UNITED STATES TARIFF COMMISSION

COLOR TELEVISION PICTURE TUBES FROM JAPAN

Determination of No Injury or Likelihood Thereof in Investigation No. AA1921-104 Under the Antidumping Act, 1921, as Amended



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UNITED STATES TARIFF COMMISSION

Catherine Bedell, Chairman

Joseph O. Parker, Vice Chairman

Will E. Leonard, Jr.

George M. Moore

J. Banks Young

Italo H. Ablondi

Kenneth R. Mason, Secretary

Address all communications to
United States Tariff Commission
Washington, D.C. 20436

UNITED STATES TARIFF COMMISSION Washington, D.C.

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[AA1921-104]

COLOR TELEVISION PICTURE TUBES FROM JAPAN Determination of No Injury or Likelihood Thereof

On September 26, 1972, the Tariff Commission received advice from the Treasury Department that color television picture tubes from Japan 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 requirements of section 201(a) of the Antidumping Act (19 U.S.C. 160(a)), the Tariff Commission instituted investigation No. AA1921-104 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 held on November 28, 1972. Notice of the investigation and hearing was published in the <u>Federal Register</u> of October 4, 1972 (37 F.R. 20897).

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 Tariff Commission 1/ has determined unanimously that an industry in the United States is not being and is not likely to be injured, or prevented from being established, by reason of the importation of color television tubes from Japan sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended.

^{1/} Commissioner Leonard did not participate in the determination.

Statement of Reasons 1/

In our opinion an industry in the United States is not being or is not likely to be injured, or prevented from being established, by reason of the importation of color television picture tubes from Japan sold at less than fair value (LTFV). The industry primarily considered by the Commission in this investigation consists of all domestic facilities engaged in the manufacture of color television picture tubes.

Total imports of color television tubes from Japan have been extremely small in relation to the size of the domestic market (whether the total market or the noncaptive market is considered); moreover, the margins of dumping (the amounts by which the tubes were sold below the Japanese home market price) were only significant in relation to approximately one-third of all tubes imported from Japan. Virtually all of the LTFV imports where significant margins existed consisted of 18- and 19-inch tubes which were sold to a single small domestic manufacturer of color television sets. This manufacturer did not import any tubes from Japan prior to 1971 and its purchases thus far in 1972 have been only a small fraction of its purchases during the previous year.

If the domestic industry lost any sales as a result of LTFV imports it occurred only in one size—the 18-inch tube; the differential in price between the 19-inch domestic and imported tube was far larger than the dumping margins. Even with respect to the 18-inch tube, the evidence is not entirely conclusive that the domestic industry lost sales by reason of the LTFV imports. In any event, in 1971 the LTFV imports of

^{1/} Commissioner Ablondi concurs in the result.

18-inch tubes were equal to less than 1 percent of the total U.S. production of 18-inch tubes. Moreover, the three domestic companies which accounted for the great bulk of sales of these tubes to others—and thus the ones most likely to have lost sales—experienced large increases in their color television picture tube sales and improved profit margins from such sales in 1971.

The Commission also examined allegations that offers of color television tubes at LTFV prices in the domestic market had a depressing effect upon prices of domestically produced tubes as early as 1967.

Only a small percentage of the offers presented in evidence dealt with the period during which the Treasury Department determined LTFV sales were occurring; moreover, such offers could not be matched with models that were being sold at less than fair value as determined by the Treasury Department. Moreover, none of the tubes found by Treasury to have been sold at LTFV entered before 1970, and the only LTFV model that entered in 1970 had a negligible dumping margin. Based on the evidence before it, the Commission has concluded that offers to sell LTFV tubes have not had a significant depressing effect on prices in the U.S. market.

Conclusion

Since the market penetration of LTFV imports of color television picture tubes having any significant margins from Japan is extremely small and since we were unable to link any depression or suppression in prices to LTFV imports, we conclude that an industry in the United States is not being injured, or prevented from being established, by

reason of imports of such tubes from Japan. Moreover, because the imports at LTFV have had virtually no effect on prices of comparable color television tubes in the U.S. market, we likewise conclude that there is no likelihood of injury to a domestic industry as contemplated by the Antidumping Act.

