

ICE HOCKEY STICKS FROM FINLAND

Determination of No Injury in Investigation
No. AA1921-177 Under the Antidumping Act, 1921,
as Amended Together With the Information
Obtained in the Investigation



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UNITED STATES INTERNATIONAL TRADE COMMISSION

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UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

[AA1921-177]

March 28, 1978

ICE HOCKEY STICKS FROM FINLAND

Determination

On December 28, 1977, the United States International Trade Commission received advice from the Department of the Treasury that ice hockey sticks from Finland are being, or are like to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). Accordingly, on January 5, 1978, the Commission instituted investigation No. AA1921-177 under section 201(a) of said act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Notices of the institution of the investigation and of the public hearing held in connection therewith were published in the Federal Register on January 11, 1978 (43 F.R. 1655). On February 23, 1978, a hearing was held in Washington, D.C., at which all persons who requested the opportunity were permitted to appear by counsel or in person.

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

On the basis of information obtained in investigation No. AA1921-177, Chairman Daniel Minchew, Vice Chairman Joseph O. Parker, and Commissioners George M. Moore, Catherine Bedell, Italo H. Ablondi, and Bill Alberger determined unanimously that an industry in the United States is not being and is not likely

to be injured, and is not prevented from being established, by reason of the importation of ice hockey sticks from Finland that are being, or are likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended.

STATEMENT OF REASONS FOR THE NEGATIVE DETERMINATION OF CHAIRMAN DANIEL
MINCHEW, AND COMMISSIONERS GEORGE M. MOORE, CATHERINE BEDELL,
ITALO H. ABLONDI, AND BILL ALBERGER

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

Determination

On the basis of the information obtained in this investigation, we determine that an industry in the United States is not being and is not likely to be injured by reason of the importation of ice hockey sticks from Finland which are being, or are likely to be, sold at LTFV.

The Imported Article and the Domestic Industry

We consider the relevant industry to consist of the facilities in the United States devoted to the production or assembly of ice hockey sticks. Such sticks are currently produced or assembled in four plants operated by three firms: the Northland Group, Inc., of Chaska, Minnesota, the complainant in this case; Christian Brothers, Inc., of Warroad, Minnesota; and Koho Sporting Goods, Inc., of Farmingdale, Long Island, New York. Northland produces or assembles ice hockey sticks at its plants in Chaska, Minnesota and Richford, Vermont. Christian Brothers' plant is at Warroad. Koho's production facilities are at Farmingdale. During parts of 1974 and 1975, Adirondak, Inc., produced ice hockey sticks at Dodgeville, New York.

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

LTFV Sales

The Department of the Treasury (Treasury) investigation of LTFV imports of ice hockey sticks from Finland covered sales made during the period October 1, 1976, through March 31, 1977. The price comparisons on which Treasury based its determination were made on sales by only one Finnish exporter of ice hockey sticks, Koho Tuote Oy (Koho). Treasury examined 98 percent of Koho's sales to the United States during the period investigated and found LTFV margins on 99 percent of the ice hockey sticks sold by that manufacturer. Margins, as amended by Treasury on March 7, ranged from negligible to 19 percent of the purchase price of the ice hockey sticks. The weighted average LTFV margin on those sales examined amounted to 12.2 percent of the purchase price of the merchandise. Sales by Koho accounted for 75 percent of all sales of ice hockey sticks to the United States from Finland during the period investigated by Treasury. The two other Finnish producers that exported ice hockey sticks to the United States -- Oy Montreal and Karhu-Titan Oy -- accounted for 25 percent of Finnish exports to the United States during October 1976 - March 1977. Their sales were not used by Treasury in making its price comparisons, but they were not excluded from the Treasury LTFV determination.

The Question of Injury or Likelihood Thereof by Reason of LTFV Sales

Imports-- Total U.S. imports of ice hockey sticks from Finland dropped by a substantial amount between 1976 and 1977 and were nearly a third lower in 1977 than they had been in 1974. Domestic shipments of U.S. imports from

Finland were lower in 1976 and 1977 than they had been in either 1974 or 1975, and in 1977, such shipments were more than a third below the 1974 level. The ratio of domestic shipments of U.S. imports from Finland to apparent U.S. consumption was lower in 1977 than it had been in either 1975 or 1976. Domestic shipments of U.S. imports by Koho declined sharply from 1974 to 1975, and in 1977 were still over a third below their 1974 level.

Production and Shipments -- U.S. production of ice hockey sticks rose by over 25 percent from 1976 to 1977 and, in 1977, was at its second highest level of the 1973-77 period. Apparent U.S. consumption fell by nearly 50 percent between 1974 and 1976, and recovered only slightly in 1977. Therefore, the overall decline in production between 1974 and 1977 should be attributed more to a deteriorating market for ice hockey sticks in the United States than to increased imports. U.S. producers' shipments of domestically produced ice hockey sticks declined far less than did U.S. consumption or U.S. imports, and recovered in 1977 to nearly the level they had enjoyed in 1974.

Employment -- U.S. employment increased by nearly 25 percent between 1976 and 1977, reflecting increased domestic production of ice hockey sticks. In general, employment trends show greater declines and slower increases than production trends due to increasing worker productivity since 1975.

Profit and Loss Experience -- In the aggregate, the two U.S. producers that reported data on their profit-and-loss experience on their ice hockey

stick operations, have improved their net financial position since 1975, from a net loss position to a net profit position. The losses experienced by Northland each year during 1973-75 are, according to Northland, attributable to mismanagement prior to the purchase by the Northland Group of the Northland ice hockey stick operation from Larson Industries. Those losses have become smaller each year since 1975, and were at their lowest level of the period in 1977. Christian Brothers reported profits each year during the period. Those profits declined in 1977 but, since Christian Brothers does not generally compete with ice hockey sticks made in Finland due to the substantially higher prices of sticks from Finland, the decline in Christian Brothers' profits in 1977 should not be attributed to imports at LTFV from Finland.

Market Share -- U.S. producers' share of the market increased substantially between 1974 and 1976, but declined somewhat between 1976 and 1977. These market fluctuations are attributable to Canadian competition. The Finnish market share like that of the U.S., dropped in 1977, but overall maintained a relatively constant level for the four-year period 1974-77.

Prices -- In general, ice hockey sticks from Finland sell at substantially higher prices than do ice hockey sticks made in the United States. Although in a few instances the Finnish products undersold the U.S. product in the U.S. sporting goods store and pro shop market, nearly all of the purchasers interviewed stated that customer preferences for a better quality ice

hockey stick and brand name recognition, rather than price, played the largest part in their selection of Koho sticks over their domestic competitors.

The Commission did obtain evidence that Koho sells to professional ice hockey teams at lower prices than Northland. However, these particular Koho sticks are assembled at Koho's plant on Long Island, and the imported parts were not the subject of Treasury's LTFV price comparisons or determination.

Although price was reported to be a major consideration in the purchase of ice hockey sticks by retail chain stores, evidence of underselling in that market by Finnish ice hockey sticks has not been found. Finnish ice hockey sticks generally are sold for higher prices to chain stores than their U.S. counterparts.

The prices of U.S.-produced ice hockey sticks rose by nearly 50 percent between 1973 and 1977, or by an average of over 10 percent a year, indicating the absence of any price suppression or depression in the U.S. market.

Lost Sales --The Commission was unable to verify complainant's allegations of lost sales to Finnish competition. In the pro shop market, data obtained from questionnaires shows Northland's share of that market in 1977 is actually higher than in any of the four years 1974-77. One chain store, alleged as a major lost customer, reduced its purchases of Finnish sticks by an even greater extent than it reduced purchases of U.S. made sticks between 1976 and 1977. Thus, the domestic industry gained market share with this one customer.

Complainant alleged significant losses to Koho in the professional ice hockey team market. We were told that lost sales in this market led to lost sales in other markets due to brand recognition, with Koho sticks receiving wide media coverage. Apparently, complainant was not aware that sticks sold to professional teams by Koho were assembled from imported parts at its U.S. facility on Long Island. Those parts were not covered by the Treasury investigation or finding.

Likelihood of Injury-- Evidence has been presented to the Commission that Finnish exports to other countries have grown substantially in recent years and that growth shows no sign of abating. In view of the higher prices for which Finnish ice hockey sticks are sold in export markets outside the United States, it does not appear that Finland's exports to the United States will surge upward in the foreseeable future.

Conclusion

It is clear from the above consideration that the U.S. industry producing ice hockey sticks in the United States is not being injured and is not likely to be injured by reason of the importation of ice hockey sticks from Finland found by Treasury to be, or likely to be, sold in the United States at LTFV. We, therefore, find in the negative.

Additional Views of Chairman Daniel Minchew

The issue of whether the Commission has authority to exclude a foreign manufacturer from an affirmative determination under the Antidumping Act was raised at the public hearing by counsel for Karhu-Titan Oy (Karhu), a Finnish hockey stick manufacturer, and for Titan Hockey Canada Ltd. (Titan), the exclusive North American distributor of Karhu sticks. Post hearing briefs filed on behalf of complainant and on behalf of Karhu and Titan addressed this question at the request of several Commissioners. While the Commission's unanimous negative determination makes the issue moot in this investigation, a comment on this question may be useful.

I believe that the Commission has the legal authority to exclude a foreign manufacturer from an affirmative determination under the Antidumping Act. The Commission has wide discretion under the statute to make its determinations on a case by case basis. 1/ While the scope of the Commission's investigation is determined by the Treasury Department, the Commission has made affirmative determinations of narrower product coverage than was involved in the Treasury LTFV determination. An affirmative determination was made with respect to fish netting which excluded fish nets in investigation No. AA1921-85. 2/ In their statement of reasons for their affirmative determination, then Chairman Bedell, Vice Chairman Parker, and Commissioner Moore stated at page 3:

1/ See S. Rep. No. 93-1298, 93 Cong., 2d Sess. pages 179-181 (1974).

2/ Fish Nets and Netting of Manmade Fibers from Japan. T. C. Publication 477. April 1972.

In our opinion an industry in the United States is being injured by reason of the importation of manmade-fiber fish netting from Japan that is being sold at less than fair value (LTFV) within the meaning of the Antidumping Act. Since imports of fish nets are negligible and we have no evidence that imports are likely to increase, at this time, we believe that no U.S. industry is being, or is likely to be injured, by reason of the importation of manmade-fiber fish nets sold at LTFV.

Commissioner Moore expressed his view that certain methionine for use in making medicine for humans should be excluded from a unanimous Commission affirmative determination in Synthetic Methionine from Japan, investigation No. AA1921-115, May, 1973, at page 3.

The Commission's affirmative determination in Steel Wire Rope from Japan, investigation No. AA1921-124, September, 1973, excluded copper coated steel wire cord of stranded construction used to reinforce automotive and truck tires. In a clarification of its determination published in the Federal Register on October 4, 1973, the Commission stated as follows:

The Commission wishes to clarify the above determination with the explanation that it did not intend to include in its affirmative determination an imported product described as brass electroplated steel truck tire cord of cable construction specially packaged for protection against moisture and atmosphere.

The evidence presented to the Commission establishes that the tire cord in question is a highly specialized product used in the rubber industry for making truck tires. Brass plating of the individual wires facilitates the chemical bond between the rubber and the metal. The specialized nature of the product makes it unsuitable for the ordinary uses of steel wire rope of comparable size.

The evidence also establishes that there is no domestic source producing a competitive tire cord. The imported tire cord has not prevented domestic firms from going forward with plans to build facilities to produce a comparable tire cord in the United States.

It is also noted that the complainants in this proceeding stated at the hearing (TR. 7) and in their brief (p. 5) that this product was not included in their complaint, and that they "do not consider it part of the steel wire rope industry as we will define it."

Similarly, in the same way that the Commission has excluded certain products from an affirmative determination, it can obviously exclude a foreign manufacturer from an affirmative determination, if there is a showing that the market is different, and therefore the product manufactured by the particular foreign manufacturer does not compete with those of the domestic industry. The question is whether the merchandise manufactured by the foreign manufacturer is sufficiently different from the merchandise manufactured by the other foreign producers to provide a basis for excluding the particular foreign manufacturer from an affirmative determination. This is a question for the Commission to determine on a case by case basis. Complainant's opinion of whether a particular foreign manufacturer should be excluded from an affirmative determination is without legal significance. An antidumping investigation involves interested persons rather than parties, and the domestic industry frequently includes other producers as well as the complainant. It is not an adversary proceeding. It is for Treasury and the Commission, not the complainant, to determine the scope of the investigation. Even if the complainant wants to release a foreign manufacturer from an investigation, it has no power to do so. Further, a complainant does not have access to all the information obtained in the investigation, and, therefore, it does

not have the evidence to determine which foreign manufacturers are injuring the domestic industry.

