * *	1/	1/
1977-----	* * *	* * *	1/	1/	* * *	1/	1/
Total weavers:							
1974-----	* * *	* * *	1/	1/	* * *	1/	1/
1975-----	* * *	* * *	1/	1/	* * *	1/	1/
1976-----	* * *	* * *	1/	1/	* * *	1/	1/
1977-----	* * *	* * *	1/	1/	* * *	1/	1/
Slitters:							
Bomont Industries:							
1974-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1975-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1976-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1977-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
Schwarzenbach Huber:							
1974-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1975-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1976-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1977-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
Standard Products Corp.:							
1974-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1975-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1976-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1977-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *
Total slitters:							
1974-----	37,113	4,391	2,220	8,739	11.8	197.8	50.2
1975-----	31,345	3,972	2,202	9,813	12.7	180.4	40.4
1976-----	34,098	2,590	2,644	10,846	7.6	98.0	23.9
1977-----	36,410	3,084	2,823	13,552	8.5	109.2	22.8

1/ Not available.

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

Research and development expenditures

U.S. slitters reported substantial expenditures for research and development as shown below:

1974-----	* * *
1975-----	* * *
1976-----	* * *
1977-----	* * *

Schwarzenbach Huber's expenditures accounted for about * * * percent of the totals in each year except 1975; an undetermined share of that firm's research and development expenditures was related to its weaving operations.

U.S. weavers reported research and development expenditures as follows:

1974-----	* * *
1975-----	* * *
1976-----	* * *
1977-----	* * *

Burlington accounted for at least * * * percent of the expenditures each year.

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

Market penetration of imports from Japan

Japan is, by far, the leading supplier of U.S. imports of impression fabric, accounting for over 80 percent of such imports in each of the years 1974-77. Imports of impression fabric from Japan increased from 5.2 million square yards in 1974 to 6.5 million square yards in 1976, and then declined to 6.2 million square yards in 1977 (see table on page A-19).

U.S. imports of impression fabric from Japan consist of goods slit to width from Nissei and Shirasaki, and wide goods from Asahi. Imports of the unslit wide goods from Asahi accounted for * * * percent of the total in 1974, * * * percent in 1975, * * * percent in 1976, and * * * percent in 1977. Such imports were not found to be sold at LTFV by Treasury.

Imports of the slit fabric from Japan increased from * * * million square yards in 1974 to * * * million square yards in 1975 and * * * million square yards in 1976, and then declined to * * * million square yards in 1977 (see following table). The ratio of imports of the slit fabric from Japan to apparent consumption of all slit fabric increased from * * * percent in 1974 to * * * percent in 1975, and then declined to * * * percent in 1976 and * * * percent in 1977.

Shirasaki exports slit impression fabric of nylon 6 to the United States; at least * * * percent of such exports reportedly go to * * *. Because of minimal dumping margins, Treasury excluded impression fabric sold by Shirasaki from its finding of dumping. During October 1976-March 1977, the period of Treasury's investigation, Shirasaki accounted for about * * * percent of imports of slit impression fabric from Japan.

The impression fabric furnished by Nissei consists exclusively of slit fabric, most of it, like the domestic, in the 14-1/16-inch width. In late 1973, and again in 1974, periods in which U.S. producers were operating at full capacity, * * * entered into agreements with Nissei for supplies of slit fabric for 1974 and 1975, respectively. In 1975, a period of over supply, * * * terminated the arrangement. Nissei's exports to the United States dropped by 35 percent in 1976. In 1977, Nissei's exports to the United States declined an additional 13 percent, partly because of the fact that Nissei has partially withdrawn from the U.S. market since the antidumping proceeding was initiated.

The ratio of imports of slit impression fabric from Nissei to total U.S. consumption of slit fabric rose from * * * percent in 1974 to * * * percent in 1975, and then fell to * * * percent in 1976 and * * * percent in 1977.

Unslit and slit impression fabric of manmade fiber: Apparent U.S. consumption and imports
from Japan, 1974-77

Item and year	Apparent consumption	Imports from Japan			Ratio of--	
		From Asahi and Shirasaki	From Nissei <u>1/</u>	Total	Imports from Asahi and Shirasaki to consumption	Imports from Nissei to consumption
	<u>1,000</u> <u>square yards</u>	<u>1,000</u> <u>square yards</u>	<u>1,000</u> <u>square yards</u>	<u>1,000</u> <u>square yards</u>	<u>Percent</u>	<u>Percent</u>
Unslit impression fabric:						
1974-----	* * *	* * *	* * *	* * *	* * *	* * *
1975-----	* * *	* * *	* * *	* * *	* * *	* * *
1976-----	* * *	* * *	* * *	* * *	* * *	* * *
1977-----	* * *	* * *	* * *	* * *	* * *	* * *
Slit impression fabric:						
1974-----	* * *	* * *	* * *	* * *	* * *	* * *
1975-----	* * *	* * *	* * *	* * *	* * *	* * *
1976-----	* * *	* * *	* * *	* * *	* * *	* * *
1977-----	* * *	* * *	* * *	* * *	* * *	* * *

1/ Nissei is the only Japanese firm found to be selling at LTFV during the period of Treasury's investigation, Oct. 1, 1976-Mar. 31, 1977.

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

Loss of sales

The three major slitters of impression fabric (Bomont, Schwarzenbach Huber, and Standard Products) reported losses of sales to certain of their customers who have purchased fabric imported from Nissei, and losses of revenue on sales that were made at reduced prices because of price depression caused by imports from Nissei, as shown in the following table.

Impression fabric of manmade fiber: U.S. producers' allegations of sales lost to customers who purchased fabric imported from Nissei, and of revenue lost on sales that were made at reduced prices necessitated by Nissei's price offerings, 1975-77

Year	Alleged loss of business by domestic producers on orders secured by Nissei at lower prices		Alleged loss of revenue by domestic producers due to price reductions to meet Nissei's price offerings		Alleged total loss of revenue by domestic producers
	Quantity	Value	Quantity	Value	Value
	<u>1,000</u>		<u>1,000</u>		
	<u>square</u>	<u>1,000</u>	<u>square</u>	<u>1,000</u>	<u>1,000</u>
	<u>yards</u>	<u>dollars</u>	<u>yards</u>	<u>dollars</u>	<u>dollars</u>
1975-----	1,867	1,814	2,362	102	1,915
1976-----	1,349	1,215	4,087	306	1,521
1977-----	645	555	572	38	592

Source: Petitioners' brief presented at the hearing, p. 41.

Nissei's total sales to the United States and U.S. producers' sales during the period for which U.S. producers reported lost sales and price depression are presented below. Nissei's sales to the United States declined in both 1976 and 1977, whereas U.S. slitters' sales increased in these same years.

Year	: Nissei's sales	: Change of Nissei's sales over prior year	: U.S. slit- ters' sales	: Change of U.S. slitters' sales over prior year
	: <u>1,000</u> <u>square</u> <u>yards</u>	: <u>Percent</u>	: <u>1,000</u> <u>square</u> <u>yards</u>	: <u>Percent</u>
1974-----	: * * *	: -	: 42,012	: -
1975-----	: * * *	: +17.5	: 35,285	: -16.0
1976-----	: * * *	: -32.2	: 39,778	: +12.7
1977-----	: * * *	: -31.2	: 42,750	: +7.5
	: :	: :	: :	: :

In response to questionnaires of the U.S. International Trade Commission, the three U.S. slitters provided specific instances of lost sales. Discussions with representatives of the inking firms that were named as having canceled orders with U.S. slitters in favor of imports from Nissei are summarized below.

* * * * *

Mr. Lodato, Plant Manager for Burroughs Corp., testified at the hearing that the "Quality of the impression fabric to be purchased is considered both with respect to the fabric itself and the uniformity of fabric reel length. Nissei fabric in those six items that we purchase from them consistently is superior to the domestic counterpart in both respects." 1/ Mr. Lodato also mentioned price and availability as key purchasing criteria and stressed that "Nissei is important to Burroughs, if for no other reason, simply because they are an additional source of supply. We consider all of our sources of supply to be important. Our company, as others, does not like to be dependent upon any one supplier of vital raw material. The reasons, I believe, are obvious: It is too risky." 2/ * * *.

* * * * *

1/ Transcript of the hearing, p. 84.

2/ Transcript of the hearing, p. 86.

* * * * *

Overall, inkers which were reported to have purchased impression fabric from Nissei in place of U.S.-produced impression have altered their sources of impression fabric during 1975-77 in favor of U.S. slitters as shown below (in percent):

Company	: Ratio of purchases from : Japan to total purchases		
	: 1975	: 1976	: 1977
* * *-----	: * * *	: * * *	: * * *
* * *-----	: * * *	: * * *	: * * *
* * *-----	: * * *	: * * *	: * * *
* * *-----	: * * *	: * * *	: * * *
* * *-----	: * * *	: * * *	: * * *
Total, these 5 inkers-----	: 17	: 7	: 7

U.S. slitters also alleged substantial lost sales to two companies that purchase slit impression fabric only from Shirasaki. Comments from representatives of these two companies are discussed below.

