

CERTAIN FRESH CUT FLOWERS FROM PERU, KENYA, AND MEXICO

**Determination of the Commission in
Investigation No. 303-TA-18 (Final)
Under the Tariff Act of 1930,
Together With the Information
Obtained in the Investigation**

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**Determinations of the Commission in
Investigations Nos. 731-TA-332 and
333 (Final) Under the Tariff Act of
1930, Together With the Information
Obtained in the Investigations**

UNITED STATES INTERNATIONAL TRADE COMMISSION

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Note.- Information that would reveal the confidential operations of individual concerns may not be published and therefore has been deleted from this report.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

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC

Investigation No. 303-TA-18 (Final) and
Investigations Nos. 731-TA-332 and 333 (Final)

CERTAIN FRESH CUT FLOWERS FROM PERU, KENYA, AND MEXICO

Determinations

On the basis of the record 1/ developed in its countervailing duty investigation, the Commission has made its determinations pursuant to section 303(a) of the Tariff Act of 1930 (19 U.S.C. 1303), as amended (the "Act"). In the tabulation of the Commission's determinations which follows, a determination of "affirmative" indicates that the Commission determines that an industry in the United States is materially injured by reason of imports of certain fresh cut flowers, 2/ provided for in items 192.17 and 192.21 of the Tariff Schedules of the United States (TSUS), 3/ which have been found by the U.S. Department of Commerce to be subsidized by the government of Peru:

<u>Country</u>	<u>Investigation No.</u>	<u>Product</u>	<u>Determination</u>
Peru.....	303-TA-18 (Final)	Miniature carnations Pompom chrysanthemums Gypsophila	Negative <u>4/</u> Affirmative <u>5/</u> Negative

1/ The record is defined in sec. 207.2(i) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(i)).

2/ A determination of "negative" indicates that the Commission determines that an industry in the United States is not materially injured, nor threatened with material injury, nor is the establishment of an industry in the United States materially retarded, by reason of imports of certain fresh cut flowers.

3/ Miniature carnations are provided for in item 192.17 of the Tariff Schedules of the United States (TSUS). All other fresh cut flowers subject to these investigations are provided for in item 192.21 of the TSUS.

4/ Commissioners Eckes and Rohr find threat of material injury. They would not have found material injury by reason of the imports but for suspension of liquidation of that merchandise.

5/ Chairman Liebler and Vice Chairman Brunsdale dissenting.

On the basis of the record developed in its antidumping investigations, the Commission has made its determinations pursuant to section 735(b) of the Act (19 U.S.C. 1673d(b)). In the tabulation of the Commission's determinations which follows, a determination of "affirmative" indicates that the Commission determines that an industry in the United States is materially injured by reason of imports of certain fresh cut flowers, ^{1/} provided for in items 192.17 and 192.21 of the TSUS, which have been found by the U.S.

Department of Commerce to be sold in the United States at less than fair value:

<u>Country</u>	<u>Investigation No.</u>	<u>Product</u>	<u>Determination</u>
Kenya.....	731-TA-332 (Final)	Standard carnations	Affirmative ^{2/}
		Miniature carnations	Negative
Mexico.....	731-TA-333 (Final)	Standard carnations	Affirmative ^{2/}
		Standard chrysanthemums	Affirmative ^{2/}
		Pompom chrysanthemums	Affirmative ^{2/}

Background

On October 27, 1986, the U.S. Department of Commerce published its preliminary determination that benefits which constitute bounties or grants are being provided to producers or exporters of certain fresh cut flowers in Peru. On November 3, 1986, Commerce published its preliminary determinations that certain fresh cut flowers from Kenya and Mexico are being, or are likely to be, sold in the United States at less than fair value. Accordingly, effective October 27, 1986, the U.S. International Trade Commission instituted

^{1/} A determination of "negative" indicates that the Commission determines that an industry in the United States is not materially injured, nor threatened with material injury, nor is the establishment of an industry in the United States materially retarded, by reason of imports of certain fresh cut flowers.
^{2/} Chairman Liebel and Vice Chairman Brunsdale dissenting.

final investigations under the applicable provisions of the Tariff Act of 1930 to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded by reason of imports of the subject products into the United States.

Notice of the institution of the Commission's investigations and of a public hearing to be held in connection therewith was given by posting copies of notices in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing notices in the Federal Register of November 19, 1986 (51 F.R. 41840), and January 7, 1987 (52 F.R. 610). The Commission's hearing was held in Washington, DC, on February 2, 1987, and all persons who requested the opportunity were permitted to appear in person or by counsel.

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VIEWS OF COMMISSIONER ECKES, COMMISSIONER LODWICK, AND COMMISSIONER ROHR

On the basis of the information of record in these investigations, we determine that:

(1) an industry in the United States is materially injured by reason of imports of standard carnations from Kenya and Mexico, which the Department of Commerce (Commerce) has determined are sold at less than fair value (LTFV);

(2) an industry in the United States is materially injured by reason of imports of standard chrysanthemums from Mexico which Commerce has determined are sold at LTFV;

(3) an industry in the United States is materially injured by reason of imports of pompom chrysanthemums from Peru which Commerce has determined are subsidized, and by imports of pompom chrysanthemums from Mexico which Commerce has determined are sold at LTFV;

(4) an industry in the United States is not materially injured or threatened with material injury ^{1/} by reason of imports of gypsophila from Peru which Commerce has determined are subsidized;

(5) an industry in the United States is not materially injured or threatened with material injury by reason of imports of miniature carnations from Kenya which Commerce has determined are sold at LTFV;

(6) Commissioner Lodwick determines that an industry in the United States is not materially injured, or threatened with material injury, by reason of imports of miniature carnations from Peru which Commerce has determined are subsidized; and

^{1/} Material retardation is not an issue in these investigations, and is not discussed.

(7) Commissioners Eckes and Rohr determine that an industry in the United States is threatened with material injury by reason of imports of miniature carnations from Peru which Commerce has determined are subsidized. ^{2/}

LIKE PRODUCT AND DOMESTIC INDUSTRY

As a prerequisite to the Commission's material injury analysis, it must first define the relevant domestic industry. The term "industry" is defined in section 771(4)(A) of the Tariff Act of 1930 as "the domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product; . . ." ^{3/} In turn, "like product" is defined as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation. . . ." ^{4/} Consequently, the definition of the like product legally defines the scope of the relevant domestic industry under consideration by the Commission.

The "article subject to an investigation" is defined by the scope of the investigations initiated by Commerce. In these investigations, the articles subject to investigation are:

- (1) standard carnations imported from Kenya and Mexico;
- (2) miniature carnations imported from Kenya and Peru;
- (3) standard chrysanthemums imported from Mexico;

^{2/} Commissioners Eckes and Rohr further determine, pursuant to 19 U.S.C. § 1673d(b)(4)(B), that they would not have found material injury by reason of imports of miniature carnations from Peru, which Commerce has determined are subsidized, but for the suspension of liquidation of entries of that merchandise.

^{3/} 19 U.S.C. § 1677(4)(A).

^{4/} 19 U.S.C. § 1677(10).

- (4) pompom chrysanthemums imported from Mexico and Peru; and
- (5) gypsophila imported from Peru.

In our recent determination in the first set of investigations involving imports of these flowers, we noted that the fundamental like product question in those investigations was what domestic flower (or flowers) is (are) like the seven types of imported flowers subject to investigation, within the meaning of the statute. ^{5/}

In that determination (Cut Flowers I), we concluded that there were seven like products, one corresponding to each of the seven types of imported flowers subject to the investigations at issue. ^{6/} No information has been presented to us in the course of these final investigations which would lead us to conclude differently. Therefore, we determine that the domestic product like each of the five types of cut flower subject to investigation is the domestically grown flower of the same type.

In Cut Flowers I, we concluded that there were seven domestic industries, each devoted to the production of one of the like products. ^{7/} Again, no information has been adduced in these final investigations which persuades us otherwise. We therefore conclude that there are five domestic industries in these final investigations, each devoted to the production of one of the like products.

^{5/} Certain Fresh Cut Flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, and the Netherlands, Invs. Nos. 701-TA-275-278, and 731-TA-327-331 (Final), USITC Pub. No. 1956 (1987) (hereinafter Cut Flowers I).

^{6/} Cut Flowers I at 13.

^{7/} Id. at 14-15.

CUMULATION

Pursuant to the Trade and Tariff Act of 1984, the Commission is to cumulatively assess the volume and effect of imports in certain circumstances. ^{8/} To warrant a cumulative analysis under the Act, imports must satisfy three requirements. They must compete with both other imports and the domestic like product, be marketed within a reasonably coincidental period, and be subject to investigation. In determining whether the imported products compete with each other and with like products of the domestic industry in the United States market, the Commission has considered several factors, including:

- the degree of fungibility between imports from different countries and between imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions;
- the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product;
- the existence of common or similar channels of distribution for imports from different countries and the domestic like product; and
- whether the imports are simultaneously present in the market.

No single factor is determinative, and this list of factors is not exclusive.

In Cut Flowers I, we addressed the arguments of the parties with respect to the issue of cumulation, and after consideration determined that it was appropriate to cumulate imports of the same type flowers from the different countries under investigation, and to cross-cumulate imports subject to

^{8/} 19 U.S.C. § 1677(7)(C)(iv).

antidumping duty investigations and determinations with imports subject to countervailing duty investigations and determinations. ^{9/}

Again, no new information having been presented in these final investigations to persuade us otherwise, we determine that it remains appropriate to cumulatively assess the volume and price effect of imports of the same type flowers currently under investigation. In addition, we determine that it is appropriate to cumulate these imports with the imports of the same type flowers subject to antidumping and countervailing duty orders as a result of the final determinations in Cut Flowers I. All the investigations, both current and those decided in Cut Flowers I, were originally instituted at the same time. It is merely the extension of deadlines at the Department of Commerce which has led to the Commission making its final determinations separately. The imports at issue in Cut Flowers I compete with the imports under investigation, and with the domestic like product, and were simultaneously present in the market with the imports subject to these final investigations.

CONDITION OF THE INDUSTRIES AND CAUSATION

No new information has been introduced in the record of these investigations concerning the condition of the domestic industries, or the volumes and prices of the imports subject to investigation, since our determinations in Cut Flowers I. In Cut Flowers I, we determined that the industries producing standard carnations, standard chrysanthemums, and pompom chrysanthemums, are currently experiencing material injury. ^{10/} There being

^{9/} Cut Flowers I at 15-20.

^{10/} Id. at 26, 31, and 35.

nothing in the record of these investigations to persuade us otherwise, we adopt the analysis in Cut Flowers I, and determine that the domestic industries producing standard carnations, standard chrysanthemums, and pompom chrysanthemums are currently experiencing material injury.

In Cut Flowers I, we conducted our analysis of causation on the basis of a cumulative assessment of the volume and effect of imports, including the imports from Kenya, Mexico, and Peru subject to investigation here.^{11/} We determined, in Cut Flowers I, that the imports of standard carnations, standard chrysanthemums, and pompom chrysanthemums there subject to investigation were a cause of material injury to the respective industries.^{12/} Since the imports subject to investigation here were included in that analysis, we adopt it here, and determine that the domestic industry producing standard carnations is materially injured by reason of LTFV imports from Kenya and Mexico, the domestic industry producing standard chrysanthemums is materially injured by reason of LTFV imports from Mexico, and the domestic industry producing pompom chrysanthemums is materially injured by reason of LTFV imports from Mexico and subsidized imports from Peru.

In addition, in Cut Flowers I, we determined that the domestic industries producing miniature carnations and gypsophila are not materially injured.^{13/} Once again, there being no new information in the record, we adopt the analysis set forth in Cut Flowers I, and determine that the domestic industries producing miniature carnations and gypsophila are not materially injured.

^{11/} Id. at 26-28, 31-33, and 36-37.

^{12/} Id. at 28, 33, and 37.

^{13/} Id. at 49 and 52.

No threat of material injury to the domestic industry producing gypsophila by reason of imports from Peru

We further conclude that there is no threat of material injury to the domestic industry producing gypsophila by reason of subsidized imports from Peru. Imports of gypsophila from Peru increased substantially as a share of apparent U.S. consumption during the period under investigation, from 5.6 percent in 1983 to 8.2 percent in 1984, and 21.6 percent in 1985.^{14/} Data for the interim period show a decline, from 20.0 percent of apparent U.S. consumption in interim 1985 to 14.7 percent in interim 1986.^{15/} U.S. prices for gypsophila showed mixed trends, increasing for Mothers' Day sales, while decreasing during November and December, with respect to both standing order and spot sales.^{16/} During the remaining weeks, prices increased for standing orders, and decreased for spot sales.^{17/}

Gypsophila imported from Peru was consistently priced substantially above the U.S. grower product for both standing order and spot sales.^{18/} In light of the lack of injury to the domestic industry despite the rapid increase in Peruvian imports, the recent decline in the market share of these imports, and the high prices obtained for the imports, we cannot conclude that imports of gypsophila from Peru are likely to increase to an injurious level in the near future, or have an adverse impact on domestic prices. We therefore conclude that there is no threat of material injury to the domestic industry by reason of subsidized imports of gypsophila from Peru.

