

CERTAIN CERAMIC ARTICLES

**Report to the President on
Investigation No. TA-203-4
Under Section 203
of the Trade Act of 1974**



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UNITED STATES INTERNATIONAL TRADE COMMISSION

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USITC REPORTS ON PROBABLE ECONOMIC EFFECT OF IMMEDIATE TERMINATION OF IMPORT RELIEF ON CERTAIN CERAMIC ARTICLES

The United States International Trade Commission, on June 1, 1978, advised the President that the probable economic effect on the domestic industry of the immediate termination of the current import relief applicable to earthen dinnerware and nondinnerware and nonbone china nondinnerware would be minimal.

Commissioners Daniel Minchew, Joseph O. Parker, George M. Moore, Italo H. Ablondi, and Bill Alberger advised that the probable economic effect of the immediate termination of the import relief, which is in the form of higher tariffs, would be minimal. Commissioner Bedell advised that the termination of the higher duties at this time would be premature.

Increased rates of duty were first imposed for a period of 4 years, effective May 1, 1972, on certain earthen and china table and kitchen articles following an investigation and report by the Commission pursuant to the Trade Expansion Act of 1962. In April 1976, the President extended the relief on the bulk of the imported articles for 3 years and permitted relief on the remaining articles to expire. The present relief is scheduled to terminate at the close of business April 30, 1979, unless terminated earlier by the President.

The investigation revealed that the increased rates were effective in restraining imports of all earthen dinnerware and nondinnerware and nonbone

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USITC REPORTS ON PROBABLE ECONOMIC EFFECT OF IMMEDIATE TERMINATION
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china nondinnerware during the period May 1, 1972, through December 31, 1975. However, in 1976 and 1977, imports of earthen and china table and kitchen articles increased substantially, largely because an increasing percentage of the imports originally subject to the higher rates of duty were entering under unprotected higher tariff categories as a result of inflation and foreign currency revaluations.

This investigation was one of three investigations covering certain ceramic articles requested by the Special Representative for Trade Negotiations and conducted simultaneously. The second investigation, No. TA-131(b)-2, was to enable the Commission to advise the President of the probable economic effect of the continuance, reduction, or increase of U.S. duties. The third investigation, No. 332-100, was for the purpose of providing the Special Representative with a revised nomenclature for ceramic table and kitchen articles. The Commission's advice on investigations Nos. TA-131(b)-2 and 332-100 was submitted in confidence.

The Commission's report, Certain Ceramic Articles (USITC Publication 893), contains the views of the Commissioners and information developed in the investigation (No. TA-203-4). Copies may be obtained by calling (202) 523-5178 or from the Office of the Secretary, 701 E Street NW., Washington, D.C. 20436.

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Introduction

Following receipt of a request on March 13, 1978, filed by the Special Representative for Trade Negotiations, the United States International Trade Commission on March 30, 1978, 1/ instituted an investigation under section 203(i)(2) of the Trade Act of 1974 for the purpose of gathering information in order that it might advise the President of its judgment as to the probable economic effect on the domestic industry producing articles like or directly competitive with--

articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients, all the foregoing temporarily provided for in items 923.01 through 923.15, inclusive, of the Appendix to the Tariff Schedules of the United States

of the immediate termination of import relief provided for by Presidential Proclamation No. 4436 of April 30, 1976, 2/ with respect to the ceramic articles provided for in items 923.01, 923.07, 923.13, and 923.15 of the Appendix to the Tariff Schedules of the United States (TSUS). Import relief presently in effect with respect to such articles is scheduled to terminate at the close of business on April 30, 1979.

This investigation, No. TA-203-4, is one of three involving ceramic articles conducted at the request of the Special Representative and is part of a consolidated proceeding. A second investigation, No. TA-131(b)-2, conducted under section 131(b) of the Trade Act (19 U.S.C. 2151(b)), was instituted at the same time for the purpose of gathering information in order that the Commission might advise the President of its judgment--

(a) with respect to each article described in List I 3/ of the Special Representative's notice, as to the probable economic effect of the continuance or reduction of United States duties on domestic industries producing like or directly competitive articles and on consumers, and

(b) with respect to all articles provided for in TSUS items 533.11 through 533.77, described in List II 4/ of the Special Representative's notice, the probable economic effect which any increases in duty necessary to implement the nomenclature proposal provided by the Commission under

1/ Notice of the institution of the consolidated investigations and of the public hearing was published in the Federal Register (43 F.R. 14146, Apr. 4, 1978).

2/ For a copy of the proclamation, see app. A.

3/ List I attached to the STR request covers all articles for which the President originally proclaimed import relief pursuant to the provisions of section 351 of the Trade Expansion Act of 1962. In view of this import relief section, the President has not previously requested from the Commission "probable economic effect" advice on these articles.

4/ List II attached to the STR request covers the current permanent provisions of items 533.11 through 533.77 in subpt. C, pt. 2, schedule 5 of the TSUS.

Paragraph 1 of his notice would have on domestic industries producing like or directly competitive articles and on consumers.

The third investigation, No. 332-100, conducted under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332 (g)), is for the purpose of providing the Special Representative--

With a proposal on how the nomenclature and rates of duty for ceramic articles provided for in TSUS items 533.11 through 533.77 could be revised so as to close tariff loopholes, eliminate provisions based on price levels that no longer exist, and generally bring the nomenclature into conformance with commercial conditions prevailing at the present time.

The Commission's advice and proposal resulting from the latter two investigations were submitted to the Special Representative under separate cover and in confidence.

Previous Commission Investigations Concerning Certain Ceramic Articles

The Commission has conducted two investigations in recent years concerning imports of the ceramic articles here under investigation and the domestic industry producing articles like or directly competitive with them.

Investigation TEA-I-22

The Commission on February 22, 1972, reported to the President the results of investigation No. TEA-I-22, conducted under section 301(b) of the Trade Expansion Act of 1962. 1/ The Commission found in that instance that imports of certain ceramic articles were, as a result in major part of trade-agreement concessions, being imported into the United States in such increased quantities as to cause serious injury to the domestic industry and recommended the provision of import relief. 2/

1/ U.S. Tariff Commission, Ceramic Table and Kitchen Articles, including Dinnerware: Report to the President on investigation No. TEA-I-22 under section 301(b) of the Trade Expansion Act of 1962; TC Publication 466, 1972.

2/ The Commission determination and recommendation was with respect to imports of articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients, all the foregoing provided for in the following items of the TSUS: 533.28, in any pattern for which the aggregate value of the articles listed in headnote 2(b) of part 2C of schedule 5 is over \$12 but not over \$22; 533.31 through 533.36; 533.38 if cups valued over \$1.70 but not over \$3.10 per dozen, saucers valued over \$0.95 but not over \$1.75 per dozen, plates not over 9 inches in maximum diameter and valued over 1.55 but not over \$2.85 per dozen, plates over 9 but not over 11 inches in maximum diameter and valued over \$2.65 but not over \$4.85 per dozen, and other articles valued over \$3.40 but not over \$6.20 per dozen, and other articles valued over \$3.40 but not over \$6.20 per dozen; and 533.71 through 533.75.

Following the Commission's finding, the President, on April 22, 1972, issued Presidential Proclamation No. 4125, providing for an increase in rates of duty on the ceramic articles which were the subject of the Commission's affirmative determination. 1/ The increased rates of duty became effective on May 1, 1972, and were to be for a period of no more than 4 years, unless extended by subsequent Presidential action.

Pursuant to section 351(d) of the Trade Expansion Act, the Commission submitted annual reports to the President on developments within the industry on May 1, 1973 (TC Publication 574) and May 1, 1974 (TC Publication 668).

Investigation TA-203-1

The Commission on March 31, 1976, reported the results of investigation No. TA-203-1, conducted under sections 203(i)(2) and 203(i)(3) of the Trade Act (19 U.S.C. 2253(i)(2) and 2253(i)(3)). 2/ The Commission advised that the termination of the import relief provided for by Presidential Proclamation No. 4125 following the Commission's report on investigation No. TEA-I-22 would have an adverse effect on the competitive portion of the domestic industry concerned.

Following receipt of the Commission's advice, the President announced that he would extend and modify certain of the relief provided for in Presidential Proclamation No. 4125 and would terminate certain of the relief. On April 30, 1976, Presidential Proclamation No. 4436 was issued. The proclamation provided for the extension and modification in stages, over a 3-year period, of the relief provided for the ceramic articles described in items 923.01, 923.07, 923.13, and 923.15 of the Appendix to the TSUS. Such relief is set to expire on April 30, 1979. Import relief on the articles described in items 923.03, 923.05, and 923.11 was not extended and therefore terminated on May 1, 1976.

Description of Terms

The word "ceramic" is a broad term used to describe a product such as earthenware, chinaware, brick, and glass, which results from the action of high temperature on earthy materials. For the purposes of the Tariff Schedules of the United States (TSUS) a ceramic article is--

1/ For a copy of the proclamation, see app. A. The President also provided that firms and workers in the domestic earthen tableware industry were eligible to apply to the Departments of Commerce and Labor, respectively, for certification for adjustment assistance under the provisions of the Trade Expansion Act of 1962. For information as to the applications submitted by the firms and workers in the industry to the Departments of Commerce and Labor and the actions taken on those applications, see p. A-14 and A-15.