* * * * *

Prices

Purchasers (inkers) of impression fabric of manmade fiber report that the offered selling price is normally the first consideration in selecting a supplier, in that other factors such as quality and speed of delivery are not even considered until the price is competitive. When asked to identify their reasons for purchasing Japanese impression fabric, inkers named quality, price, availability, and alternative source as the primary considerations as shown below:

<u>Criteria</u>	<u>Average rating</u> <u>(1=low; 5=high)</u>
Quality-----	4.5
Price-----	4.4
Availability-----	4.2
Alternative source-----	4.1
Ink absorbancy-----	3.3
Speed of delivery-----	2.7
Historic source-----	2.3

Price data for three widths of domestically produced slit impression fabric are presented in the following table. A comparison of the average lowest net selling prices for slit impression fabric used in a high-volume computer tape application and the wholesale price index for textile goods and wearing apparel shows there has been a strong downward pressure on slit impression fabric prices since mid-1975 (figure 2). This downward pressure can be attributed, in part, to the offered prices for Japanese-made impression fabric and, in part, to the competitive bids of U.S. slitters.

Price data received by the Commission for impression fabric made by Nissei are too limited to present for comparison on the 1/2-inch and 9/16-inch widths (largely because of the very small amount of imports), but data are available on the 14-1/16-inch width. Generally, such prices are about 5 to 10 percent lower than comparable prices of U.S.-made fabric, although this gap has narrowed with recent changes in currency exchange rates.

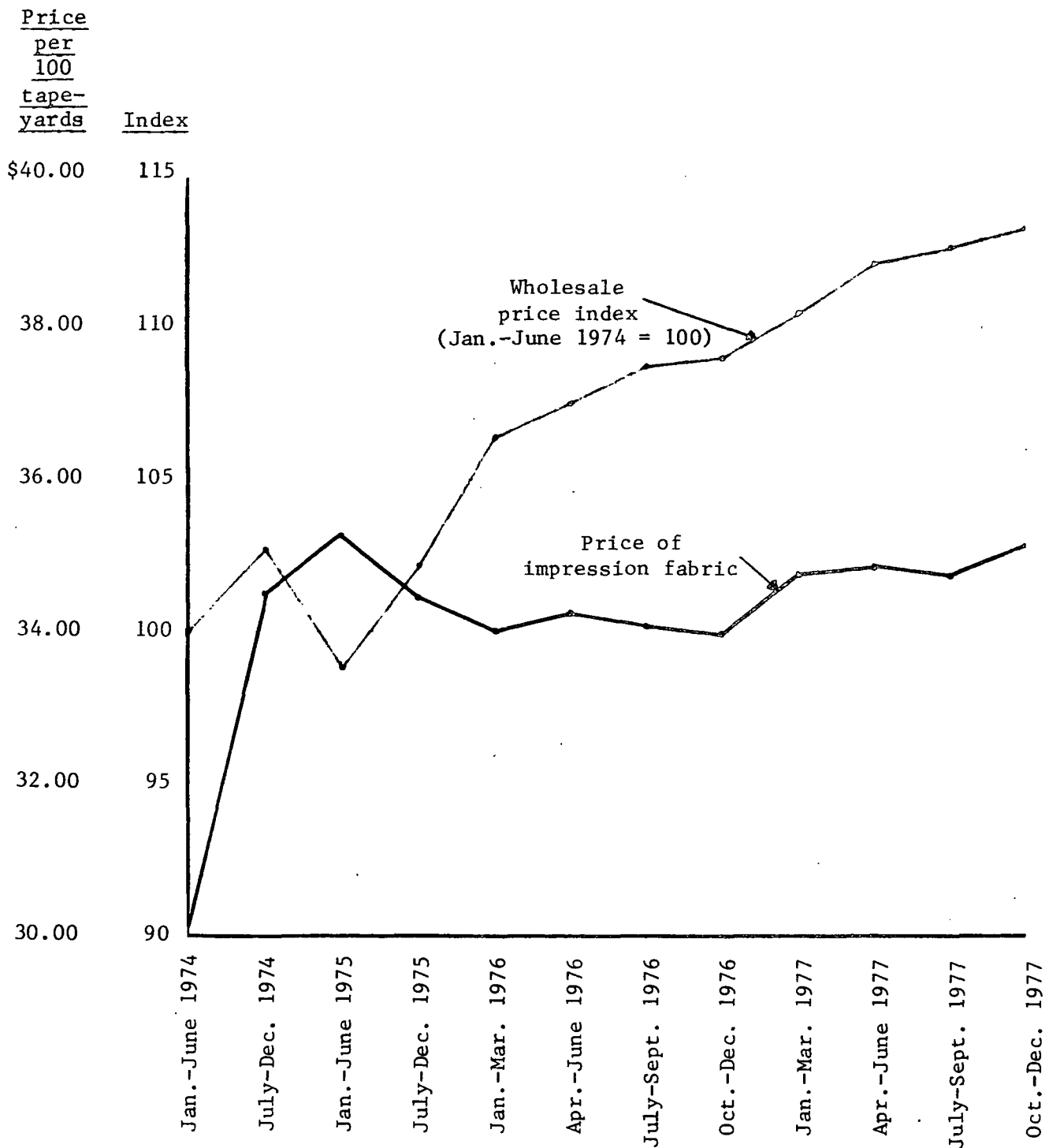
Price data for domestically woven unslit fabric are presented in table 7.

Slit impression fabric of manmade fiber: Ranges and weighted averages of the lowest net selling prices of domestically produced fabric, by types and widths, and by specified periods, 1974-77

Item and period	Nontextured nylon 66 yarn			Textured nylon 66 yarn		
	1/2" wide; 0.004" thick	9/16" wide; 0.004" thick	14-1/16" wide; 0.005" thick	1/2" wide; 0.003" thick	9/16" wide; 0.003" thick	14-1/16" wide; 0.003" thick
Range:						
Jan.-June 1974-----	\$1.13-\$1.22	\$1.22-\$1.33	\$28.90-\$30.70	\$1.35-\$1.56	\$1.47-\$1.49	\$35.57-\$37.42
July-Dec. 1974-----	1.13- 1.33	1.22- 1.45	31.39- 34.90	1.44- 1.56	1.55- 1.61	38.41- 42.55
Jan.-June 1975-----	1.29- 1.48	1.48- 1.61	32.00- 35.90	1.48- 1.74	1.55- 1.78	39.04- 43.80
July-Dec. 1975-----	1.29- 1.38	1.48- 1.52	33.75- 35.90	1.49- 1.74	1.60- 1.71	39.70- 40.79
Jan.-Mar. 1976-----	1.30- 1.38	1.43- 1.52	33.50- 35.90	1.41- 1.74	1.50- 1.70	37.50- 43.80
Apr.-June 1976-----	1.30- 1.38	1.43- 1.52	33.50- 35.90	1.36- 1.74	1.40- 1.90	37.50- 39.13
July-Sept. 1976-----	1.30- 1.38	1.43- 1.52	33.50- 35.90	1.36- 1.74	1.59- 1.90	37.50- 39.13
Oct.-Dec. 1976-----	1.30- 1.38	1.43- 1.52	33.50- 35.90	1.43- 1.74	1.59- 1.90	37.50- 39.85
Jan.-Mar. 1977-----	1.34- 1.44	1.48- 1.56	33.75- 35.90	1.46- 1.74	1.59- 1.78	38.00- 40.34
Apr.-June 1977-----	1.38- 1.43	1.48- 1.56	34.00- 35.90	1.47- 1.74	1.66- 1.78	38.00- 40.85
July-Sept. 1977-----	1.26- 1.42	1.51- 1.56	34.65- 36.45	1.40- 1.62	1.55- 1.78	38.00- 40.85
Oct.-Dec. 1977-----	1.38- 1.43	1.36- 1.56	34.00- 39.95	1.52- 1.62	1.51- 1.78	38.00- 46.60
Weighted Average:						
Jan.-June 1974-----	1.20	1.31	30.10	1.38	1.47	35.62
July-Dec. 1974-----	1.32	1.42	34.54	1.45	1.59	38.62
Jan.-June 1975-----	1.36	1.50	35.28	1.53	1.65	40.26
July-Dec. 1975-----	1.37	1.51	34.42	1.53	1.61	40.44
Jan.-Mar. 1976-----	1.37	1.47	34.00	1.53	1.63	40.55
Apr.-June 1976-----	1.37	1.49	34.25	1.43	1.52	37.81
July-Sept. 1976-----	1.36	1.47	34.08	1.46	1.75	37.60
Oct.-Dec. 1976-----	1.36	1.47	33.99	1.63	1.72	36.64
Jan.-Mar. 1977-----	1.38	1.51	34.79	1.59	1.71	39.58
Apr.-June 1977-----	1.40	1.54	34.84	1.65	1.71	39.90
July-Sept. 1977-----	1.37	1.54	34.75	1.53	1.71	39.57
Oct.-Dec. 1977-----	1.40	1.46	35.19	1.53	1.68	39.35

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

Figure 2.--Average lowest net selling prices of U.S.-made, 14-1/16-inch, nontexturized impression fabric and wholesale price indexes for textile goods and wearing apparel, by specified periods, 1974-77.