^{14/} Report of the Commission (Report) at A-21.

^{15/} Id.

^{16/} Cut Flowers I at A-147.

^{17/} Id.

^{18/} Id. at A-149.

No threat of material injury to the domestic industry producing miniature carnations by reason of imports from Kenya

We further conclude that there is no threat of material injury to the domestic industry producing miniature carnations by reason of imports from Kenya. ^{19/} Imports of miniature carnations from Kenya varied substantially during the period under investigation, never reaching more than 1.5 percent of apparent U.S. consumption at their highest level in 1983 and 1985. Data for the most recent interim period show a decline in Kenyan imports, from 1.24 million stems to 370,000 stems. ^{20/} Information concerning the industry in Kenya indicate an inability to produce miniature carnations year-round. ^{21/} Moreover, exports of miniature carnations to the United States represented only a small percentage of Kenya's production during 1983-1985. ^{22/} Data on prices of Kenyan imports indicate that the imports were priced higher than the domestic product during six of the ten weeks for which comparisons were possible. ^{23/}

We conclude that it is unlikely that Kenyan imports will increase to injurious levels in the near future, or have any significant impact on

^{19/} While the statute does not preclude the Commission from making a cumulative analysis of volume and price effects of imports in examining the question of a threat of material injury, in these investigations, as in Cut Flowers I, we have concluded that such an analysis would lead us into the prohibited realm of speculation. 19 U.S.C. § 1677(7)(F)(ii) provides that "[a]ny determination by the Commission . . . that an industry in the United States is threatened with material injury shall be made on the basis of evidence that the threat of material injury is real and that actual injury is imminent. Such a determination may not be made on the basis of mere conjecture or supposition." However, Commissioners Eckes and Rohr note that their analysis of the vulnerability of the domestic industry to future injury took into consideration the impact of all unfair imports on the industry.

^{20/} Report at A-14.

^{21/} Id. at A-10.

^{22/} Id. at A-10.

^{23/} Cut Flowers I at A-149.

domestic prices or the domestic industry. We therefore find that there is no threat of material injury to the domestic industry by reason of LTFV imports of miniature carnations from Kenya.

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FURTHER VIEWS OF COMMISSIONER LODWICK WITH RESPECT TO
THREAT OF MATERIAL INJURY TO THE DOMESTIC INDUSTRY BY REASON OF
IMPORTS OF MINIATURE CARNATIONS FROM PERU

Imports of miniature carnations from Peru as a share of apparent U.S. consumption declined during the period under investigation, from 7.6 percent in 1983 to 4.8 percent in 1984, and to 4.1 percent in 1985, before increasing slightly to 4.4 percent in interim 1986 as compared with 4.1 percent in interim 1985. ^{24/} Moreover, information received from the Peruvian company which accounts for approximately 95 percent of the exports to the United States indicates that an increase in exports to the United States is not likely. ^{25/} In my view, this suggests that imports from Peru are fluctuating at a relatively stable level, and does not indicate that such imports are likely to increase significantly in the near future to an injurious level, especially in an expanding domestic market for miniature carnations.

Prices for miniature carnations imported from Peru were below U.S. grower prices for most of the periods for which comparisons could be made. ^{26/} U.S. prices for miniature carnations were lower in 1986 than in 1984 for both standing order and spot sales. I am unwilling to conclude, however, that the prices of Peruvian imports will have any significant effects on domestic prices in the near future, in view of the relatively small share of apparent U.S. consumption represented by those imports. I therefore conclude that there is no threat of material injury to the domestic industry by reason of imports of miniature carnations from Peru.

^{24/} Report at A-20.

^{25/} Id. at A-12.

^{26/} Id. at A-148.

DISSENTING VIEWS OF COMMISSIONER ECKES AND COMMISSIONER ROHR
ON THREAT OF MATERIAL INJURY FROM SUBSIDIZED IMPORTS
OF MINIATURE CARNATIONS FROM PERU

Dissenting from the Commission majority, we find that the domestic industry producing miniature carnations is threatened with material injury by subsidized imports from Peru. This determination is based primarily on the vulnerability of the domestic miniature carnation industry to material injury from unfairly traded imports and the recent increase in both the volume and market penetration of the imports from Peru.

In our Separate Views on the flower investigations completed earlier this year,^{1/} we noted that the domestic miniature carnation industry has been confronted by a rapid rise in imports from all sources, including Peru. The data obtained in the current investigation show that the domestic producers' share of the market dropped almost 16 percentage points between 1983 and interim 1986. One effect of this import pressure was the downward trend of domestic prices, both in the standing order and spot sales markets. This trend occurred even though the demand for miniature carnations increased almost 34 percent between 1983 and 1985, and more than 38 percent when interim 1986 is compared to interim 1985. Industry profitability decreased substantially in 1984 and 1985

^{1/} Certain Fresh Cut Flowers From Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, and the Netherlands, Invs. Nos. 701 -TA-275 through 278 (Final) and 731-TA-327 through 331 (Final), USITC Pub. No. 1956, March 1987, (Cut Flowers I) pgs. 61-66. 15

from the 1983 level, and had not recovered by interim 1986.^{2/} We believe the industry is vulnerable to material injury should there be a substantial increase in unfairly traded imports from any source.

We did not cumulate imports from the countries under investigation for our threat analysis in this or the earlier flower investigations. However, our finding that the domestic industry is vulnerable to material injury took into consideration the current effect of all the unfair imports on the industry.

Peru

Most of the miniature carnations exported by Peru to the United States are produced by one company, Flores Esmeralda, S.R.L.. Counsel for this company submitted data to the Commission on the quantity of miniature carnations it exported to the United States, but no data on production, capacity, capacity utilization, or shipments to domestic and other non-U.S. markets. The firm reported that it foresees no significant increase in its exports to the United States. However, we have very little data to help us to evaluate that statement of intent.

We do have data that allows us to analyze import trends. The Commission's data on imports of miniature carnations from Peru show a decrease in the quantity imported in 1984 and 1985 compared to 1983 levels. However, the interim 1985-1986

^{2/} Id. Tables 25 and 26, pgs. A-76 and A-77.

comparison shows a 49 percent increase in the quantity imported. The institution of these investigations in May 1986 did not result in a decrease in the imports from Peru during the first nine months of 1986 as might have been expected. Despite a rapid increase in the volume and market share of imports from certain other sources such as Colombia, imports from Peru even managed a slight gain in market share in the interim comparison.^{3/}

The imports from Peru generally undersold the domestic product. For 18 out of 22 weeks for which the Commission obtained price comparison data, miniature carnations from Peru were priced lower than those grown in the United States, often by substantial margins.^{4/}

Peru, like the other Central American and South American countries in the current and earlier flower investigations, has targeted the expanding U.S. market for standard flowers such as miniature carnations and pom-pom chrysanthemums. As a result of the current investigations, duties soon will be placed on pom-pom mums, which could encourage product shifting to miniature carnations and a continued upward trend in imports from Peru. The domestic industry, already facing substantial and increasing import competition from several sources, is threatened with material injury from the low-priced, subsidized imports from Peru.

^{3/} Table 4, this Report at A-20.

^{4/} Cut Flowers I, at A-149.

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Views of Chairman Liebeler
 Certain Fresh Cut Flowers from Peru, Kenya, and Mexico
 Inv. No. 303-TA-18 (Final) and
 Invs. Nos. 731-TA-332-333 (Final)

Based on the record in these investigations, I determine that the domestic fresh cut flower industry in the United States is not materially injured or threatened with material injury by reason of subsidized imports from Peru or dumped imports of certain fresh cut flowers from Kenya and Mexico.

1 2
 Kenya and Mexico.

3
Like product/domestic industry

1
 On March 6, 1987 the US Department of Commerce published notice in the Federal Register of a negative final determination of sales at less than fair value in connection with investigation 731-TA-334 (Final) involving Certain Fresh Cut Flowers from Peru. Accordingly, the Commission terminated the antidumping investigation.

2
 Since the domestic industry producing fresh cut flowers is well established, material retardation was not an issue in these investigations and will not be discussed further.

3
 My discussion of the like product and domestic industry in these investigations parallels my discussions of those issues in the Commission's recently completed

(Footnote continued on next page)

The Commission must determine what domestic product is "like, or in the absence of like, most similar in characteristics and uses with, the article subject to an

investigation."⁴ The imports subject to investigation are five different varieties of flowers: standard carnations, miniature carnations, standard chrysanthemums,⁵ pompom chrysanthemums, and gypsophila. As in the earlier investigations involving certain fresh cut flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, and the Netherlands, I determine that the like product comprises all fresh cut flowers. Accordingly, I determine that the domestic industry consists of the domestic producers of all fresh cut flowers.

(Footnote continued from previous page)
 investigations of certain fresh cut flowers; see Certain Fresh Cut Flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, and the Netherlands, Invs. Nos. 701-TA-275-278 and Invs. Nos. 731-TA-327-331 (Final), at 75-77, USITC Pub. 1956 (March 1987) [Hereinafter cited as Flowers I.]; Also, see Certain Fresh Cut Flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, Kenya, Mexico, the Netherlands, and Peru, Invs. Nos. 303-TA-17-18, 701-TA-275-278 & 731-TA-327-334 (Preliminary), at 8, USITC Pub. 1877 (July 1986).

4

19 U.S.C. §1677 (10).

5

Report at A-5.

Condition of the industry

The Commission is directed to look at several different categories of data to determine whether the domestic industry is suffering or threatened with material injury. Among these factors are the levels and trends in shipments, production, wages, employment, profits, revenues, growth and investment.⁶ Although some of the sectors (i.e., particular flowers) of the domestic industry may be doing better than others,⁷ overall, the statutory factors together lead to the conclusion that the domestic industry is not materially injured.

In these investigations, many of the data on the entire fresh cut flowers industry are incomplete.⁸ The

⁶
19 U.S.C. §1677(7)(C)(iii).

⁷
It is not clear that it is possible to analyze the financial condition of the domestic industry for separate flowers. Many growers produce more than one flower, Transcript at 18-21, 46-47. Thus, the problems of cost allocation due to common production facilities is present. Since there appears to be no consistent pattern of flowers grown exclusively together, the narrowest group of products that would provide valid profit data would be all fresh cut flowers. 19 U.S.C. §1677(D).

⁸
The Commission was asked by respondents to supplement the questionnaire sent to domestic producers. Respondents requested that questionnaires be mailed to producers of
(Footnote continued on next page)

information that is available shows that the value of domestic shipments of fresh cut flowers increased over 10

percent during 1984-1985.⁹ The area under production has increased slowly, but consistently, from 1983 through September 1986.¹⁰

Employment and wages have also exhibited upward trends. For those companies surveyed by the Commission, total hours worked increased 6 percent during 1983-1985. Total compensation increased by over 15 percent. Thus, average compensation rose approximately 9 percent over the period for these firms.¹¹

The only downward trend evident from questionnaire responses is the decrease in net income before officers'

(Footnote continued from previous page)
 roses so that a more complete picture of the cut flowers industry could be developed. The domestic industry opposed the motion. Vice Chairman Brunsdale and I were favorably disposed toward the motion. A majority of the Commission voted to turn down the motion. Thus, although I am mindful of the need to develop as complete a record as possible within the statutory time limits, see USX Corp. v. United States, slip op. 87-14 (Ct. Int'l Trade Feb. 9, 1987), I must use the best information available.

9

Flowers I, Report at Table 2; see also tables 7 & 9. Value is a better measure for sales than quantity is because of the differences in value attributable to stem sizes, as well as the differences in value among the varieties of flowers.

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Flowers I at Table 5.

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Id. at Table 15.

or partners' salaries and before income taxes. This figure, distributable income, decreased from 10.2 percent of net sales in 1983 to 6.7 percent in 1985. Although distributable income has decreased, I cannot conclude that this fact alone justifies an affirmative finding of injury. For one thing, included in these financial figures are the data for capital expenditures and research and development. Capital expenditures rose nearly 27 percent between 1983 and 1985. Research and development expenditures doubled over the same period for the small sample of firms that provided data. These increases are signs of a healthy industry.