2/ U.S. International Trade Commission, Certain Ceramic Tableware: Report to the President on Investigation No. TA-203-1 Under Sections 203(i)(2) and 203(i)(3) of the Trade Act of 1974; USITC Publication 766, 1976.

a shaped article having a glazed or unglazed body of crystalline or substantially crystalline structure, which body is composed essentially of inorganic nonmetallic substances and either is formed from a molten mass which solidifies on cooling, or is formed and subsequently hardened by such heat treatment that the body, if reheated to pyrometric cone 020, would not become more dense, harder, or less porous, but does not include any glass article.

The categories of ceramic ware discussed in this report are described below.

Fine-grained 1/ earthenware and stoneware

The term "earthenware" as used in this report includes ceramic ware having a fired body that will absorb more than 3.0 percent of its weight of water. 2/ The qualities of earthenware articles can best be described by contrasting them with the qualities of chinaware. Articles of earthenware are generally less durable than those of chinaware and less resistant to thermal and mechanical shock. Earthenware will chip or crack more readily than chinaware, and earthenware glazes 3/ may crackle if exposed to sudden changes in temperature. Also, an earthenware body will stain if its glaze is chipped.

Fine-grained stoneware is ceramic ware having a fired body that will absorb not more than 3.0 percent of its weight of water, are naturally opaque, and are not commonly white. 4/ Stoneware is more durable than earthenware and is more resistant to thermal and mechanical shock. A stoneware body does not chip or crack readily, and its glaze does not crackle. Stoneware bodies are not susceptible to staining if their glazes are chipped.

As used hereafter in this report, the term "earthenware" refers to fine-grained earthenware, except so-called Rockingham ware, 5/ and fine-grained stoneware, unless otherwise specified.

1/ "Fine-grained," as opposed to "coarse-grained," is defined in the TSUS as applying to wares having a body made of materials any of which have been washed, ground, or otherwise beneficiated. "Coarse-grained" is defined in the TSUS as applying to wares having a body made of materials none of which have been washed, ground, or otherwise beneficiated. Coarse-grained ware was not included in investigations TA-203-1 nor TEA-I-22 and is not included in this report.

2/ See headnote 2(b) to schedule 5, pt. 2 of the TSUS, in app. B.

3/ Glazes are the glasslike coatings fused at high heat to the surfaces of the ware. The glass-forming ingredient is a feldspathic mineral.

4/ See headnote 2(c) to schedule 5, pt. 2 of the TSUS, in app. B.

5/ "Rockingham ware" is the term generally used in the trade to refer to "fine-grained earthenware, whether or not decorated, having a reddish-colored body and a lustrous glaze which, on teapots, may be any color, but which, on other articles, must be mottled, streaked, or solidly colored brown to black with metallic oxide or salt" (TSUS items 533.14 and 533.16).

Chinaware 1/

The term "chinaware" as used in this report includes chinaware and porcelain, which are fine-grained ceramic ware (other than stoneware) having a body which is white (unless artificially colored) and which will not absorb more than 0.5 percent of its weight of water; 2/ and subporcelain, which is fine-grained ceramic ware (other than stoneware), having a fired body which is white (unless artificially colored) and will absorb more than 0.5 percent but not more than 3.0 percent of its weight of water. 3/ Chinaware is subdivided into bone china (ware having a body which contains by weight 25 percent or more of calcined bone), 4/ and nonbone chinaware. The differences between these various types of china are technical; frequently experts cannot visually differentiate among them. Nonbone china is the principal ware produced in the United States, porcelain is produced in continental Europe and Japan; and bone china, until 1962, was produced almost exclusively in the United Kingdom. Production of bone china began in the United States in the latter half of 1962 and in Japan in 1964.

Chinaware is very resistant to thermal and mechanical shock. It does not chip or crack readily, and its glaze does not crackle. Chinaware bodies are not susceptible to staining if their glazes are chipped.

The TSUS distinguishes between earthen and china table and kitchen articles that are "available in specified sets" and those that are "not available in specified sets."

Available in specified sets

The term "available in specified sets" embraces all ceramic table and kitchen articles in a pattern in which certain specified pieces 5/ are sold or offered for sale. The individual articles do not have to be sold together, nor do they have to be imported in the same shipment. For tariff purposes, the production of--or the offer to produce (e.g., in a manufacturer's catalog)--the specified articles is considered as being "offered for sale." Moreover, each article does not have to be of the same color to be considered "available in specified sets" if the articles are color coordinated.

For convenience, articles "available in specified sets" will be referred to in this report as "dinnerware."

1/ This report covers household chinaware only; it does not include hotel or restaurant ware and other ware not household ware.

2/ See headnote 2(e) to schedule 5, pt. 2 of the TSUS, in app. B.

3/ See headnote 2(d) to schedule 5, pt. 2 of the TSUS, in app. B.

4/ See headnote 2(f) to schedule 5, pt. 2 of the TSUS, in app. B.

5/ See headnote 2(b) to schedule 5, pt. 2, subpt. C of the TSUS, in app. B.

Not available in specified sets

The term "not available in specified sets" embraces ceramic articles that are not sold or offered for sale in the same pattern in all the articles required in order to be considered dinnerware. For convenience, articles "not available in specified sets" will be referred to in this report as "nondinnerware." Such ware consists chiefly of mugs, beverage and dessert sets, and other short-line (incomplete) services, and articles designed primarily for preparing and storing food and drink.

This investigation covers only ceramic articles which are chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients. To facilitate discussion, the value brackets specified in the TSUS for these ceramic table and kitchen articles may be described as low, medium, and high, as shown in the table below.

Earthenware and chinaware value categories coordinated
with TSUS items

Value category	TSUS item No.		
	Earthenware		China
	Dinnerware	Nondinnerware	nondinnerware
Low-----	533.23	533.33	533.73
Medium-----	533.25, 533.26	533.35, 533.36	533.75
High-----	533.28	533.38	533.77

With respect to earthen dinnerware, these value categories are as follows: Low value, not over \$3.30 per norm; 1/ medium value, over \$3.30 but not over \$12.00 per norm; high value, over \$12.00 per norm. For a description of nondinnerware value categories, see appropriate TSUS items in table 1 in appendix C.

1/ The term "norm" means the 77 pieces listed in headnote 2(b) to schedule 5, pt. 2, subpt. C of the TSUS, in app. B. The listed pieces are 12 each of the specified size of plates (two sizes), cups, saucers, soups, and fruits, and 1 each of the specified size of platter or chop dish, open vegetable dish, sugar, and creamer.

U.S. Tariff Treatment

Tariff concessions were granted in the Kennedy round of trade-agreement negotiations on all earthen table and kitchen articles except dinnerware valued over \$7 but not over \$12 per norm and on household china table and kitchen articles except dinnerware valued not over \$56 per norm. The current trade-agreement rates of duty became effective on January 1, 1972. The escape-action rates of duty, 1/ which became effective May 1, 1972, increased the trade-agreement rates of duty on certain earthen and china table and kitchen articles. The escape-action rates of duty which were lowered on May 1, 1977, and again on May 1, 1978, are scheduled to terminate at the close of business April 30, 1979 (tables 1 and 1-A in app. C).

The escape-action rates and the trade-agreement rates of duty which are currently applicable to imports of certain ceramic tableware, a description of the articles affected, and the ad valorem equivalents of those rates based on imports entered at escape-action rates in 1977 are shown in the table on the following page.

Effective May 1, 1972, the President proclaimed escape-action rates of duty on earthen and china table and kitchen articles covering parts of TSUS items 533.28, 533.31, 533.33, 533.35, 533.36, 533.38, 533.71, 533.73, and 533.75. The escape-action rates of duty were provided for in items 923.01 through 923.15 in the Appendix to the TSUS. These rates remained in effect until May 1, 1976, when the President removed this protection from TSUS items 533.31, 533.33, 533.35, 533.36 and 533.71. Effective May 1, 1977, and also May 1, 1978, he lowered the escape-action rates of duty on items 533.28, 533.38, 533.73 and 533.75.

The table on page 9 shows the staged reductions in the rates of duty on specified dates. The first column shows the original escape-action rates, which became effective May 1, 1972; the final column shows the trade-agreement rates, which were in effect prior to the imposition of the escape-action rates and which are scheduled to become effective at close of business April 30, 1979.

1/ The term "escape-action rates of duty" as used in this report means the increased rates of duty effective May 1, 1972, proclaimed in Presidential Proclamation No. 4125.