In summary, while I think that it is clear that the Commission has the authority to exclude foreign manufacturers when there is a showing that the market for its product is different, a stringent, though not impossible, test should be applied. I would expect the Commission to invoke this authority only rarely.

Statement of Reasons for the Negative Determination
of Vice Chairman Joseph O. Parker

After receiving advice from the Department of the Treasury on December 28, 1977, that ice hockey sticks from Finland are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended, the U.S. International Trade Commission, on January 5, 1978, instituted investigation No. AA1921-177 under section 201(a) of the Antidumping Act, 1921, as amended, to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise.

Determination

On the basis of the information obtained in this investigation, I determine that an industry in the United States is not being injured and is not likely to be injured, and is not prevented from being established, 1/ by reason of the importation of ice hockey sticks from Finland that the Secretary of the Treasury has determined are being, or are likely to be, sold at LTFV within the meaning of the Antidumping Act, 1921, as amended.

The petition, on the basis of which the Treasury investigation was instituted, was filed by the Northland Group, Inc., of Chaska, Minn., a domestic producer of ice hockey sticks. Presently, there are two other domestic producers of ice hockey sticks: Christian Bros., Inc., of Warroad, Minn., and Koho Sporting Goods, Inc., of Farmingdale, N.Y. During parts of 1974 and 1975, a fourth firm, Adirondak, Inc.,

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

produced ice hockey sticks at Dodgeville, N.Y.

Treasury's investigation of LTFV imports of ice hockey sticks from Finland covered sales made during the period October 1, 1976, through March 31, 1977. The price comparisons on which Treasury based its determination were made on sales by only one Finnish exporter of ice hockey sticks, Koho Tuote Oy. Treasury examined 98 percent of Koho's sales to the United States during the period under investigation and found LTFV margins on 99 percent of the ice hockey sticks sold by that manufacturer. Margins, as reported by Treasury, ranged from negligible to 19 percent of the purchase price of the ice hockey sticks. The weighted average LTFV margin on those sales examined amounted to 12.2 percent of the purchase price of the merchandise. Sales by Koho accounted for 75 percent of all sales of ice hockey sticks to the United States from Finland during the period investigated by Treasury. The two other Finnish producers that exported ice hockey sticks to the United States--Oy Montreal and Karhu-Titan Oy--accounted for 25 percent of Finnish exports to the United States during October 1976-March 1977. Their sales were not used by Treasury in making its LTFV price comparisons, but they were not excluded from the Treasury LTFV determination.

In order to make an affirmative determination in this investigation under the Antidumping Act, the Commission must determine that an industry in the United States is being or is likely to be injured by reason of the importation of the subject merchandise that the Secretary of the Treasury has determined is being, or is likely to be, sold at LTFV. Petitioner, the Northland Group, Inc., alleges that

injury is presently being suffered by the domestic industry by reason of LTFV imports from Finland in the following ways: lost sales, declining market share, price suppression, declining profitability, declining capacity utilization, and declining employment. 1/

The market for ice hockey sticks is divided into three distinct segments: the professional teams, the pro shops, and chainstores. While the professional-team market is the smallest of these three, it is important because of "its influence on demand in the other two." 2/ Information developed during the Commission's investigation revealed that Northland's share of the professional-team market has decreased since 1975, as a result of increased sales of domestically assembled hockey sticks by Koho Sporting Goods, Inc. Although the parts for these sticks were imported from Finland, they were not subject to the LTFV determination of the Department of the Treasury.

Pro shops account for the bulk of U.S. producers' and importers' sales of hockey sticks. None of the pro shops responding to the Commission's questionnaire indicated that they had switched from domestically produced hockey sticks to those imported from Finland on the basis of price. Quality and brand-name recognition were cited as the bases on which their purchases were made. While price is probably more of a consideration in the chainstore market than in the pro shop market, the Commission investigation did not establish any specific instances in which sales were lost in the chainstore market as a result of lower prices of hockey sticks imported from Finland.

1/ In the Matter of Ice Hockey Sticks from Finland, brief of the Northland Group, Inc., petitioner, Mar. 10, 1978.

2/ Ibid., p. 5.

As noted, Northland has alleged that the domestic industry is suffering injury by reason of declining market share. In 1975, domestic producers accounted for substantially less than half of apparent U.S. consumption, and in 1976, increased their share to more than 50 percent. While the share of apparent consumption supplied by domestic producers declined slightly in 1977, the share supplied by imports from Finland also declined. However, the share supplied by imports from Canada rose in 1977. Thus, in both 1976 and 1977, domestic producers accounted for a larger percentage of domestic consumption than they had in 1974 and 1975, and the slight decrease in their market share in 1977 is attributable to increased market penetration by Canadian imports, not to imports from Finland.

The third form of injury alleged by Northland is price suppression. Information established by the Commission's investigation revealed that the prices of hockey sticks imported from Finland are generally higher than those of domestically produced sticks. Koho Sporting Goods, Inc., does undersell domestic producers on sticks supplied to the professional-team market, but these custom-made sticks are assembled in the United States and were not covered by the LTFV determination made by the Secretary of the Treasury. Among domestic producers, sticks produced by Christian Bros. generally undersell those produced by Northland. The Commission's investigation also revealed that since 1975 the average unit value of domestic shipments of imported hockey sticks from Finland has been higher than the average unit value of sticks imported from Canada and Sweden.

The average unit value of shipments imported from Finland increased by more than 75 percent between 1974 and 1977 and was considerably higher than the average unit value of shipments of domestically produced sticks, which increased by approximately 45 percent in the same period. The price of Northland's highest quality stick increased by more than 15 percent between the second quarter of 1976 and the second quarter of 1977. It is clear from the foregoing that petitioners failed to establish, and the Commission investigation did not reveal, any price suppression caused by LTFV imports from Finland.

Petitioner also alleges declining profitability by reason of LTFV imports from Finland. Information supplied to the Commission by petitioner, however, establishes that its operations have progressively improved since 1975, when the present owners purchased Northland. Christian Bros. reported to the Commission that its operations resulted in a profit in each year during 1973-77. While Christian Bros.' profit declined in 1977, there is no indication that this was the result of LTFV imports from Finland, since Christian Bros.' lower priced sticks do not generally compete with the higher priced imports from Finland. The investigation did not establish any other information from which the Commission could conclude that there was a decline in profitability in the domestic industry by reason of LTFV imports from Finland.

The last of the indicia of injury by reason of LTFV imports from Finland cited by petitioner are declining capacity utilization and

declining employment. However, the Commission's investigation revealed that petitioner's capacity and its capacity utilization increased in both 1976 and 1977. Neither of the other domestic producers, Christian Bros. or Koho, suffered any decline in capacity utilization in 1976 or 1977. There was a decline in employment in 1976, when apparent domestic consumption of hockey sticks fell to 1.8 million (about 50 percent of consumption in 1974 and a low for the period 1974-77). In 1977, however, employment in the domestic industry increased by nearly 25 percent. In 1977, petitioner's employment increased by over one-third. The Commission's investigation did not reveal any other indication that capacity utilization or employment had been adversely affected by reason of LTFV imports from Finland.

The Commission's investigation did not reveal any information which would establish that an industry is likely to be injured by reason of LTFV imports from Finland within the meaning of the statute. The most recent data available indicate that domestic consumption, production, shipments, and employment are increasing, but that the ratio of shipments from Finland to domestic consumption is declining. Information has been presented to the Commission that Koho receives substantially higher prices for its exports to countries other than the United States and that its exports to other countries have been increasing in recent years.

On the basis of the above considerations, I have determined that an industry in the United States is not being and is not likely to be

injured, and is not prevented from being established, by reason of the importation of ice hockey sticks from Finland that the Secretary of the Treasury has determined are being, or are likely to be, sold at LTFV.

INFORMATION OBTAINED IN THE INVESTIGATION

Summary

The United States International Trade Commission received advice from the Department of the Treasury on December 28, 1977, that ice hockey sticks from Finland are being or are likely to be sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended. The complaint that resulted in the Treasury investigation was filed on March 2, 1977, by the Northland Group, of Chaska, Minn., a domestic producer of ice hockey sticks. Appraisalment of the imported merchandise in question has been withheld since September 22, 1977. On January 5, 1978, the U.S. International Trade Commission instituted investigation No. AA1921-177 under the Antidumping Act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of ice hockey sticks from Finland sold at less than fair value in the United States. A public hearing was held in Washington, D.C., on February 23, 1978, and the Commission must report its determination to the Secretary of the Treasury by no later than March 28, 1978.

Ice hockey sticks are imported into the United States under the provisions of item No. 734.80 of the Tariff Schedules of the United States (TSUS), a basket category that includes not only ice hockey sticks, but also other ice hockey equipment (except skates), field hockey equipment, and parts of ice and field hockey equipment. However, U.S. imports of ice hockey sticks in 1977 accounted for only half of the value of total U.S. imports of all articles entered under item 734.80.

The Treasury Department investigated U.S. imports of ice hockey sticks from Finland during the period October 1, 1976, to March 31, 1977. It made fair value comparisons on imports by Koho, which accounted for 75 percent of total exports of ice hockey sticks from Finland to the United States during the period investigated. Treasury examined 98 percent of Koho's exports to the United States and found margins ranging from negligible to 21 percent on 99 percent of the sales examined. The weighted average LTFV margin on all of Koho's sales that were examined was 14 percent of the purchase price, and 12.3 percent of the fair market value of the merchandise. The aggregate value of the margins found was * * * on total sales examined worth * * *. Less-than-fair-value sales were valued at * * *. 1/ Two other firms produce ice hockey sticks in Finland for export to the United States. They are Karhu-Titan, which exports to the United States through Sportech, Inc., of Keeseville, N.Y., and Oy Montreal, which distributes its products in the United States through Montreal Hockey Sticks, Inc., of Stamford, Conn. The sales by these two firms were not used by Treasury in making its fair value comparisons or determination, even though Treasury found that they accounted

1/ On Mar. 7, 1978, the Commission was notified by Treasury that Treasury had revised its less-than-fair-value calculations--that the range of margins now found ranged from negligible to 19 percent and that the weighted average margin was now 12.2 percent of the purchase price. It is estimated that the new weighted average margin would be equivalent to less than 11 percent of the fair value of the merchandise.

for 25 percent of Finland's exports of ice hockey sticks to the United States during October 1976-March 1977. They were not excluded from Treasury's less-than-fair value determination, however.

Three firms currently produce ice hockey sticks in the United States. The Northland Group (the complainant in the instant investigation) is headquartered in Chaska, Minn., and has two manufacturing plants--one in Chaska, Minn., and one in Richfield, Vt. Christian Brothers has a single manufacturing plant at Warroad, Minn. Koho, the major importer of ice hockey sticks from Finland, custom assembles and finishes ice hockey sticks for professional ice hockey teams at its facilities in Farmingdale, N.Y. A fourth firm--Adirondak--produced ice hockey sticks in Dodgeville, N.Y., but ceased production in 1975 in favor of importing ice hockey sticks from Sherwood-Drolet, a related Canadian producer.

Apparent U.S. consumption of ice hockey sticks fell from 3.6 million sticks in 1974, to 1.8 million sticks in 1976. Consumption increased in 1977 to 2.1 million sticks valued at \$9.1 million, but was still 42 percent below the 1974 level.

* * * * *

U.S. imports of ice hockey sticks from all sources fell from 2.6 million sticks in 1974 to 1.1 million sticks in 1976, but they increased slightly--to 1.2 million sticks--in 1977. The 1977 level of imports was 56 percent below the 1974 level. * * *.

* * * * *

Domestic shipments of imports from Finland fell from * * * sticks in 1974 to 290,000 sticks in 1976, but rose to 306,000 sticks, valued at \$1.8 million in 1977. * * *. Finland's share of apparent U.S. consumption increased from * * * percent in 1974 to 16 percent in 1975 and 1976, and then fell to 14.9 percent in 1977.

* * * * *

Introduction

On December 28, 1977, the United States International Trade Commission received advice from the United States Department of the Treasury that ice hockey sticks from Finland are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). 1/ Accordingly, on January 5, 1978, the Commission instituted investigation No. AA1921-177 under section 201(a) of the Act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of ice hockey sticks at LTFV into the United States. By statute, the Commission must render its determination within 3 months of its receipt of advice from the Department of Treasury or, in this case, by March 28, 1978.