These increased investments translate into higher depreciation and interest expenses, as is indicated in the financial figures and account for a small part of the decline in distributable income over the period. In addition, FTD argued that the increased investments began to pay off in 1986.¹² Distributable income for January through September 30, 1986 rose to 12.8 percent of net sales. Since part of this period occurred after the filing of these investigations, some of the increase probably reflects the increase in domestic production

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FTD prehearing brief, at 18 (Jan. 29, 1987).

attributable to the uncertainty caused by the

13 investigations. On the other hand, the rise in
 distributable income is consistent with the increase in
 all other indicators of industry performance during the
 period of investigation.¹⁴ Thus, I am unable to
 conclude that the decline in distributable income through
 1985 demonstrates that the domestic industry is suffering
 material injury.¹⁵ Since I determine that the domestic
 industry is not materially injured or threatened with
 material injury, it is not necessary for me to consider
 the issue of causation in this case.¹⁶

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Petitions were filed on behalf of the Floral Trade Council on May 21, 1986, after most of the period during which the most sales occur (Valentine's Day, Easter, Mother's Day).

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A common characteristic of small firms is that some of the "profit" is generally removed from the firm by the principals in the form of non-taxable perquisites. Thus, the disposable income figures are likely to be a lower bound on profitability. The fact that the smaller firms in this industry appear more profitable than the large ones, (Flowers I, report at Table 21) is not to the contrary. The optimal size in this industry may be relatively small.

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19 U.S.C. §1677(7)(E)(ii). This discussion parallels my discussion of the condition of the fresh cut flower industry in Flowers I where I determined that the domestic industry producing fresh cut flowers was not experiencing material injury. No additional information has been obtained during the current investigations that alter my assessment of the condition of the industry.

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See American Spring Wire v. United States, 590 F. Supp. 1273, 1276 (CIT 1984) aff'd sub nom. Armco, Inc. v. United States, 760 F. 2d 249 (fed. Cir. 1985) (affirmed the case based on the reasoning of the CIT's opinion).

Threat of Material Injury

In order to determine that a domestic industry is threatened with material injury, the Commission must find that the threat of material injury is real and that actual injury is imminent.¹⁷ As indicated above, and in the earlier investigation involving fresh cut flowers,¹⁸ the evidence clearly indicates that there are no signs that actual injury to the domestic fresh cut flower industry is imminent.

Conclusion

Because I have found that the domestic fresh cut flowers industry is not materially injured or threatened with material injury, I do not reach the issue of causation. In conclusion I determine that an industry in the United States is not materially injured or threatened with material injury by reason of dumped imports of certain fresh cut flowers from Kenya, Mexico and Peru.

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19 U.S.C. §1677 (7)(F)(ii) (Supp. III 1985).

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Flowers I, at 77-80.

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IEWS OF VICE CHAIRMAN ANNE E. BRUNSDALE
Certain Fresh Cut Flowers from Kenya, Peru, and Mexico
Investigations 303-TA-18 (Final)
and 731-TA-332 and 333 (Final)

April 9, 1987

I determine that the domestic fresh cut flower industry is not materially injured or threatened with material injury by reason of subsidized imports from Peru or less-than-fair-value (dumped) imports from Kenya and Mexico.¹ This decision is the same as my decision in the Commission's previous case on fresh cut flowers,² because the relevant evidence in the two cases is essentially the same.

Like Product and Domestic Industry

The scope of the Commission's injury analysis in Title VII cases

1

Material retardation of the establishment of an industry in the United States is not an issue in these investigations and will not be discussed.

2

Certain Fresh Cut Flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, and The Netherlands, Invs.

(Footnote continued on next page)

is governed by its decision on the appropriate like product and domestic industry. Under Section 771(4)(A) of the Tariff Act of 1930, as amended, industry is defined as "the domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product."³ And like product is defined as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the [imported] article subject to investigation...."⁴ According to the legislative history, "The requirement that a product be 'like' the imported article should not be interpreted in such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not like each other...."⁵

The Commission's like product determination is principally factual and is based on a case-by-case analysis that looks for

(Footnote continued from previous page)
701-TA-275-278 (Final) and 731-TA-327-331 (Final), USITC Pub. 1956, at 81-102 (1987) (Views of Vice Chairman Anne E. Brunsdale). Hereafter, Cut Flowers I.

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19 U.S.C. 1677(4)(A) (1982).

⁴
19 U.S.C. 1677(10) (1982).

⁵
S. Rep. No. 249, 96th Cong., 1st Sess. at 90 (1979).

clear dividing lines among products. Historically, the Commission has examined factors relating to the characteristics and uses of the subject merchandise, including physical appearance, customer perceptions of the articles, common manufacturing facilities and production employees, channels of distribution, and interchangeability between products.⁶

These factors address product substitutability from the standpoint of both the consumers and the producers of the products in question. From the standpoint of consumers, two products are "like" each other if they are close substitutes and if consumers can select from among them as close alternatives. From the standpoint of producers, two products are "like" each other if producers can easily switch from one to the other, e.g., without making a substantial new investment or other material change in their production operations. Thus the Commission has often focused on whether the products in question are made by the same employees using the same equipment in the same facilities.⁷

⁶ See Portland Hydraulic Cement and Cement Clinker from Colombia, France, Greece, Japan, Mexico, the Republic of Korea, Spain, and Venezuela, Inv. 731-TA-356-363 (Preliminary), USITC Pub. 1925, at 4 (1986); 64K Dynamic Random Access Memory Components from Japan, Inv. 731-TA-270 (Final), USITC Pub. 1862 (1986); Certain Radio Paging and Alerting Receiving Devices from Japan, Inv. 731-TA-102 (Final), USITC Pub. 1410, at 6-9 (1983).

⁷
Id.

The facts of this case show that, from the standpoint of producers and consumers, all fresh cut flowers are very close substitutes and thus should be treated as one like product. The imported articles under investigation are seven fresh cut flowers: standard carnations, miniature carnations, standard chrysanthemums, pompom chrysanthemums, alstroemeria, gerberas, and gypsophila.⁸ These seven are among some 200 different types of fresh cut flowers consumed in the United States.⁹ Since all cut flowers are used for aromal and decorative purposes, it would appear that they should all be analyzed as a group. Indeed, in its preliminary decision in this matter, the Commission determined that the like product was all domestically produced fresh cut flowers.¹⁰ The Commission explained in that opinion that:

if the seven flowers subject to investigation are close substitutes for and compete with each other, and have an effect on each other's prices, it appears likely, on the basis of the information

⁸ 51 Fed. Reg. 41840, 41840-41 (1986). Cut Flowers I at B-4-5.

⁹ Cut Flowers I at A-10.

¹⁰ Certain Fresh Cut Flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, Kenya, Mexico, The Netherlands, and Peru, Invs. 303-TA-17 and 18, 701-TA-275-278 (Preliminary), and 731-TA-327-334 (Preliminary), USITC Pub. 1877, at 8-9 (July 1986), hereafter Cut Flowers, Preliminary.

before us at this time, that the same is true with respect to all other fresh cut flowers. For instance, if gerbera are a close substitute for or compete with standard carnations, it appears likely that daisies are in the same position vis a
 11
 vis standard carnations.

Unfortunately, the record assembled in the final phase of these investigations does not include the kind of evidence that would be the most helpful in assessing the degree to which different flowers are close substitutes for each other, i.e., estimates of the sensitivity of demand for one type of flower in response to price changes of another type of flower (the "cross elasticity of demand").
 12 The Commission did, however, obtain

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Id. at 9.

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 The cross elasticity of demand for product A with respect to the price of product B is the ratio of the percent change in the quantity of A demanded to the percent change in the price of B. See G. Stigler, The Theory of Price at 25-6 (3d ed. 1966). Chairman Liebeler and I requested parties to provide information on cross elasticities in their Posthearing submissions. However, most of the responses did not include estimates and were therefore not useful. See Posthearing Brief, Floral Trade Council and Florida Flower Association, Inc.; the Colorado Greenhouse Association; and the California Floral Council (petitioners) at 13-16 (February 6, 1987); and Posthearing Submission, ICF Inc. (on behalf of the Cut Flower Information Group, respondents), at A-2 (February 6, 1987). Finally, note that cut flowers are a final product, i.e., a product purchased by consumers, so that to assess substitutability one must examine how ultimate consumers will substitute one type of cut flower for another.

(Footnote continued on next page)

some other evidence that is very useful, particularly that submitted by Florists' Transworld Delivery Association, James E. Durio and Bill Hines (FTD).¹³

FTD presented results of a survey of 100 top FTD members that show a high degree of substitutability among all fresh cut flowers, meaning that consumers easily switch from one type of cut flower to another.¹⁴ These results reinforce the Commission's initial like product determination. Indeed, at the

(Footnote continued from previous page)
Evidence of the degree of substitutability at the wholesale stage is not necessarily probative of the degree of substitutability at the retail stage.

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I find FTD's evidence to be especially reliable on the issue of like product because of that organization's extensive, first-hand knowledge about consumer preferences and buying habits.

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There is significant additional evidence in support of this proposition. See, e.g. Transcript (Tr.) at 195 (testimony of Mr. Dahlson) and Tr. at 77-79 (testimony of Mr. Nissen). Both testified that there is high substitutability on the part of consumers. There is also ample evidence that flowers as a whole are produced with common production facilities and employees. (For a related discussion, see 64K Dynamic Random Access Memory Components from Japan, Inv. 731-TA-270 (Final), USITC Pub. 1862 (1986).) Indeed, the petitioners themselves appear to produce a variety of different flowers. See, e.g. Tr. at 18-19 (producer switched from standard carnations to miniature carnations); Tr. at 21 (producer grows standard carnations, alstroemeria, and miniature carnations); Tr. at 46-47 (producer started in standard carnations and then developed gerbera production).

hearing in this matter, counsel for Petitioners referred to the seven flowers in which petitioners are most interested and stated:

We think that the Commission's preliminary determination and the Staff Report are accurate in pointing out that all of these flowers are fresh cut flowers that sell through the same channels of distribution, for the same uses and at price points that have a close relationship to each other.

In that sense, we think that the decision in the preliminary to treat them as one like product

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was the best decision....

The same reasoning supports my conclusion that the like product is all flowers. Moreover, most of the respondents agreed that the definition of the like product should be all fresh cut flowers. Based on the above, I affirm that conclusion here: the like product in this case is all fresh cut flowers.

Having determined the like product, the domestic industry is accordingly defined as all domestic producers of fresh cut

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flowers.

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Tr. at 96. See also Tr. at 104-5.

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My determination that there is only one like product and one industry is bolstered by the Commerce Department's experience in determining the size of the dumping margin for the subject importers. In each case Commerce computed one margin for all subject flowers produced by the country in question.

Condition of the Industry

In order to assess the condition of the domestic industry, it is first necessary to identify who the producers are. The commercial flower industry encompasses a large number of diverse enterprises whose exact number is not known. According to the Census of Agriculture, the number was 4,325 in 1982.¹⁷ This count may overstate the size of the industry because some of those firms specialized in florist greens. On the other hand, the count may understate size because many small growers (particularly family-run firms) may have been missed.¹⁸

Because the last Census of Agriculture was taken in 1982, before the period of investigation for the present case, it is necessary to rely on more recent data from less comprehensive USDA surveys. Unfortunately, these data suffer not only from incomplete coverage of the industry but also from changes in coverage over time.¹⁹ Thus trends may be subject to bias in an unknown direction. Nevertheless, these surveys provide the best evidence we have.

¹⁷ Cut Flowers I at A-27.

¹⁸ In spite of the possible omission of many small firms, 70 percent of the firms in the Census had annual sales of only \$40,000 or less. Id.

¹⁹ Id. at A-5-6.

One useful indicator of the industry's condition is area in production. While pre-1985 data for total area are not available, we do know that the total for 1985 was 6,534 million square feet and that the intended total for 1986 was higher, 6,547 million square feet.²⁰ The increase is modest, less than 0.2 percent, but it is an increase nonetheless and therefore not a symptom of an industry in distress.

Information about U.S. producers' shipments is also limited to two years, 1984 and 1985. These data are Commission estimates based on published statistics. Here the increase is stronger: shipments rose by 12.7 percent, from \$385 million to \$434 million.²¹ Once again, one is not led to believe this industry is experiencing difficulties.²²

²⁰ Id. at A-33 (Table 4).

²¹ Id. at A-39 (Table 8).