Certain ceramic table and kitchen articles: U.S. rates of duty and average ad valorem equivalents based on imports entered at escape-action rates of duty, by TSUS items, 1977

TSUS item No.	Description	Rate of duty		Average ad valorem equivalent	
		Escape-action rate, effective May 1, 1977	Trade- agreement rate <u>1/</u>	Escape-action rate	Trade- agreement rate
		<u>Cents per</u> <u>doz. pcs.;</u> <u>percent ad</u> <u>valorem</u>	<u>Cents per</u> <u>doz. pcs.;</u> <u>percent ad</u> <u>valorem</u>	<u>Percent</u>	<u>Percent</u>
	Earthenware:				
	Dinnerware:				
923.01	Over \$12 but not over \$22 per norm.	8.5¢ + 17.5%	5¢ + 10.5%	20.7	12.3
	Nondinnerware:				
923.07	Certain other table and kitchen articles of high value. <u>2/</u>	8.5¢ + 17.5%	5¢ + 11%	20.0	12.5
	Chinaware:				
	Nondinnerware:				
923.13	Certain other table and kitchen articles of low value. <u>3/</u>	8.5¢ + 39.5%	5¢ + 22.5%	45.7	26.1
923.15	Certain other table and kitchen articles of medium value. <u>4/</u>	8.5¢ + 47%	5¢ + 30%	50.2	31.9

1/ The most recent rates of duty placed in effect as a result of concessions granted under the General Agreement on Tariffs and Trade. These rates were temporarily suspended on May 1, 1972.

2/ Applicable to cups valued over \$1.70 but not over \$3.10 per dozen; saucers valued over \$0.95 but not over \$1.75 per dozen; plates not over 9 inches in maximum diameter and valued over \$1.55 but not over \$2.85 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued over \$2.65 but not over \$4.85 per dozen; and creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued over \$3.40 but not over \$6.20 per dozen.

3/ Cups valued not over \$1.35 per dozen; saucers valued not over \$0.90 per dozen; plates not over 9 inches in maximum diameter and valued not over \$1.30 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued not over \$2.70 per dozen; and creamers, sugars, vegetable dishes or bowls, platter or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued not over \$4.50 per dozen.

4/ Cups valued over \$1.35 but not over \$4 per dozen; saucers valued over \$0.90 but not over \$1.90 per dozen; plates not over 9 inches in maximum diameter and valued over \$1.30 but not over \$3.40 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued over \$2.70 but not over \$6 per dozen; creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued over \$4.50 but not over \$11.50 per dozen.

Modification of escape-action rates of duty

(Cents per dozen pieces; percent ad valorem)

TSUS item No.	Rate of duty effective on and after--			
	May 1, 1972 (original escape-action rate)	May 1, 1977	May 1, 1978	May 1, 1979 (trade-agreement rate)
923.01 (533.28)-----	10¢ + 21%	8.5¢ + 17.5%	7¢ + 14%	5¢ + 10.5%
923.07 (533.38)-----	10¢ + 21%	8.5¢ + 17.5%	7¢ + 14%	5¢ + 11%
923.13 (533.73)-----	10¢ + 48%	8.5¢ + 39.5%	7¢ + 31%	5¢ + 22.5%
923.15 (533.75)-----	10¢ + 55%	8.5¢ + 47%	7¢ + 38.5%	5¢ + 30%

U.S. Consumption

Exact figures for apparent consumption ^{1/} of ceramic table and kitchen articles, based on imports entered at escape-action rates and U.S. producers' shipments of directly competitive ware, are difficult to ascertain. However, apparent consumption of ceramic table and kitchen articles based on imports and U.S. producers' shipments of ware, either entered at escape-action rates or competitive with that ware, followed the same general trend as consumption of all earthen table and kitchen articles and accounted for the bulk of consumption of all earthen table and kitchen articles in 1973-77. Dinnerware accounted for the major part of U.S. producers' shipments as well as of apparent consumption.

Apparent U.S. consumption of china table and kitchen articles of the type covered by the escape-action rates of duty is supplied almost totally by imports. The U.S. ceramic industry does not produce china table and kitchen articles in these lower price ranges. Domestically produced ceramic tableware in these low-price categories consists principally of earthenware. However, imported low-priced chinaware is used and priced the same as domestically produced earthenware.

In 1977, apparent U.S. consumption of earthen table and kitchen articles amounted to 33.6 million dozen pieces (table 2). That amount was 17 percent higher than consumption in 1976 and was 30 percent above the annual average for 1973-75. The increase in apparent consumption in 1977 coincided with an increase in U.S. producers' shipments as well as in imports; however, imports accounted for the bulk of the increase.

^{1/} U.S. producers' shipments plus imports less exports.

The share of consumption of all earthen table and kitchen articles supplied by imports increased from 58 percent in 1973 to 69 percent in 1977. The share of consumption of earthen dinnerware supplied by imports increased from 45 percent in 1973 to 58 percent in 1977.

U.S. Industry

U.S. producers

In 1977, earthen table and kitchen articles were produced by 15 firms. Four firms are located in Ohio, three in California, two in West Virginia, and one each in Kentucky, Tennessee, Pennsylvania, New Jersey, Michigan, and Arizona.

Five of the firms--Hull Pottery Co. (Crooksville, Ohio), Scio Pottery Co. (Scio, Ohio), the Taylor, Smith & Taylor Co. (Chester, W. Va.), Homer Laughlin China Co. (Newell, W. Va.), and Iron Mountain Stoneware, Inc. (Laurel Bloomery, Tenn.)--are in Appalachia, an area that has been economically depressed for a number of years. Those five firms accounted for about half of the total employment in the industry in 1977.

Most of the domestic producers of earthen table and kitchen articles manufacture only that type of ware, but four firms also manufacture chinaware. The Hall China Co. (East Liverpool, Ohio) produced some household earthenware in 1977 but concentrates on the production of hotel and restaurant chinaware. The Homer Laughlin Co. also produces chinaware for hotel and restaurant use. The Taylor, Smith & Taylor Co. produces a small amount of chinaware which it markets to caterers. The Interpace Corp. (Los Angeles, Calif.), an integrated multiproduct company, produces chinaware for household use as well as for hotel and restaurant use.

Two U.S. firms, the Pfaltzgraff Co. (York, Pa.) and the Interpace Corp., imported as well as produced earthen table and kitchen articles during the period 1973-77. Neither of these firms imported any ware that was subject to escape-action rates of duty.

Since 1973, ownership of three firms (The Taylor, Smith & Taylor Co., Mt. Clemens Pottery Co., and Canonsburg Pottery Co.) changed hands. The Taylor, Smith & Taylor Co. was purchased in March 1973 by Anchor Hocking Corp., a manufacturer of glassware products, and operates as a division of Anchor Hocking Corp. The Mt. Clemens Pottery Co. (Mt. Clemens, Mich.), which was a subsidiary of the D. T. Chase Co., also of Mt. Clemens, ceased operations in 1974, and the plant was purchased by the Jamestown China Co., which was established in April 1974. The Canonsburg Pottery Co., which was sold in December 1975 to Lewis Brothers Ceramics, Inc., of Trenton, N.J., ceased operations in 1977.

The Harker China Co. (Chester, W. Va.), which was a subsidiary of the Jeannette Corp., a manufacturer of glassware products, ceased operations in February 1972. Following the affirmative finding by the Commission and the subsequent Presidential proclamation (No. 4125) of April 22, 1972, providing

that firms and workers in the domestic earthen tableware industry were eligible to apply to the Departments of Commerce and Labor, respectively, for certification for adjustment assistance, the workers of the Harker China Co. applied to the Department of Labor and were certified. As of November 30, 1975, 143 workers had received \$367,000 in trade readjustment allowances. Since that time, workers from two other firms, Stangl Pottery (Trenton, N.J.) and Canonsburg Pottery Co. (Canonsburg, Pa.) applied to the Department of Labor and were certified; however, as of May 1978, trade readjustment allowances had not yet been paid. Workers of the Royal China Co. (Sebring, Ohio) also applied to the Department of Labor for certification, but the application was denied. The Louisville Stoneware Co. (Louisville, Ky.), the only firm which applied to the Department of Commerce for certification for adjustment assistance, was denied certification.

U.S. producers' shipments (sales)

Data on annual U.S. production and shipments of ceramic table and kitchen articles are not available from official statistics. Questionnaires requesting such information were mailed by the Commission to all known producers of earthen table and kitchen articles, and information was supplied by those that are believed to have accounted for more than 90 percent of the shipments of earthenware in 1977. The data shown here reflect shipments of first-quality articles only. Questionnaires were not sent to producers of household china table and kitchen articles since virtually all U.S. production of chinaware consists of dinnerware, which was not affected by escape-action rates.

The following table shows the data reported on U.S. shipments of earthenware for the years 1973-77.

Earthen table and kitchen articles: U.S. producers'
shipments, 1973-77

(In thousands of dozen pieces)					
Item	1973	1974	1975	1976	1977
Earthenware, total table and kitchen articles-----	11,832	10,222	10,690	9,771	10,453
Dinnerware-----	11,132	9,537	10,089	9,153	9,852
Nondinnerware-----	700	685	601	618	601

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

As shown in the table above, shipments of earthen table and kitchen articles decreased irregularly in 1973-77. In 1977, shipments amounted to 10.5 million dozen pieces, representing a 7-percent increase over the shipments in 1976 but a 12-percent decrease in the 1973 figure.