A public hearing was held in Washington, D.C., on February 23, 1978. 2/ Notice of the institution of the investigation and of the hearing was duly given by posting copies of the notice in the Office of the Secretary, United States International Trade Commission, Washington, D.C. and at the Commission's New York Office, and by publishing the notice in the Federal Register on January 11, 1978 (43 F.R. 1655). 3/

Following receipt of a complaint from the Northland Group on March 2, 1977, the Department of Treasury instituted an antidumping investigation by publication of an "Antidumping Proceeding Notice" in the Federal Register on March 12, 1977 (42 F.R. 14198). 4/ The investigation was limited to ice hockey sticks manufactured in Finland. All entries of unappraised imports of ice hockey sticks from Finland that had not been appraised prior to September 22, 1977, have been subject to withholding of appraisement. The withholding of appraisement notice was published in the Federal Register of September 22, 1977 (42 F.R. 47190). 5/ The determination of sales at less than fair value was published in the Federal Register on December 30, 1977 (42 F.R. 65345). 6/

1/ A copy of the letter of advice from the Department of the Treasury is presented in app. B.

2/ Representatives of the Northland Group (the complainant in the instant investigation), Koho Sporting Goods and Koho Tuote Oy (the largest U.S. importer and Finnish exporter of ice hockey sticks from Finland, respectively) and Karhu-Titan (a smaller source of ice hockey sticks from Finland) presented testimony to the Commission at the public hearing.

3/ A copy of the Commission's notice of investigation and hearing is presented in app. C.

4/ A copy of the Treasury Department's antidumping proceeding notice is presented in app. D.

5/ A copy of the Treasury Department's withholding of appraisement notice is presented in app. E.

6/ A copy of the Treasury Department's determination of sales at less than fair value is presented in app. F.

The Product

Description and uses

Ice hockey is an amateur and professional sport in which a hooked, wooden stick, approximately 53 inches in length, having a blade about 14 inches in length, is used to hit, maneuver, or block a rubber disk known as a puck. Domestic sticks are made predominantly from ash, elm or birch wood. A very few bottom-of-the-line domestic and imported ice hockey sticks are made from single pieces of wood. For virtually all the remainder, the handle and blade are separate pieces that are glued together with a third piece called a glue block. Fiberglass is usually added to the blade. Major variations are in the composition of the handle and blade. Some handles are laminated and may have as many as 40 layers of wood. Others have solid wood handles with a fiberglass overlay on each side. Virtually all laminated handles for domestically produced and Canadian ice hockey sticks are manufactured in Finland; only a few are made in Canada and the United States. The blades may or may not be laminated. One unique variation of one of the sticks manufactured in Finland is the incorporation of graphite strips in the laminated blade.

Hockey sticks fall into one of three main categories, each of which has a broad price range. The three categories are: junior, standard, and professional. Within each category are both regular and goal sticks. Professional sticks are made to order for professional team players. The qualities that consumers currently seek in a "better" hockey stick are stiffness, lightness (in weight), and high breakage resistance. The weight can be measured uniformly industry-wide. The best stick weighs about 19 to 21 ounces and a good stick is in the 22-to-26 ounce category. Some less expensive sticks weigh over 30 ounces. The amount of stiffness, however, is not measured by a uniform system within the industry. Methods of measurement vary from physically flexing the stick against a solid object to bending the stick on various types of machines, each of which may have its individual scale. It is universally agreed, however, that the stiffer the stick, the better, irrespective of measuring methods.

The technical differences in sticks through which producers attempt to reach these ideal conditions also vary, in the following ways:

- (1) Solid handles vs. laminated handles (laminations may vary from 5 to 40, or more);
- (2) Solid vs. laminated blades;
- (3) All wood blades vs. wooden blades wrapped in fiberglass, with various methods and amounts of wrapping; and
- (4) Use of various types of wood.

Each of these variations may require different methods of manufacture which, in turn may cause variations in costs of production.

U.S. tariff treatment

Imports of ice hockey sticks are provided for under TSUS item 734.80, a "basket" provision which also includes all other ice and field hockey equipment and parts (except skates). The current most-favored-nation (col. 1) rate of duty is 4.5 percent ad valorem, and the rate of duty applicable to designated Communist-dominated countries (the col. 2 rate of duty) is 30 percent ad valorem. The column 1 rate prior to January 1, 1968, was 9 percent ad valorem; that rate of duty was reduced in five annual stages until the current rate was reached on January 1, 1972. This reduction was a result of the Kennedy round of trade agreement negotiations under the General Agreement on Tariffs and Trade (GATT). In 1977, ice hockey sticks accounted for virtually all of the imports from Finland under TSUS item 734.80 and for about half of total U.S. imports from all sources under the same item.

Nature and Extent of Sales at Less Than Fair Value

The Department of the Treasury investigated U.S. imports of ice hockey sticks from Finland during the period October 1, 1976, to March 31, 1977. It found that Finnish exports of such hockey sticks were sold at less than fair value in the United States. Fair-value comparisons were made on 75 percent of the exported items sold to the United States during the period of the investigation; LTFV margins were found in 99 percent of the sales examined. Margins found ranged from negligible levels to 21 percent on the sales compared. The weighted average margin on all sales was 10.5 percent, according to the Treasury determination. 1/ The aggregate value of margins of sales at less than fair value during the period was determined to be * * * by the Department of the Treasury.

The Department of the Treasury computes its margins on less-than-fair-value sales on a purchase price basis. The U.S. International Trade Commission, however, uses home-market price as a comparative basis for computation. The weighted average margin of sales at less than fair value was equivalent to 14 percent of the adjusted purchase price. 2/ The weighted

1/ On Feb. 22, 1978, Mr. Thomas J. King, of the Commission's staff, was told informally in a telephone call from Mr. Donald Eiss, of the Treasury Department, that the average weighted margin published by Treasury (10.5 percent) was in error and that a correct mathematical computation would be 14 percent. On March 7, 1978, the General Counsel of the Treasury notified the Commission in writing, that Treasury had reconsidered the basis for its fair value comparisons in the instant investigation and that the weighted average margins were to be modified. Notice of these changes were sent to the Federal Register on Monday, Mar. 6, 1978, but have not yet been published therein. Copies of Treasury's letter and notice of modification of determination of sales at less than fair value are presented in app. G. The new margins found by Treasury range from negligible to 19 percent, and the new weighted average margin has been revised to 12.2 percent.

2/ Based on work sheets submitted with the Treasury file. This margin has now been revised to 12.2. percent.

average margin as a percentage of the adjusted home market price (fair market value) was 12 percent. 1/

The Department of the Treasury calculated purchase price on the basis of the c.i.f. price (before the import duty) to the U.S. customer, which already includes discounts and deductions for ocean freight and insurance. An addition was made for the amount of value-added tax included in the home market price. The home market price was calculated on the basis of the ex-factory price in the home market to unrelated purchasers. Adjustments were made for quantity discounts, seasonal discounts, credit costs, and certain advertising expenses.

In its modified determination of March 7, 1978, Treasury determined that, in the home market, sales are generally made from inventory that is stored at the producer's expense until the stock is delivered for sale to the manufacturer's customers. Sales to the United States are made to a single distributor that, itself, bears the costs of holding the inventory for resale. Thus, an adjustment for the original costs of warehousing incurred in the home market was allowed, resulting in reduced margins of sales at less than fair value. Price comparisons used by the Department of the Treasury in making its fair value comparisons were limited to Koho Tuote Oy, of Forssa, Finland. Ice hockey sticks are also manufactured in Finland for export to the United States by Oy Montreal and Karhu-Titan. 2/ An analysis of the information obtained from Treasury is presented in the table on the following page.

The Domestic Industry

Only three companies currently produce ice hockey sticks in the United States. They are the Northland Group, Christian Brothers, Inc., and Koho Sporting Goods, Inc. A fourth firm, Adirondak Industries, Inc. produced ice hockey sticks in the United States during parts of 1974 and 1975.

* * * * *

1/ This margin should now be revised to 10.9 percent.

2/ There are several other very small producers of ice hockey sticks in Finland. Their exports to the United States, however, are thought to be nil or negligible.

Koho Sporting Goods, of Farmingdale, Long Island, N.Y., the major importer of ice hockey sticks from Finland, began assembly of custom ice hockey sticks for professional team members at its Long Island facility in 1975. A substantial number of extra sticks of the same patterns are also assembled at the plant; these, however, are sold to the general public through sport shops and the like. All of the parts for the ice hockey sticks assembled in the United States by Koho are imported from Finland. * * *.

* * * * *

The U.S. Market

The major users of ice hockey sticks fall into three main categories-- professional ice hockey team players; organized amateur team players; and unorganized amateur players. The professional team players use sticks which meet custom ordered specifications; these sticks are generally the most expensive, but may be sold to teams at very low prices. Sales to teams may result in free wide television exposure for the equipment (including ice hockey sticks) of the team members. Each professional team member reportedly uses * * * dozen sticks a season. The organized amateurs use high grade "assembly line" sticks. Organized amateurs probably use fewer sticks a season than do professional team members. The unorganized amateurs use both lower grade and higher grade sticks. Younger players (ages 8 to 11) may use a single stick for several seasons, while older players may use several sticks a season.

Pro shops and sporting goods stores accounted for about * * * percent of total U.S. sales of U.S.-produced ice hockey sticks in 1977 (including sales to professional ice hockey teams made through the pro shops and sporting goods stores). Chain stores accounted for about * * * percent of total sales of U.S. produced ice hockey sticks in 1977. Other outlets accounted for * * * percent. In all, professional ice hockey teams received * * * percent of the U.S. produced ice hockey sticks shipped in 1977.

Channels of Distribution

Domestic

The domestic producers describe their channels of distribution as two tiered--i.e., from producer to retail outlet to end user. The professional teams generally purchase their sticks through pro shops. ^{1/} The team trainer usually makes the purchases. Purchases for organized and unorganized amateurs are made through sporting goods outlets or chain retail stores.

^{1/} A small proportion of the purchases by professionals may be made directly from producers.

Imports

Koho Tuote Oy (Koho) of Forssa, Finland, is the largest Finnish exporter of ice hockey sticks to the United States. All of its sales to the United States since 1975 have been made to an exclusive distributor, Koho Sporting Goods, Inc. (KSG), of Farmingdale, N.Y. Koho formerly distributed all of its ice hockey sticks in the United States through a wholly owned subsidiary on Long Island. In 1975, KSG was formed as an independent U.S.-owned firm and became the exclusive Koho distributor in the United States. A small percentage of Koho's exports to KSG are of parts for professional custom made sticks that are assembled at Farmingdale; all of the remainder of Koho's exports to KSG are completed sticks. KSG sells in the United States through channels of distribution similar to those of the U.S. producers. Koho accounted for 75 percent of U.S. imports from Finland during the period for which Treasury made price comparisons and for * * * percent of U.S. imports from Finland in 1977.

Karhu-Titan Oy, of Helsinki, Finland, is the second largest exporter of ice hockey sticks from Finland to the U.S. market. Its sticks are distributed through Sportech, Inc., of Keeseville, N.Y., but all North American sales are under the control of Titan Ice Time Products, Inc., Ste. Adele, Quebec, Canada. Karhu-Titan accounted for * * * percent of U.S. imports of ice hockey sticks from Finland in 1975, and for * * * percent in 1977.

Oy Montreal-Utheila, of Tampere, Finland, is the only other significant exporter of Finnish ice hockey sticks to the U.S. market. Oy Montreal's hockey sticks are distributed by Montreal Hockey Sticks, Inc., of Stamford, Conn. Oy Montreal's exports to the United States accounted for * * * percent of total U.S. imports of ice hockey sticks from Finland in 1975 and * * * percent in 1977. Information available to the Commission indicates that three other firms produce ice hockey sticks in Finland. They are Finmaila, Icing-Tuote, and Toronto Sport, Ltd. There is no evidence that these firms exported ice hockey sticks to the United States during the period 1973-77.

The major Canadian producers of ice hockey sticks are Victoriaville Ice Hockey Sticks, Ltd.; Sherwood-Drolet Corp., Ltd.; C.C.M., Ltd.; Hillerich and Bradsby (Louisville brand); Cooper of Canada; and Canadian Hockey Sticks, Ltd. All of the Canadian producers except Canadian Hockey Sticks, Ltd., are subsidiaries of U.S. firms. They usually sell their products in the United States through sales agents and manufacturers' representatives.

The major Swedish exporter of ice hockey sticks to the U.S. market is Volvo, Ltd.; its exclusive distributor in the United States is Volvo of America, Inc. * * *.