²² I use value of shipments rather than the number of stems to measure the aggregate performance of the industry. In part, this is because prices for different flowers differ considerably so that it makes no sense to add number of stems of carnations with number of stems of roses, etc. See Cut Flowers, Preliminary, at 10, n. 19. In addition, I note that there may also be a similar problem in simply adding the number of stems of a particular type of flower, e.g., large stemmed vs. small stemmed flowers. See Economic Analysis of Issues Related to Material Injury and Causation, by ICF Inc. (on behalf of the Cut Flower Information Group, respondents) at II-1 (January 29, 1987).

The final piece of available evidence derived from published statistics is on prices. We have two types of price series in this case, one for annual unit values, the other for weekly transaction prices. Unit value data are Commission estimates based on published statistics. Unit values are useful as a summary measure of how market prices perform throughout the year. This measure shows that, in general, average prices for several types of flowers moved up between 1983 and interim 1986 (January to September). The most notable increases were for standard chrysanthemums (from 35 cents per stem in 1983 to 45 cents per stem in interim 1986) and for roses (from 28 cents per stem in 1983 to 32 cents per stem in interim 1986).²³ In contrast, weekly transaction prices for four major types of flowers oscillated tremendously from week to week but without apparent trend from 1984 through September 1986.²⁴ However, we do not know the importance of prices at different times of the year, i.e., how much was sold at each price. Thus it is entirely

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Cut Flowers I at A-39-40 (Table 8). However, another source of data on unit value for standard chrysanthemums, based on responses to ITC questionnaires, shows that unit value were the same in 1983 and interim 1986. Id. at A-42 (Table 9).

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The four flowers are standard carnations, miniature carnations, standard chrysanthemums, and pompon chrysanthemums. Id. at A-131-134 (Figures 1-4).

possible that overall unit values, which do incorporate transaction volumes at different times, were tending upward. Perhaps the most notable feature of weekly transaction prices is that they are invariably low between June and October of each year. One explanation, given in the staff report, is that demand is strong in the first, second, and fourth quarters of the year.²⁵ Another explanation is that weekend gardeners and hillside pluckers are most active between June and October and boost supply.²⁶ Whichever price series is examined, the data do not suggest that the domestic industry is experiencing injury.

In addition to the above evidence on the domestic cut flower industry, the Commission also obtained information from questionnaires sent to firms that grow at least one of the seven flowers subject to investigation by Commerce. I have serious concerns (explained in my Memorandum CO65-K-02 of February 5, 1987) about the sampling procedure used to collect this information. Among the most important of these concerns is that the Commission's sample appears to cover producers that account

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Id. at A-127-128.

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Hillside pluckers include hikers, sightseers, vacationers, etc., who pick flowers in the wild.

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for only one-fifth of the industry.

That point notwithstanding, the data we have do not suggest that the industry is suffering problems. Between 1983 and 1985, increases were recorded for each of the following indicators: area in production (plus 4.2 percent), sales (plus 9.9 percent), number of production workers (plus 3.8 percent), total compensation to production workers (plus 16 percent), capital expenditures (plus 26.9 percent), and R&D expenses (plus 132.5 percent).²⁸ It is true, however, that the industry's profitability dimmed somewhat between 1983 and 1985, with the ratio of net income to sales falling from 10.2 percent to 6.7 percent.²⁹ But this result is for all firms in the sample and masks the differing performances of small, medium, and large firms. For small firms (less than \$100,000 in annual sales) and

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In 1985, the total sales of firms in the Commission's sample represented 20.9 percent of total industry sales (equals \$93 million/\$444 million). Cut Flowers I at A-39 and A-42 (Tables 8 and 9). The low representation of firms covered by the Commission's data may result in part from the dismally low response rate on the part of those who received Commission questionnaires. The Commission sent out 879 questionnaires and received only 238 responses. Id. at A-7-8.

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Id. at A-34 (Table 5), A-42 (Table 9), A-54 (Table 15), and A-84.

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Net income is before officers' or partners' salaries and income taxes. Id. at A-56 (Table 16).

large firms (\$1,000,000 or more in annual sales), profitability was virtually unchanged.³⁰ For medium-size firms, profitability declined but the ratio of net income to sales was still over 7 percent in 1985.³¹

Finally, interim period data show that shipments (both in quantity and value), sales, and net income all were significantly higher in January-September 1986 than in the same nine months of 1985.³² It should be noted that there is no evidence to suggest that the interim period data were distorted by the filing of this case. Production and shipments in 1986 were the result of plantings in 1985, before this case was filed. Moreover, the case was initiated in May 1986, after the traditionally high sales periods of Valentine's Day, Easter, and Mother's Day. Finally, if the initiation of this case had caused importers to decrease their imports or increase their prices, the data would have shown a sharp drop in imports combined with an increase in import prices compared with prior periods. Total imports did not decrease and there is no evidence suggesting that importers raised their prices.

³⁰ Id. at A-67 and A-70 (Table 21).

³¹ Id. at A-68-69 (Table 21).

³² Id. at A-42 (Table 9) and A-72 (Table 22).

Based on the above, I conclude that the domestic industry is not materially injured. Since I do not find material injury it is not necessary to raise the hypothetical question of whether, if the domestic industry were materially injured, that injury would have been by reason of subsidized and dumped imports from Kenya, Mexico, and Peru.³³ Accordingly, I refrain from analyzing the issue of causation in this case.

Threat of Material Injury by Reason of Dumped or Subsidized Imports

With regard to threat of material injury, I note initially that the domestic cut flower industry is not materially injured. Furthermore, the evidence does not suggest that the domestic industry is in a weakened condition and therefore the likelihood of a credible threat of material injury from Kenya, Mexico, or Peru is remote. This is reinforced by the fact that imports from these three countries play only a very minor role in the U.S. market. For example, of the three countries under investigation in this case, the most important is Peru and its import

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See *American Spring Wire v. United States*, 590 F. Supp. 1273, 1276 (CIT 1984) aff'd sub nom. *Armco, Inc. v. United States*, 760 F.2d 249 (Fed. Cir. 1985) (affirmed the case based on the reasoning of the CIT's opinion).

penetration is less than one-half of one percent.³⁴

Accordingly, I do not find that "the threat of material injury is real and that actual injury is imminent."³⁵

³⁴ The import penetration ratio on a value basis for Peru in 1984 and 1985 was approximately 0.4 percent. Report at A-24 (Table 5). Note that this ratio understates slightly the import penetration of the subject imports because import values were not available for three minor flowers (alstroemeria, gerberas, and gypsophila). Also note that I believe it is generally more appropriate to analyze the effects of imports on the domestic market using market penetration on a value rather than a quantity basis. See EPROMs from Japan, Inv. 731-TA-288 (Final), USITC Pub. 1927, at 32-39 (1986) (Additional Views of Vice Chairman Brunsdale).

³⁵ 19 U.S.C. sec. 1677(7)(F)(ii) (Supp. III 1985).

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INFORMATION OBTAINED IN THE INVESTIGATIONS

Introduction

On October 27, 1986, the U.S. Department of Commerce published its preliminary determinations that benefits which constitute subsidies, bounties, or grants are being provided to producers or exporters of certain fresh cut flowers 1/ in Canada, Costa Rica, Ecuador, Colombia, Israel, the Netherlands, and Peru. 2/ On November 3, 1986, Commerce published its preliminary determinations that certain fresh cut flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Kenya, Mexico, and Peru are being, or are likely to be, sold in the United States at less than fair value (LTFV). 3/ Accordingly, effective October 27, 1986, the U.S. International Trade Commission instituted final investigations under the applicable provisions of the Tariff Act of 1930 to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded by reason of imports of the subject products into the United States. On February 3, 1987, Commerce published its final determination that benefits which constitute subsidies are being provided to producers or exporters of certain fresh cut flowers in Chile. 4/ Accordingly, effective February 3, 1987, the Commission instituted a corresponding final investigation. On March 6, 1987, Commerce published its final determination that certain fresh cut flowers from Peru are not being, nor are likely to be, sold in the United States at less than fair value. Accordingly, effective March 16, 1987, the Commission terminated its corresponding final investigation. A summary of the Commission's final investigations is presented in the following tabulation:

<u>Country</u>	<u>Countervailing duty investigation No.</u>	<u>Antidumping investigation No.</u>
Canada.....	701-TA-275 (Final)	731-TA-327 (Final)
Chile.....	701-TA-276 (Final)	731-TA-328 (Final)
Colombia.....	<u>1/</u>	731-TA-329 (Final)
Costa Rica..	<u>1/</u>	731-TA-330 (Final)
Ecuador.....	<u>1/</u>	731-TA-331 (Final)
Israel.....	701-TA-277 (Final)	<u>1/</u>
Kenya.....	<u>1/</u>	731-TA-332 (Final)
Mexico.....	<u>1/</u>	731-TA-333 (Final)
The Netherlands..	701-TA-278 (Final)	<u>1/</u>
Peru.....	303-TA-18 (Final)	<u>1/</u>

1/ Not applicable.

1/ The products covered by Commerce's determinations are "certain fresh cut flowers," including one or more of the following flowers: standard carnations, miniature (spray) carnations, standard chrysanthemums, pompom chrysanthemums, alstroemeria, gerberas, and gypsophila. Such cut flowers, if imported, are provided for in items 192.17 and 192.21 of the Tariff Schedules of the United States.

2/ 51 F.R. 37925-37942 and 37944-37950 (Oct. 27, 1986). Commerce made preliminary negative countervailing duty determinations regarding the subject products from Chile and Kenya (51 F.R. 37951 and 37942, Oct. 27, 1986).

3/ 51 F.R. 39884-39901 (Nov. 3, 1986).

4/ 52 F.R. 3313.

A summary of information related to Commerce's preliminary and final determinations regarding certain fresh cut flowers is as follows:

<u>Country</u>	<u>Result of Commerce preliminary</u>	<u>Result of Commerce final</u>	<u>Date of Commerce notice to Commission, or date due</u>	<u>Federal Register citation to Commerce final</u>
Countervailing duty:				
Canada.....	Affirmative	Affirmative	Jan. 20, 1987	52 F.R. 2134
Chile.....	Negative	Affirmative	Feb. 3, 1987	52 F.R. 3313
Colombia.....	Affirmative	Suspended	Jan. 13, 1987	52 F.R. 1353
Costa Rica...	Affirmative	Suspended	Jan. 13, 1987	52 F.R. 1356
Ecuador.....	Affirmative	Affirmative	Jan. 13, 1987	52 F.R. 1361
Israel.....	Affirmative	Affirmative	Feb. 3, 1987	52 F.R. 3316
Kenya.....	Negative	Negative	Due Mar. 18, 1987	1/
Netherlands..	Affirmative	Affirmative	Feb. 3, 1987	52 F.R. 3301
Peru.....	Affirmative	Affirmative	Mar. 5, 1987	52 F.R. 6837

1/ Not published as of the date of this report.

Antidumping:

Canada.....	Affirmative	Affirmative	Jan. 20, 1987	52 F.R. 2126
Chile.....	Affirmative	Affirmative	Feb. 2, 1987	52 F.R. 3152
Colombia.....	Affirmative	Affirmative	Feb. 26, 1987 1/	52 F.R. 6842 2/
Costa Rica...	Affirmative	Affirmative	Feb. 26, 1987 1/	52 F.R. 6852 2/
Ecuador.....	Affirmative	Affirmative	Jan. 20, 1987	52 F.R. 2128
Kenya.....	Affirmative	Affirmative	Due Mar. 18, 1987	3/
Mexico.....	Affirmative	Affirmative	Feb. 26, 1987 1/	52 F.R. 6361 4/
Peru.....	Affirmative	Negative	Mar. 6, 1987	52 F.R. 7000

1/ Date of receipt of letter from the Department of Commerce.

2/ Mar. 5, 1987.

3/ Not published as of the date of this report.

4/ Mar. 3, 1987.

Notice of the institution of the Commission's investigations and of a public hearing to be held in connection therewith, and of the termination of the antidumping investigation regarding certain fresh cut flowers from Peru, was given by posting copies of notices in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing notices in the Federal Register of November 19, 1986 (51 F.R. 41840), January 7, 1987 (52 F.R. 610), February 11, 1987 (52 F.R. 4391), and March 25, 1987 (52 F.R. 9553). 1/ The Commission's hearing was held in Washington, DC, on February 2, 1987.

On February 27, 1987, the Commission voted on investigations regarding imports from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, and the Netherlands, and transmitted its final determinations to the U.S. Department of Commerce on March 5, 1987. The Commission voted on investigations regarding imports from Kenya, Mexico, and Peru on April 1, 1987, and is scheduled to transmit its final determinations to Commerce on April 9, 1987.