Earthen dinnerware accounted for the bulk of all U.S. shipments of earthen table and kitchen articles in 1973-77. In 1977, shipments of earthen dinnerware, which amounted to 9.9 million dozen pieces, were 8 percent larger than those in 1976 but 11 percent smaller than those in 1973.

In 1977, the quantity of shipments of nondinnerware earthen table and kitchen articles, over a quarter of which consisted of steins and mugs, amounted to 601,000 dozen pieces, representing a 3-percent decrease from the shipments in 1976 and a 14-percent decrease from the 1973 figure.

U.S. exports

U.S. exports of earthen table and kitchen articles increased significantly during the period 1973-77. In 1977, exports, the bulk of which consisted of dinnerware, amounted to 195,000 dozen pieces (table 2), 27 percent more than the amount exported in 1976 and 150 percent more than the annual average for 1973-75. Although exports increased substantially during the period as domestic producers were attempting to develop export markets, they accounted for only 2 percent of total shipments in 1977.

Inventories

U.S. producers' inventories of earthen table and kitchen articles, the bulk of which consisted of dinnerware, decreased annually during the period from 3.2 million dozen pieces on December 31, 1973, to 2.5 million dozen on December 31, 1977, representing a decrease of 24 percent (table 3). The decrease in 1977 was due principally to reduced supplies of natural gas. These inventories averaged slightly more than the equivalent of 3 months' shipments during the period.

Employment and man-hours

Average annual employment in the earthenware industry has declined steadily since 1973. As shown in the following table, in 1973 there was an average of 5,789 workers employed in the industry, 5,216 of whom were production and related workers. The number declined annually through 1977, when total employment stood at 4,317 employees, 3,634 of whom were production and related workers. That represents a decrease of 25 percent in total workers and 30 percent in production and related workers during the period.

Average number of persons employed in U.S. establishments producing earthen table and kitchen articles, total and production and related workers, 1973-77

Year	All employees	Production and related workers
1973-----	5,789	5,216
1974-----	5,508	4,811
1975-----	5,113	4,423
1976-----	4,468	3,747
1977-----	4,317	3,634

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

Although the decrease in total employment in the industry in the period since the imposition of the escape-action rates of duty has resulted partly from decreased production, it has paralleled efforts by both workers and management to improve efficiency and productivity in the industry. A collective-bargaining agreement negotiated between U.S. producers of earthen table and kitchen articles and the representative union, the International Brotherhood of Pottery and Allied Workers, since the granting of import relief, contains a "job combination" clause. This clause is an agreement between management and labor to eliminate or combine certain positions and job descriptions in order to use existing employment at the plants more effectively. Management has increased capital expenditures and introduced labor-saving machinery into the production process that has substantially improved labor productivity.

As indicated in the following table, both production and man-hours worked by production and related workers declined in the period 1973-77. However, since 1973, a 16-percent decline in production has been accompanied by a 30-percent reduction in man-hours worked. Thus productivity has increased from 19.1 pieces of earthenware produced per man-hour in 1973, to 23.0 pieces in 1977, or by 20 percent.

Earthen table and kitchen articles: Production, man-hours worked by production and related workers, and productivity, 1973-77

Year	Production 1,000 dozen pieces	Man-hours 1,000 hours	Productivity Pieces per man-hour
1973-----	14,249	8,942	19.1
1974-----	13,046	8,090	19.4
1975-----	12,667	7,030	21.6
1976-----	12,281	6,781	21.7
1977-----	12,001	6,272	23.0

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

Capital expenditures

In an effort to compete more effectively, most of the domestic producers have attempted, in the period since the imposition of the escape-action rates of duty, to improve their productivity and the quality and design of their products. Efforts have been concentrated on the reduction of the work force through increased automation of the production and decoration processes and on the combination of jobs for the better use of work hours. Innovations that have been fully incorporated into the production process in this period include automatic and semi-automatic clay-forming machines, semi-automatic color-dipping machines, and a four-color, underglaze stamping machine. All of these have contributed to the decline in man-hours and employment since 1973 and to the increase in overall productivity in the industry, in spite of falling production. Domestic producers of lower priced earthen tableware of the type covered by the escape-action rates of duty have experienced even greater productivity increases than has the earthenware industry as a whole. Producers of earthenware selling for not more than \$30 per 45-piece set have been best able to make use of labor-saving machinery and to dispense with the hand forming and hand application of designs that characterize higher priced earthenware.

The trend toward automation has been reflected in the increase in capital expenditures by firms in the industry. As shown below, capital expenditures of U.S. producers of earthen table kitchen articles, increased annually in 1973-77 (in thousands of dollars):

<u>Year</u>	<u>Capital expenditures</u>
1973-----	1,514
1974-----	1,872
1975-----	2,700
1976-----	3,250
1977-----	6,772

Capital expenditures on research and development, plants, and capital equipment increased from \$1.5 million in 1973 to \$6.3 million in 1977. A large part of the amount spent in 1977 went into a new plant and equipment built by the Pfaltzgraff Co.

Several factors, unforeseen when import relief was granted in 1972, have worked against the earthenware industry's attempt to improve its efficiency and competitiveness substantially in the intervening years. The 1974-75 recession reduced the domestic demand for earthen tableware. Also, the natural gas shortage and substantial price increases of natural gas disrupted production and added to production costs in an industry where kilns heated to over 2000° F must be kept operating regardless of the volume of ware being produced.

In addition, increased emphasis on environmental protection and job health and safety requirements have made necessary unplanned capital expenditures. According to the domestic producers, expenditures required by the Environmental Protection Agency (EPA) and the Occupational Safety and Health Administration (OSHA), two agencies of the U.S. Government, deferred work and expenditures on automation and other productivity-increasing activities that would otherwise have been undertaken. Moreover, these environmental and safety enhancing measures, in spite of their general desirability, increase production costs and thus affect the profits and output of the domestic industry. Comparable environmental and safety costs are not borne by some foreign producers and therefore are not included in the prices of imported ceramic ware. Costs imposed by the U.S. Government are an extra burden on domestic producers and affect the competitiveness of the U.S. industry.

Profit-and-loss experience of domestic producers

The following table shows the net sales and net operating profit of nine U.S. firms producing earthen tableware on their earthen tableware operations for the period 1973-77. The nine companies reporting accounted for an average of about 80 percent of U.S. production of earthen tableware during 1973-75. In 1976 and 1977 the nine companies accounted for over 90 percent of U.S. production of earthenware.

Net sales and net operating profit of 9 U.S. firms producing earthen tableware, 1973-77

Year	Net sales	Net operating profit before income taxes	Ratio of net operating profit to net sales
	<u>1,000 dollars</u>	<u>1,000 dollars</u>	<u>Percent</u>
1973-----	50,842	1/ 2,743	5.4
1974-----	52,980	1/ 2,367	4.5
1975-----	55,031	1/ 3,743	6.8
1976-----	68,631	4,239	6.2
1977-----	77,861	4,516	5.8

1/ Revised.

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

As shown in the above table, the value of net sales of the reporting companies increased annually in 1973-77, from \$50.8 million in 1973 to \$77.9 million in 1977. Net operating profit increased from \$2.7 million in 1973 to \$4.5 million in 1977. The return on net sales (ratio of net operating profit to net sales) fluctuated during the period from a low of 4.5 percent in 1974 to a high of 6.8 percent in 1975.

Although the aggregate figures of the reporting firms showed that the industry operated profitably in each of the years 1973-77, in each year there were some firms which reported losses.

U.S. Imports

Imports of ceramic table and kitchen articles ^{1/} amounted to 36.0 million dozen pieces in 1977, 18 percent more than the 1976 imports of 30.7 million dozen pieces and 48 percent more than the 1973-75 annual average (table 4). In 1977, imports of earthenware amounted to 23.3 million dozen pieces (or 65 percent of total imports), while imports of chinaware amounted to 12.7 million dozen.

Earthenware

In 1977, imports of earthen table and kitchen articles, which amounted to 23.3 million dozen pieces, were 22 percent more than the amount imported in 1976 and 56 percent more than the 1973-75 annual average (table 5). In 1977, earthen table and kitchen articles were imported from more than 50 countries; however, Japan and the United Kingdom together supplied almost 85 percent of the total (table 6). Japan, the principal source, supplied 16.7 million dozen pieces, or 71 percent. The United Kingdom supplied 2.8 million dozen pieces, or 12 percent.

Imports of earthen dinnerware, which accounted for an average of 60 percent of all earthenware imports in 1973-77, amounted to 9.0 million dozen pieces in 1973 and remained relatively stable until they increased to 11.6 million dozen pieces in 1976 and further to 13.4 million dozen pieces in 1977. High-value dinnerware (over \$12 per 77-piece norm--TSUS items 533.28 and 923.01) accounted for virtually all dinnerware imports in 1977, imports of such dinnerware increased from 11.5 million dozen pieces in 1976 to 13.2 million dozen in 1977, or by 14 percent. In 1977, 82,000 dozen pieces, or less than 1 percent of the imports of high-value dinnerware, were subject to the escape-action rates of duty.