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

APPENDIX A

TREASURY'S LETTER
NOTIFYING THE COMMISSION OF LTFV SALES



THE GENERAL COUNSEL OF THE TREASURY
WASHINGTON, D.C. 20220

RECEIVED

DEC 23 1977

77 DEC 28 PM 1:51

Dear Mr. Chairman:

In accordance with section 201(a) of the Anti-Dumping Act, 1921, as amended, you are hereby advised that impression fabric of man-made fiber from Japan, with the exception of that merchandise produced by Asahi Chemical Industry Company, Ltd., and Shirasaki Tape Company, Ltd., is being, or is likely to be, sold at less than fair value within the meaning of the Act.

This determination excludes Asahi on the grounds of de minimis sales at less than fair value and discontinues the investigation with respect to Shirasaki on the basis of minimal margins and formal price assurances.

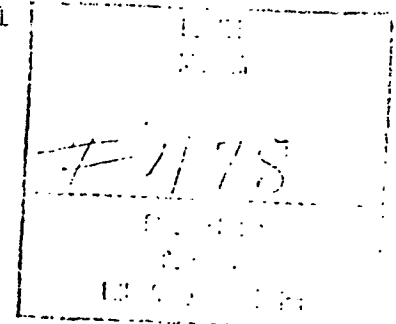
For purposes of this investigation, the term "impression fabric of man-made fiber" means finished impression fabric, slit or uncut, and not inked.

The U.S. Customs Service is making the files relative to this determination available to the International Trade Commission under separate cover. These files are for the Commission's use in connection with its investigation as to whether an industry in the United States is being, or is likely to be, injured, or is prevented from being established, by reason of the importation of this merchandise into the United States. Since some of the data in these files is regarded by the Treasury to be of a confidential nature, it is requested that the Commission consider all information therein contained for the use of the Commission only, and not to be disclosed to others without prior clearance with the Treasury Department.

Sincerely yours,

Robert H. Mundheim
for Robert H. Mundheim
General Counsel

The Honorable
Daniel Minchew
Chairman
U.S. International Trade
Commission
701 E Street, NW
Washington, D.C. 20436



APPENDIX B

FEDERAL REGISTER NOTICES
OF THE COMMISSION'S INVESTIGATION AND HEARING

NOTICES

1655

[7020-02]

[AA1921-176]

IMPRESSION FABRIC OF MAN-MADE FIBER
FROM JAPAN

Investigation and Hearing

Having received advice from the Department of the Treasury on December 28, 1977, that impression fabric of man-made fiber from Japan, with the exception of that merchandise produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd., is being, or is likely to be, sold at less than fair value, the United States International Trade Commission, on January 5, 1978, instituted investigation No. AA1921-176 under section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)), to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. For the purposes of its determination concerning sales at less than fair value, the Treasury Department defined "impression fabric of man-made fiber" as "finished impression fabric, slit or uncut, and not inked."

Hearing. A public hearing in connection with the investigation will be held in New York City, beginning at 10 a.m., e.s.t., on Wednesday, February 15, 1978. The place of the hearing will be announced later. All persons shall have the right to appear by counsel or in person, to present evidence, and to be heard. Requests to appear at the public hearing, or to intervene under the provisions of section 201(d) of the Antidumping Act, 1921, shall be filed with the Secretary of the Commission, in writing, not later than noon, Friday, February 10, 1978.

Issued: January 5, 1978.

By order of the Commission.

KENNETH R. MASON,
Secretary.

[FR Doc. 78-650 Filed 1-10-78; 8:45 am]

NOTICES

3319

[7020-02]

[AA1921-178]

**IMPRESSION FABRIC OF MANMADE FIBER
FROM JAPAN**

Time and Place of Public Hearing

Notice is hereby given that the public hearing in this matter scheduled to begin on Wednesday, February 15, 1978, in New York City, will commence at 10 a.m., e.s.t., in the auditorium of the United States Mission to the United Nations, 799 U.N. Plaza, 45th Street and First Avenue, New York, N.Y. (please use 45th Street entrance). Requests for appearances should be filed with the Secretary of the United States International Trade Commission, in writing, at his office in Washington, D.C., not later than noon, Friday, February 10, 1978.

Notice of the investigation and hearing was published in the **FEDERAL REGISTER** of January 11, 1978 (43 FR 1655).

Issued: January 19, 1978.

By order of the Commission.

KENNETH R. MASON,
Secretary.

[FR Doc. 78-2026 Filed 1-23-78; 8:45 am]

APPENDIX C

FEDERAL REGISTER NOTICES
OF TREASURY'S INVESTIGATION,
WITHHOLDING OF APPRAISEMENT,
AND DETERMINATION OF SALES AT LTFV

**Office of the Secretary
IMPRESSION FABRIC OF MAN-MADE
FIBER FROM JAPAN**

Antidumping Proceeding Notice

AGENCY: United States Customs Service

ACTION: Initiation of Antidumping Investigation

SUMMARY: This notice is to advise the public that an antidumping investigation has been started for the purpose of determining whether or not exports of impression fabric of man-made fiber from Japan to the United States are being sold, or are likely to be sold, at less than fair value (sales at less than fair value usually means that the prices of the merchandise sold for export to the U.S. are less than the prices in the home market). Because there is substantial doubt that an industry is being or is likely to be injured as a result of those imports, this case is being referred to the United States International Trade Commission for a determination as to whether or not there is a reasonable indication of injury. If the Commission should find within 30 days that there is no reasonable indication of injury, this investigation will be terminated at that time. Otherwise the investigation will continue to a conclusion.

EFFECTIVE DATE: This investigation will begin on March 15, 1977.

FOR FURTHER INFORMATION CONTACT:

David Chapman, Duty Assessment Division, U.S. Customs Service, 1301 Constitution Avenue, N.W., Washington, D.C. 20229 (202-566-5492).

SUPPLEMENTARY INFORMATION: On February 7, 1977, information was received in proper form pursuant to sections 153.26 and 153.27, Customs Regulations (19 CFR 153.26, 153.27), from counsel acting on behalf of Bomont Industries, Totowa, New Jersey; Schwarzenbach Huber, a company of Carisbrook Ind., Inc., New York, New York; and Standard Products Corporation, New Rochelle, New York, indicating a possibility that impression fabric of man-made fiber from Japan is being, or is

14190

NOTICES

likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160 et seq.) (referred to in this notice as "the Act").

For purposes of this notice, the term "impression fabric of man-made fiber" means finished impression fabric, slit or uncut, and not linked.

There is evidence on record concerning injury to, or likelihood of injury to, or prevention of establishment of an industry in the United States. This evidence indicates that although imports of impression fabric of man-made fiber from Japan increased during the period 1973-75 in both absolute terms and in terms of market share, those imports declined during 1976. The decline appears to have been partly due to the restraint agreement entered into between the governments of the United States and Japan during 1976 on certain of the imports subject to this investigation. That agreement places a fixed ceiling upon imports of the subject merchandise from Japan which enter under two of the three tariff items subject to this investigation—items 338.3014 and 338.3016 of the Tariff Schedules of the United States Annotated (TSUSA). The imports that are subject to restraint accounted for roughly three-quarters of the imports of impression fabric of man-made fiber from Japan during 1976. Furthermore, imports of the subject merchandise from Japan under the sole tariff item not currently subject to restraint—TSUSA item 347.6020—could become so if those imports exceed a certain level.

In addition, the available data indicate that domestic producers' U.S. shipments of impression fabric of man-made fiber increased in both actual and relative terms during the past year.

On the basis of such evidence, it has been concluded that there is substantial doubt of injury to, likelihood of injury to, or prevention of establishment of an industry in the United States by reason of such importations from Japan. Accordingly, the United States International Trade Commission is being advised of such doubt pursuant to section 201(c)(2) of the Act (19 U.S.C. 160(c)(2)).

Having conducted a summary investigation as required by § 153.29 of the Customs Regulations (19 CFR 153.29), and having determined as a result thereof that there are grounds for doing so, the U.S. Customs Service is instituting an inquiry to verify the information submitted and to obtain the facts necessary to enable the Secretary of the Treasury to reach a determination as to the fact or likelihood of sales at less than fair value. Should the United States International Trade Commission, within 30 days of receipt of information cited in the preceding paragraphs, advise the Secretary that there is no reasonable indication that an industry is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States, the Department will publish promptly in the FEDERAL REGISTER

a notice terminating the investigation. Otherwise, the investigation will continue to a conclusion.

A summary of price information received from all sources is as follows:

The information received tends to indicate that the prices of the merchandise sold for exportation to the United States are less than the prices for home consumption.

This notice is published pursuant to section 153.30 of the Customs Regulations (19 CFR 153.30).

JOHN H. HARPER,
Acting Assistant Secretary
of the Treasury.

MARCH 9, 1977.

[FR Doc. 77-7660 Filed 3-14-77; 8:45 am]

47908

NOTICES

DEPARTMENT OF THE TREASURY

Customs Service

IMPRESSION FABRIC OF MANMADE
FIBER FROM JAPAN

Antidumping; Withholding of Appraisal,
Tentative Exclusion From and
Tentative Discontinuance of Investigation

AGENCY: United States Treasury Department.

ACTION: Withholding of appraisal, tentative exclusion from and tentative discontinuance of investigation.

SUMMARY: This notice is to advise the public that there are reasonable grounds to believe or suspect that there are or are likely to be sales of impression fabric of manmade fiber from Japan at less than fair value within the meaning of the Antidumping Act of 1921, with the exception of that produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd. (Sales at less than fair value generally occur when the price of merchandise sold for exportation to the United States is less than the price of such or similar merchandise sold in

NOTICES

47909

the home market or to third countries.) Appraisement for the purpose of determining the proper duties applicable to entries of this merchandise will be suspended for 6 months, except entries of that merchandise produced by Asahi and Shirasaki. Interested parties are invited to comment on this action.