Background

On May 21, 1986, petitions were filed with the U.S. International Trade Commission and the U.S. Department of Commerce by counsel on behalf of the Floral Trade Council, Davis, CA. The petitions allege that imports of certain fresh cut flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, Kenya, the Netherlands, and Peru are being subsidized by the governments of those countries, that imports of certain fresh cut flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Kenya, Mexico, and Peru are being sold in the United States at less than fair value, and that an industry in the United States is materially injured and threatened with material injury by reason of such imports.

Effective May 21, 1986, the Commission instituted preliminary countervailing duty (CVD) investigations Nos. 303-TA-17 and 18 (Preliminary) and 701-TA-275 through 278 (Preliminary) ^{2/} and preliminary antidumping investigations Nos. 731-TA-327 through 334 (Preliminary) under the applicable provisions of the Tariff Act of 1930 to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded by reason of imports of such merchandise into the United States. ^{3/} On July 7, 1986, the Commission notified Commerce of its affirmative determinations with respect to its preliminary investigations (51 F.R. 25751, July 16, 1986). ^{4/}

^{1/} A copy of the Commission's notice of termination of its antidumping investigation regarding imports from Peru is presented in app. A.

^{2/} The Commission did not institute countervailing duty investigations of the imported products from Colombia, Costa Rica, and Ecuador because these countries are not "under the Agreement" pursuant to section 701(b) of the Tariff Act of 1930, as amended, and are not otherwise accorded an injury investigation under section 303 of the Act.

^{3/} 51 F.R. 20716 (June 6, 1986), corrected by 51 F.R. 22575 (June 20, 1986).

^{4/} Certain Fresh Cut Flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, Kenya, Mexico, the Netherlands, and Peru, Determinations of the Commission in Investigations Nos. 303-TA-17 and 18, 701-TA-275 through 278, and 731-TA-327 through 334 (Preliminary), Together with the Information Obtained in the Investigations, USITC Publication 1877, July 1986.

Information Included in This Report

This report is intended to supplement, but not duplicate, the information provided to the Commission in the report transmitted by memorandum INV-K-014, February 20, 1987. ^{1/} That prior report, which will be referred to as the "comprehensive report," provides information relevant to all of the Commission's investigations of certain fresh cut flowers. This report provides information relevant to the following three investigations for which the Commission's determinations are due to Commerce on April 9, 1987:

<u>Investigation No.</u>	<u>Country</u>	<u>Flowers covered</u>
731-TA-332 (Final)	Kenya	Standard carnations Miniature carnations
731-TA-333 (Final)	Mexico	Standard carnations Standard chrysanthemums Pompon chrysanthemums
303-TA-18 (Final)	Peru	Miniature carnations Pompon chrysanthemums Gypsophila

This report differs from the comprehensive report in that it provides:

1. Updated information on Commerce's final determinations.
2. Updated information on the foreign industry in Mexico (information on the foreign industries in Kenya and Peru, unchanged from that presented in the comprehensive report, is included in this report for reference).
3. Revised information on shares of apparent U.S. consumption held by imports from Kenya, Mexico, and Peru.

The record in these investigations regarding imports from Kenya, Mexico, and Peru is the same as that in those investigations for which the Commission has already made its determinations, as updated by information received since the time of those determinations.

1/ Certain Fresh Cut Flowers from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, and the Netherlands, Determinations of the Commission in Investigations Nos. 701-TA-275 through 278, and 731-TA-327 through 331 (Final), Together with the Information Obtained in the Investigations, USITC Publication 1956, March 1987.

The Nature and Extent of Sales at Less
Than Fair Value and Subsidies

The following sections summarize the determinations of the U.S. Department of Commerce regarding sales at less than fair value and subsidies. The determinations are final unless otherwise noted.

Canada

Flowers subject to investigation.--Miniature and standard carnations.

Sales at LTFV.--Using the best information available (that presented in the petition), the estimated weighted-average amount by which the foreign market value of the merchandise subject to investigation exceeds the United States price is as follows:

Amount
(Percent ad valorem)

For all manufacturers, sellers, and exporters.. 6.80

Subsidies.--The following program confers a subsidy:

Amount
(Percent ad valorem)

Ontario Greenhouse Energy Efficiency Program.....	1.47
Total (not applicable to Unsworth Greenhouses, Ltd)..	1.47

Chile

Flowers subject to investigation.--Standard carnations.

Sales at LTFV.--Comparing weighted-average monthly prices of U.S. sales with foreign market value based on home market prices, the estimated weighted-average amount by which the foreign market value of the merchandise subject to investigation exceeds the United States price is as follows:

Amount
(Percent ad valorem)

Jorge Puiggros Mazuela.....	0
Agricola Longotoma, Ltda.....	28.78
All other firms.....	28.78

Subsidies.--The following programs confer subsidies:

Amount
(Percent ad valorem)

Stamp and Seal Tax Exemption for Exporters.....	2.25	
Export Rebate (simplified drawback) (began in 1986)...	10.00	
Total.....	12.25	A-5

Colombia

Sales at LTFV.--Flowers subject to the antidumping investigation are standard and miniature carnations, standard and pompom chrysanthemums, alstroemeria, gerberas, and gypsophila. Comparing monthly weighted-average prices of U.S. sales with foreign market value based on third country prices or constructed value, for a random sample of Colombian exporters, the estimated weighted-average amount by which the foreign market value of the merchandise subject to investigation exceeds the United States price is as follows:

	<u>Amount</u> <u>(Percent ad valorem)</u>
Flores Esmeralda, Ltda.....	0
Flores Timana, Ltda.....	0
Flores de Cota, Ltda.....	0
Cultivos del Caribe.....	0.52
Floramerica, S.A.....	.52
Jardines de Colombia.....	.52
Flores Del Rio, S.A.....	3.26
Inversiones Almer, Ltda.....	9.09
Flores Generales, Ltda.....	9.12
Flores La Pampa, Ltda.....	33.89
Universal de Flores, Ltda.....	83.97
Royal Carnations, Ltda.....	83.97
Inversiones Paxti.....	83.97
Productura el Rosal.....	83.97
Prismaflor.....	83.97
All other firms.....	3.53

Subsidies.--Flowers subject to the countervailing duty investigation are miniature carnations. The Commission is not conducting a countervailing duty investigation on imports from Colombia. After a preliminary determination that the estimated net bounty or grant was 2.22 percent, and that the bonding rate was 1.09 percent, Commerce suspended the investigation on the basis of an agreement by producers and exporters to eliminate or offset completely all benefits provided by the Government of Colombia.

Costa Rica

Flowers subject to investigation.--Miniature and standard carnations, and pompom chrysanthemums.

Sales at LTFV.--Comparing monthly weighted-average prices of U.S. sales with foreign market value based on home market prices or third country prices, the estimated weighted-average amount by which the foreign market value of the merchandise subject to investigation exceeds the United States price is as follows:

	<u>Amount</u> <u>(Percent ad valorem)</u>
American Flower Corp.....	0.74
All other firms.....	.74

Subsidies.--The Commission is not conducting a countervailing duty investigation on imports from Costa Rica. After a preliminary determination that the estimated net bounty or grant was 19.54 percent, Commerce suspended the investigation on the basis of an agreement to eliminate or offset completely all benefits provided by the Government of Costa Rica.

Ecuador

Flowers subject to investigation.--Miniature and standard carnations, and pompom and standard chrysanthemums.

Sales at LTFV.--Comparing monthly weighted-average prices of U.S. sales with foreign market value based on home market prices, the estimated weighted-average amount by which the foreign market value of the merchandise subject to investigation exceeds the United States price is as follows:

	<u>Amount</u> (Percent ad valorem)
Florisol.....	9.37
Flores Equinocciales.....	.46 (de minimis)
Inverflora.....	2.56
Terraflor.....	2.56
Eden Flowers.....	19.00
All other firms.....	5.89

Subsidies.--The Commission is not conducting a countervailing duty investigation on imports from Ecuador. The following programs confer bounties or grants:

	<u>Amount</u> (Percent ad valorem)
Tax Credit Certificates for Exports.....	0.91
Short Term Fund for the Promotion of Exports (FOPEX) Export Credit.....	0
Long Term Loans Under the Fund for the Development of Exportable Production.....	.10
Total.....	<u>1.01</u>

Israel

Flowers subject to investigation.--Miniature carnations and gerberas.

Sales at LTFV.--No allegation of LTFV sales was made.

Subsidies.--The following programs confer subsidies:

	<u>Amount</u> (Percent ad valorem)
Exchange Rate Risk Insurance Scheme.....	8.87
Export Promotion Financing Fund (eliminated in 1986)..	.80
Long-Term Development Loans to Agrexco.....	.04
Government Support of the Flower Board.....	.07
Fuel Grants and Low-Cost Credit.....	1.81
Total.....	11.59
Total for purposes of cash deposit or bond.....	10.79

Kenya

Flowers subject to investigation.--Miniature and standard carnations.

Sales at LTFV.--Comparing monthly weighted-average prices of U.S. sales with foreign market value based on third country prices, the estimated weighted-average amount by which the foreign market value of the merchandise subject to investigation exceeds the United States price is as follows:

	<u>Amount</u> (Percent ad valorem)
Sulmac Co., Ltd.....	1.58
All other firms.....	1.58

Subsidies.--No benefits which constitute subsidies are being provided to producers or exporters.

Mexico

Flowers subject to investigation.--Standard carnations, and pompom and standard chrysanthemums.

Sales at LTFV.--Comparing weighted-average monthly prices of U.S. sales with foreign market value based on home market prices or constructed value, the estimated weighted-average amount by which the foreign market value of the merchandise subject to investigation exceeds the United States price is as follows:

	<u>Amount</u> (Percent ad valorem)
Florex.....	4.60
Visaflor.....	29.40
Floremor.....	0
Tzitzic Tareta.....	4.01
Rancho Daisy.....	29.40
Rancho Alisitos.....	17.38
Rancho Mision el Descanso.....	24.33
Rancho Las Dos Palmas.....	29.40
Las Flors de Mexico.....	29.40
All other firms.....	18.20

Subsidies.--No allegation of subsidies was made.

The Netherlands

Flowers subject to investigation.--Miniature carnations, standard chrysanthemums, alstroemeria, and gerberas.

Sales at LTFV.--No allegation of LTFV sales was made.

Subsidies.--The following programs confer subsidies:

	<u>Amount</u> (<u>Percent ad valorem</u>)
Natural Gas Provided at Preferential Rates.....	2.45
Aids for the Creation of Cooperative Organizations....	.17
Glasshouse Enterprises Program.....	.80
Aids for the Reduction of Glass Surface.....	.01
Steam Drainage Systems.....	.01
Guarantee Fund for Agriculture.....	.04
Total.....	<u>3.48</u>

Peru

Flowers subject to investigation.--Miniature carnations, pompom chrysanthemums, and gypsophila.

Sales at LTFV.--Comparing weighted-average monthly prices of U.S. sales with foreign market value based on third country prices or constructed value, the merchandise subject to investigation is not being, nor is likely to be, sold in the United States at less than fair value (the weighted-average margin for the single company investigated is de minimis, at 0.47 percent).

Subsidies.--The following program confers bounties or grants:

	<u>Amount</u> (<u>Percent ad valorem</u>)
The Certificate of Tax Rebate.....	<u>15.5</u>
Total.....	15.5

Suspension of liquidation

Commerce directed the U.S. Customs Service to suspend liquidation of all entries of certain fresh cut flowers from the affected countries that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of its notices of preliminary determinations. Cash deposits or bonds are required to be posted on such entries. Section 772(d)(1)(D) of the

Act prohibits assessing dumping duties on the portion of the margin attributable to export subsidies. Where appropriate, Commerce has directed that the level of export subsidies be subtracted from dumping margins for deposit or bonding purposes.

Foreign Industries

Kenya 1/

Three large firms dominate the flower growing industry in Kenya---***. These three, along with many smaller growers, produce a varied assortment of floral products. Some of the flowers Kenya grows for export are the following: standard carnations, miniature carnations, alstroemeria, orithogalum, statice sinuata, larkspur, euphorbia, roses, and liatris. Only *** are exported to the United States. All other varieties are exported to ***. Exports of standard and miniature carnations to the United States represented a small percentage of Kenya's production of each during 1983-85.

Information on production in Kenya of standard and miniature carnations is provided in table 1. These data are for ***. The data show *** , reportedly due in part to ***. Standard carnations, however, are ***. Also, transportation space on airlines is limited, ***.

***, located in ***, has *** acres, of which *** acres are under production per year; crops are ***. *** occupy *** of the *** acres. *** has about *** employees, and ***.