U.S. Consumption

During the period 1974-77, contrary to the testimony presented to the Commission in the public hearing, 1/ the general trend of apparent U.S. consumption of ice hockey sticks was downward. Such consumption declined by

1/ See the transcript of the hearing, pp. 110-113.

49 percent from 1974 to 1976 and in 1977 remained 42 percent below the 1974 level despite an increase of 13 percent between 1976 and 1977, as shown in the following tabulation. One possible explanation for the declining market for ice hockey sticks is markedly higher energy costs since 1973 that have resulted in higher operating expenses for artificial ice skating rinks, the closure of some of those rinks, and higher fees required of users of artificial ice skating rinks.

Ice hockey sticks: Apparent U.S. consumption, 1974-77

<u>Year</u>	<u>Quantity</u> (1,000 sticks)	<u>Value</u> (1,000 dollars)
1974-----	3,565	9,385
1975-----	1,962	6,511
1976-----	1,817	8,076
1977-----	2,056	9,132

U.S. production

U.S. production of ice hockey sticks during the 1973-77 period followed the general trend of apparent U.S. consumption, with the highest level of production occurring in 1974 and the lowest level in 1976, (See table 2).
* * *

Ice hockey sticks: U.S. production, 1973-77

<u>Year</u>	<u>Production</u> (1,000 sticks)
1973-----	* * *
1974-----	* * *
1975-----	* * *
1976-----	* * *
1977-----	* * *

* * * * *

U.S. Producers' Domestic Shipments

U.S. producers' domestic shipments of ice hockey sticks declined by * * * percent from 1974 to 1975, and increased by * * * percent between 1975 and 1977. In 1977, U.S. producers' domestic shipments of ice hockey sticks were still * * * percent below their 1974 level, as shown in table 3 and in the following tabulation.

Ice hockey sticks: U.S. producers' domestic shipments, 1973-77

<u>Year</u>	<u>Quantity</u> (1,000 sticks)	<u>Value</u> (1,000 dollars)
1973-----	* * *	* * *
1974-----	* * *	* * *
1975-----	* * *	* * *
1976-----	* * *	* * *
1977-----	* * *	* * *

* * * * * *

U.S. Producers' Export Shipments

* * * * * *

Ice hockey sticks: U.S. producers' export shipments, and ratio of such shipments to U.S. producers' total shipments, 1973-77

Year	U.S. export shipments		Exports as a share of total quantity of U.S. producers' shipments
	Quantity 1,000 sticks	Value 1,000 dollars	
1973-----	* * *	* * *	* * *
1974-----	* * *	* * *	* * *
1975-----	* * *	* * *	* * *
1976-----	* * *	* * *	* * *
1977-----	* * *	* * *	* * *

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

U.S. Producers' Inventories

* * * * *

Ice hockey sticks: Ratios of U.S. producers' end-of-year inventories of domestically made sticks to U.S. production, by firms, as of Dec. 31 of 1973-77

(In percent)

Firm	1973	1974	1975	1976	1977
Northland-----	***	***	***	***	***
Christian Brothers-----	***	***	***	***	***
Adirondak-----	***	***	***	***	***
Koho-----	***	***	***	***	***
Total-----	***	***	***	***	***

1/ Not applicable.

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

U.S. Imports and Domestic Shipments of Imports

U.S. imports from all sources

U.S. imports of ice hockey sticks enter the United States under the provisions of TSUS item 734.80, which provide for ice hockey sticks, other ice hockey equipment (except skates), and field hockey equipment. According to responses to the Commission's questionnaires, an increasing proportion of U.S. imports under this item is accounted for by imports of ice hockey sticks, as shown in tables 7 and 8. In 1977, ice hockey sticks accounted for over half of the value of U.S. imports under the item.

U.S. imports of ice hockey sticks from all sources declined by 58 percent between 1974 and 1976, and increased only slightly--by 5 percent--between 1976 and 1977. The 1977 level of imports was 56 percent below the 1974 level, as shown in the following tabulation.

Ice hockey sticks: U.S. imports from all sources, 1974-77

<u>Year</u>	<u>Quantity</u> (1,000 sticks)	<u>Value</u> (1,000 dollars)
1974-----	2,599	6,856
1975-----	1,287	4,018
1976-----	1,102	4,675
1977-----	1,156	5,156

The following table shows that although Canada lost a significant share of total U.S. imports to Finland between 1974 and 1976, in 1977 it recovered most of the share that it had lost.

Ice hockey sticks: Percentage distribution of U.S. imports, by sources, 1974-77

(In percent, by quantity)

<u>Year</u>	<u>Canada</u>	<u>Finland</u>	<u>Sweden</u>	<u>Total</u>
1974-----	***	***	***	100.0
1975-----	***	***	***	100.0
1976-----	***	***	***	100.0
1977-----	***	***	***	100.0

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission and from the Department of Industry, Trade, and Commerce, Ottawa, Canada.

Domestic shipments of U.S. imports from all sources

Domestic shipments of U.S. imports of ice hockey sticks from all sources declined by *** percent between 1974 and 1976, and increased by *** percent between 1976 and 1977. The shipments in 1977, however, remained *** percent below the 1974 level, as shown in the following tabulation, and in table 9.

Domestic shipments of U.S. imports from all sources, 1974-77

<u>Year</u>	<u>Quantity</u> (1,000 sticks)	<u>Value</u> (1,000 dollars)
1974-----	***	***
1975-----	***	***
1976-----	***	***
1977-----	***	***

During the period 1974-77, Canada accounted for the bulk of domestic shipments of imported ice hockey sticks, increasing its share of the total in 1977, at the expense of Finland and Sweden, as shown in the following table.
* * *.

Ice hockey sticks: Percentage distribution of the quantities of domestic shipments of U.S. imports of ice hockey sticks, by countries of origin, 1974-77

(In percent)				
Year	Canada	Finland	Sweden	Total
1974-----	* * *	* * *	* * *	100.0
1975-----	* * *	* * *	* * *	100.0
1976-----	* * *	* * *	* * *	100.0
1977-----	* * *	* * *	* * *	100.0

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission and from the Department of Industry, Trade, and Commerce, Ottawa, Canada.

The ratio of domestic shipments of imported ice hockey sticks to apparent U.S. consumption declined substantially between 1974 and 1976 but increased slightly in 1977 as shown in the table that follows. * * *.

Ice hockey sticks: Ratio of the quantity of domestic shipments of imports to apparent U.S. consumption, by sources, 1974-77

(In percent; by quantity)				
Year	Canada	Finland	Sweden	Total
1974-----	* * *	* * *	* * *	* * *
1975-----	* * *	16.0	* * *	* * *
1976-----	* * *	16.0	* * *	* * *
1977-----	* * *	14.9	* * *	* * *

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission and from the Department of Industry, Trade, and Commerce, Ottawa, Canada.

LTFV imports from Finland

Virtually all (99 percent) of the U.S. imports of ice hockey sticks from Finland during October 1976-March 1977 that were examined by Treasury were found to have been sold at less than fair value. All of the examined imports were of Koho ice hockey sticks; they accounted for 98 percent of Koho's exports from Finland to the United States. Koho, according to Treasury, accounted for about 75 percent of total exports to the United States from

Finland during the October 1976-March 1977 period. Although Karhu-Titan and Oy Montreal accounted for 25 percent of total exports of ice hockey sticks from Finland during the period that Treasury investigated, no LTFV determinations were made on those imports, but they were not excluded from Treasury's LTFV determination for Finland. There is no information in the Treasury file that indicates the existence or absence of LTFV margins on imports from Karhu-Titan or Oy Montreal.

* * * * *

Ice hockey sticks: U.S. imports from Finland, 1974-77

Year	U.S. imports			Ratio of quantity of imports from Finland to total U.S. imports
	Quantity	Value	Unit value	
	: :1,000 sticks:	: :1,000 dollars:	: :Dollars per: :stick	: :Percent
1974-----	: * * * :	: * * * :	: * * * :	: * * * :
1975-----	: * * * :	: * * * :	: * * * :	: * * * :
1976-----	: * * * :	: * * * :	: * * * :	: * * * :
1977-----	: * * * :	: * * * :	: * * * :	: * * * :

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

Koho accounted for the bulk of U.S. imports of ice hockey sticks from Finland during 1974-77, as shown in the table on the following page. * * *.

Domestic shipments of LTFV imports from Finland

Domestic shipments of LTFV imports of ice hockey sticks from Finland declined by * * * percent from 1974 to 1976, but increased in 1977 by 6 percent. The 1977 level of import shipments, however, was 3 percent below the 1975 level, and * * * percent below the 1974 level, as shown in the table on page A-17 and in table 12. * * *. The share of apparent U.S. consumption accounted for by shipments by U.S. importers of Finnish ice hockey sticks increased between 1974 and 1975, stayed at the same level in 1976, and fell somewhat in 1977. In 1977, it amounted to 14.9 percent.

* * * * *

Ice hockey sticks: U.S. imports from Finland, by firm, 1974-77

Firm and year	U.S. imports from Finland		Share of total U.S. imports from Finland		Share of total U.S. imports from all sources	
	Quantity	Value	Unit value	Percent	Percent	Percent
	:1,000 sticks:1,000 dollars:		Per stick	Percent	Percent	Percent
Koho:						
1974	** *	** *	\$** *	** *	** *	** *
1975	** *	** *	** *	** *	** *	** *
1976	** *	** *	** *	** *	** *	** *
1977	** *	** *	** *	** *	** *	** *
Karhu-Titan:						
1974	** *	** *	** *	** *	** *	** *
1975	** *	** *	** *	** *	** *	** *
1976	** *	** *	** *	** *	** *	** *
1977	** *	** *	** *	** *	** *	** *
Montreal:						
1974	** *	** *	** *	** *	** *	** *
1975	** *	** *	** *	** *	** *	** *
1976	** *	** *	** *	** *	** *	** *
1977	** *	** *	** *	** *	** *	** *
Total:						
1974	** *	** *	** *	100.0	** *	** *
1975	** *	** *	** *	100.0	** *	** *
1976	** *	** *	** *	100.0	** *	** *
1977	** *	** *	** *	100.0	** *	** *

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

Ice hockey sticks: Domestic shipments of U.S. imports
from Finland, 1974-77

Year	Domestic shipments of U.S. imports from Finland		Ratio of quantity of import shipments to total U.S. import shipments		Ratio of quantity of import shipments from Finland to apparent U.S. consumption	
	Quantity	Value	Unit value	Percent	Percent	Percent
	: 1,000 sticks	: 1,000 dollars	: Per stick	: Percent	: Percent	: Percent
1974	* * *	* * *	* * *	* * *	* * *	* * *
1975	314	1,513	\$4.83	* * *	* * *	16.0
1976	290	1,829	6.30	* * *	* * *	16.0
1977	306	1,825	5.96	* * *	* * *	14.9

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

Ice hockey sticks: Domestic shipments of U.S. imports from Finland, by firms, 1974-77

Firm and Year	Domestic shipments of U.S. imports from Finland		Ratio of quantity of import shipments: Finland to total import shipments from all sources		Ratio of quantity of import shipments from Finland to total import shipments from all sources		Ratio of quantity of import shipments to apparent U.S. consumption	
	Quantity	Value	Unit value	Percent	Percent	Percent	Percent	
	: 1,000 sticks	: 1,000 dollars	: Per stick	: Percent	: Percent	: Percent	: Percent	
Koho:								
1974	xxx	xxx	\$ xxx	xxx	xxx	xxx	xxx	
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
Karhu-Titan:								
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
Montreal:								
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	
Total:								
1974	xxx	xxx	xxx	100.0	xxx	xxx	xxx	
1975	314	1,513	4.83	100.0	xxx	xxx	16.0	
1976	290	1,829	6.30	100.0	xxx	xxx	16.0	
1977	306	1,825	5.96	100.0	xxx	xxx	14.9	

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

Domestic shipments of U.S.-produced and imported ice hockey sticks by Koho

Since 1975, Koho has assembled custom-made professional team member ice hockey sticks at its facilities on Long Island, using components imported from Finland in the assembly process. The sticks produced there are virtually identical to those imported from Finland, except that they meet particular player specifications. * * *.

Ice hockey sticks: Domestic shipments by Koho of U.S.-assembled and of imported ice hockey sticks, 1974-77

Year	Quantity	Value	Unit value	Ratio of quantity of shipments to Koho's total shipments	Ratio of quantity of shipments to apparent U.S. consumption
	Number of sticks		Per stick	Percent	Percent
U.S. assembled:					
1974	*	\$*	\$*	*	*
1975	*	*	*	*	*
1976	*	*	*	*	*
1977	*	*	*	*	*
Imported:					
1974	*	*	*	*	*
1975	*	*	*	*	*
1976	*	*	*	*	*
1977	*	*	*	*	*
Total:					
1974	*	*	*	*	*
1975	*	*	*	*	*
1976	*	*	*	*	*
1977	*	*	*	*	*

I/ Not applicable.