EFFECTIVE DATE: September 22, 1977.
FOR FURTHER INFORMATION CONTACT:

David R. Chapman, Operations Officer,
Office of Operations, Duty Assessment
Division, United States Customs Service,
1301 Constitution Avenue NW.,
Washington, D.C. 20229, telephone
(202-566-5492).

SUPPLEMENTARY INFORMATION: On February 7, 1977, information was received in proper form pursuant to sections 153.26 and 153.27, Customs Regulations (19 CFR 153.26, 153.27), from counsel acting on behalf of Bomont Industries, Totowa, N.J.; Schwarzenbach Huber, a company of Carlsbrook Ind., Inc., New York, N.Y.; and Standard Products Corp., New Rochelle, N.Y., indicating a possibility that impression fabric of manmade fiber from Japan is being, or is likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160 et seq.) (referred to in this notice as "the Act"). This information was the subject of an "Antidumping Proceeding Notice" which was published in the FEDERAL REGISTER of March 15, 1977 (42 FR 14193). The "Antidumping Proceeding Notice" indicated that there was evidence on record concerning injury to or likelihood of injury to or prevention of establishment of an industry in the United States. However, the evidence on record, as set forth in the proceeding notice, was such that substantial doubt existed as to whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. Accordingly, the United States International Trade Commission was advised of such doubt pursuant to section 201(c)(2) of the Act (19 U.S.C. 160(c)(2)).

On April 11, 1977, the United States International Trade Commission notified the Secretary of the Treasury that, on the basis of its inquiry it did not determine that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of impression fabric of manmade fiber from Japan. Accordingly, the Customs investigation in this proceeding was not terminated.

For purposes of this notice, the term "impression fabric of manmade fiber" means finished impression fabric, slit or uncut, and not inked.

TENTATIVE DETERMINATION OF SALES AT LESS THAN FAIR VALUE

On the basis of the information developed in Customs investigation and for

the reasons noted below, pursuant to section 201(b) of the Act (19 U.S.C. 160(b)), I hereby determine that there are reasonable grounds to believe or suspect that the purchase price of impression fabric of manmade fiber from Japan, except that produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd., is less, or is likely to be less, than the fair value, and thereby, the foreign market value, of such or similar merchandise. In the face of impression fabric of manmade fiber from Japan produced by Asahi, I hereby exclude such merchandise from this tentative determination. In the case of such merchandise produced by Shirasaki, I hereby tentatively discontinue the antidumping investigation.

STATEMENT OF REASONS ON WHICH THIS DETERMINATION IS BASED

a. Scope of the investigation. It appears that 100 percent of imports of the subject merchandise from Japan were sold for export to the United States by Asahi Chemical Industry Co., Ltd., Osaka, Japan (Asahi), Nissei Co., Ltd., Osaka, Japan (Nissei), and the Shirasaki Tape Co., Ltd., of Fukui, Japan (Shirasaki). Therefore, the investigation was limited to these three manufacturers.

b. Basis of comparison. For purposes of considering whether the merchandise in question is being, or is likely to be, sold at less than fair value within the meaning of the Act, the proper basis of comparison appears to be between purchase price and sales for exportation to countries other than the United States of such or similar merchandise on sales by Asahi and Shirasaki, and between purchase price and home market price of such or similar merchandise on sales by Nissei. Purchase price, as defined in section 203 of the Act (19 U.S.C. 162), was used since all export sales by the three companies appear to be made to non-related customers in the United States.

In accordance with section 153.2 Customs Regulations (19 CFR 153.2), home market sales were used in the case of Nissei since such or similar merchandise appears to be sold in the home market in sufficient quantities to form an adequate basis of comparison.

In accordance with section 153.3 Customs Regulations (19 CFR 153.3), sales for exportation to countries other than the United States were used for Asahi since such or similar merchandise does not appear to be sold in the home market, and for Shirasaki since such or similar merchandise does not appear to be sold in the home market in sufficient quantities to form an adequate basis of comparison.

In accordance with section 153.31(b), Customs Regulations (19 CFR 153.31(b)), pricing information was obtained concerning export and appropriate home market sales of impression fabric of manmade fiber from Japan during the period October 1, 1976, through March 31, 1977.

c. Purchase price. For purposes of this tentative determination of sales at less than fair value, purchase price has been

calculated on the basis of the c.i.f. or f.o.b. price to the United States customers or the price to a trading company for export to the United States. Deductions have been made for ocean freight, marine insurance, shipping expenses, Japanese inland freight, containerization, an association fee, and an inspection fee, as appropriate.

d. Home market price. For the purpose of this tentative determination of sales at less than fair value, adjustments have been made on the following bases. The home market price has been calculated on the basis of the delivered price in the home market to unrelated purchasers. Adjustments have been made for differences in inland freight, packing and for interest expenses incurred in the home market sales but not incurred on export sales. Adjustments have also been made, where applicable, for differences in the merchandise compared.

e. Sales price for exportation to countries other than the United States. For the purpose of this tentative determination, the sales price for exportation to countries other than the United States has been calculated on the basis of the c.i.f. or f.o.b. price to unrelated customers in countries other than the United States or the price to a trading company for export to countries other than the United States. Deductions have been made for ocean freight, marine insurance, shipping expenses, Japanese inland freight, containerization, and an inspection fee, as appropriate. Adjustments have been made for differences in interest expenses incurred between sales to the United States and sales for exportation to countries other than the United States. Adjustments have also been made for differences in the merchandise compared, where applicable.

f. Result of fair value comparisons. Using the above criteria, preliminary analysis suggests that in certain instances purchase price probably will be lower than the home market price of such or similar merchandise. Comparisons were made on approximately 93 percent of the sales of the subject merchandise to the United States by manufacturers during the investigation period. Margins were tentatively found ranging from 6 to 41 percent on sales made by Nissei on 100 percent of the sales compared, ranging from 0.3 to 85 percent on sales made by Shirasaki on 18 percent of the sales compared and from 0.1 to 1 percent on sales made by Asahi on 25 percent of the sales compared.

In the case of Asahi, the weighted-average margin on 100 percent of that firm's sales investigated was 0.15 percent, which is considered to be de minimis.

In the case of Shirasaki, the weighted-average margin on 100 percent of that firm's sales investigated was 1.15 percent, which is considered to be minimal in relation to the total volume of sales. In addition, formal assurances have been received from that producer that it would make no future sales at less than fair value within the meaning of the Antidumping Act.

17910

NOTICES

Accordingly, Customs officers are being directed to withhold appraisement of impression fabric of manmade fiber whether slit or uncut, and not inked from Japan, except that produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd., in accordance with section 153.48 Customs Regulations (19 CFR 153.48).

In accordance with section 153.40, Customs Regulations (19 CFR 153.40), interested persons may present written views or arguments, or request in writing that the Secretary of the Treasury afford an opportunity to present oral views.

Any request that the Secretary of the Treasury afford an opportunity to present oral views should be addressed to the Commissioner of Customs, 1301 Constitution Avenue NW., Washington, D.C. 20229, in time to be received by his office no later than 10 days after publication of the notice in the FEDERAL REGISTER. Such requests must be accompanied by a statement outlining the issues wished to be discussed.

Any written views or arguments should likewise be addressed to the Commissioner of Customs in time to be received by his office no later than 30 days after publication of this notice.

This notice, which is published pursuant to sections 153.35(b), 153.38, and 153.33(b), Customs Regulations (19 CFR 153.35(b), 153.38, and 153.33(b)), shall become effective upon publication in the FEDERAL REGISTER. Withholding of appraisement shall cease to be effective at the expiration of 6 months from the date of publication, unless previously revoked.

ROBERT H. MUNDHEIM,
General Counsel of the Treasury.

SEPTEMBER 16, 1977.

[FR Doc. 77-27678 Filed 9-21-77; 8:45 am]

65344

NOTICES

Customs Service, 1301 Constitution Avenue NW., Washington, D.C. 20229, telephone 202-566-5492.

SUPPLEMENTARY INFORMATION:

On February 7, 1977, information was received in proper form pursuant to sections 153.26 and 153.27, Customs Regulations (19 CFR 153.26, 153.27), from counsel acting on behalf of Bomont Industries, Totowa, N.J., Schwarzenbach Huber, a company of Carlsbrook Industries, Inc., New York, N.Y., and Standard Products Corp., New Rochelle, N.Y., indicating a possibility that impression fabric of man-made fiber from Japan is being, or is likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160 et seq.) (referred to in this notice as "the Act"). This information was the subject of an "Antidumping Proceeding Notice" which was published in the FEDERAL REGISTER, of March 15, 1977 (42 FR 14198). The "Antidumping Proceeding Notice" indicated that there was evidence on record concerning injury to or likelihood of injury to or prevention of establishment of an industry in the United States. However, the evidence on record, including the existence of the Multi-fiber Agreement limiting imports of textile products such as the merchandise that is the subject of these proceedings, was such that substantial doubt existed as to whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. Accordingly, the United States International Trade Commission was advised of such doubt pursuant to section 201(c) (2) of the Act (19 U.S.C. 160(c) (2)).