*** U.S. firms import carnations from Kenya: ***. These firms are ***. Another ***, buys the flowers from ***, in Kenya and markets the products. The *** buy *** and imports are reportedly "***" 2/ All imports from Kenya are sold ***. Most of these imports are sold ***. With respect to these sales, approximately *** percent are sold to wholesalers and *** percent to mass merchandisers. Flower orders must be available at the airport in Nairobi 3 days prior to shipment. Once loaded and shipped, delivery takes an average of 22 hours to New York.

Table 1.--Certain fresh cut flowers: Kenya's production, capacity, capacity utilization, and exports to the United States, 1983-85

*	*	*	*	*	*	*	*
---	---	---	---	---	---	---	---

1/ Imports from Kenya subject to investigation are standard and miniature carnations. Sources: letters from Florimex Verwaltungs GMBH, Dec. 19, 1986, and Florimex-New York, Inc., June 7, 1986.

2/ Letter from ***, June 7, 1986, p. 4.

Mexico 1/

According to information provided by an association of producers and exporters in Mexico (ANAPROMEX), growers of fresh cut flowers in Mexico are producing at close to full capacity. The association was not able to provide complete data on the Mexican industry but information provided by one large firm (accounting for 40 percent of carnation exports and 50 percent of pompom chrysanthemum exports) reported operating at over 90 percent of capacity. Another firm reported operating at 99 percent of its carnation and pompom capacity.

In addition ANAPROMEX explained that since good farm land is scarce in Mexico (the Mexican Government estimates that 8 percent of the land is suitable for farming) land is very expensive. The need to grow more food in a nation where shortages of essential foodstuffs such as corn and wheat exist further restricts any prospects for expansion in the Mexican flower growing industry. Data from the government of Mexico indicate that the total crop area used for growing all agricultural products declined slightly from 1983 to 1984, remained the same during 1984-85, and increased slightly during 1985-86. The area used for growing flowers for export--the greenhouse area--increased from 1983 to 1986, but was a small fraction of the total area used for agricultural products. The following tabulation presents these data (in hectares):

<u>Year</u>	<u>Total crop area</u>	<u>Greenhouse area</u>
1983.....	20,808,462	40
1984.....	20,802,016	80
1985.....	20,802,016	80
1986.....	21,000,000	100

Exports account for a small part of fresh cut flower shipments, reportedly because Mexico consumes most of its flower production in a large home market and growers lack the quality control and organization to be successful in foreign markets.

1/ Imports from Mexico subject to investigation are standard carnations and standard and pompom chrysanthemums. Sources: post-conference brief in the preliminary investigations of Association Nacional de Productores y Exportadores de Ornamentales de Mexico A.C. (ANAPROMEX), pp. 14-16, public appendix 13 of the antidumping petition, and letters from ANAPROMEX of Mar. 4, 1987, and Mar. 12, 1987.

Peru 1/

One company, Flores Esmeralda, S.R.L., accounts for over 95 percent of the flowers under investigation exported to the United States from Peru. This firm reported that its exports to the United States were as follows (in thousands of bunches and thousands of dollars):

Item	1983	1984	1985	January-September	
				1985	1986
Quantity:					
Miniature carnations...	***	***	***	***	***
Pompom chrysanthemums..	***	***	***	***	***
Gypsophila.....	***	***	***	***	***
Total.....	***	***	***	***	***
Value:					
Miniature carnations...	***	***	***	***	***
Pompom chrysanthemums..	***	***	***	***	***
Gypsophila.....	***	***	***	***	***
Total.....	***	***	***	***	***

The firm reports that it * * *

Gypsophila produced by Flores Esmeralda are allegedly much hardier than the variety grown by U.S. producers. The Peruvian flowers reportedly have a longer shelf life, stronger stems, and sell at a higher price than U.S.-produced gypsophila.

U.S. imports and market penetration 2/

Data describing both the quantity and value of U.S. imports of standard and miniature carnations and standard and pompom chrysanthemums, and data describing the quantity of U.S. imports of gypsophila, are available for 1983-85, January-September 1985, and January-September 1986. 3/ Data

1/ Imports from Peru subject to investigation are miniature carnations, pompom chrysanthemums, and gypsophila. Source: letter from counsel for Flores Esmeralda, S.R.L., Dec. 19, 1986.

2/ In this section, "subject" imports are those imports subject to investigation, i.e., the 7 flowers from the 10 countries specified in the petition. If one of the 7 specified flowers was imported from a country whose exports of that flower are not subject to investigation, then such imports are included under a designation describing "all other" imports. Any flower that was the subject of a negative final determination by the Commission has been excluded from data on "subject" imports and included in the "all other" designation.

3/ In January 1986, Customs began to require that all entries valued over \$1,000 be declared; prior to that time, such a requirement was levied upon all entries valued over \$250. Thus, data on value of imports for 1986 are not comparable to those for prior periods.

describing the quantity of U.S. imports of alstroemeria and gerberas are available for 1985, January-September 1985, and January-September 1986. Data describing the value of U.S. imports of alstroemeria, gerberas, and gypsophila are not available.

Table 2 describes the quantity of imports (as well as U.S. producers' shipments and apparent U.S. consumption). The data describing imports subject to investigation include imports subject to both countervailing duty and antidumping investigations. These data correspond to those presented in tables 1 and 42 of the comprehensive report and memorandum INV-K-019.

Table 3 describes the value of imports (as well as U.S. producers' shipments and apparent U.S. consumption). The data describing imports subject to investigation include imports subject to both countervailing duty and antidumping investigations. These data correspond to those presented in tables 2 and 43 of the comprehensive report and memorandum INV-K-019.

Table 4 describes the shares of apparent U.S. consumption accounted for by quantities of imports and U.S. producers' shipments. The data describing imports subject to investigation include imports subject to both countervailing duty and antidumping investigations. These data correspond to those presented in table 44 of the comprehensive report and memorandum INV-K-019.

Table 5 describes the shares of apparent U.S. consumption accounted for by the value of imports and U.S. producers' shipments. The data describing imports subject to investigation include imports subject to both countervailing duty and antidumping investigations. These data correspond to those presented in table 45 of the comprehensive report and memorandum INV-K-019.

Table 6 describes the shares of apparent U.S. consumption accounted for by quantities of imports and U.S. producers' shipments. The data describing imports subject to investigation include imports subject only to countervailing duty investigations. These data correspond to those presented in memorandum INV-K-023.

Table 7 describes the shares of apparent U.S. consumption accounted for by quantities of imports and U.S. producers' shipments. The data describing imports subject to investigation include imports subject only to antidumping investigations. These data correspond to those presented in memorandum INV-K-023.

Table 8 describes the shares of apparent U.S. consumption accounted for by values of imports and U.S. producers' shipments. The data describing imports subject to investigation are presented separately for imports subject to antidumping investigations and imports subject to countervailing duty investigations. These data correspond to those presented in memorandum INV-K-024.

Table 2.--Certain fresh cut flowers: Quantity 1/ of U.S. imports for consumption, U.S. producers' shipments, and apparent U.S. consumption, 2/ 1983-85, January-September 1985, and January-September 1986

Item	(In thousands of stems)				
	1983	1984	1985	Jan.-Sept.-- 1985	1986
Standard carnations: 3/					
Subject imports from-- 4/					
Kenya.....	144	46	1,707	1,122	320
Mexico.....	17,998	18,009	19,926	16,888	16,311
Subtotal.....	18,142	18,055	21,633	18,010	16,631
Canada.....	186	67	5/ 3,449	3,364	350
Chile.....	631	2,159	7,242	2,304	4,698
Colombia.....	532,281	571,239	659,181	493,761	575,238
Costa Rica.....	1,610	2,720	4,988	3,520	6,573
Ecuador.....	1,267	2,542	4,843	4,021	5,134
Subtotal.....	554,117	596,782	701,336	524,980	608,624
Other imports.....	16,156	19,009	17,164	12,176	9,795
Total imports.....	570,273	615,791	718,500	537,156	618,419
U.S. producers' shipments..	286,904	294,753	290,297	204,297	197,648
Apparent U.S. consumption..	857,177	910,544	1,008,797	741,453	816,067
Miniature carnations: 3/					
Subject imports from-- 4/					
Kenya.....	2,400	430	3,110	1,240	370
Peru.....	11,970	8,000	8,580	6,140	9,130
Subtotal.....	14,370	8,430	11,690	7,380	9,500
Colombia.....	21,510	30,420	41,640	27,900	61,900
Ecuador.....	1,730	2,600	9,850	7,270	4,600
Subtotal.....	37,610	41,450	63,180	42,550	76,000
Other imports.....	17,070	12,844	22,265	15,669	29,421
Total imports.....	54,680	54,294	85,445	58,219	105,421
U.S. producers' shipments..	103,020	111,259	125,686	92,155	103,129
Apparent U.S. consumption..	157,700	165,553	211,131	150,374	208,550
Standard chrysanthemums: 3/					
Subject imports from-- 4/					
Mexico.....	217	282	466	434	393
Colombia.....	22,100	23,726	26,233	19,275	14,813
Ecuador.....	76	236	224	197	67
Netherlands.....	3,883	5,401	11,661	6,998	3,454
Subtotal.....	26,276	29,645	38,584	26,904	18,727
Other imports.....	919	1,148	1,900	1,645	1,113
Total imports.....	27,195	30,793	40,484	28,549	19,840
U.S. producers' shipments..	64,362	68,003	59,511	37,369	33,483
Apparent U.S. consumption..	91,557	98,796	99,995	65,918	53,323

See footnotes at end of table.

Table 2.--Certain fresh cut flowers: Quantity 1/ of U.S. imports for consumption, U.S. producers' shipments, and apparent U.S. consumption, 2/ 1983-85, January-September 1985, and January-September 1986--Continued

Item	(In thousands of stems)				
	1983	1984	1985	Jan.-Sept.-- 1985	1986
<u>Pompom chrysanthemums: 3/</u>					
Subject imports from-- <u>4/</u>					
Mexico.....	2,736	3,942	5,826	3,966	4,626
Peru.....	5,538	3,162	2,916	2,556	582
Subtotal.....	8,274	7,104	8,742	6,522	5,208
Colombia.....	347,046	326,622	377,040	279,072	305,136
Costa Rica.....	6,426	9,594	19,710	16,224	21,330
Ecuador.....	1,356	1,608	1,764	1,122	1,860
Subtotal.....	363,102	344,928	407,256	302,940	333,534
Other imports.....	5,338	5,499	4,537	4,100	3,894
Total imports.....	368,440	350,427	411,793	307,040	337,428
U.S. producers' shipments..	368,796	360,967	392,868	255,089	244,383
Apparent U.S. consumption..	737,236	711,394	804,661	562,129	581,811
<u>Gypsophila: 3/</u>					
Subject imports from-- <u>4/</u>					
Peru.....	3,610	6,888	26,448	17,429	17,342
Other imports.....	17,058	20,889	34,072	22,723	40,932
Total.....	20,668	27,777	60,520	40,152	58,274
U.S. producers' shipments..	44,065	56,551	61,676	46,964	60,027
Apparent U.S. consumption..	64,733	84,328	122,196	87,116	118,301
<u>Alstroemeria: 6/</u>					
Other imports.....	7/	7/	33,131	24,414	43,471
Total imports.....	7/	7/	33,131	24,414	43,471
U.S. producers' shipments..	11,784	22,799	31,520	28,793	32,986
Apparent U.S. consumption..	7/	7/	64,651	53,207	76,457
<u>Gerberas: 6/</u>					
Other imports.....	7/	7/	19,040	14,038	12,551
Total imports.....	7/	7/	19,040	14,038	12,551
U.S. producers' shipments..	8,603	9,988	11,301	8,582	8,663
Apparent U.S. consumption..	7/	7/	30,341	22,620	21,214
<u>All fresh cut flowers:</u>					
Subject imports from-- <u>8/</u>					
Kenya.....	2,544	476	4,817	2,362	690
Mexico.....	20,951	22,233	26,218	21,288	21,330
Peru.....	21,118	18,050	37,944	26,125	27,054
Subtotal.....	44,613	40,759	68,979	49,775	49,074
Canada.....	186	67	3,449	3,364	350
Chile.....	631	2,159	7,242	2,304	4,698
Colombia.....	922,937	952,007	1,104,094	820,008	957,087

Table 2.--Certain fresh cut flowers: Quantity 1/ of U.S. imports for consumption, U.S. producers' shipments, and apparent U.S. consumption, 2/ 1983-85, January-September 1985, and January-September 1986--Continued

(In thousands of stems)

Item	1983	1984	1985	Jan. - Sept. --	
				1985	1986
Costa Rica.....	8,036	12,314	24,698	19,744	27,903
Ecuador.....	4,429	6,986	16,681	12,610	11,661
Netherlands.....	3,883	5,401	11,661	6,998	3,454
Subtotal.....	984,715	1,019,693	1,236,804	914,803	1,054,227
Other imports <u>9/</u>	622,693	738,602	965,855	727,902	840,655
Total imports.....	1,607,408	1,758,295	2,202,659	1,642,705	1,894,882
U.S. producers' shipments.....	<u>7/</u>	1,996,568	2,053,313	<u>7/</u>	<u>7/</u>
Apparent U.S. consumption.....	<u>7/</u>	3,754,862	4,255,972	<u>7/</u>	<u>7/</u>

1/ Quantities are in thousands of stems. Data reported in bunches are converted to stems using the average number of stems per bunch. See comprehensive report, table 8, fn. 1, and table 42, fn. 1.