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

Employment

* * * * *

Number of production and related workers in the production or assembly
of ice hockey sticks, by firms, 1973-77

Firm	1973	1974	1975	1976	1977
Northland-----	***	***	***	***	***
Christian Brothers-----	***	***	***	***	***
Adirondak-----	***	***	***	***	***
Koho-----	***	***	***	***	***
Total-----	***	***	***	***	***

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

* * * * *

Annual per capita production by production and related workers engaged in
the production of ice hockey sticks, by firms, 1973-77

(Number of sticks per employee)

Firm	1973	1974	1975	1976	1977
Northland-----	***	***	***	***	***
Christian Brothers-----	***	***	***	***	***
Adirondak-----	***	***	***	***	***
Koho-----	***	***	***	***	***
Average-----	***	***	***	***	***

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

Profit-and-Loss Experience of U.S. Producers

Two U.S. producers of ice hockey sticks, Northland and Christian Brothers, provided the Commission with usable data on their profitability on ice hockey sticks. Since ice hockey sticks are their only products, their profitability on ice hockey sticks is virtually identical with their profit-and-loss experience on their overall firm operations. The two producers accounted for * * * percent of total U.S. production of ice hockey sticks in all of the years 1973-77 except 1975.

* * * * *

Prices

Prices of ice hockey sticks generally vary according to the type of stick being sold. There are three basic categories of stick upon which prices are based (junior, standard, and custom) and two subcategories of each of those categories (regular and goal). Junior sticks are designed for players under 10 years of age, standard sticks are designed for nonprofessional players above the age of 10, and custom sticks are designed for professional team members. Junior sticks are the least expensive and custom sticks are generally the most expensive, although discounts or other incentives to teams may result in custom sticks being priced under standard sticks. Of the two subcategories of sticks within each group, goal sticks are generally priced 40 to 45 percent higher than the comparable regular sticks. Within each of the six subcategories, differences in weight and flex resulting from the use of different raw materials or manufacturing methods will result in variations in pricing for different models. The lighter the weight and the stiffer the flex of the handle and blade, the higher the price that will be commanded. The following list shows the wholesale list price in effect in 1977 for wholesale sales by Christian Brothers, Northland, and Koho. The list indicates that for regular sticks Christian Brothers is generally lower priced. Northland falls in the midrange (although Northland has some sticks that are listed at lower prices than Christian Brothers sticks), and Koho generally offers higher priced sticks.

ale prices

		<u>Northland</u>		<u>Koho</u>	
		<u>Model</u>	<u>Price per stick</u>	<u>Model</u>	<u>Price per stick</u>
		Regular:		Regular:	
1,000-----	\$4.12	980P-----	\$6.10	221PM-----	\$6.66
1,001-----	3.12	967L-----	5.45	221-----	6.08
2,000-----	3.50	968H-----	5.45	201-----	5.50
5,000-----	3.25	952C-----	5.00	201/52-----	4.65
7,000-----	3.00	961S-----	3.90	206-----	4.41
130K-----	2.75	920P-----	3.39	214L-----	3.57
500-----	2.50	910S-----	2.40		
238K-----	2.00	713S-----	2.80	Goal:	
Goal:		717S-----	1.67	231-----	9.45
110G-----	6.00	718S-----	1.33	232-----	7.35
210G-----	4.12	Goal:		233-----	6.83
		948G-----	8.75		
		944G-----	7.60		
		947G-----	8.10		
		922G-----	5.75		
		727G-----	6.30		
		715G-----	4.00		

Various types of discounts are offered by domestic producers to various classes of purchasers. Northland offers a dollar-volume discount to retail outlets and sporting goods stores but not to teams. This is Northland's only discounting policy. * * *.

Christian Brothers offers a 1 percent discount for purchases which are paid for within 10 days of delivery. It offers a special discount of 4 percent for purchases made prior to August 15, if paid for by September 10th. * * *.

* * * Virtually all of Koho's sales to the United States of imported ice hockey sticks were found to be at less than fair value, with margins ranging up to * * * cents per stick (* * * percent of the fair market value).

In testimony before the U.S. International Trade Commission, Northland alleged that Koho's 221 PM model was comparable with Northland's 980 model. 1/ * * *.

* * * * *

1/ See the transcript of the hearing, p. 91.

Ice hockey sticks: Average unit values of domestic shipments of U.S.-produced and imported ice hockey sticks, by sources, 1973-77

(Per stick)						
Source	1973	1974	1975	1976	1977	
Imports:						
Finland-----	***	***	\$4.83	\$6.30	\$5.96	
Canada-----	***	***	***	***	***	
Sweden-----	***	***	***	***	***	
Average-----	***	***	***	***	***	
United States-----	***	***	***	***	***	
Average-----	<u>1/</u>	\$2.63	\$3.32	\$4.45	\$4.44	

1/ Not available.

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

* * * * *

Ice hockey sticks: Average unit values of domestic shipments of U.S.-produced and imported ice hockey sticks, by firms, 1973-77

(Per stick)						
Source	1973	1974	1975	1976	1977	
U.S. produced:						
Northland-----	***	***	***	***	***	
Christian Brothers-----	***	***	***	***	***	
Adirondak-----	***	***	***	***	***	
Koho-----	***	***	***	***	***	
Average-----	***	***	***	***	***	
Imported from Finland:						
Koho-----	***	***	***	***	***	
Karhu-Titan-----	***	***	***	***	***	
Montreal-----	***	***	***	***	***	
Average-----	***	***	\$4.83	\$6.30	\$5.96	

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

Evidence of Lost Sales

Five firms--Northland, Christian Brothers, Koho, C. C. M. Volvo--provided information to the

sticks by type of customer. Information provided by Koho separated its sales of U.S.-produced merchandise from its sales of ice hockey sticks imported from Finland. Most Canadian producers of ice hockey sticks did not provide such data; they are believed to account for a substantial portion of total sales to pro shops and sporting goods stores, professional ice hockey teams, and chain stores. A statistical summary of the information obtained is presented in tables 18 through 20.

In addition, the Commission mailed approximately 60 questionnaires to major U.S. purchasers of ice hockey sticks. Among the questionnaire recipients were pro shops and sporting goods stores, professional ice hockey teams, and major chain stores. About half of the 20 responses were from pro shops and sporting goods stores, and about half were from professional ice hockey teams. Additional telephone contacts were made to several of the respondents and to a major chain store that had not responded to the Commission's questionnaire.

Pro shops and sporting goods stores

* * * * *

Professional ice hockey teams

In testimony before the Commission, Northland stated that a large proportion of the professional ice hockey team market had been lost by Northland to Koho. Northland contended that such sales, while small, adversely affect ice hockey stick sales in other markets, because of the wide television exposure of team members and their equipment. Northland also alleged that Koho's increased share of the professional ice hockey team market was attributable to lower prices that were possible because of LTFV sales. 1/

* * * * *

Chain stores

* * * * *

In testimony before the Commission, Northland stated that it had lost sales of 6,000 to 10,000 ice hockey sticks to a mass merchandiser because of the price offered by Koho. 2/ The mass merchandiser was identified as K-Mart.
* * *

* * *

1/ See the transcript of the hearing, p. 38.
2/ See the transcript of the hearing, p. 18.

Other Factors

Northland contended at the Commission's hearing that ice hockey sticks being sold by Koho at LTFV in the U.S. market are not specifically comparable with U.S.-made ice hockey sticks sold at comparable prices. ^{1/} In other words, a specific stick being sold by Koho at a certain price will have more features than a U.S.-made stick sold at a similar price. * * *

Evidence was introduced at the public hearing that indicated that ice hockey sticks imported from Finland by Koho may be less resistant to breakage than other ice hockey sticks. ^{2/} The Swedish Federal Bureau for Consumer Interests tested 100 ice hockey sticks of each of nine different models. Each hockey stick was subjected to slap shots on the ice by members of the Swedish First Division National Ice Hockey Team until the stick broke. On the average, it took 5.3 slap shots to break a Koho 221 stick, and it took 26.5 slap shots to break a Northland Custom Pro stick. Most wooden ice hockey sticks were arrayed between the Koho and the Northland sticks, and only one stick was more prone to early breakage than the Koho stick. * * * If the allegations as to the higher breakage rate for Koho's ice hockey sticks are true, the net cost of purchasing Koho sticks for a given amount of play should be substantially higher than the net cost of purchasing ice hockey sticks from among the competitive U.S. and Canadian models. No purchasers of ice hockey sticks that responded to the Commission's questionnaires indicated breakage as a problem with their purchases of Koho ice hockey sticks.

^{1/} Ibid, p. 33.

^{2/} See the transcript of the hearing, p. 147.

APPENDIX A
STATISTICAL TABLES

Table 2.--Ice hockey sticks: U.S. production and total annual plant capacity, by firms, 1973-77

Firm	1973	1974	1975	1976	1977
Production (number of sticks)					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx
Capacity (number of sticks)					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx
Ratio of production to capacity (percent)					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx
Percentage distribution of quantity of production					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Total-----	100.0	100.0	100.0	100.0	100.0

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

Table 3.--Ice hockey sticks: U.S. producers' domestic shipments, 1/ by firms, 1973-77

Firm	1973	1974	1975	1976	1977
Quantity (number of sticks)					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers-----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx
Value (1,000 dollars)					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers-----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx
Unit value (per stick)					
Northland-----	\$ xxx	\$ xxx	\$ xxx	\$ xxx	\$ xxx
Christian Brothers-----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Average-----	xxx	xxx	xxx	xxx	xxx
Percentage distribution of quantity of shipments					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers-----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Total-----	100.0	100.0	100.0	100.0	100.0
Ratio of quantity of shipments to apparent U.S. consumption (percent)					
Northland-----	<u>2/</u>	xxx	xxx	xxx	xxx
Christian Brothers-----	<u>2/</u>	xxx	xxx	xxx	xxx
Adirondak-----	<u>2/</u>	xxx	xxx	xxx	xxx
Koho-----	<u>2/</u>	xxx	xxx	xxx	xxx
Total-----	<u>2/</u>	xxx	xxx	xxx	xxx

1/ Excludes export shipments.

2/ Not available.

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

Table 4.--Ice hockey sticks: U.S. producers' shipments by value brackets and by firms, 1973-77

Firm and year	Regular							Total	Goal							Total	Pro, all prices	Total, all sticks
	\$2.99 and under	\$3.00 to \$3.99	\$4.00 to \$4.99	\$5.00 to \$5.99	\$6.00 to \$6.99	\$7.00 and over	\$3.99 and under		\$4.00 to \$4.99	\$5.00 to \$5.99	\$6.00 to \$6.99	\$7.00 to \$7.99	\$8.00 to \$8.99	\$9.00 and over				
Quantity (number of sticks)																		
Christian Brothers:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Northland:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Koho:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Share of total accounted for by producers, by value brackets																		
Christian Brothers:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Northland:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Koho:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Total:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Percentage distribution by producer																		
Christian Brothers:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Northland:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Koho:	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1973	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1974	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1975	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1976	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
1977	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx		
Total:	100	100	-	-	-	-	100	100	100	-	-	-	-	-	100	100		
1973	100	100	-	-	-	-	100	100	100	100	100	100	100	100	100	100		
1974	100	100	-	-	-	-	100	100	100	100	100	100	100	100	100	100		
1975	100	100	100	100	-	-	100	100	100	100	100	100	100	100	100	100		
1976	100	100	100	100	-	-	100	100	100	-	100	100	100	100	100	100		
1977	100	100	100	100	-	-	100	100	100	100	100	100	100	100	100	100		

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

Table 5.--Ice hockey sticks: U.S. exports, by firms, 1973-77

Firm	1973	1974	1975	1976	1977
Quantity (units)					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx
Value					
Northland-----	\$ xxx				
Christian Brothers-----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Adirondak-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx

1/ Not available.