On April 11, 1977, the United States International Trade Commission notified the Secretary of the Treasury that, on the basis of its inquiry it did not determine that there was no reasonable indication that an industry in the United States is being, or is likely to be, injured, or is prevented from being established, by reason of the importation of impression fabric of man-made fiber from Japan. Accordingly, the Customs investigation in this proceeding was not terminated.

The investigation resulted in the publication of a notice of "Withholding of Appraisement, Tentative Exclusion From and Tentative Discontinuance of Investigation," in the FEDERAL REGISTER, of September 22, 1977 (42 FR 47968).

For purposes of this notice, the term "impression fabric of man-made fiber" means finished impression fabric, slit or uncut, and not inked.

DETERMINATION OF SALES AT LESS THAN FAIR VALUE: On the basis of the information developed in

the Customs investigation and for the reasons noted below, pursuant to section 201(b) of the Act (19 U.S.C. 160(b)), I hereby determine that the purchase price of impression fabric of man-made fiber from Japan, except that produced by Asahi Chemical Industry Co., Ltd., and Shirasaki Tape Co., Ltd., is less, or is likely to be less, than the fair value, of such or similar merchandise. In the case of impression fabric of man-made fiber from Japan produced by Asahi, I hereby exclude such merchandise from this determination. In the case of such merchandise produced by Shirasaki, I hereby discontinue the antidumping investigation.

STATEMENT OF REASONS ON WHICH THIS DETERMINATION IS BASED: a. *Scope of the Investigation.* Of imports of the subject merchandise from Japan, approximately 99.6 percent was sold for export to the United States by Asahi Chemical Industry Co., Ltd., Osaka, Japan (Asahi), Nissei Co., Ltd., Osaka, Japan (Nissei), and the Shirasaki Tape Co., Ltd., of Fukui, Japan (Shirasaki). Therefore, the investigation was limited to these three manufacturers.

b. *Basis of Comparison.* For purposes of considering whether the merchandise in question is being, or is likely to be, sold at less than fair value within the meaning of the Act, the proper basis of comparison is between purchase price and sales for exportation to countries other than the United States of such or similar merchandise on sales by Asahi and Shirasaki, and between purchase price and home market price of such or similar merchandise on sales by Nissei. Purchase price, as defined in section 203 of the Act (19 U.S.C. 162), was used since all export sales by the three companies were made to nonrelated customers in the United States.

In accordance with section 153.2, Customs Regulations (19 CFR 153.2), home market sales were used in the case of Nissei since such or similar merchandise was sold in the home market in sufficient quantities to form an adequate basis of comparison.

In accordance with section 153.3, Customs Regulations (19 CFR 153.3), sales for exportation to countries other than the United States were used for Asahi since such or similar merchandise was not sold in the home market, and for Shirasaki since such or similar merchandise was not sold in the home market in sufficient quantities to form an adequate basis of comparison.

In accordance with section 153.31(b), Customs Regulations (19 CFR 153.31(b)), pricing information was obtained concerning export and appropriate home market sales of impression fabric of man-made fiber from Japan during the period October 1, 1976, through March 31, 1977.

[4310-22]

Customs Service

IMPRESSION FABRIC OF MAN-MADE FIBER FROM JAPAN

Determination of Sales at Less Than Fair Value, Exclusion From and Final Discontinuance of Antidumping Investigation

AGENCY: U.S. Treasury Department.

ACTION: Determination of Sales at Less Than Fair Value, Final Exclusion From and Final Discontinuance of Antidumping Investigation.

SUMMARY: This notice is to advise the public that an antidumping investigation has resulted in a determination that, with the exception of the product supplied by two producers, impression fabric of man-made fiber from Japan is being sold at less than fair value, within the meaning of the Antidumping Act, 1921, as amended. Sales at less than fair value generally occur when the price of merchandise for exportation to the United States is less than the price of such or similar merchandise sold in the home market or to third countries. This case is, therefore, being referred to the United States International Trade Commission for a determination whether such sales are causing or threaten to cause injury to an industry in the United States.

EFFECTIVE DATE: December 30, 1977.

FOR FURTHER INFORMATION CONTACT:

David R. Chapman, Operations Officer, Office of Operations, Duty Assessment Division, United States

NOTICES

65345

c. *Purchase Price.* For purposes of this determination of sales at less than fair value, purchase price has been calculated on the basis of the c.i.f. or f.o.b. price to the United States customers or the price to an unrelated trading company for export to the United States. Deductions have been made for ocean freight, marine insurance, shipping expenses, Japanese inland freight, containerization, an association fee, and an inspection fee, as appropriate.

d. *Home Market Price.* For the purpose of this determination of sales at less than fair value, adjustments have been made on the following bases. The home market price has been calculated on the basis of the delivered price in the home market to unrelated purchasers. Adjustments have been made for differences in inland freight, packing, and interest expenses between home market sales and export sales. A deduction has been made for rebates made on home market sales which are directly related to the sales under consideration. Adjustments have also been made, where applicable, for differences in the merchandise compared.

A claim made by Nissel for an adjustment resulting from having obtained a beneficial rate of currency exchange was not allowed because of lack of adequate documentation.

e. *Sales Price for Exportation to Countries Other Than the United States.* For the purpose of this determination, the sales price for exportation to countries other than the United States has been calculated on the basis of the c.i.f. or f.o.b. price to unrelated customers in countries other than the United States or the price to an unrelated trading company for export to countries other than the United States. Deductions have been made for ocean freight, marine insurance, shipping expenses, Japanese inland freight, containerization, and an inspection fee, as appropriate. Adjustments have been made for differences in interest expenses incurred between sales to the United States and sales for exportation to countries other than the United States. Adjustments have also been made for differences in the merchandise compared, where applicable.

f. *Result of Fair Value Comparisons.* Using the above criteria, analysis suggests that in certain instances purchase price will be lower than the home market price of such or similar merchandise. Comparisons were made on approximately 98 percent of the sales of the subject merchandise to the United States by manufacturers during the period. Margins were found ranging from 3 to 14 percent on sales made by Nissel on 92 percent of the sales compared, ranging from 0.3 to 4.3 percent on sales made by Shirasaki on

16 percent of the sales compared and from 0.1 to 1 percent on sales made by Asahi on 25 percent of the sales compared. Weighted-average margins over the total sales compared for each firm were approximately 7.5 percent for Nissel, 0.15 percent for Asahi, and 0.34 percent for Shirasaki.

In the case of Asahi, the weighted-average margin on the firm's sales compared was considered to be de minimis.

In the case of Shirasaki, the weighted-average margin on that firm's sales compared was considered to be minimal in relation to the total volume of sales. In addition, formal assurances have been received from that producer that it would make no future sales at less than fair value within the meaning of the Act.

During the course of this investigation the Treasury Department was cognizant of the existence of a restraint agreement entered into between the governments of the United States and Japan under the Multifiber Agreement on certain of the merchandise subject to this investigation. Because that Agreement already limited imports of the merchandise, this case was referred to the U.S. International Trade Commission (ITC) pursuant to section 201(c)(2) of the Act. In the face of such limitations, substantial doubt existed that a U.S. industry is being, or is likely to be, injured by reason of the alleged sales at less than fair value. However, the ITC did not conclude that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the alleged sales at less than fair value. Therefore, the investigation continued. Accordingly, for the remainder of the investigation of sales at less than fair value, it was determined that it would no longer be appropriate to consider the effect of the restraint agreement.

The Secretary has provided an opportunity to known interested persons to present written and oral views pursuant to section 153.40, Customs Regulations (19 CFR 153.40).

The U.S. International Trade Commission is being advised of this determination.

This determination is being published pursuant to section 201(d) of the Act (19 U.S.C. 160(d)).

HENRY C. STOCKELL, JR.,
Acting General Counsel
of the Treasury.

DECEMBER 23, 1977.

FR Doc. 77-37241 Filed 12-29-77; 8:45 am]

APPENDIX D

FEDERAL REGISTER NOTICES
OF COMMISSION INQUIRY NO. AA1921-INQ.-6

NOTICES

15375

INTERNATIONAL TRADE
COMMISSION

[AA1921-Inq.-6]

IMPRESSION FABRIC OF MAN-MADE
FIBER FROM JAPAN

Inquiry and Hearing

The United States International Trade Commission (Commission) received advice from the Department of the Treasury (Treasury) on March 10, 1977, that, during the course of determining whether to institute an investigation with respect to impression fabric of man-made fiber from Japan in accordance with section 201(c) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(c)), Treasury had concluded from the information available to it that there is substantial doubt that an industry in the United States is being or is likely to be injured or is prevented from being established, by reason of the importation of this merchandise into the United States. Therefore, the Commission on March 14, 1977, instituted inquiry AA-1921-Inq.-6, under section 201(c)(2) of that act, to determine whether there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

The Treasury advised the Commission as follows:

DEAR MR. CHAIRMAN: In accordance with section 201(c) of the Antidumping Act of 1921, as amended, an antidumping investigation is being initiated with respect to impression fabric of man-made fiber from Japan. Pursuant to section 201(c)(2) of the Act, you are hereby advised that the information developed during our preliminary investigation has led to the conclusion that there is substantial doubt that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of this merchandise into the United States.