2/ Apparent U.S. consumption is derived by adding the quantity of imports to the quantity of U.S. producers' shipments. Data on imports are compiled from published statistics. Data on U.S. producers' shipments are estimated based on published statistics. For a complete explanation of the method used for estimating U.S. producers' shipments, see the section of the comprehensive report entitled "U.S. producers' shipments." For further information on available data describing the U.S. industry, see the section of the comprehensive report entitled "Statistical information used in this report."

3/ Data are provided separately for those countries for which allegations of dumping or subsidies have been made. The data for imports subject to investigation include imports subject to both countervailing duty and antidumping investigations.

4/ "Subject" imports are those imports subject to investigation, i.e., the 7 flowers from the 10 countries specified in the petition. If one of the 7 specified flowers were imported from a country whose exports of that flower are not subject to investigation, then such imports are included under "Other imports." Any imports of the specified flower that were the subject of a negative final determination by the Commission are included under "Other imports."

5/ Imports from Canada are overstated in 1985.

6/ There are no "subject" imports of alstroemeria and gerberas as a result of the Commission's final determinations regarding imports of these flowers.

7/ Not available.

8/ Totals for 1983 and 1984 do not include alstroemeria or gerberas.

9/ Includes all flowers other than the seven specified flowers, plus any imports of carnations, chrysanthemums, alstroemeria, gerberas, or gypsophila not subject to investigation. (Includes alstroemeria and gerberas subject to investigation in 1983 and 1984, and all flowers from Canada other than carnations and chrysanthemums, because such data cannot be broken out separately).

Source: Compiled from official statistics of the U.S. Department of Commerce and the U.S. Department of Agriculture, and data submitted in response to questionnaires of the U.S. International Trade Commission. A-16

Table 3.--Certain fresh cut flowers: Value ^{1/} of U.S. imports for consumption, U.S. producers' shipments, and apparent U.S. consumption, ^{2/} 1983-85, January-September 1985, and January-September 1986

(In thousands of dollars)

Item	1983	1984	1985	Jan.-Sept.--	
				1985	1986
Standard carnations: ^{3/}					
Subject imports from-- ^{4/}					
Kenya.....	1	-	10	8	11
Mexico.....	1,415	1,567	816	692	862
Subtotal.....	1,416	1,567	826	700	873
Canada.....	26	24	5/ 297	286	46
Chile.....	36	210	205	56	112
Colombia.....	45,527	60,701	54,193	42,045	38,012
Costa Rica.....	47	62	54	38	123
Ecuador.....	6	57	274	270	263
Subtotal.....	47,058	62,621	55,849	43,395	39,429
Other imports.....	289	851	519	347	561
Total imports.....	47,347	63,472	56,368	43,742	39,990
U.S. producers' shipments..	37,658	38,362	46,018	32,821	34,162
Apparent U.S. consumption..	85,005	101,834	102,386	76,563	74,152
Miniature carnations: ^{3/}					
Subject imports from-- ^{4/}					
Kenya.....	239	312	347	137	122
Peru.....	1,792	2,298	2,369	1,585	1,396
Subtotal.....	2,031	2,610	2,716	1,722	1,518
Colombia.....	3,802	6,759	7,177	5,708	4,506
Ecuador.....	202	495	471	334	173
Subtotal.....	6,035	9,864	10,364	7,764	6,197
Other imports.....	3,911	5,208	5,311	4,295	4,864
Total imports.....	9,946	15,072	15,675	12,059	11,061
U.S. producers' shipments..	14,043	14,874	18,879	13,988	16,034
Apparent U.S. consumption..	23,989	29,946	34,554	26,047	27,095
Standard chrysanthemums: ^{3/}					
Subject imports from-- ^{4/}					
Mexico.....	5	11	12	2	16
Colombia.....	8,449	9,659	9,090	6,914	7,412
Ecuador.....	5	42	24	22	7
Netherlands.....	1,077	1,363	959	493	381
Subtotal.....	9,536	11,075	10,085	7,431	7,816
Other imports.....	314	978	300	256	201
Total imports.....	9,850	12,053	10,385	7,687	8,017
U.S. producers' shipments..	22,327	22,793	28,105	17,204	15,044
Apparent U.S. consumption..	32,177	34,846	38,490	24,891	23,061

See footnotes at end of table.

Table 3.--Certain fresh cut flowers: Value 1/ of U.S. imports for consumption, U.S. producers' shipments, and apparent U.S. consumption, 2/ 1983-85, January-September 1985, and January-September 1986--Continued

(In thousands of dollars)

Item	1983	1984	1985	Jan.-Sept.--	
				1985	1986
Pompom chrysanthemums: <u>3/</u>					
Subject imports from-- <u>4/</u>					
Mexico.....	114	406	669	547	311
Peru.....	689	635	715	679	165
Subtotal.....	803	1,041	1,384	1,226	476
Colombia.....	40,005	48,017	47,432	35,169	34,681
Costa Rica.....	620	929	1,474	1,105	1,879
Ecuador.....	130	167	67	51	44
Subtotal.....	41,558	50,154	50,357	37,551	37,080
Other imports.....	998	1,087	382	330	403
Total imports.....	42,556	51,241	50,739	37,881	37,483
U.S. producers' shipments..	41,350	40,474	45,162	30,796	29,538
Apparent U.S. consumption..	83,906	91,715	95,901	68,677	67,021
All fresh cut flowers:					
Subject imports from-- <u>6/</u>					
Kenya.....	240	312	357	145	133
Mexico.....	1,534	1,984	1,497	1,241	1,189
Peru.....	2,481	2,933	3,084	2,264	1,561
Subtotal.....	4,255	5,229	4,938	3,650	2,883
Canada.....	26	24	297	286	46
Chile.....	36	210	205	56	112
Colombia.....	97,783	125,136	117,892	89,836	84,611
Costa Rica.....	667	991	1,528	1,143	2,002
Ecuador.....	343	761	836	677	487
Netherlands.....	1,077	1,363	959	493	381
Subtotal.....	104,187	133,714	126,655	96,141	90,522
Other imports from-- <u>7/</u>					
Kenya.....	50	34	56	32	118
Mexico.....	1,869	2,504	2,851	2,319	4,710
Peru.....	768	1,789	3,366	2,439	1,820
Subtotal.....	2,687	4,327	6,273	4,790	6,648
Canada.....	2,856	4,048	3,202	1,456	2,053
Chile.....	24	48	69	44	60
Colombia.....	39,952	47,017	52,757	40,507	50,667
Costa Rica.....	183	904	985	668	1,833
Ecuador.....	24	258	180	151	721
Israel.....	3,997	6,805	11,450	9,730	9,333
Netherlands.....	43,678	66,752	76,996	56,147	62,984
All other countries....	8,452	12,635	15,978	11,233	11,465
Subtotal.....	101,853	142,795	167,889	124,727	145,764
Total imports....	206,040	276,509	294,544	220,868	236,286
U.S. producers' shipments.....	8/	385,193	433,966	8/	8/
Apparent U.S. consumption.....	8/	661,702	728,510	8/	8A-18

See footnotes on following page.

Footnotes for table 3--Continued

- 1/ The value of imports is the c.i.f. value plus calculated duties. These data are from a different source than data on the quantity of imports, described in table 2. The two sets of data cannot be directly compared.
- 2/ Apparent U.S. consumption is derived by adding the value of imports (c.i.f. value plus calculated duties) to the value of U.S. producers' shipments. Data on imports are compiled from official statistics of the U.S. Department of Commerce. Data on U.S. producers' shipments are compiled from USDA statistics and from estimates based on data submitted in response to Commission questionnaires. For a complete explanation of the method used for estimating U.S. producers' shipments, see the section of the comprehensive report entitled "U.S. producers' shipments." For further information on available data describing the U.S. industry, see the section of the comprehensive report entitled "Statistical information used in this report."
- 3/ Data are provided separately for those countries for which allegations of dumping or subsidies have been made. The data for imports subject to investigation include imports subject to both countervailing duty and antidumping investigations.
- 4/ "Subject" imports are those imports subject to investigation, i.e., the 7 flowers from the 10 countries specified in the petition. If one of the 7 specified flowers were imported from a country whose exports of that flower are not subject to investigation, then such imports are included under "Other imports." Any imports of the specified flower that were the subject of a negative final determination by the Commission are included under "Other imports."
- 5/ Imports from Canada are overstated in 1985; see the section entitled "Canada."
- 6/ Separate data for alstroemeria, gerberas, and gypsophila are not available.
- 7/ Includes all flowers other than the four flowers separately presented, plus any imports of carnations or chrysanthemums not subject to investigation. Includes alstroemeria, gerberas, and gypsophila that are subject to investigation because data for these flowers cannot be broken out separately.
- 8/ Not available.

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

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

Table 4.--Certain fresh cut flowers: Shares of the quantity of apparent U.S. consumption held by imports and by U.S. producers' shipments, 1/ 1983-85, January-September 1985, and January-September 1986

(In percent)

Item	1983	1984	1985	Jan. -Sept. --	
				1985	1986
Standard carnations: 2/					
Subject imports from-- 3/					
Kenya.....	4/	4/	.2	.2	4/
Mexico.....	2.1	2.0	2.0	2.3	2.0
Subtotal.....	2.1	2.0	2.2	2.5	2.0
Canada.....	4/	4/	0.3	0.5	4/
Chile.....	0.1	0.2	.7	.3	0.6
Colombia.....	62.1	62.7	65.3	66.6	70.5
Costa Rica.....	.2	.3	.5	.5	.8
Ecuador.....	.2	.3	.5	.5	.6
Subtotal.....	64.6	65.5	69.5	70.8	74.6
Other imports.....	1.9	2.1	1.7	1.6	1.2
Total imports.....	66.5	67.6	71.2	72.5	75.8
U.S. producers' shipments.....	33.5	32.4	28.8	27.6	24.2
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0
Miniature carnations: 2/					
Subject imports from-- 3/					
Kenya.....	1.5	.3	1.5	.8	.2
Peru.....	7.6	4.8	4.1	4.1	4.4
Subtotal.....	9.1	5.1	5.6	4.9	4.6
Colombia.....	13.6	18.4	19.7	18.6	29.7
Ecuador.....	1.1	1.6	4.7	4.8	2.2
Subtotal.....	23.8	25.0	29.9	28.3	36.4
Other imports.....	10.8	7.8	10.6	10.4	14.1
Total imports.....	34.7	32.8	40.5	38.7	50.6
U.S. producers' shipments.....	65.3	67.2	59.5	61.3	49.5
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0
Standard chrysanthemums: 2/					
Subject imports from-- 3/					
Mexico.....	.2	.3	.5	.7	.7
Colombia.....	24.1	24.0	26.2	29.2	27.8
Ecuador.....	.1	.2	.2	.3	.1
Netherlands.....	4.2	5.5	11.7	10.6	6.5
Subtotal.....	28.7	30.0	38.6	40.8	35.1
Other imports.....	1.0	1.2	1.9	2.5	2.1
Total.....	29.7	31.2	40.5	43.3	37.2
U.S. producers' shipments.....	70.3	68.8	59.5	56.7	62.8
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0

See footnotes at end of table.