In 1977, imports of steins, mugs, and miscellaneous other articles ^{2/} (TSUS items 533.31 and 923.03) amounted to 5.1 million dozen pieces, representing a 24-percent increase in the 1976 quantity of 4.1 million dozen pieces and a 95-percent increase in the 1973-75 annual average. On April 30, 1976, the escape-action rate of duty was removed from steins and mugs valued not over \$3.60 per dozen.

In 1977, imports of all other nondinnerware articles amounted to 4.9 million dozen pieces, a quantity 42 percent more than the 3.4 million dozen pieces imported in 1976 and 55 percent more than the 1973-75 annual average.

^{1/} Excluding coarse-grained earthenware, red-bodied earthenware (so called Rockingham ware), and hotel or restaurant chinaware.

^{2/} This group of miscellaneous other articles includes candy boxes, decanters, punchbowls, pretzel dishes, tidbit dishes, tiered servers, and bonbon dishes.

In 1977, imports dutiable at escape-action rates amounted to 235,000 dozen pieces, or 5 percent of the total imports in this category.

Chinaware

In 1977, imports of household china table and kitchen articles (including bone china and china dinnerware) amounted to 12.7 million dozen pieces, a quantity 11 percent more than the 11.5 million dozen pieces imported in 1976 and 34 percent more than the 1973-75 annual average (table 4).

Imports of household nonbone china nondinnerware articles, the only chinaware subject to the escape-action rates of duty, decreased in 1973-75 then increased in 1976 and 1977 (table 7). In 1977, imports amounted to 4.8 million dozen pieces, a quantity 10 percent more than the 1976 quantity of 4.3 million dozen pieces and 63 percent more than the 1973-75 annual average. Nonbone china nondinnerware articles were imported from more than 30 countries in 1977. Japan, the principal source, supplied 72 percent of the quantity of all imports of nonbone china nondinnerware articles in 1977.

In 1977, imports of steins, mugs, and miscellaneous other chinaware articles (TSUS items 533.71 and 923.11) amounted to 1.5 million dozen pieces, a quantity 18 percent more than the 1976 quantity of 1.3 million dozen and 42 percent more than the 1973-75 annual average. On May 1, 1976, the escape-action rate of duty was removed from steins and mugs valued not over \$3.60 per dozen (TSUS item 923.11).

In 1977, imports of all other nonbone china nondinnerware articles amounted to 3.3 million dozen pieces, representing an increase of 6 percent over the 1976 quantity of 3.1 million dozen pieces and an increase of 76 percent over the 1973-75 annual average. In 1977, imports dutiable at the escape-action rates amounted to 454,000 dozen pieces, or 14 percent of the total imports in this category.

Imports dutiable at escape-action rates

The escape-action rates were effective in keeping down imports of all earthen dinnerware and nondinnerware and nonbone china nondinnerware during the period May 1, 1972 (when escape-action rates became effective), through 1975. In 1976 and 1977, however, imports in all of the affected categories increased substantially. Imports of earthen dinnerware increased from 9.5 million dozen pieces in 1975 to 13.4 million dozen pieces in 1977, or by 40 percent; imports of earthen nondinnerware more than doubled during the period from 4.9 million dozen pieces in 1975 to 9.9 million dozen in 1977; and imports of china nondinnerware almost doubled from 2.4 million dozen pieces in 1975 to 4.8 million dozen in 1977 (table 8). The increased imports were due partly to the removal of some escape-action rates of duty, but also to the deterioration of the remaining escape-action relief due to inflation and currency revaluations causing many imports to be classified in higher value categories than those protected.

Following investigation No. TA-203-1 (1976), the President proclaimed that effective May 1, 1976, the escape-action rates of duty were to be terminated on imports of earthen and china steins and mugs (items 923.03 and 923.11) and low-value earthen nondinnerware (item 923.05). Following annual decreases in imports of earthen and china steins and mugs and miscellaneous articles and low-value earthen nondinnerware during 1972-75, imports of these items increased dramatically in 1976 and 1977. In 1977, imports of earthenware steins and mugs and miscellaneous articles amounted to 5.1 million dozen pieces, more than twice the 2.2 million dozen pieces imported in 1975. Imports of china steins and mugs and miscellaneous articles increased from 0.9 million dozen pieces in 1975 to 1.5 million dozen pieces in 1977, or by 75 percent.

The following table shows imports of earthen and china steins and mugs and miscellaneous articles and low-value earthen nondinnerware for the years 1972-77.

Earthen and china table and kitchen articles: U.S. imports
for consumption, by specified TSUS items, 1972-77

(In thousands of dozen pieces)							
Article and TSUS item No.	1972	1973	1974	1975	1976	1977	
Earthen nondinnerware:							
Steins and mugs, and miscellaneous articles:							
533.31 1/-----	2,151	873	1,347	1,177	3,564	5,057	
923.03 2/-----	2,022	2,204	1,128	1,065	515	2/	
Total-----	4,173	3,077	2,475	2,242	4,079	5,057	
Low-value:							
533.33-----	487	186	63	18	87	58	
923.05 3/-----	26	26	9	1	2	3/	
Total-----	513	212	72	19	89	58	
Chinaware steins and mugs, and miscellaneous articles:							
533.71 1/-----	1,413	413	491	659	1,197	1,510	
923.11 2/-----	1,248	1,019	402	204	83	2/	
Total-----	2,661	1,432	893	863	1,280	1,510	

1/ Includes candy boxes, decanters, punchbowls, pretzel dishes, tidbit dishes, tiered servers, and bonbon dishes.

2/ Appendix item, effective May 1, 1972-Apr. 30, 1976, includes only steins and mugs, valued not over \$3.60 per dozen.

3/ Appendix item, effective May 1, 1972-Apr. 30, 1976.

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

Imports of low-value earthen nondinnerware increased from 19,000 dozen pieces in 1975 to 89,000 dozen in 1976, then decreased in 1977 to 58,000 dozen pieces. It is not possible to determine how many of the imports which entered after April 30, 1976, were in the value ranges that would have been subject to escape-action rates because the specific value categories were established only for the purpose of administering the escape-action rates.

Imports of earthenware items which had the escape-action rates extended decreased in 1975-77 (table 9). Imports of earthen dinnerware which were subject to the escape-action rate (item 923.01) decreased from 493,000 dozen pieces in 1975 to 82,000 dozen in 1977, or by 83 percent. During the same period, total imports of earthen dinnerware (items 923.01 and 533.23 through 533.28) increased by 40 percent, from 9.5 million dozen pieces to 13.4 million dozen (table 8). Most of those dinnerware imports were valued higher than the ware subject to the escape-action rate. Imports of high-value earthen nondinnerware subject to the escape-action rate (item 923.07) amounted to 235,000 dozen pieces in 1977. That figure is not strictly comparable with that for imports entered under item 923.07 in previous periods because certain medium-valued articles were included in the statistics until May 1, 1976. Total imports of medium- and high-value brackets of other earthen nondinnerware (items 923.07 and 533.35 through 533.38) increased from 2.6 million dozen pieces in 1975 to 4.9 million dozen pieces in 1977, or by 86 percent. Imports of china nondinnerware items which had the escape-action rates extended increased in 1975 and 1976, then decreased in 1977. The low-value chinaware (item 923.13) increased from 204,000 dozen pieces in 1975 to 350,000 dozen pieces in 1976, then decreased to 101,000 dozen pieces in 1977. Imports of the medium-value ware (item 923.15) increased from 320,000 dozen pieces in 1975 to 541,000 dozen in 1976, then decreased to 353,000 dozen in 1977. Total imports of china nondinnerware (except steins, mugs, and miscellaneous articles) (items 923.13, 923.15 and 533.73 through 533.77) more than doubled during the period from 1.6 million dozen pieces to 3.3 million dozen.

Although the escape-action rates contributed to the decrease in imports in 1973-75, their effectiveness was greatly diminished by 1976 and 1977, and the future effectiveness of the remaining rates is questionable. The rates were established in 1972, based on specific value categories that were determined to be injuring the U.S. industry producing earthenware. No provisions were made to compensate for the effects of inflation or currency revaluations on the value brackets. With the passage of each year, inflation has eroded some of the intended protection.

Marketing Channels

As shown in table 10, channels of distribution for sales of domestic and imported earthen dinnerware are grouped in six categories: Wholesale distributors; discount department and chain variety stores; specialty, gift, jewelry and other department stores; premium outlets; 1/ mail-order and catalog stores that do not have corresponding retail outlets; and other outlets.

1/ Premium outlets include supermarkets, banks, gas stations, and so forth, that offer earthenware as a promotional item, rather than as merchandise.

In 1973-77, sales of domestic earthenware were concentrated in discount department stores and chain variety stores. This type of outlet accounted for 40 percent of the quantity of domestic ware sold in 1977. Premium outlets, which took 23 percent of sales of domestic earthen dinnerware in 1973, accounted for only 14 percent in 1977, while sales to other department, specialty, gift, and jewelry stores accounted for 17 percent of the total sales in 1977.