Information available to Treasury indicates that although imports of impression fabric of man-made fiber from Japan increased both in absolute terms and in terms of market share during the period 1973-75, those imports declined during 1976. The recent decline is believed to be as a result, at least in part, of the current restraint agreement entered into between the Governments of the United States and Japan, which went into effect during 1973. That agreement limits Japanese imports to two of the three tariff lines which are the subject of this petition to the equivalent of 5.7 million square yards annually. Inasmuch as the imports from Japan under those two items of the Tariff Schedules of the United States Annotated (TSUSA)—338.3014 and 338.3016—accounted for roughly three-fourths of the total imports of impression fabric of man-made fiber from Japan during 1976, and because imports of impression fabric of man-made fiber from Japan under the third tariff item—337.6020—could become subject to restraint if they exceed a certain minimum, Treasury has concluded there is substantial doubt as to whether or not an industry is being or is likely to be injured.

Furthermore, there is information on record that indicate U.S. producers' shipments increased in both actual and relative terms during 1976.

Moreover, in 1973 the Commission (then the Tariff Commission) in making a determination of no injury with respect to this product from Japan cited the existence of a similar restraint agreement on textile products as one reason for its negative determination.

Pursuant to the applicable provisions of law it is requested that the Commission advise the Department as to whether it determines there is no reasonable indication that an industry in the United States is being or likely to be injured, or is prevented from being established by possible less-than-fair-value imports of impression fabric of man-made fiber from Japan on each of the following three categories: TSUSA items 338.3014, 338.3016 and 337.6020 in the aggregate; TSUSA items 338.3014 and 338.3016 in the aggregate; and TSUSA item 337.6020 individually.

For purposes of this investigation, "impression fabric of man-made fiber" means finished impression fabric, slit or uncut, and not inked.

Based upon data submitted by the petitioner, margins of sales at less than fair value appear to range from 3 to 15 percent on imports of the subject merchandise from Japan.

Some of the enclosed data is regarded by Treasury to be of a confidential nature. It is therefore requested that the United States International Trade Commission consider all the enclosed information to be for the official use of the U.S.I.T.C. only, and not to be disclosed to others without prior clearance from the Treasury Department.

Sincerely yours,

JOHN H. HARPER,
Acting Assistant Secretary (Enforcement,
Operations and Tariff Affairs).

Hearing. A public hearing in connection with the inquiry will be held in New York City, New York, at a place to be announced later, beginning at 10 a.m. est., on Monday, March 28, 1977. All parties will be given an opportunity to be present, to produce evidence, and to be heard at such hearing. Requests to appear at the public hearing should be received in writing in the office of the Secretary to the Commission not later than noon Thursday, March 24, 1977.

Written statements. Interested parties may submit statements in writing in lieu of, and in addition to, appearance at the public hearing. A signed original and nineteen true copies of such statements should be submitted. To be assured of their being given due consideration by the Commission, such statements should be received no later than Wednesday, March 30, 1977.

By order of the Commission.

Issued: March 15, 1977.

KENNETH R. MASON,
Secretary.

[FR Doc. 77-8232 Filed 3-18-77; 8:45 am]

19931

NOTICES

[AA1921-Inq.-6]

IMPRESSION FABRIC OF MANMADE
FIBER FROM JAPAN

Determination

On March 10, 1977, the United States International Trade Commission received advice from the Department of the Treasury that, in accordance with section 201(c) of the Antidumping Act of 1921, as amended, an antidumping investigation was being initiated with respect to impression fabric of manmade fiber from Japan, and that, pursuant to section 201(c) of the act, information developed during the summary investigation led to the conclusion that there is substantial doubt whether an industry in the United States is being, or is likely to be injured, or is prevented from being established, by reason of the importation of this merchandise into the United States. Accordingly, the Commission on March 14, 1977, instituted Inquiry No. AA1921-Inq.-6, under section 201(c) (2) of the act, to determine whether there is no reasonable indication that an industry in the United States is being or is likely to be injured or is prevented from being established, by reason of the importation of such merchandise into the United States.

A public hearing in connection with the inquiry was held in New York City on March 28, 1977. Notice of the institution of the inquiry and the hearing was duly given by posting copies of the notice at the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and at the Commission's Office in New York City, and by publishing the original notice in the *FEDERAL REGISTER* of March 21, 1977 (42 FR 15375).

On the basis of its inquiry with respect to imports of impression fabric of manmade fiber from Japan possibly sold at less than fair value as indicated by the Department of the Treasury, the Commission (Vice Chairman Parker and Commissioners Moore, Bedell, and Ablondi)¹ does not determine that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

STATEMENT OF REASONS OF VICE CHAIRMAN JOSEPH O. PARKER AND COMMISSIONERS WILL E. LEONARD, GEORGE M. MOORE, CATHERINE BEDELL, AND ITALO H. ABLONDI

On March 14, 1977, the United States International Trade Commission insti-

tuted Inquiry No. AA1921-Inq.-6 under section 201(c) (2) of the Antidumping Act, 1921, as amended. The purpose of this 30-day inquiry was to determine whether "there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation" into the United States of impression fabric of manmade fiber from Japan, which is the subject of a pending Department of the Treasury (Treasury) investigation under the Antidumping Act, 1921.²

Determination. On the basis of the information developed with respect to this inquiry, we do not determine that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of impression fabric of manmade fiber from Japan possibly sold at less than fair value as indicated by the Treasury.³ As a result of this determination by the Commission, Treasury is authorized to proceed with its investigation of sales at less than fair value pursuant to the Antidumping Act, 1921.

Discussion. In this inquiry, evidence has been presented that the producers of slit impression fabric of manmade fiber may be adversely affected by imports possibly sold at less than fair value from Japan.⁴ Three U.S. firms, which account for the bulk of domestic production, produce slit impression fabric for sale; a fourth firm produces such fabric on a commission basis.

* Commissioner Ablondi notes that the Commission completed investigation No. AA1921-116 on May 14, 1973, with respect to the same articles that are the subject of this inquiry. In that case the Commission unanimously determined in the negative. See *Impression Fabric of Manmade Fiber From Japan*, Investigation No. AA1921-116 • • •, TC Publication 557, May 1973. However, since the Commission's 1973 investigation, imports of slit impression fabric of manmade fiber from Japan have increased markedly; in 1976 they amounted to approximately four times the level that existed during the prior investigation.

* The question of no reasonable indication of the prevention of establishment of an industry was not an issue in this inquiry.

* Commissioner Leonard determines that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of impression fabric of manmade fiber from Japan possibly sold at less than fair value as indicated by the Treasury.

* Commissioner Leonard notes that while the domestic industry producing impression fabric could be considered to include operations at several manufacturing stages, i.e., weaving, finishing, slitting, and linking, comprehensive data in this inquiry were available only for the operations of the U.S. producers which slit the fabric. These producers would account for a substantial part of any such larger industry. It is believed that the conclusions reached herein would not change if data were available with respect to any such larger industry.

Treasury advised the Commission that U.S. imports of impression fabric from Japan had declined in 1976 and that U.S. producers' shipments had increased in that year. In making its decision in this matter, the Commission did not consider these two considerations as determinative and in addition examined other evidence, as noted below.

Apparent U.S. consumption of slit impression fabric increased substantially from 32.9 million square yards in 1972 to 44.4 million square yards in 1974. In 1975, consumption declined by 14 percent to 38.3 million square yards, but then increased to 42.0 million square yards in 1976. U.S. producers' shipments of slit impression fabric followed a trend similar to that for consumption.

With respect to the apparent position of imports of slit impression fabric from Japan in the U.S. market, such imports increased annually from an estimated 0.7 million square yards in 1972 to 3.2 million square yards in 1975. The ratio of such imports to U.S. consumption increased from 2 percent in 1972 to 8 percent in 1975. Although imports declined in 1976 to 2.5 million square yards, the ratio of imports from Japan to U.S. consumption remained higher than in all preceding years except 1975. Preliminary data provided by the Department of the Treasury indicated that possible margins of sales at less than fair value ranging from 3 to 15 percent were applicable to imports from Japan during September 1976. These margins could account for the amount by which Japanese imports apparently undersold the domestically produced fabric in 1975 and 1976.

U.S. imports of slit impression fabric from Japan averaged 2.8 million square yards in 1975 and 1976, compared with 1.7 million square yards in 1973 and 1974. This increase in imports was accompanied by a decline in U.S. producers' employment, profitability, and prices. The average number of production and related workers engaged in the slitting of impression fabric declined from 344 in 1974 to 272 in 1976. Net sales of impression fabric declined from \$36.8 million in 1974 to \$33.8 million in 1976, while the ratio of the firms' net operating profit to net sales declined from 12 percent in 1974 to 8 percent in 1976. The lowest net selling prices received by U.S. producers for most size categories of the fabric in 1976 were from 4 to 6 percent lower than those received in 1975.