Table 4.--Certain fresh cut flowers: Shares of the quantity of apparent U.S. consumption held by imports and by U.S. producers' shipments, 1/ 1983-85, January-September 1985, and January-September 1986--Continued

Item	(In percent)				
	1983	1984	1985	Jan.-Sept.-- 1985 1986	
<u>Pompom chrysanthemums: 2/</u>					
Subject imports from-- 3/					
Mexico.....	.4	.6	.7	.7	.8
Peru.....	.8	.4	.4	.5	.1
Subtotal.....	1.2	1.0	1.1	1.2	.9
Colombia.....	47.1	45.9	46.9	49.7	52.5
Costa Rica.....	.9	1.4	2.5	2.9	3.7
Ecuador.....	.2	.2	.2	.2	.3
Subtotal.....	49.3	48.5	50.6	53.9	57.3
Other imports.....	.7	.8	.6	.7	.7
Total imports.....	50.0	49.3	51.2	54.6	58.0
U.S. producers' shipments.....	50.0	50.7	48.8	45.4	42.0
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0
<u>Gypsophila: 2/</u>					
Subject imports from-- 3/					
Peru.....	5.6	8.2	21.6	20.0	14.7
Other imports.....	26.4	24.8	27.9	26.1	34.6
Total imports.....	31.9	32.9	49.5	46.1	49.3
U.S. producers' shipments.....	68.1	67.1	50.5	53.9	50.7
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0
<u>Alstroemeria: 5/</u>					
Other imports.....	6/	6/	51.3	45.9	56.9
Total imports.....	6/	6/	51.3	45.9	56.9
U.S. producers' shipments.....	6/	6/	48.8	54.1	43.1
Apparent U.S. consumption.....	6/	6/	100.0	100.0	100.0
<u>Gerberas: 5/</u>					
Other imports.....	6/	6/	62.8	62.1	59.2
Total imports.....	6/	6/	62.8	62.1	59.2
U.S. producers' shipments.....	6/	6/	37.3	37.9	40.8
Apparent U.S. consumption.....	6/	6/	100.0	100.0	100.0
<u>All fresh cut flowers:</u>					
Subject imports from-- 7/					
Kenya.....	6/	4/	.1	6/	6/
Mexico.....	6/	.6	.6	6/	6/
Peru.....	6/	.5	.9	6/	6/
Subtotal.....	6/	1.1	1.6	6/	6/
Canada.....	6/	4/	.1	6/	6/
Chile.....	6/	.1	.2	6/	6/
Colombia.....	6/	25.4	25.9	6/	6/
Costa Rica.....	6/	.3	.6	6/	6/

See footnotes at end of table.

Table 4.--Certain fresh cut flowers: Shares of the quantity of apparent U.S. consumption held by imports and by U.S. producers' shipments, ^{1/} 1983-85, January-September 1985, and January-September 1986--Continued

(In percent)

Item	1983	1984	1985	Jan.-Sept.--	
				1985	1986
Ecuador.....	6/	.2	.4	6/	6/
Netherlands.....	6/	.1	.3	6/	6/
Subtotal.....	6/	27.2	29.1	6/	6/
Other imports ^{8/}	6/	19.7	22.7	6/	6/
Total imports.....	6/	46.8	51.8	6/	6/
U.S. producers' shipments...	6/	53.2	48.2	6/	6/
Apparent U.S. consumption...	6/	100.0	100.0	6/	6/

^{1/} Apparent U.S. consumption is derived by adding the quantity of imports to the quantity of U.S. producers' shipments. Data on imports are compiled from published statistics. Data on U.S. producers' shipments are estimated based on published statistics. For a complete explanation of the method used for estimating U.S. producers' shipments, see the section of the comprehensive report entitled "U.S. producers' shipments." For further information on available data describing the U.S. industry, see the section of the comprehensive report entitled "Statistical information used in this report."

^{2/} Data are provided separately for those countries for which allegations of dumping or subsidies have been made. The data for imports subject to investigation include imports subject to both countervailing duty and antidumping investigations.

^{3/} "Subject" imports are those imports subject to investigation, i.e., the 7 flowers from the 10 countries specified in the petition. If one of the 7 specified flowers were imported from a country whose exports of that flower are not subject to investigation, then such imports are included under "Other imports." Any imports of the specified flower that were the subject of a negative final determination by the Commission are included under "Other imports."

^{4/} Less than 0.05 percent.

^{5/} There are no "subject" imports of alstroemeria and gerberas as a result of the Commission's final determinations regarding imports of these flowers.

^{6/} Not available.

^{7/} 1983 and 1984 totals do not include imports of alstroemeria or gerberas.

^{8/} Includes imports of flowers that are not subject to investigation, i.e., (1) any imports of carnations, chrysanthemums, alstroemeria, gerberas, and gypsophila from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, Kenya, Mexico, the Netherlands, and Peru not covered by the petition or subject to a final negative determination by the Commission, (2) any imports of carnations, chrysanthemums, alstroemeria, gerberas, and gypsophila from any other country, and (3) any imports of any other flower from any country. (Because certain data cannot be broken out separately, this category also includes imports that are subject to investigation. These are alstroemeria and gerberas for 1983 and 1984).

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

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

Table 5.--Certain fresh cut flowers: Shares of the value of apparent U.S. consumption held by imports and by U.S. producers' shipments, 1/ 1983-85, January-September 1985, and January-September 1986

(In percent)

Item	1983	1984	1985	Jan.-Sept.--	
				1985	1986
<u>Standard carnations: 2/</u>					
<u>Subject imports from-- 3/</u>					
Kenya.....	4/	4/	4/	4/	4/
Mexico.....	1.7	1.5	.8	.9	1.2
Subtotal.....	1.7	1.5	.8	.9	1.2
Canada.....	4/	4/	0.3	0.4	0.1
Chile.....	4/	0.2	.2	.1	.2
Colombia.....	53.6	59.6	52.9	54.9	51.3
Costa Rica.....	.1	.1	.1	.1	.2
Ecuador.....	4/	.1	.3	.4	.4
Subtotal.....	55.4	61.5	54.6	56.7	53.2
Other imports.....	.3	.8	.5	.5	.8
Total imports.....	55.7	62.3	55.1	57.1	53.9
U.S. producers' shipments.....	44.3	37.7	45.0	42.9	46.1
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0
<u>Miniature carnations: 2/</u>					
<u>Subject imports from-- 3/</u>					
Kenya.....	1.0	1.0	1.0	.5	.5
Peru.....	7.5	7.7	6.9	6.1	5.2
Subtotal.....	8.5	8.7	7.9	6.6	5.7
Colombia.....	15.9	22.6	20.8	21.9	16.6
Ecuador.....	.8	1.7	1.4	1.3	.6
Subtotal.....	25.2	32.9	30.0	29.8	22.9
Other imports.....	16.3	17.4	15.4	16.5	18.0
Total.....	41.5	50.3	45.4	46.3	40.8
U.S. producers' shipments.....	58.5	49.7	54.6	53.7	59.2
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0
<u>Standard chrysanthemums: 2/</u>					
<u>Subject imports from-- 3/</u>					
Mexico.....	4/	4/	4/	4/	.1
Colombia.....	26.3	27.7	23.6	27.8	32.1
Ecuador.....	4/	.1	.1	.1	2/
Netherlands.....	3.4	3.9	2.5	2.0	1.7
Subtotal.....	29.6	31.8	26.2	29.9	33.9
Other imports.....	1.0	2.8	.8	1.0	.9
Total imports.....	30.6	34.6	27.0	30.9	34.8
U.S. producers' shipments.....	69.4	65.4	73.0	69.1	65.2
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0

See footnotes at end of table.

Table 5.--Certain fresh cut flowers: Shares of the value of apparent U.S. consumption held by imports and by U.S. producers' shipments, 1/ 1983-85, January-September 1985, and January-September 1986--Continued

(In percent)

Item	1983	1984	1985	Jan.-Sept.--	
				1985	1986
<u>Pompom chrysanthemums: 2/</u>					
Subject imports from-- 3/					
Mexico.....	.1	.4	.7	.8	.5
Peru.....	.8	.7	.8	1.0	.3
Subtotal.....	.9	1.1	1.5	1.8	.8
Colombia.....	47.7	52.4	49.5	51.2	51.8
Costa Rica.....	.7	1.0	1.5	1.6	2.8
Ecuador.....	.2	.2	.1	.1	.1
Subtotal.....	49.5	54.7	52.5	54.7	55.3
Other imports.....	1.2	1.2	.4	.5	.6
Total imports.....	50.7	55.9	52.9	55.2	55.9
U.S. producers' shipments.....	49.3	44.1	47.1	44.8	44.1
Apparent U.S. consumption.....	100.0	100.0	100.0	100.0	100.0
<u>Total, all fresh cut flowers:</u>					
Subject imports from-- 5/					
Kenya.....	6/	4/	4/	6/	6/
Mexico.....	6/	.3	.2	6/	6/
Peru.....	6/	.4	.4	6/	6/
Subtotal.....	6/	.7	.6	6/	6/
Canada.....	6/	4/	4/	6/	6/
Chile.....	6/	4/	4/	6/	6/
Colombia.....	6/	18.9	16.2	6/	6/
Costa Rica.....	6/	.1	.2	6/	6/
Ecuador.....	6/	.1	.1	6/	6/
Netherlands.....	6/	.2	.1	6/	6/
Subtotal.....	6/	20.2	17.4	6/	6/
Other imports 7/.....	6/	21.6	23.0	6/	6/
Total imports.....	6/	41.8	40.4	6/	6/
U.S. producers' shipments.....	6/	58.2	59.6	6/	6/
Apparent U.S. consumption.....	6/	100.0	100.0	6/	6/

1/ Apparent U.S. consumption is derived by adding the value of imports (c.i.f. value plus calculated duties) to the value of U.S. producers' shipments. Data on imports are compiled from official statistics of the U.S. Department of Commerce. Data on U.S. producers' shipments are compiled from USDA statistics and from estimates based on data submitted in response to Commission questionnaires. For a complete explanation of the method used for estimating U.S. producers' shipments, see the section of the comprehensive report entitled "U.S. producers' shipments." For further information on available data describing the U.S. industry, see the section of the comprehensive report entitled "Statistical information used in this report."

2/ Data are provided separately for those countries for which allegations of dumping or subsidies have been made. The data for imports subject to investigation include imports subject to both countervailing duty and antidumping investigations.

Footnotes for table 5--Continued

3/ "Subject" imports are those imports subject to investigation, i.e., the 7 flowers from the 10 countries specified in the petition. If one of the 7 specified flowers were imported from a country whose exports of that flower are not subject to investigation, then such imports are included under "Other imports." Any imports of the specified flower that were the subject of a negative final determination by the Commission are included under "Other imports."

4/ Less than 0.05 percent.

5/ Separate data for alstroemeria, gerberas, and gypsophila are not available.

6/ Not available.

7/ Includes imports of flowers that are not subject to investigation, i.e., (1) any imports of carnations, chrysanthemums, alstroemeria, gerberas, and gypsophila from Canada, Chile, Colombia, Costa Rica, Ecuador, Israel, Kenya, Mexico, the Netherlands, and Peru not covered by the petition or subject to a final negative determination by the Commission, (2) any imports of carnations, chrysanthemums, alstroemeria, gerberas, and gypsophila from any other country, and (3) any imports of any other flower from any country. (Because certain data cannot be broken out separately, this category also includes imports that are subject to investigation. These are alstroemeria, gerberas, and gypsophila for all periods).

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

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

Table 6.--Certain fresh cut flowers: Shares of the quantity of apparent U.S. consumption held by imports subject to countervailing duty investigations and by U.S. producers' shipments, 1/ 1983-85, January-September 1985, and January-September 1986

* * * * *

Table 7.--Certain fresh cut flowers: Shares of the quantity of apparent U.S. consumption held by imports subject to antidumping investigations and by U.S. producers' shipments, 1/ 1983-85, January-September 1985, and January-September 1986

* * * * *

Table 8.--Certain fresh cut flowers: Shares of the value of apparent U.S. consumption held by imports subject to antidumping investigations and countervailing duty investigations, and by U.S. producers' shipments, 1/ 1983-85, January-September 1985, and January-September 1986

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APPENDIX A

FEDERAL REGISTER NOTICE

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(Investigation No. 731-TA-334 (Final))

Certain Fresh Cut Flowers From Peru

AGENCY: United States International Trade Commission.

ACTION: Termination of investigation.

SUMMARY: On March 6, 1987, the U.S. Department of Commerce published notice in the Federal Register of a negative final determination of sales at less than fair value in connection with the subject investigation. Accordingly, pursuant to § 207.20(b) of the Commission's Rules of Practice and Procedure (19 CFR 207.20(b)), the antidumping investigation concerning certain fresh cut flowers from Peru (investigation No. 731-TA-334 (Final)) is terminated.

EFFECTIVE DATE: March 16, 1987.

FOR FURTHER INFORMATION CONTACT: Dan Dwyer (202-523-4618), Office of Investigations, U.S. International Trade Commission, 701 E Street NW., Washington, DC 20436. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202-724-0002.

Authority: This investigation is being terminated under authority of the Tariff Act of 1930, title VII. This notice is published pursuant to § 201.10 of the Commission's rules (19 CFR 201.10).

By order of the Commission.

Issued: March 18, 1987.

Kenneth E. Mason,
Secretary.

[FR Doc. 87-6467 Filed 3-24-87; 8:45 am]

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