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

Table 6.--Ice hockey sticks: U.S. producers' inventories
as of December 31 of 1973-77

(Number)

Year	Northland	Christian Brothers	Adirondak	Koho	Total
Dec. 31 --					
1973-----	xxx	xxx	xxx	xxx	xxx
1974-----	xxx	xxx	xxx	xxx	xxx
1975-----	xxx	xxx	xxx	xxx	xxx
1976-----	xxx	xxx	xxx	xxx	xxx
1977-----	xxx	xxx	xxx	xxx	xxx

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

Table 7.--Ice hockey sticks and all hockey equipment imported under TSUS item 734.80: U.S. imports for consumption, by sources, 1973-77

Source and year	Ice hockey sticks	All ice and field hockey equipment (except skates) (TSUS item 734.80)	Ice hockey sticks as a share of all ice and field hockey equipment
	1,000 dollars	1,000 dollars	Percent
Finland:			
1973-----	1/	1,516	1/
1974-----	xxx	2,911	xxx
1975-----	xxx	1,675	xxx
1976-----	xxx	2,146	xxx
1977-----	xxx	1,365	xxx
Canada:			
1973-----	xxx	11,811	xxx
1974-----	xxx	11,674	xxx
1975-----	xxx	6,945	xxx
1976-----	xxx	7,266	xxx
1977-----	xxx	6,446	xxx
Sweden:			
1973-----	1/	110	1/
1974-----	xxx	214	xxx
1975-----	xxx	379	xxx
1976-----	xxx	429	xxx
1977-----	xxx	391	xxx
All other:			
1973-----	-	3,989	0
1974-----	-	3,758	0
1975-----	-	1,851	0
1976-----	-	1,436	0
1977-----	-	2,022	0
Total:			
1973-----	1/	17,426	1/
1974-----	6,856	18,557	36.9
1975-----	4,018	10,850	37.0
1976-----	4,675	11,277	41.5
1977-----	5,156	10,224	50.4

1/ Not available.

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

Table 8.--Ice hockey sticks: U.S. imports for consumption, by sources, 1973-77

Year	Canada	Finland (LTFV)	Sweden	Total
Quantity (number of sticks)				
1973-----	xxx	<u>1/</u>	xxx	<u>1/</u>
1974-----	xxx	xxx	xxx	2,598,724
1975-----	xxx	xxx	xxx	1,286,515
1976-----	xxx	xxx	xxx	1,102,292
1977-----	xxx	xxx	xxx	1,156,148
Value (1,000 dollars)				
1973-----	xxx	<u>1/</u>	xxx	<u>1/</u>
1974-----	xxx	xxx	xxx	6,856
1975-----	xxx	xxx	xxx	4,018
1976-----	xxx	xxx	xxx	4,675
1977-----	xxx	xxx	xxx	5,156
Unit value (per stick)				
1973-----	\$ xxx	<u>1/</u>	\$ xxx	<u>1/</u>
1974-----	xxx	\$ xxx	xxx	\$2.64
1975-----	xxx	xxx	xxx	3.12
1976-----	xxx	xxx	xxx	4.24
1977-----	xxx	xxx	xxx	4.46

1/ Not available.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission, and from the Department of Industry, Trade, and Commerce, Ottawa, Canada.

Table 9.--Ice hockey sticks: Domestic shipments of U.S. imports, by sources, 1973-77

Year	Canada	Finland	Sweden	Total
Quantity (number of sticks)				
1973-----	xxx	<u>1/</u>	xxx	<u>1/</u>
1974-----	xxx	xxx	xxx	xxx
1975-----	xxx	313,633	xxx	xxx
1976-----	xxx	290,472	xxx	xxx
1977-----	xxx	306,428	xxx	xxx
Value (1,000 dollars)				
1973-----	xxx	<u>1/</u>	xxx	<u>1/</u>
1974-----	xxx	xxx	xxx	xxx
1975-----	xxx	1,513	xxx	xxx
1976-----	xxx	1,829	xxx	xxx
1977-----	xxx	1,825	xxx	xxx
Ratio of quantity of import shipments to apparent consumption (percent)				
1973-----	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>
1974-----	\$ xxx	\$ xxx	\$ xxx	\$ xxx
1975-----	xxx	16.0	xxx	xxx
1976-----	xxx	16.0	xxx	xxx
1977-----	xxx	14.9	xxx	xxx
Unit value (per stick)				
1973-----	\$xxx	<u>1/</u>	\$xxx	<u>1/</u>
1974-----	xxx	xxx	xxx	\$xxx
1975-----	xxx	\$4.83	xxx	xxx
1976-----	xxx	6.30	xxx	xxx
1977-----	xxx	5.96	xxx	xxx

1/ Not available.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission, and from the Department of Industry, Trade, and Commerce, Ottawa, Canada.

Source: Data for Canada are imports, not domestic shipments of imported ice hockey sticks.

Table 11.--Ice hockey sticks: U.S. imports from Finland, by firms, 1973-77

Year and firm	U.S. Imports			Ratio of
	Quantity	Value	Unit value	quantity of imports to total U.S. imports
	<u>Number of sticks</u>		<u>Per stick</u>	<u>Percent</u>
1973:				
Koho-----	xxx	\$ xxx	\$xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx
Total-----	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>
1974:				
Koho-----	xxx	xxx	xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx
1975:				
Koho-----	xxx	xxx	xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx
1976:				
Koho-----	xxx	xxx	xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx
1977:				
Koho-----	xxx	xxx	xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx

1/ Not available.

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

Table 12.--Ice hockey sticks: Domestic shipments of U.S. imports from Finland, by firms, 1973-77

Year and firm	Domestic shipments of U.S. imports from Finland			Ratio of	Ratio of
	Quantity	Value	Unit value	quantity of shipments of imports to U.S. consumption	quantity of shipments of imports to total U.S. import shipments
	Number of sticks		Per stick	Percent	Percent
1973:					
Koho-----	xxx	\$ xxx	\$ xxx	xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx	xxx
Total-----	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>
1974:					
Koho-----	xxx	xxx	xxx	xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx
1975:					
Koho-----	xxx	xxx	xxx	xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx	xxx
Total-----	313,633	1,513,328	4.83	16.0	xxx
1976:					
Koho-----	xxx	xxx	xxx	xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx	xxx
Total-----	290,472	1,829,274	6.30	16.0	xxx
1977:					
Koho-----	xxx	xxx	xxx	xxx	xxx
Karhu-Titan-----	xxx	xxx	xxx	xxx	xxx
Montreal-----	xxx	xxx	xxx	xxx	xxx
Total-----	306,428	1,824,991	5.96	14.9	xxx

1/ Not available.

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

Table 13.--Profit-and-loss experience of domestic producers of ice hockey sticks ^{1/} on all operations, 1973-77

Year and firm	Net sales	Cost of goods sold	Gross profit	General, selling, and administrative expenses	Net operating profit or (loss)	Ratio of net operating profit or (loss) to net sales
	<u>1,000</u> dollars	<u>1,000</u> dollars	<u>1,000</u> dollars	<u>1,000</u> dollars	<u>1,000</u> dollars	Percent
1973:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
1974:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
1975:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
1976:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
1977:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx

^{1/} Virtually all of the domestic manufacturing and sales by Northland and Christian Brothers are of ice hockey sticks. The data presented in this table, therefore, approximates the profit-and-loss experience of those firms on their ice hockey stick operations.

^{2/} Less than 0.5 percent.

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

Note.--Profit-and-loss data for Adirondak and Koho on their U.S.-produced ice hockey sticks are not available.

Table 14.--Net operating profit or (loss), original value, and book value of owned or leased fixed assets of the establishments in which ice hockey sticks are produced, 1973-77

Year and firm	:Net operating:		:Original value:		:Book value:		:Ratio of profit:Ratio of net profit or (loss)	
	: profit or	: (loss)	: value	: value	: value	: sales	: to net:	: to--
	: dollars	: dollars	: dollars	: dollars	: dollars	: Percent	: Percent	: Percent
1973:			1,000	1,000				
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	1/	xxx	xxx	xxx	1/	xxx	xxx
1974:								
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	1/	xxx	xxx	xxx	1/	xxx	xxx
1975:								
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	1/	xxx	xxx	xxx	1/	xxx	xxx
1976:								
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	1/	xxx	xxx	xxx	1/	xxx	xxx
1977:								
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Christian Bros-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	1/	xxx	xxx	xxx	1/	xxx	xxx

1/ Not available.

2/ Less than 0.5 percent.

4

Note.--Both firms produced only hockey sticks during this period.

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

Table 15.-- Capital expenditures and research and development expenses incurred in connection with the production of ice hockey sticks, 1973-77

Year and firm	(In thousands of dollars)				Total
	Capital expenditures			Research and development expenses	
	Land, land improvements	Buildings, leasehold improvements	Machinery, equipment, and fixtures		
1973:					
Northland	xxx	xxx	xxx	xxx	xxx
Christian Bros	xxx	xxx	xxx	xxx	xxx
Total	xxx	xxx	xxx	xxx	xxx
1974:					
Northland	xxx	xxx	xxx	xxx	xxx
Christian Bros	xxx	xxx	xxx	xxx	xxx
Total	xxx	xxx	xxx	xxx	xxx
1975:					
Northland	xxx	xxx	xxx	xxx	xxx
Christian Bros	xxx	xxx	xxx	xxx	xxx
Total	xxx	xxx	xxx	xxx	xxx
1976:					
Northland	xxx	xxx	xxx	xxx	xxx
Christian Bros	xxx	xxx	xxx	xxx	xxx
Total	xxx	xxx	xxx	xxx	xxx
1977:					
Northland	xxx	xxx	xxx	xxx	xxx
Christian Bros	xxx	xxx	xxx	xxx	xxx
Total	xxx	xxx	xxx	xxx	xxx

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

Table 16.--Ice hockey sticks: Net delivered prices paid by sporting goods stores and pro shops for the highest quality sticks purchased from each supplier during 1976 and 1977, for the largest volume of purchases in each quarter, by quarters, 1976 and 1977

Source and model	(Per stick)									
	1976				1977					
	I	II	III	IV	I	II	III	IV		
Imports:	:	:	:	:	:	:	:	:	:	:
Finland:	:	:	:	:	:	:	:	:	:	:
Koho (221PM)-----	\$ xxx	\$ xxx	\$ xxx	\$ xxx	\$ xxx	\$ xxx	\$ xxx	\$ xxx	\$ xxx	\$ xxx
Titan (PRO)-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Montreal (FG)-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Canada:	:	:	:	:	:	:	:	:	:	:
Canadian (PRO)-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Sherwood (PMP)-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Victoriaville-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Louisville (110P)-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
U.S.-produced:	:	:	:	:	:	:	:	:	:	:
Northland (CPPM)-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers	:	:	:	:	:	:	:	:	:	:
(1000)-----	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
	:	:	:	:	:	:	:	:	:	:

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

Note.--All purchasers that provided price data by sources and by quarters were used. All prices for a given model for a given quarter were in agreement.

Table 17.--Ice hockey sticks: Net delivered prices paid by professional teams for the highest quality sticks purchased from each supplier during 1976 and 1977 for the largest volume of purchases in each quarter, by quarters, 1976 and 1977

Source and model	1976				1977			
	I	II	III	IV	I	II	III	IV
Imports:								
Finland:								
Koho-----	\$ xxx : \$ xx :		\$ xxx :					
Titan-----	xxx : xx :		xxx :					
Montreal-----	xxx : xx :		xxx :					
Canada:								
Sherwood (PMP)-----	xxx : xx :		xxx :					
Louisville (110P)-----	xxx : xx :		xxx :					
U.S. produced:								
Northland (CPPM)-----	xxx : xx :		xxx :					
Koho (221PM)-----	xxx : xx :		xxx :					

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

Note.--All purchasers that provided price data by sources, by models, and, by quarters were used. The prices shown are the lowest price given for each purchaser. Koho's sales to teams are all from its U.S. plant.

Table 18.--Ice hockey sticks: Domestic shipments by specified classes of customers, and by firms, 1973-77

(In thousands of sticks)						
Year and firm	Pro shops	Professional teams	Chain stores	Other ^{1/}	Total	
1973:						
U.S.- produced:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:						
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
1974:						
U.S.- produced:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:						
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
1975:						
U.S.- produced:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:						
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
1976:						
U.S.- produced:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:						
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
1977:						
U.S.- produced:						
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:						
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx

^{1/} Includes wholesale outlets, hockey clubs, universities, and so forth.

^{2/} Less than 500 sticks.