Conclusion. We determine that the evidence obtained in this investigation does not warrant the conclusion that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of impression fabric of manmade fiber from Japan possibly sold at less than fair value.⁵

* Commissioner Leonard notes that Treasury requested that the Commission advise Treasury "as to whether it determines there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being estab-

¹ Commissioner Leonard determines that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. Chairman Minchow determines that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

NOTICES

19935

STATEMENT OF REASONS OF
CHAIRMAN DANIEL MINCHEW

On March 10, 1977, the United States International Trade Commission (Commission) received advice from the Department of the Treasury that, in accordance with section 201(c) of the Antidumping Act of 1921, as amended, an antidumping investigation was being initiated with respect to impression fabric of manmade fiber from Japan. The Department of the Treasury concluded, pursuant to a summary investigation, that there is substantial doubt whether an industry in the United States is being, or is likely to be injured, or is prevented from being established, by reason of the importation of this merchandise into the United States. Upon receipt of this information, the Commission, on March 14, 1977, instituted inquiry No. AA1921-Inq.-6 under section 201(c)(2) of the Antidumping Act of 1921, as amended, to determine whether "there is no reasonable indication that an industry in the United States is being, or is likely to be injured, or is prevented from being established, by reason of the importation" into the United States of impression fabric of manmade fiber from Japan, which is the subject of the pending Department of Treasury investigation.

Investigations conducted by the Commission on inquiries under section 201(c)(2) must be completed within 30 days.

Determination. On the basis of the information developed in this inquiry, I have determined that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of impression fabric of manmade fiber from Japan allegedly sold at less than fair value (LTFV).

The product. Impression fabrics of manmade fibers are highly specialized woven fabrics which are suitable for making typewriter and machine ribbon. Their manufacture requires a high degree of precision in construction, weave, and finish. Impression fabrics are, to a

greater extent than most other fabrics of manmade fibers, made on machinery and by processes which are highly specialized. The "impression" is that made on paper by a key striking the ribbon, and the fabrics are used solely as inking ribbons on typewriters, adding machines, computers, and similar machines.

The U.S. industry. There are four major operations involved in the manufacture of impression fabrics: weaving, finishing, slitting, and inking. Some U.S. firms specialize in a single major operation, but in most cases a firm producing impression fabric performs more than one of these operations. An exception is the inking operation—no domestic firm which inks impression fabric has involved itself in any of the other major operations. Six domestic firms weave impression fabric, one of which also performs finishing and slitting operations. The other five domestic weavers sell the bulk of their output, some of which is finished internally, to two domestic firms which perform slitting. In addition to these firms, there are three U.S. firms, called converters for purpose of this inquiry, which take title to either imported or domestically produced impression fabric and arrange to have the fabric slit, and sometimes finished, on contract. Most of the impression fabric purchased by converters is imported.

No reasonable indication of injury to the U.S. industry. In making my determination in this inquiry, I considered the industry most likely to be adversely affected by imports of the subject investigated to consist of the U.S. facilities devoted to the slitting of impression fabric of manmade fiber. Three U.S. firms, which account for the bulk of domestic production, produce slit impression fabric for sale; a fourth firm slits such fabric on a commission basis.

Apparent U.S. consumption of slit impression fabric increased substantially, from an estimated 32.9 million square yards in 1972, to 44.4 million square yards in 1974, at which time shortages developed in the U.S. market. In 1975, a year of over-supply, consumption declined by 14 percent, but then increased to 42.0 million square yards in 1976. U.S. producers' shipments of slit impression fabric followed a trend similar to that for consumption, declining in 1975 from their 1974 peak, but increasing by 13 percent in 1976.

Imports of slit impression fabric from Japan increased from an estimated annual average of 0.7 million square yards in 1972-73 to 2.1 million square yards in 1974, due to a shortage of domestic supplies. Imports continued to increase to 3.1 million square yards in 1975, mainly because of the long lead times required between orders by U.S. customers and actual delivery. Most imports shipped in 1975 were contracted for in 1974, at which time continued shortages were anticipated in the domestic market. The anticipated shortages never materialized, however, as witnessed by the decline in U.S. consumption, and imports of the slit fabric from Japan subsequently de-

clined by 23 percent, to 2.4 million square yards in 1976. The ratio of imports to consumption declined from a high of 8 percent in 1975 to 6 percent in 1976.

Data supplied by the Department of Treasury indicate possible less-than-fair-value margins ranging from 3 to 15 percent for September 1976. As indicated above, imports of slit impression fabric from Japan declined by 23 percent in 1976, while shipments by U.S. producers increased by 13 percent. Many large users of the fabric, such as IBM Corp. which had not imported impression fabric until the 1974 shortage, once again turned to U.S. producers to meet their demand requirements. Other customers have indicated a desire to continue purchasing imports on a small scale, in order to guard against possible impression fabric shortages in the future. Virtually all purchasers of slit impression fabric have indicated that price was not a significant factor in decisions to import.

While there is some evidence that U.S. producers' employment and profitability were lower in 1976 than in 1974, indications point to the decline in U.S. consumption as the primary cause of such developments. Net sales of slit impression fabric by U.S. producers increased in 1976, in both absolute terms and as a percentage of U.S. consumption, and there is every reasonable indication that the trend will continue.

It should also be noted that in 1976, under the Bilateral Arrangement with Japan, a restraint level of 5.7 million square yards was invoked on annual imports of wide impression fabric from Japan. A similar restraint level has recently been arranged for imports of narrow impression fabric, limiting such imports from Japan to their 1976 level. These restraint levels add further support to my conclusion that imports of impression fabric from Japan pose no threat of injury to the U.S. industry.

By order of the Commission.

Issued: April 12, 1977.

KENNETH R. MASON,
Secretary.

[FR Doc.77-11113 Filed 4-14-77; 8:45 am]

lished by possible less than fair value imports of impressing fabric of manmade fiber from Japan on each of the following three categories: TSUSA items 338.3014, 338.3016, and 347.6020 in the aggregate; TSUSA items 338.3014 and 338.3016 in the aggregate; and TSUSA item 337.6020 individually." In this inquiry, data on the domestic industry necessary to make such analyses were not available to the Commission. Available data were based on U.S. producers' operations at various stages of manufacturing, namely weaving and slitting, whereas the import categories specified by Treasury combined both slit and unslit fabric except in one instance where an analysis based on only part of the slit fabric imports was requested. Within the time frame provided for inquiries of this sort, the Commission could not obtain data for the analyses necessary to be responsive to Treasury's request.

The question of no reasonable indication of the prevention of establishment of an industry is not at issue in this inquiry.

APPENDIX E
STATISTICAL TABLES

Table 1.--Impression fabric of manmade fiber: Sales of broadwoven impression fabric and other products made in the establishments in which impression fabric is woven, by firms, 1974-77

Product and firm	1974	1975	1976	1977
	Quantity (1,000 square yards)			
Impression fabric:				
Burlington Industrial Fabrics Co-----	* * *	* * *	* * *	* * *
Greenwood Mills, Inc-----	* * *	* * *	* * *	* * *
Frank Ix & Sons, Inc-----	* * *	* * *	* * *	* * *
Milliken & Co-----	* * *	* * *	* * *	* * *
Schwarzenbach Huber <u>1/</u> -----	* * *	* * *	* * *	* * *
Starr Textile Mills Corp-----	* * *	* * *	* * *	* * *
Total-----	40,914	43,334	33,037	40,894
	Value (1,000 dollars)			
Impression fabric:				
Burlington Industrial Fabrics Co-----	* * *	* * *	* * *	* * *
Greenwood Mills, Inc-----	* * *	* * *	* * *	* * *
Frank Ix & Sons, Inc-----	* * *	* * *	* * *	* * *
Milliken & Co-----	* * *	* * *	* * *	* * *
Schwarzenbach Huber <u>1/</u> -----	* * *	* * *	* * *	* * *
Starr Textile Mills Corp-----	* * *	* * *	* * *	* * *
Total-----	22,755	26,159	20,690	26,113
Other products:				
Burlington Industrial Fabrics Co-----	* * *	* * *	* * *	* * *
Greenwood Mills, Inc-----	* * *	* * *	* * *	* * *
Frank Ix & Sons, Inc-----	* * *	* * *	* * *	* * *
Milliken & Co-----	* * *	* * *	* * *	* * *
Schwarzenbach Huber <u>1/</u> -----	* * *	* * *	* * *	* * *
Starr Textile Mills Corp-----	* * *	* * *	* * *	<u>2/</u>
Total-----	102,947	96,379	113,807	<u>2/</u>

1/ Sales data reported by Schwarzenbach Huber were computed from the quantity and value of the firm's transfers from its weaving to its finishing operations. Schwarzenbach Huber does not actually sell impression fabric until it has been slit.

2/ Not available.