Premium outlets, which purchased 33 percent of the imported earthenware sold in 1973, accounted for 38 percent in 1977, following declines in 1974 and 1975. Other department stores and specialty, gift, and jewelry stores purchased 52 percent of imported earthen dinnerware in 1977, up from 46 percent in 1973.

Prices

Earthen dinnerware available in sets accounted for almost 70 percent of total U.S. consumption of earthen table and kitchen articles in 1977. This dominance of dinnerware in sales of earthen table and kitchen articles in the U.S. market makes their prices highly indicative of the price competitiveness of domestic versus imported earthenware. Virtually all dinnerware sets consist of eight place settings and standard serving pieces, allowing the following price comparisons to represent comparable articles in use.

The earthen dinnerware prices listed in this section are weighted average wholesale prices of bestselling patterns offered by domestic producers and importers based on actual prices of bestselling patterns in 1976 and 1977. Prices shown for previous years are not necessarily actual prices of bestselling patterns but reflect the accurate rate of price increase from year to year. Prices are given for a 45-piece set. 1/ These prices are grouped in three wholesale categories: Earthenware selling for not over \$15 per 45-piece set, ware selling for over \$15 but not over \$30 per set, and ware selling for over \$30 per set. Wholesale prices for firstline dinnerware are approximately half of retail prices.

In 1973-77, the distribution of sales of domestically produced earthen dinnerware shifted markedly. In 1977, only 25 percent of the quantity of domestic sales sold for not over \$15 per set; 63 percent sold for over \$15 but not over \$30 per set; and 12 percent sold for over \$30 (table 11). In 1973, 72 percent of the quantity of domestic earthenware sold for not over \$15 per 45-piece set. Most of the ware selling at not over \$30 per 45-piece set was competitive with ware selling at escape-action rates of duty. The distribution of sales of imported earthen dinnerware has also shown a substantial price shift since 1973. In 1977, less than 0.5 percent of the quantity of imported ware sold for not over \$15; 39 percent sold for over \$15 but not over \$30; and 61 percent sold for over \$30 per set. In 1973, 66 percent of the

1/ Prices were supplied by domestic producers and importers accounting for virtually all domestically produced earthen dinnerware and 50 to 70 percent of the imports of earthen dinnerware entered in the period 1973-77.

quantity of imported earthen dinnerware sales were sold at wholesale prices over \$15 but not over \$30. Imported earthen dinnerware covered by the escape-action rate of duty is most often sold in the price range of over \$15 but not over \$30 for a 45-piece set.

Earthen dinnerware selling for not over \$15 per 45-piece set

Although sales of U.S.-produced earthen dinnerware in the wholesale price category of not over \$15 per 45-piece set have declined sharply since 1973, they still represent 25 percent of domestic producers' sales. Sales of imported ware in this price range have dwindled to less than 0.5 percent of total sales by importers. No bestselling patterns have been reported in this range by importers since 1972, and none were reported by domestic producers in 1977.

As indicated in the table below, domestically produced dinnerware in this range had an average price increase of approximately 25 percent over the period 1973-76. In 1976 the average wholesale price for a 45-piece set increased 11 percent over that in 1975. In 1977 the prices of bestselling patterns that had previously sold for not over \$15 per 45-piece set were in the over \$15 category.

Earthen dinnerware selling for not over \$15 per 45-piece set at wholesale:

Average wholesale prices and price indexes for sets, domestic and imported, 1973-77

Year	Average wholesale price		Price index (1973=100)	
	Domestic	Imported	Domestic	Imported
1973-----	\$11.35	1/	100	1/
1974-----	12.35	1/	109	1/
1975-----	12.86	1/	113	1/
1976-----	14.22	1/	125	1/
1977-----	1/	1/	1/	1/

1/ No bestselling patterns were reported in this wholesale price category.

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

Earthen dinnerware selling for over \$15 but not over \$30 per 45-piece set

In 1977, 63 percent of domestically produced earthen dinnerware available in sets was sold at wholesale for over \$15 but not over \$30 per 45-piece set. Sales of similarly priced imported ware accounted for 39 percent of the total quantity of import sales. Nearly all imports of dinnerware dutiable under the escape-action rates are sold in this price category.

The average wholesale price of domestic earthenware has increased approximately 32 percent over the period 1973-77, with the largest jump in price occurring in 1974, as shown in the table below. The average price of imported ware has increased roughly 29 percent since 1973. However, the largest yearly increase occurred in 1975.

Earthen dinnerware selling for over \$15 but not over \$30 per 45-piece set at wholesale: Average wholesale prices and price indexes for sets, domestic and imported, 1973-77

Year	Average wholesale price		Price index (1973=100)	
	Domestic	Imported	Domestic	Imported
1973-----	\$16.25	\$22.16	100	100
1974-----	18.61	23.98	115	108
1975-----	19.14	26.53	118	120
1976-----	20.10	27.16	124	123
1977-----	21.52	28.56	132	129

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

Earthen dinnerware selling for over \$30 per 45-piece set

In the period 1973-77, imports have increasingly dominated sales of earthen dinnerware selling at wholesale for over \$30 per 45-piece set. The comparatively lower prices for imported ware in this price range are indicative of the shift of imported ware out of the wholesale price range of over \$15 but not over \$30 per 45-piece set and into this price range. As shown in table 11, in 1977, two-thirds of all importers' sales of earthen dinnerware were sold in this price category, compared with only one-third in 1973. The lower priced ware moving into this category kept the average wholesale price down in 1977. Sales of domestic ware in this price range remained fairly constant during the period, ranging from 10 to 14 percent.

As the table below indicates, average wholesale prices of bestselling higher priced patterns have increased at a faster rate than those of lower priced ware, especially for imported sets. Average wholesale prices of domestically produced earthenware selling for over \$30 per set increased about 35 percent during the period 1973-77, while prices of imported ware increased about 52 percent.

Earthen dinnerware selling for over \$30 per 45-piece set at wholesale:

Average wholesale prices and price indexes for sets, domestic and imported, 1973-77

Year	Average wholesale price		Price index (1973=100)	
	Domestic	Imported	Domestic	Imported
1973-----	\$58.08	\$31.71	100	100
1974-----	65.02	37.42	112	118
1975-----	71.73	44.15	124	139
1976-----	75.28	45.91	130	145
1977-----	78.46	48.10	135	152

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

Probable Economic Effect

The escape action rates of duty on certain earthen and china kitchen and table articles (items 923.01, 923.07, 923.13, and 923.15) were extended and modified by Presidential Proclamation No. 4436, effective April 30, 1976. These escape-action rates were reduced by one-third on April 30, 1977, by another one-third on April 30, 1978, and are scheduled to revert to the trade-agreement rates at the close of business on April 30, 1979. The previous escape-action rates of duty on TSUS items 923.05 (certain low-valued earthenware) and 923.03 and 923.11 (certain earthenware and chinaware steins and mugs) were terminated, effective May 1, 1976.

Imports of earthen table and kitchen articles subject to escape-action rates of duty totaled 317,000 dozen pieces valued at \$1 million in 1977, amounting to a decrease of 94 percent in quantity and 91 percent in value from 1973 imports. Total imports of earthen table and kitchen articles amounted to 23.3 million dozen pieces valued at \$133.4 million in 1977, amounting to an increase of 46 percent in quantity and 99 percent in value over imports in 1973.

U.S. producers' shipments of earthen table and kitchen articles ranged from 11.8 million dozen to 9.8 million dozen pieces during 1973-77 and amounted to 10.5 million dozen pieces in 1977.

Imports of china table and kitchen articles subject to escape-action rates of duty totaled 454,000 dozen pieces valued at \$1.2 million in 1977, representing a decrease of 77 percent in quantity and 69 percent in value from the imports in 1973. Total imports of china table and kitchen articles amounted to 4.8 million dozen pieces valued at \$27.4 million in 1977, representing an increase of 30 percent in quantity and 91 percent in value over 1973 imports.

U.S. producers' shipments of china table and kitchen articles are negligible. Their main products are dinnerware sets, which are excluded from this investigation.

Imports currently subject to escape-action rates of duty amounted to \$2.4 million, or about 1 percent of the total value of U.S. imports of ceramic table and kitchen articles.

Because the present imports of earthen and china kitchen and table articles entered at escape-action rates of duty are small relative to total imports, little protection is being afforded by the present rates. These imports have decreased from 1973 to 1977, and the trend is expected to continue through April 30, 1979.

It is apparent that little effective protection would be afforded to the domestic producers of ceramic table and kitchen articles by maintaining the present escape-action rates of duty to the scheduled termination on April 30, 1979. Therefore it is believed that the probable economic effect on the domestic industry of the immediate termination of the current escape-action rates of duty on certain ceramic articles would be minimal. 1/ This conclusion seems to be supported by the spokesperson for the American Dinnerware Emergency Committee who said, when questioned as to the probable economic effect of the immediate termination of the escape-action rates of duty on the domestic industry, "There is very little effect from what is left in the escape" (transcript of the hearing, p. 42).