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

Table 19.--Ice hockey sticks: Percentage distribution of domestic shipments to specified classes of customers, by firms, 1973-77

(In percent)					
Year and firm	Pro shops	Professional teams	Chain stores	Other	Total
1973:					
U.S.- produced:					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	100
Imported:					
Koho-----	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	100
1974:					
U.S.- produced:					
Northland-----	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	100
Imported:					
Koho-----	xxx	xxx	xxx	xxx	100
CCM-----	xxx	xxx	xxx	xxx	100
Volvo-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
1975:					
U.S.- produced:					
Northland-----	xxx	xxx	xxx	xxx	100
Christian Brothers----	xxx	xxx	xxx	xxx	100
Koho-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
Imported:					
Koho-----	xxx	xxx	xxx	xxx	100
CCM-----	xxx	xxx	xxx	xxx	100
Volvo-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
1976:					
U.S.- produced:					
Northland-----	xxx	xxx	xxx	xxx	100
Christian Brothers----	xxx	xxx	xxx	xxx	100
Koho-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
Imported:					
Koho-----	xxx	xxx	xxx	xxx	100
CCM-----	xxx	xxx	xxx	xxx	100
Volvo-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
1977:					
U.S.- produced:					
Northland-----	xxx	xxx	xxx	xxx	100
Christian Brothers----	xxx	xxx	xxx	xxx	100
Koho-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
Imported:					
Koho-----	xxx	xxx	xxx	xxx	100
CCM-----	xxx	xxx	xxx	xxx	100
Volvo-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100
Total-----	xxx	xxx	xxx	xxx	100

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission. A-46

Table 20.--Ice hockey sticks: Percentage distribution of domestic shipments, by firms, by specified classes of customers, 1973-77

(In percent)						
Year and firm	Pro shops	Professional teams	Chain stores	Other	Total	
1973:	:	:	:	:	:	:
U.S.- produced:	:	:	:	:	:	:
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:	:	:	:	:	:	:
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	100	100	100	100	100	100
1974:	:	:	:	:	:	:
U.S.- produced:	:	:	:	:	:	:
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:	:	:	:	:	:	:
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	100	100	100	100	100	100
1975:	:	:	:	:	:	:
U.S.- produced:	:	:	:	:	:	:
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:	:	:	:	:	:	:
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	100	100	100	100	100	100
1976:	:	:	:	:	:	:
U.S.- produced:	:	:	:	:	:	:
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:	:	:	:	:	:	:
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	100	100	100	100	100	100
1977:	:	:	:	:	:	:
U.S.- produced:	:	:	:	:	:	:
Northland-----	xxx	xxx	xxx	xxx	xxx	xxx
Christian Brothers----	xxx	xxx	xxx	xxx	xxx	xxx
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Imported:	:	:	:	:	:	:
Koho-----	xxx	xxx	xxx	xxx	xxx	xxx
CCM-----	xxx	xxx	xxx	xxx	xxx	xxx
Volvo-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	xxx	xxx	xxx	xxx	xxx	xxx
Total-----	100	100	100	100	100	100

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

APPENDIX B

**LETTER OF ADVICE FROM H. C. STOCKELL, ACTING GENERAL COUNSEL,
U.S. DEPARTMENT OF THE TREASURY TO THE CHAIRMAN OF THE U.S.
INTERNATIONAL TRADE COMMISSION, DECEMBER 23, 1977**



A-50
THE GENERAL COUNSEL OF THE TREASURY
WASHINGTON, D.C. 20220

DEC 23 1977
977 DEC 28 PM 1:51

OFFICE OF THE
U.S. INTL. TRADE COMMISSION

EXHIBIT NUMBER
479
U.S. INTL. TRADE COMMISSION

Dear Mr. Chairman:

In accordance with section 201(a) of the Antidumping Act, (1921), as amended, you are hereby advised that ice hockey sticks from Finland are being, or are likely to be, sold at less than fair value within the meaning of the Act.

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

Sincerely yours,

Henry C. Stockell
Acting General Counsel

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

APPENDIX C

**U.S. INTERNATIONAL TRADE COMMISSION NOTICE OF
INVESTIGATION AND HEARING**

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

[AA1921-177]

ICE HOCKEY STICKS FROM FINLAND

Notice of Investigation and Hearing

Investigation instituted.--Having received advice from the Department of the Treasury on December 28, 1977 that ice hockey sticks from Finland are being, or are likely to be, sold at less than fair value, the United States International Trade Commission on January 5, 1978, instituted investigation number AA1921-177 under section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)), to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Public hearing ordered.--A public hearing in connection with the investigation will be held in the Commission's Hearing Room, United States International Trade Commission Building, 701 E Street, NW., Washington, D.C. 20436, beginning at 10:00 a.m., E.S.T. on Thursday, February 23, 1978. All parties shall there and then have the right to appear by counsel or in person, to present evidence, and to be heard. Requests to appear at the public hearing, or to intervene under the provisions of section 201(d) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(d)), should be received in writing by the Secretary of the Commission at his office in Washington, not later than noon, Thursday, February 16, 1978.

Prehearing conference.--There will be a prehearing conference in connection with this investigation which will be held in Washington, D.C. at 10:00 a.m., E.S.T., on Friday, February 17, 1978, in room 117, U.S. International Trade Commission Building, 701 E Street, NW.

By order of the Commission:

A handwritten signature in black ink, appearing to read 'Kenneth R. Mason', written over a horizontal line.

Kenneth R. Mason
Secretary

Issued: January 6, 1978

APPENDIX D

DEPARTMENT OF THE TREASURY ANTIDUMPING PROCEEDING
NOTICE FOR ICE HOCKEY STICKS FROM FINLAND
(42 F.R. 14798), MARCH 16, 1977

DEPARTMENT OF THE TREASURY

Office of the Secretary

ICE HOCKEY STICKS FROM FINLAND

Antidumping Proceeding Notice

AGENCY: United States Treasury Department.

ACTION: Initiation of Antidumping Investigation.

SUMMARY: This notice is to advise the public that a petition in proper form has been received and an antidumping investigation is being initiated for the purpose of determining whether or not imports of ice hockey sticks from Finland are being, or likely to be, sold at less than fair value within the meaning of the Antidumping Act of 1921, as amended. Sales at less than fair value generally occur when the prices of the merchandise sold for exportation to the United States are less than the prices in the home market.

EFFECTIVE DATE: This investigation will begin on March 16, 1977.

FOR FURTHER INFORMATION:

John Kugelman, Duty Assessment Division, United States Customs Service, 1301 Constitution Avenue NW., Washington, D.C. 20229. (202-566-5492.)

SUPPLEMENTARY INFORMATION: On March 2, 1977, information was received in proper form pursuant to §§ 153.26 and 153.27, Customs Regulations (19 CFR 153.26, 153.27), from The Northland Group, Inc., a domestic producer of the subject merchandise, indicating a possibility that ice hockey sticks from Finland are being, or are likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160 et seq.).

There is evidence on record concerning injury to, or likelihood of injury to, or prevention of establishment of an industry in the United States. This evidence indicates that ice hockey sticks from Finland are underselling the domestic product in the United States as a result of possible less-than-fair value prices. Furthermore, the petitioner has experienced a decline in sales, excess plant capacity, and financial losses, stemming in part from possible sales at less than fair value.

Having conducted a summary investigation as required by § 153.29 of the Customs Regulations (19 CFR 153.29) and having determined as a result thereof that there are grounds for doing so, the United States Custom Service is instituting an inquiry to verify the information submitted and to obtain the facts necessary to enable the Secretary of the Treasury to reach a determination as to the fact or likelihood of sales at less than fair value.

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

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

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

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

MARCH 10, 1977.

[FR Doc.77-7729 Filed 3-15-77;8:45 am]

APPENDIX E

**DEPARTMENT OF THE TREASURY NOTICE OF WITHHOLDING
OF APPRAISEMENT (42 F.R. 47190),
SEPTEMBER 22, 1977**

Mr. John R. Kugelman, Operations Officer, U.S. Customs Service, Office of Operations, Duty Assessment Division, Technical Branch, 1301 Constitution Avenue NW., Washington, D.C. 20229 (202-566-5492).

SUPPLEMENTARY INFORMATION:

On March 2, 1977, information was received in proper form pursuant to sections 153.26 and 153.27, Customs Regulations (19 CFR 153.26, 153.27), from The Northland Group, Inc., Chaska, Minn., alleging that ice hockey sticks from Finland are being, or are likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160 et seq.) (referred to in this notice as "the Act"). An "Antidumping Proceeding Notice" was published in the FEDERAL REGISTER on March 16, 1977 (42 FR 14798). That notice indicated that there was evidence on record concerning injury to or likelihood of injury to, or prevention of establishment of, an industry in the United States.

TENTATIVE DETERMINATION OF SALES AT LESS THAN FAIR VALUE

On the basis of the information developed in Customs' investigation and for the reasons noted below, pursuant to section 201(b) of the Act (19 U.S.C. 160(b)), I hereby determine that there are reasonable grounds to believe or suspect that the purchase price of ice hockey sticks from Finland is less, or is likely to be less, than the fair value, and thereby, the foreign market value, of such or similar merchandise.

STATEMENT OF REASONS ON WHICH THIS DETERMINATION IS BASED

a. *Scope of the Investigation.* It appears that 100 percent of the imports of the subject merchandise from Finland were sold for export to the United States by Koho-Tuote Oy, Forsa, Finland (Koho), Oy Montreal-Urheil, Tampere, Finland (Montreal), and Karhu-Titan Oy, Helsinki, Finland (Karhu). The investigation included sales by these three exporters but, since Koho accounted for approximately 75 percent of such sales, the fair value comparisons were confirmed to Koho's sales.

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

In accordance with section 153.2(a), Customs Regulations (19 CFR 153.2(a)), fair value was based on home market sales of such or similar merchandise to unrelated purchasers, which occurred in sufficient quantities to form an adequate basis of comparison.

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

c. *Purchase Price.* For the purpose of this tentative determination of sales at less than

fair value, purchase price has been calculated on the basis of the c.i.f. price to the United States customer, which already includes a quantity discount. Deductions have been made for ocean freight and marine insurance. An addition was made of the amount of Value Added Tax ("VAT") included in the home market price, pursuant to section 203 of the Act (19 U.S.C. 162).

d. *Home Market Price.* For the purpose of this tentative determination of sales at less than fair value, the home market price has been calculated on the basis of the ex-factory price in the home market to unrelated purchasers. Adjustments have been made for quantity discounts, a seasonal discount, credit cost and packing differentials, and for certain advertising and promotional expenses pursuant to section 153.10, Customs Regulations (19 CFR 153.10), as appropriate.

The credit cost adjustment was granted to take into account differences in those costs between home market sales and sales for export to the United States.

Additional adjustments were claimed for differences in invoicing and collection costs, warehousing costs and salaries in sales to the U.S. as opposed to home market sales. Because these costs are associated with general overhead expenditures are not directly related to the sale of hockey sticks, no adjustment was granted.

e. *Result of Fair Value Comparisons.* Using the above criteria, preliminary analysis suggests that purchase price is lower than the home market price of such or similar merchandise. Comparisons were made on approximately 98 percent of the sales of the subject merchandise to the United States by Koho during the investigative period. Margins were tentatively found ranging from 0 to 21 percent on sales by Koho on 98 percent of the sales compared. The weighted-average margin found on all Koho sales at margin was 14 percent.

Accordingly, Customs officers are being directed to withhold appraisement of ice hockey sticks from Finland in accordance with section 153.48, Customs Regulations (19 CFR 153.48).

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

Any request that the Secretary of the Treasury afford an opportunity to present oral views should be addressed to the Commissioner of Customs, 1301 Constitution Avenue NW., Washington, D.C. 20229, in time to be received by his office no later than October 3, 1977. Such requests must be accompanied by a statement outlining the issues wished to be discussed.

Any written views or arguments should likewise be addressed to The Commissioner of Customs in time to be received in his office on or before October 25, 1977.

This notice, which is published pursuant to section 153.35(b), Customs Regulations (19 CFR 153.35(b)), shall become effective upon publication in the FEDERAL REGISTER. It shall cease to be effective 6 months from the date of publication unless previously revoked.

ROBERT H. MUNDHEIM,
Treasurer.

A-58
[FR Doc. 77-27533 Filed 9-21-77; 8:45 am]

Office of the Secretary

ICE HOCKEY STICKS FROM FINLAND

Antidumping; Withholding of Appraisement Notice

SEPTEMBER 16, 1977.

AGENCY: U.S. Treasury Department.

ACTION: Withholding of Appraisement.

SUMMARY: This notice is to advise the public that an antidumping investigation has resulted in a preliminary determination that ice hockey sticks from Finland are being sold at less than fair value. Sales at less than fair value generally occur when the price of merchandise sold for exportation to the United States is less than the price of such or similar merchandise sold in the home market or to third countries. Appraisement for the purposes of determining the proper duties applicable to entries of this merchandise will be suspended for 6 months. Interested parties are invited to comment on this action.

