

UNITED STATES TARIFF COMMISSION

HAND PALLET TRUCKS FROM FRANCE

**Determination of No Injury or Likelihood
Thereof in Investigation No. AA1921-95
Under the Antidumping Act, 1921, as Amended**



**TC Publication 498
Washington, D. C.
July 1972**

UNITED STATES TARIFF COMMISSION

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[AA1921-95]

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July 17, 1972

On April 17, 1972, the Tariff Commission received advice from the Treasury Department that hand pallet trucks from France are being, or are likely to be, sold in the United States at less than fair value within the meaning of the Antidumping Act, 1921, as amended. In accordance with the requirement of Section 201 (a) of the Antidumping Act (19 U.S.C. 160 (a)), the Tariff Commission instituted investigation No. AA 1921-95 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.

A public hearing was scheduled to be held on June 13, 1972. 1/ On petition from the only firm scheduled to appear, the hearing was postponed by one week; it was held on Tuesday, June 20, 1972.

In arriving at a determination in this case, the Commission gave due consideration to all written submissions from interested parties, evidence adduced at the hearing, and all factual information obtained by the Commission's staff from questionnaires, personal interviews, and other sources.

On the basis of the investigation, the Commission 2/ determined unan-
imously that an industry in the United States is not being and is not

1/ Notice of the Commission's investigation and hearing was published in the Federal Register of April 25, 1972 (37 F.R. 8137).

2/ Commissioner Leonard was absent; Commissioner Young did not participate in the decision.

likely to be injured, or is not prevented from being established, by reason of the importation of hand pallet trucks from France covered by the aforementioned determination of the Treasury Department.

Statement of Reasons

Hand pallet trucks are designed to move materials (on pallets or similar devices) horizontally in limited areas. They have two forks that are designed to fit into and/or under pallets; they are designed to carry maximum loads of from 2,000 to 6,000 pounds; and they are provided with a hydraulic system that lifts the forks by 4 to 6 inches. As their name implies, hand pallet trucks are designed to be pushed by hand rather than being self propelled. Other types of materials handling equipment are required for moving materials long distances or for lifting them higher than 6 inches. These other types of equipment are far more costly than hand pallet trucks and are not competitive with them.

The Industry

We have determined that the industry herein considered consists of those facilities in the United States used in the production of hand pallet trucks. During the period 1967-71 there were as many as 16 domestic producers of such articles. In 1969, over a year prior to the period the Treasury Department found LTFV sales to occur (December 1970-April 1971) the number of firms engaged in the production of

hand pallet trucks declined from 15 to 14. This decline occurred during a period of increasing imports but not during the period the Treasury Department found LTFV sales. One indication of the current health of the U.S. industry is that during the first half of 1972, although one additional marginal producer of hand pallet trucks terminated its production, a new company began the production of hand pallet trucks in the United States. We note that neither the complainant (a firm that imports hand pallet trucks from Ireland) nor any U.S. producer testified at the public hearing held in connection with this investigation. Moreover, no briefs or formal statements were filed by any representative of the U.S. industry to indicate that a U.S. industry was being injured or was likely to be injured by the LTFV imports.

The U.S. market

Annual apparent U.S. consumption of all hand pallet trucks generally increased during 1967-71 despite a temporary decline in 1970, as shown in the following tabulation.

Hand pallet trucks: Apparent U.S. consumption, 1967-71

<u>Year</u>	<u>Total consumption</u> (Quantity in units)
1967	26,204
1968	33,448
1969	38,452
1970	35,622
1971	38,811

Apparent consumption of standard models of hand pallet trucks having a capacity of 4,000 to 4,999 pounds (the only types that were imported from France or sold at LTFV in the United States) accounted for more

than half of total apparent consumption each year, and increased annually throughout the period. During 1967-71, all of the major U.S. producers of hand pallet trucks increased their annual shipments. In 1971, when LTFV sales were found to have occurred in 4 months, only 4 U.S. producers reported lower shipments than in the previous year. Of equal significance, those 4 producers who experienced declining shipments in 1971 had consistently reported declining sales each year since 1967. Moreover, for those firms, the rate of decline in 1971 was less than it had been in earlier years, prior to the LTFV sales.

Pricing Practices and Prices

Both domestically produced and imported hand pallet trucks are sold to dealers throughout the United States. Virtually all of the hand pallet trucks are sold to dealers, f.o.b. sellers' shipping point in the United States, at a discount from the manufacturers' or importers' suggested retail (list) price. The dealers, most of whom offer a complete line of materials handling equipment, including such high ticket items as powered fork lifts, stackers, and loaders, are free to ask their own prices for hand pallet trucks.

More than 95 percent of the hand pallet trucks sold in the United States are of "standard" sizes (i.e., 32-, 36-, 42-, and 48- inch fork lengths, and 20- $\frac{1}{2}$ - or 27- inch truck widths). Prices charged by individual sellers for standard-size hand pallet trucks are usually uniform for a given lifting capacity. The price distinctions are invariably on

the basis of lifting capacity (i.e., higher lift capacity hand pallet trucks command higher prices than those with lower lift capacities).

Net prices to dealers by importers and domestic producers of hand pallet trucks having a capacity of 4,000-4,999 pounds, f.o.b. sellers' shipping points were compared for the period 1967-71. The comparisons showed that prices, on the whole, either remained constant or increased throughout the period. Several domestic producers and importers reported price increases during 1971 (the year of maximum LTFV sales). Thus, LTFV imports did not cause any price depression in the U.S. marketplace. The comparison showed that the prices received by the importers of the LTFV merchandise were higher than those received by any of the major U.S. producers and all but one of the other importers for virtually identical hand pallet trucks. Seven U.S. producers and one U.S. importer reported that they received higher prices than did the importer of the LTFV merchandise. In each of these cases the French importer enjoyed a margin of underselling substantially in excess of the relatively insignificant margin of dumping.

U.S. Imports from France and LTFV Imports

U.S. imports of hand pallet trucks from France began prior to 1967 and continue to the present time. These imports increased substantially in 1968 and 1969 but held about constant in 1970 and 1971. Information from the Department of the Treasury indicates that LTFV sales began in December 1970 and did not exist prior to that time. It also indicated that such sales accounted for 100 percent of imports from France from

that time through April 1971, the end of the period considered by Treasury. Information developed from other sources indicate that the period of LTFV sales probably continued through the month of June 1971 and did not extend into July or beyond owing to a change in prices that month. LTFV imports therefore accounted for 100 percent of all imports from France during the period December 1970-June 1971 and accounted for less than 10 percent of all imports from France in 1970 and two thirds of such imports during 1971. Moreover, the margin of dumping was so slight that it could not have affected the competitive position of the LTFV merchandise vis-a-vis either those articles that were priced higher than the LTFV imports or those that were priced lower, so substantial were the price differentials.

Conclusion

In view of the fact that (1) the margin of dumping by LTFV imports from France is extremely small, (2) U.S. consumption and production of hand pallet trucks are increasing, (3) prices charged for the LTFV merchandise are substantially higher than those charged for the bulk of comparable domestically produced articles, (4) a 1971 price increase resulted in the termination of LTFV sales which are not expected to resume, and (5) at least one firm has begun production in the United States since 1971, we conclude that if the domestic industry is injured by reason of the sale of hand pallet trucks from France at less than fair value, such injury is de minimis. Moreover, because the dumping margin has had virtually no effect on price in the U.S. market, we conclude that there is no likelihood of injury to a domestic industry as contemplated by the Antidumping Act, 1921, as amended.