1/ Commissioner Bedell does not support the removal of duties at this time. Given the current status of the tariff nomenclature applicable to the subject imports, immediate termination of existing import relief (albeit minimal due to the impact of inflation) would provide a premature avenue for increased imports which have been deterred to date. Assuming no adjustments in tariff nomenclature are made, the current import relief, which expires after April 30, 1979, should allow whatever final adjustments the domestic industry needs to make in order to compete more effectively with imports.

Appendix A

Presidential Proclamations Nos. 4436 and 4125

**EXTENSION AND MODIFICATION OF CERTAIN INCREASED
RATES OF DUTY ON CERAMIC TABLEWARE**

PM 3:54

RECEIVED

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

No. 4436

1. Pursuant to the authority vested in him by the Constitution and the statutes, including section 350(a)(1)(B) of the Tariff Act of 1930, as amended (19 U.S.C. 1351(a)(1)(B)); and sections 201(a)(2), 302(a)(2) and (3), and 351(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1821(a)(2), 19 U.S.C. 1902(a)(2) and 19 U.S.C. 1902(a)(3), and 19 U.S.C. 1981(a)); and in accordance with Article XIX of the General Agreement on Tariffs and Trade (61 Stat. (pt. 5) A58; 8 UST (pt. 2) 1786) (hereinafter referred to as "the GATT"), the President, by Proclamation No. 4125 of April 22, 1972 (86 Stat. 1624), proclaimed, effective on and after May 1, 1972, and until the close of business April 30, 1976, or until the President otherwise earlier proclaimed, increased duties on imports of certain types of ceramic tableware defined in items 923.01 through 923.15, inclusive, in Subpart A of Part 2 of the Appendix to the Tariff Schedules of the United States (hereinafter referred to as "the TSUS");

2. Having taken into account advice received from the International Trade Commission on March 31, 1976, pursuant to section 203(1) of the Trade Act of 1974 (19 U.S.C. 2253(1)) (hereinafter referred to as "the Trade Act"), and the considerations described in section 202(c) of the Trade Act (19 U.S.C. 2252(c)), I have determined, pursuant to section 203(h)(3), of the Trade Act (19 U.S.C. 2253(h)(3)), that it is in the national interest to extend and modify in stages, as hereinafter proclaimed, the increased rates of duty currently in effect on imports of some of the articles of ceramic tableware now provided for in items 923.01, 923.07, 923.13, and 923.15 of the TSUS.

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes, including section 203(h)(3) of the Trade Act, and in accordance with Article XIX of the GATT, do proclaim that --

(1) The modified tariff concessions on ceramic tableware provided for in items 533.28, 533.38, 533.73, and 533.75 in Part I of Schedule XX to the GATT are further modified as set forth in the annex to this proclamation and in paragraph 3 hereof;

(2) In Subpart A of Part 2 of the Appendix to the TSUS, headnote 1 thereof and the provisions of items 923.01 through 923.15, inclusive, are modified as set forth in the annex to this proclamation and in paragraph 3 hereof:

(3) The rates of duty in column numbered 1 of the annex hereto for articles provided for in items 923.01, 923.07, 923.13 and 923.15 are modified to read as follows:

	: Rate of duty effective on and after--		
Item	: _____		
	: May 1, 1976	: May 1, 1977	: May 1, 1978
<hr/>			
923.01	: 10¢ per dozen : pieces + 21% ad val.	: 8.5¢ per dozen : pieces + 17.5% ad val.	: 7¢ per dozen pieces : + 14% ad val.
923.07	: 10¢ per dozen : pieces + 21% ad val.	: 8.5¢ per dozen : pieces + 17.5% ad val.	: 7¢ per dozen pieces : + 14% ad val.
923.13	: 10¢ per dozen : pieces + 48% ad val.	: 8.5¢ per dozen : pieces + 39.5% ad val.	: 7¢ per dozen pieces : +31% ad val.
923.15	: 10¢ per dozen : pieces + 55% ad val.	: 8.5¢ per dozen : pieces + 47% ad val.	: 7¢ per dozen pieces : +38.5% ad val.

(4) The modifications of Part I of Schedule XX to the GATT and of the Appendix to the TSUS made by paragraphs (1), (2), (3) and the Appendix hereto, shall be effective as to articles entered, or withdrawn from warehouse, for consumption on and after May 1, 1976, and before the close of business April 30, 1979.

IN WITNESS WHEREOF, I have hereunto set my hand this thirtieth day of April in the year of our Lord nineteen hundred and seventy-six, and of the Independence of the United States of America the two hundredth.

GERALD R. FORD

Item	Articles	Rates of Duty	
		1	2
	<p><u>Subpart A headnote:</u></p> <p>1. This subpart contains the temporary modifications of the provisions of the tariff schedules proclaimed by the President pursuant to the procedures prescribed in sections 301 and 351 or 352 of the Trade Expansion Act of 1962, and sections 201, 202, 203, and 406 of the Trade Act of 1974.</p> <p>Articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients:</p> <p>Of fine-grained earthenware or of fine-grained stoneware:</p> <p>Available in specified sets:</p>		
923.01	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of subpart C, part 2 of schedule 5 is over \$12 but not over \$22 (provided for in item 533.28).....	10¢ per doz. pcs. + 21% ad val.	No change
923.07	Cups valued over \$1.70 but not over \$3.10 per dozen; saucers valued over \$0.95 but not over \$1.75 per dozen; plates not over 9 inches in maximum diameter and valued over \$1.55 but not over \$2.85 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued over \$2.65 but not over \$4.85 per dozen; and creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued over \$3.40 but not over \$6.20 per dozen (provided for in item 533.38).....	10¢ per doz. pcs. + 21% ad val.	No change
	Of nonbone chinaware or of subporcelain:		
	Household ware:		
923.13	Cups valued not over \$1.35 per dozen; saucers valued not over \$0.90 per dozen; plates not over 9 inches in maximum diameter and valued not over \$1.30 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued not over \$2.70 per dozen; and creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued not over \$4.50 per dozen (provided for in item 533.73).....	10¢ per doz. pcs. + 48% ad val.	No change
923.15	Cups valued over \$1.35 but not over \$4 per dozen; saucers valued over \$0.90 but not over \$1.90 per dozen; plates not over 9 inches in maximum diameter and valued over \$1.30 but not over \$3.40 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued over \$2.70 but not over \$6 per dozen; creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued over \$4.50 but not over \$11.50 per dozen (provided for in item 533.75).....	10¢ per doz. pcs. + 55% ad val.	No change

Proclamation 4125

April 22, 1972

Adjustment of Duties on Certain Ceramic Tableware

*By the President of the United States of America***A Proclamation**

1. WHEREAS, pursuant to the authority vested in him by the Constitution and the statutes, including section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), and section 201 of the Trade Expansion Act of 1962 (19 U.S.C. 1821) (hereinafter referred to as "the TEA"), the President, by Proclamations No. 2761A of December 16, 1947 (61 Stat. (pt. 2) 1103); No. 2867 of December 22, 1949 (64 Stat. A380); No. 2888 of May 13, 1950 (64 Stat. A405); No. 2929 of June 2, 1951 (65 Stat. c12); No. 3105 of July 22, 1955 (69 Stat. c44); No. 3513 of December 28, 1962 (77 Stat. 970, 979); and No. 3822 of December 16, 1967 (82 Stat. 1455), proclaimed such modifications of existing duties as were found to be required or appropriate to carry out certain trade agreements into which he had entered;

2. WHEREAS among the proclaimed modifications were modifications in the rates of duty on certain kinds of ceramic tableware which are now included within items 533.28, 533.31, 533.33, 533.35, 533.36, 533.38, 533.71, 533.73, and 533.75 of the Tariff Schedules of the United States (hereinafter referred to as "ceramic tableware");

3. WHEREAS the United States Tariff Commission has submitted to the President a report of its Investigation No. TEA I-22 under section 301 of the TEA (19 U.S.C. 1901), on the basis of which investigation and a hearing duly held in connection therewith the said Commission has determined that ceramic tableware is, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to cause serious injury to the domestic industry producing like or directly competitive products;

4. WHEREAS section 351(a)(1) of the TEA (19 U.S.C. 1981 (a)(1)) authorizes the President, upon receiving an affirmative finding of the Tariff Commission under section 301(b) of the TEA with respect to an industry, to proclaim such increase in, or imposition of, any duty or other import restriction on the articles causing or threatening to cause serious injury to such industry as he determines to be necessary to prevent or remedy serious injury to such industry;

5. WHEREAS section 302(a)(2) and section 302(a)(3), respectively, of the TEA (19 U.S.C. 1902(a)(2) and 19 U.S.C. 1902(a)(3)) authorize the President, upon receiving an affirmative finding of the Tariff Commission under section 301(b) of the TEA with respect to an industry, to provide with respect to such industry that its firms may request the Secretary of Commerce for certifications of eligibility to apply for adjustment assistance under Chapter 2 of Title III of the TEA (19 U.S.C. Chapter VII, Subchapter III, Part II) and that its workers may request the Secretary of Labor for certifications of eligibility to apply for adjustment assistance under Chapter 3 of Title III of the TEA (19 U.S.C. Chapter VII, Subchapter III, Part III);