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

Table 2.--Impression fabric of manmade fiber: Sales of slit impression fabric and other products made in the establishments in which impression fabric is slit, by firms, 1974-77

Product and firm	1974	1975	1976	1977
	Quantity (1,000 square yards)			
Impression fabric:				
Bomont Industries-----	***	***	***	***
Schwarzenbach Huber-----	***	***	***	***
Standard Products Corp-----	***	***	***	***
Total-----	***	***	***	***
	Value (1,000 dollars)			
Impression fabric:				
Bomont Industries-----	***	***	***	***
Schwarzenbach Huber-----	***	***	***	***
Standard Products Corp-----	***	***	***	***
Total-----	***	***	***	***
Other products:				
Bomont Industries-----	***	***	***	***
Schwarzenbach Huber-----	***	***	***	***
Standard Products Corp-----	***	***	***	***
Total-----	***	***	***	***

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

Table 3.--Impression fabric of manmade fiber: Purchases of U.S.-made and imported broadwoven fabric by U.S. converters ^{1/} for slitting, by firms, 1974-77

(In thousands of square yards)				
Product and firm	1974	1975	1976	1977
U.S.-made impression fabric:				
Hormann, Schutte & Co., Inc-----	* * *	* * *	* * *	* * *
Hoye Textile Corp-----	* * *	* * *	* * *	* * *
Reeves Bros., Inc-----	* * *	* * *	* * *	* * *
Total-----	* * *	* * *	* * *	* * *
Imported impression fabric:				
Hormann, Schutte & Co., Inc-----	* * *	* * *	* * *	* * *
Hoye Textile Corp-----	* * *	* * *	* * *	* * *
Reeves Bros., Inc-----	* * *	* * *	* * *	* * *
Total-----	* * *	* * *	* * *	* * *
All impression fabric:				
Hormann, Schutte & Co., Inc-----	* * *	* * *	* * *	* * *
Hoye Textile Corp-----	* * *	* * *	* * *	* * *
Reeves Bros., Inc-----	* * *	* * *	* * *	* * *
Total-----	* * *	* * *	* * *	* * *
Ratio of imported impression fabric to all fabric:				
Hormann, Schutte & Co., Inc-----	* * *	* * *	* * *	* * *
Hoye Textile Corp-----	* * *	* * *	* * *	* * *
Reeves Bros., Inc-----	* * *	* * *	* * *	* * *
Total-----	87	55	42	38

^{1/} See definition of "converter" on p. A-12.

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

Table 4.--Impression fabric of manmade fiber: U.S. converters' 1/
sales of slit impression fabric, by firms, 1974-77

Item	1974	1975	1976	1977
	Quantity (1,000 square yards)			
Hormann, Schutte & Co., Inc-----	***	***	***	***
Hoye Textile Corp-----	***	***	***	***
Reeves Bros., Inc-----	***	***	***	***
Total-----	***	***	***	***
	Value (1,000 dollars)			
Hormann, Schutte & Co., Inc-----	***	***	***	***
Hoye Textile Corp-----	***	***	***	***
Reeves Bros., Inc-----	***	***	***	***
Total-----	***	***	***	***

1/ See definition of "converter" on p. A-12.

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

Table 5.--Impression fabric of manmade fiber: U.S. imports for consumption, total and imports from Japan, by types and by TSUSA items, 1973-77

Item and year	Slit impression fabric				Unslit impression fabric (TSUSA item 338.3016)				Total
	Not over 12 inches in width:		Over 12 inches in width:						
	(TSUSA item 347.6020)		(TSUSA item 338.3014)						
	Quan- tity 1/	Value	Quan- tity	Value	Quan- tity	Value	Quan- tity	Value	
	<u>1,000</u>		<u>1,000</u>		<u>1,000</u>		<u>1,000</u>		
	<u>square</u>	<u>1,000</u>	<u>square</u>	<u>1,000</u>	<u>square</u>	<u>1,000</u>	<u>square</u>	<u>1,000</u>	
	<u>yards</u>	<u>dollars</u>	<u>yards</u>	<u>dollars</u>	<u>yards</u>	<u>dollars</u>	<u>yards</u>	<u>dollars</u>	
Total U.S. imports:									
1973-----	256	190	2/	2/	2/	2/	1,361	910	
1974-----	649	579	2/	2/	2/	2/	4,539	3,346	
1975-----	1,024	897	2,146	1,150	3,842	2,577	7,012	4,624	
1976-----	1,355	1,070	1,112	756	4,108	2,520	6,575	4,346	
1977-----	1,363	1,043	227	151	5,150	2,797	6,740	3,991	
U.S. imports from									
Japan:									
1973-----	240	178	2/	2/	2/	2/	1,202	727	
1974-----	545	494	2/	2/	2/	2/	3,545	2,680	
1975-----	943	831	2,140	1,133	3,506	2,417	6,589	4,381	
1976-----	1,314	1,021	1,041	678	3,692	2,303	6,047	4,002	
1977-----	1,229	972	226	150	4,291	2,455	5,746	3,577	

1/ U.S. imports entered under TSUSA item 347.6020 are reported by the U.S. Department of Commerce only in terms of pounds. In converting imports to a square-yard equivalent, a conversion factor of 7.8 square yards = 1 pound has been used. This factor is used by the Office of Textiles, U.S. Department of Commerce, and is also used for import measurements connected with the bilateral arrangement with Japan.

2/ Prior to 1975, imports of all impression fabric of manmade fiber over 12 inches in width, whether slit or unslit, entered under TSUSA item 338.3012. Such imports totaled 1,105 thousand square yards valued at 720 thousand dollars in 1973 and 3,890 thousand square yards valued at 2,767 thousand dollars in 1974. Imports from Japan amounted to 962 thousand square yards valued at 549 thousand dollars in 1973 and 3,000 thousand square yards valued at 2,186 thousand dollars in 1974.

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

Table 6.--Profit-and-loss experience of 2 U.S. weavers on their impression fabric operations and of 3 U.S. slitters on the total operations of their establishments in which impression fabric is slit and on their impression fabric operations, 1974-77

Item and year	Net sales	Cost of goods sold	Gross profit	GS&A expenses 1/	Net operating profit	Other expenses, net	Net profit	Ratio of net operating profit to net sales
Weavers:	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	
Impression fabric operations:	dollars	dollars	dollars	dollars	dollars	dollars	dollars	Percent
1974 2/-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1975-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1976-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *	* * *
1977-----	* * *	* * *	* * *	* * *	* * *	* * *	* * *	* * *
Slitters:								
Total establishment operations:								
1974-----	42,467	33,833	8,634	3,323	5,311	23	5,288	12.5
1975-----	35,188	27,975	7,213	2,942	4,272	311	3,959	12.1
1976-----	38,477	32,115	6,362	3,002	3,360	423	2,938	8.7
1977-----	41,768	34,684	7,084	3,193	3,891	199	3,692	9.3
Impression fabric operations:								
1974-----	37,113	29,722	7,392	3,000	4,391	207	4,184	11.8
1975-----	31,345	24,710	6,635	2,663	3,972	346	3,625	12.7
1976-----	34,098	28,782	5,316	2,726	2,590	334	2,256	7.6
1977-----	36,410	30,391	6,019	2,936	3,084	190	2,894	8.5

1/ General, selling, and administrative expenses.

2/ 1 weaver only.

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

Table 7.--Unslit impression fabric of manmade fiber: Ranges and weighted averages of the lowest net selling prices of domestically produced fabric, by types and by specified periods, 1974-77

(In cents per square yard)				
Item and period	Nontextured nylon 66 yarn		Textured nylon 66 yarn	
	Finished	Not finished	Finished	Not finished
Range:				
January-June 1974-----	* * *	* * *	* * *	<u>1/</u>
July-December 1974-----	* * *	* * *	* * *	<u>1/</u>
January-June 1975-----	* * *	* * *	* * *	<u>1/</u>
July-December 1975-----	* * *	* * *	* * *	<u>1/</u>
January-March 1976-----	* * *	* * *	* * *	<u>1/</u>
April-June 1976-----	* * *	* * *	* * *	<u>1/</u>
July-September 1976-----	* * *	* * *	* * *	<u>1/</u>
October-December 1976-----	* * *	* * *	* * *	<u>1/</u>
January-March 1977-----	* * *	* * *	* * *	<u>1/</u>
April-June 1977-----	* * *	* * *	* * *	<u>1/</u>
July-September 1977-----	* * *	* * *	* * *	<u>1/</u>
October-December 1977-----	* * *	* * *	* * *	<u>1/</u>
Weighted average:				
January-June 1974-----	58 :	49 :	66 :	<u>1/</u>
July-December 1974-----	64 :	55 :	72 :	<u>1/</u>
January-June 1975-----	64 :	56 :	72 :	<u>1/</u>
July-December 1975-----	66 :	55 :	74 :	<u>1/</u>
January-March 1976-----	69 :	54 :	79 :	<u>1/</u>
April-June 1976-----	69 :	55 :	79 :	<u>1/</u>
July-September 1976-----	69 :	57 :	79 :	<u>1/</u>
October-December 1976-----	68 :	56 :	76 :	<u>1/</u>
January-March 1977-----	68 :	57 :	76 :	<u>1/</u>
April-June 1977-----	68 :	57 :	76 :	<u>1/</u>
July-September 1977-----	68 :	56 :	76 :	<u>1/</u>
October-December 1977-----	68 :	55 :	76 :	<u>1/</u>

1/ Not available.

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

Library Cataloging Data

U.S. International Trade Commission.

Impression fabric of manmade fiber from Japan. Determination of likelihood of injury in investigation no. AA1921-176 under the Antidumping act, 1921, as amended, together with the information obtained in the investigation. Washington, 1978.

11, A-57 p. illus. (USITC
Publication 872)

1. Synthetic fabrics. 2. Synthetic fabrics--Japan. 3. Tariff--U.S.
4. Textile industry and fabrics--Japan.
5. Textile industry and fabrics--U.S.
- I. Title

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

OFFICIAL BUSINESS

ADDRESS CORRECTION REQUESTED

Postage And Fees Paid
U.S. International Trade Commission



ADDRESS CHANGE

Remove from List
Change as Shown
Please detach address
label and mail to address
shown above.