EFFECTIVE DATE: September 22, 1977.

FOR FURTHER INFORMATION CONTACT:

APPENDIX F

DEPARTMENT OF THE TREASURY NOTICE OF DETERMINATION
OF SALES AT LESS THAN FAIR VALUE
(42 F.R. 65345), DECEMBER 30, 1977

Office of the Secretary

ICE HOCKEY STICKS FROM FINLAND

Antidumping; Determination of Sales at Less Than Fair Value

AGENCY: U.S. Treasury Department.

ACTION: Determination of sales at less than fair value.

SUMMARY: This notice is to advise the public that an antidumping investigation has resulted in a determination that ice hockey sticks from Finland are being sold at less than fair value under the Antidumping Act. (Sales at less than fair value generally occur when the price of merchandise for exportation to the United States is less than the price of such or similar merchandise sold in the home market or to third countries.) This case is being referred to the United States International Trade Commission for a determination concerning possible injury to an industry in the United States.

EFFECTIVE DATE: December 30, 1977.

FOR FURTHER INFORMATION CONTACT:

John R. Kugelmann, Operations Officer, Duty Assessment Division, U.S. Customs Service, 1301 Constitution Avenue NW., Washington, D.C. 20223, telephone 202-536-5492.

SUPPLEMENTARY INFORMATION: Information was received in proper form on March 2, 1977, from the Northland Group, Inc. of Chaska, Minn., alleging that ice hockey sticks from Finland were being sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160 et seq.) (Referred to in this notice as "the Act"). This information was the subject of an "Antidumping Proceeding Notice" which was published in the FEDERAL REGISTER of March 16, 1977 (42 FR 14798). The "Antidumping Proceeding Notice" indicated that there was evidence on record concerning injury or likelihood of injury to, or prevention of establishment of an industry in the United States.

A "Withholding of Appraisalment Notice" issued by the Secretary of the Treasury was published in the FEDERAL REGISTER of September 22, 1977 (42 FR 47190).

DETERMINATION OF SALES AT LESS THAN FAIR VALUE

I hereby determine that for the reasons stated below, ice hockey sticks from Finland are being, or are likely to be, sold at less than fair value within the meaning of section 201(a) of the Act (19 U.S.C. 160(a)).

STATEMENT OF REASONS ON WHICH THIS DETERMINATION IS BASED

a. *Scope of the Investigation.* It appears that 100 percent of the imports of the subject merchandise from Finland were sold for export to the United States by Koho-Tuote Oy, Forssa, Finland (Koho), Oy Montreal-Urheilija, Tampere, Finland (Montreal), and Karhu-Titan Oy, Helsinki, Finland (Karhu). Koho accounted for approximately 75 percent of sales to the United States during the investigatory period and therefore fair value comparisons were confined to sales made by that firm.

b. *Basis of comparison.* For the purpose of considering whether the merchandise in question is being, or is likely to be, sold at less than fair value within the meaning of the Act, the proper basis of comparison is between purchase price and home market price of such or similar merchandise. Purchase price, as defined in section 203 of the Act (19 U.S.C. 162), was used since all export sales appear to be made to a nonrelated customer in the United States.

In accordance with section 153.2(a), Customs Regulations (19 CFR 153.2(a)), fair value was based on home market sales of such or similar merchandise to unrelated purchasers, which occurred in sufficient quantities to form an adequate basis of comparison.

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

c. *Purchase Price.* For the purpose of this determination of sales at less than fair value, purchase price has been calculated on the basis of the c.i.f. price to the U.S. customer, which already includes a quantity discount. Deductions have been made for ocean freight and marine insurance. An addition was made of the amount Value Added Tax ("VAT") included in the home market price, pursuant to section 203 of the Act (19 U.S.C. 162).

d. *Home Market Price.* For the purpose of this determination of sales at less than fair value, the home market price has been calculated on the basis of the ex-factory price in the home market to unrelated purchasers. Adjustments have been made for quantity discounts, a seasonal discount, credit cost and packing differentials, and for certain advertising and promotional expenses pursuant to section 153.10, Customs Regulations (19 CFR 153.10), as appropriate.

The credit cost adjustment was granted to take into account differences in those costs between home market sales and sales for export to the United States.

e. *Result of Fair Value Comparisons.* Using the above criteria, purchase price is lower than the home market price of such or similar merchandise. Comparisons were made on approximately 93 percent of the sales of the subject merchandise to the United States by Koho during the investigatory period. Margins were found ranging from 0 to 21 percent on sales by Koho on 98 percent of the sales compared. The weighted-average margin found on all Koho sales was 10.5 percent.

Although the general question of the appropriateness of present regulations and practices in the making of adjustments for differences in circumstances of sale (section 153.10, Customs Regulations, 19 CFR 153.10) and level of trade (section 153.15, Customs Regulations, 19 CFR 153.15), remains under study in the Treasury Department, it has been determined that in this case an additional adjustment to the home market price is appropriate under section 153.15, supra, for differences in the level of trade between sales to the U.S. and sales in Finland. In the home market, sales are generally made from inventory that is stored at the producer's expense until the stock is delivered for sale to Koho's customers. Sales to the United States are made to a single distributor that itself, bears the cost of holding the inventory for resale. Accordingly, an adjustment for the additional costs of warehousing incurred in the home market will be allowed if the appropriate costs are ascertained and verified by the U.S. Customs Service. As soon as this adjustment has been calculated, and new fair value comparisons made, Treasury will issue an appropriate amendment of this notice and notify the U.S. International Trade Commission of any resulting revision in the size of the sales at less than fair value margins.

No adjustments will be made for alleged differences in invoicing, collection and selling costs, all of which appear to be related to general overhead and not directly allocated to differences in the level at which sales are made in the two markets under consideration.

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

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

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

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

DECEMBER 23, 1977.

[FR Doc. 77-37243 Filed 12-29-77; 8:45 am]

APPENDIX G

LETTER FROM ROBERT H. MUNDHEIM, GENERAL COUNSEL OF THE TREASURY,
TO THE CHAIRMAN, UNITED STATES INTERNATIONAL TRADE COMMISSION,
MARCH 6, 1978



A-62

MAR - 7 1978

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

MAR 6 1978

FILE

CONFIDENTIAL

Dear Mr. Chairman:

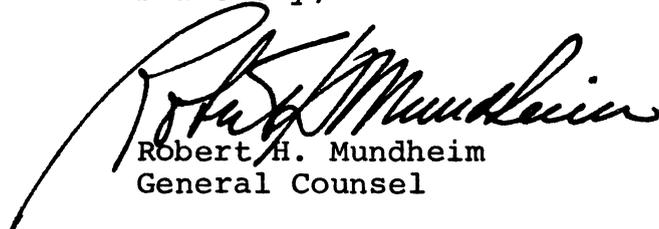
This is to advise you that the Treasury has reconsidered the basis for its fair value comparisons in the antidumping investigation involving ice hockey sticks from Finland. In addition, this is to inform you that the weighted average margin in this case as reported in the Treasury's "Determination of Sales at Less Than Fair Value" has been modified.

In its "Determination of Sales at Less Than Fair Value", the Treasury reported a range of dumping margins from 0 to 21 percent with a weighted average margin based on all sales of the Finnish firm used for fair value comparisons, Koho, of 10.5 percent. The correct weighted average margin should have been reported as 14 percent.

The Department has further concluded that an additional adjustment to home market price was appropriate under section 153.10, Customs Regulations (19 CFR 153.10) regarding circumstances of sales. Accordingly, you are hereby advised that the margins found with respect to ice hockey sticks from Finland have been revised. The range of dumping margins is from 0 to 19 percent and the appropriate weighted average margin based on all of Koho's sales is 12.2 percent.

I apologize for an inconvenience the late arrival of this information may have caused the Commission and its staff, and hope that there is sufficient time for the Commission to take this information into account in its deliberations.

Sincerely,


Robert H. Mundheim
General Counsel

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

A-62

[4810-22]

DEPARTMENT OF THE TREASURY
OFFICE OF THE SECRETARY

ICE HOCKEY STICKS FROM FINLAND

MODIFICATION OF DETERMINATION OF SALES AT LESS THAN
FAIR VALUE

AGENCY: U.S. Treasury Department

ACTION: Modification of Determination of Sales at Less Than
Fair Value

SUMMARY:

This notice is to advise the public that the determination of sales at less than fair value under the Antidumping Act, 1921, as amended, on ice hockey sticks from Finland has been reconsidered. Accordingly, the determination is being modified to reflect the results of this reconsideration. Sales at less than fair value generally occur when the prices of the merchandise sold for exportation to the United States are less than prices in the home market or to third countries.

EFFECTIVE DATE:

(Date of Publication in the FEDERAL REGISTER)

FOR FURTHER INFORMATION CONTACT:

Donald W. Eiss, Office of Tariff Affairs, U.S. Department of the Treasury, 15th Street and Pennsylvania Avenue, N.W., Washington, D.C. 20220 (202-566-8256).

SUPPLEMENTARY INFORMATION:

A "Determination of Sales at Less Than Fair Value" with respect to ice hockey sticks from Finland was published in the

FEDERAL REGISTER of December 30, 1977 (42 FR 65345).

In the "Statement of Reasons" of that notice, paragraph one of subsection (e) "Results of Fair Value Comparisons," stated that the weighted average margin found on all sales to the United States during the investigatory period made by the firm used for fair value comparisons, Koho-Tuote Oy (Koho), was 10.5 percent. It has been determined that this figure was not accurate and that the correct weighted average margin found on all Koho's sales was 14.0 percent.

Further, in paragraph two under subsection (e), the Treasury raised the possibility that a revision in the size of the margins of sales at less than fair value might be necessary to account for certain additional adjustments to home market prices pursuant to section 153.15, Customs Regulations, (19 CFR 153.15) for differences in the home market and export levels of trade. In particular, certain warehousing costs which Koho claimed to incur in connection with its home market sales, but which it said were not incurred on sales to the U.S. importer, were to be considered.

As was stated in the notice, the possibility of making adjustments for such warehousing costs was considered within the context of the presently pending review of Treasury regulations and policies concerning adjustments both for differences in circumstances of sale (19 CFR 153.10) and levels of trade (19 CFR 153.15). Treasury is aware of, and sensitive to, the possibility that present

regulations and Treasury policies regarding these two issues may not have in the past properly recognized all expenses which may warrant adjustments.

However, it has been determined that a review and possible alteration of regulations and policies with respect to such a fundamental area of the administration of the Antidumping Act, 1921, as amended (19 U.S.C. 160 et seq.) should not be implemented on a case-by-case basis. It would be inappropriate to make such changes in any case before the comprehensive review referred to is completed. Therefore, it has been decided that no further adjustments to home market price based on alleged differences in levels of trade, under section 153.15, supra., will be made pending the completion of the more general review of this area presently underway.

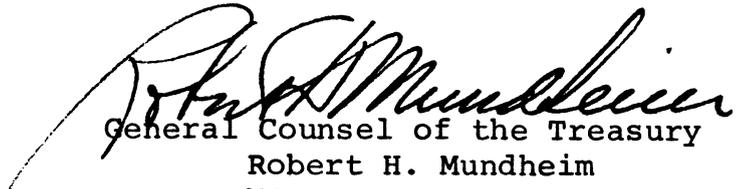
It has however, been determined that Koho does incur warehousing costs in certain of its home market sales of ice hockey sticks, namely, with respect to those sticks already sold. The Treasury recognizes that when warehousing costs are incurred after the sale of a good is completed, an adjustment is justified under section 153.10, supra., as an expense which is directly related to the sale under consideration.

In accordance with section 153.2, Customs Regulations (19 CFR 153.2), the home market price of the merchandise has been recalculated to reflect the additional deduction warranted under section 153.10, supra. As a result the margins found with respect

to all sales from Finland now range from 0 to 19 percent with a weighted average margin of 12.2 percent.

Accordingly, the "Notice of Determination of Sales at Less Than Fair Value" referred to above is modified to reflect the change in the home market price used for comparison and the results of comparisons made.

The United States International Trade Commission is being advised of this modification. This notice is published pursuant to section 153.42, Customs Regulations (19 CFR 153.42).



General Counsel of the Treasury

Robert H. Mundheim

MAR 6 1978

APPENDIX H

**PROBABLE ECONOMIC EFFECTS OF TARIFF CHANGES UNDER
TITLE I AND TITLE V OF THE TRADE ACT OF 1974
FOR TRADE AGREEMENT DIGEST NO. 70135**

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