Proc. 4125

Title 3, 1971-1975 Compilation

ANNEX

Item	Articles	Rates of duty	
		1	2
923.01	Articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients: Of fine-grained earthenware or of fine-grained stoneware: Available in specified sets: In any pattern for which the aggregate value of the articles listed in headnote (2b) of subpart C, part 2 of schedule 5 is over \$12 but not over \$22 (provided for in item 533.28).....	10¢ per doz. pcs. + 21% ad val.	No change
923.03	Not available in specified sets: Steins and mugs, if valued not over \$3.60 per dozen (provided for in item 533.31).....	10¢ per doz. pcs. + 25% ad val.	No change
923.05	Cups valued not over \$0.50 per dozen; saucers valued not over \$0.30 per dozen; plates not over 9 inches in maximum diameter and valued not over \$0.50 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued not over \$1 per dozen; and creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued not over \$1 per dozen (provided for in item 533.33).....	5¢ per doz. pcs. + 14% ad val.	No change
923.07	Cups valued over \$0.50 but not over \$3.10 per dozen; saucers valued over \$0.30 but not over \$1.75 per dozen; plates not over 9 inches in maximum diameter and valued over \$0.50 but not over \$2.85 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued over \$1 but not over \$4.55 per dozen; and creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued over \$1 but not over \$6.20 per dozen (provided for in items 533.33, 533.36, and 533.38).....	10¢ per doz. pcs. + 21% ad val.	No change
923.11	Of nonbone chinaware or of subporcelain: Household ware: Steins and mugs, if valued not over \$3.60 per dozen (provided for in item 533.71).....	45% ad val.	No change
923.13	Cups valued not over \$1.35 per dozen; saucers valued not over \$0.90 per dozen; plates not over 9 inches in maximum diameter and valued not over \$1.30 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued not over \$2.70 per dozen; and creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued not over \$4.50 per dozen (provided for in item 533.73).....	10¢ per doz. pcs. + 45% ad val.	No change
923.15	Cups valued over \$1.35 but not over \$4 per dozen; saucers valued over \$0.90 but not over \$1.90 per dozen; plates not over 9 inches in maximum diameter and valued over \$1.30 but not over \$3.40 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued over \$2.70 but not over \$6 per dozen; creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued over \$4.50 but not over \$11.50 per dozen (provided for in item 533.75).....	10¢ per doz. pcs. + 55% ad val.	No change

Appendix B

Excerpt From the Tariff Schedules of the United States Annotated (1978)

TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (1970)

SCHEDULE 5. - NONMETALLIC MINERALS AND PRODUCTS
Part 2. - Ceramic Products

Page 347

5 - 2 --

C S P	Item	Stat. Sur- fix	Articles	Units of Quantity	Rates of Duty	
					1	2
			<p align="center">PART 2. - CERAMIC PRODUCTS</p> <p><u>Part 2 headnotes:</u></p> <p>1. This part covers ceramic wares, and articles of such wares and, in addition, certain unshaped refractory material (subpart A) closely related thereto.</p> <p>2. For the purposes of the tariff schedules —</p> <p>(a) a "<u>ceramic article</u>" is a shaped article having a glazed or unglazed body of crystalline or substantially crystalline structure, which body is composed essentially of inorganic nonmetallic substances and either is formed from a molten mass which solidifies on cooling, or is formed and subsequently hardened by such heat treatment that the body, if reheated to pyrometric cone 020, would not become more dense, harder, or less porous, but does not include any glass articles;</p> <p>(b) the term "<u>earthenware</u>" embraces ceramic ware, whether or not glazed or decorated, having a fired body which contains clay as an essential ingredient and will absorb more than 3.0 percent of its weight of water;</p> <p>(c) the term "<u>stoneware</u>" embraces ceramic ware whether or not glazed or decorated, having a fired body which contains clay as an essential ingredient, is not commonly white, will absorb not more than 3.0 percent of its weight of water, and is naturally opaque (except in very thin pieces) even when fully vitrified;</p> <p>(d) the term "<u>subporcelain</u>" embraces fine-grained ceramic ware (other than stoneware), whether or not glazed or decorated, having a fired body which is white (unless artificially colored) and will absorb more than 0.5 percent but not more than 3.0 percent of its weight of water;</p> <p>(e) the terms "<u>chinaware</u>" and "<u>porcelain</u>" embrace fine-grained ceramic ware (other than stoneware), whether or not glazed or decorated, having a body which is white (unless artificially colored) and will not absorb more than 0.5 percent of its weight of water;</p> <p>(f) the term "<u>bone chinaware</u>" embraces chinaware or porcelain the body of which contains by weight 25 percent or more of calcined bone;</p> <p>(g) the term "<u>nonbone chinaware</u>" embraces chinaware or porcelain other than bone chinaware;</p> <p>(h) the term "<u>coarse-grained</u>", as applied to ceramic ware, embraces such wares having a body made of materials none of which had been washed, ground, or otherwise beneficiated;</p> <p>(i) the term "<u>fine-grained</u>", as applied to ceramic wares, embraces such wares having a body made of materials any of which had been washed, ground, or otherwise beneficiated; and</p> <p>(j) the term "<u>body</u>" includes any engobe or body slip, except engobe or body slip applied to the body as a decoration; and</p> <p>(k) the water absorption of a ceramic body shall be determined by ASTM test method designated C373-56 (except that test specimens may have a minimum weight of 10 grams, and may have one large surface glazed).</p>			

TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (1978)

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SCHEDULE 5. - NONMETALLIC MINERALS AND PRODUCTS

Part 2. - Ceramic Products

5 - 2 - B, C

532.21 - 532.61

G S P	Item	Stat. Suf- fix	Articles	Units of Quantity	Rates of Duty	
					1	2
			<p>Subpart C. - Table, Kitchen, Household, Art and Ornamental Pottery</p> <p><u>Subpart C headnotes:</u></p> <p>1. This subpart covers ceramic articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients; and certain smokers', household, and art and ornamental articles of ceramic ware. This subpart does not cover --</p> <p>(i) smokers' articles provided for in part 9B of schedule 7;</p> <p>(ii) other articles specifically provided for in schedule 7 or elsewhere in the schedules.</p> <p>2. (a) For the purposes of this subpart, the term "<u>available in specified sets</u>" (items 533.23, 533.25, 533.26, 533.28, 533.63, 533.65, 533.66, 533.68, and 533.69) embraces plates, cups, saucers, and other articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients, which are sold or offered for sale in the same pattern, but no article is classifiable as being "available in specified sets" unless it is of a pattern in which at least the articles listed below in (b) or (c) of this headnote are sold or offered for sale.</p> <p>Note: For explanation of the symbol "A" or "A*" in the column entitled "GSP", see general headnote 3(c).</p>			

TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (1978)

SCHEDULE 5. - NONMETALLIC MINERALS AND PRODUCTS
Part 2. - Ceramic Products

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5 - 2 - C

G S P	Item	Stat Suf- fix	Articles	Units of Quantity	Rates of Duty	
					1	2
			<p>(b) If each of the following articles is sold or offered for sale in the same pattern, the classification hereunder in item 533.23, 533.25, 533.26, 533.28, 533.63, 533.65, 533.66, or 533.68, of all articles of such pattern shall be governed by the aggregate value of the following articles in the quantities indicated, as determined by the appraiser under section 402 of the Tariff Act of 1930, as amended, whether or not such articles are imported in the same shipment:</p> <p>12 plates of the size nearest to 10.5 inches in maximum dimension, sold or offered for sale, 12 plates of the size nearest to 6 inches in maximum dimension, sold or offered for sale, 12 tea cups and their saucers, 12 soups of the size nearest to 7 inches in maximum dimension, sold or offered for sale, 12 fruits of the size nearest to 5 inches in maximum dimension, sold or offered for sale, 1 platter or chop dish of the size nearest to 15 inches in maximum dimension, sold or offered for sale, 1 open vegetable dish or bowl of the size nearest to 10 inches in maximum dimension, sold or offered for sale, 1 sugar of largest capacity, sold or offered for sale, 1 creamer of largest capacity, sold or offered for sale.</p> <p>If either soups or fruits are not sold or offered for sale, 12 cereals of the size nearest to 6 inches in maximum dimension, sold or offered for sale, shall be substituted therefor.</p> <p>(c) If each of the articles listed above in (b) of this headnote is not sold or offered for sale in the same pattern, but each of the following articles is sold or offered for sale in the same pattern, the classification hereunder in item 533.69 of all articles of such pattern shall be governed by the aggregate value of the following articles in the quantities indicated, as determined by the appraiser under section 402 of the Tariff Act of 1930, as amended, whether or not such articles are imported in the same shipment:</p> <p>6 plates of the size nearest to 8 inches in maximum dimension, sold or offered for sale, 6 beverage cups and their saucers, 1 sugar of largest capacity, sold or offered for sale, 1 creamer of largest capacity, sold or offered for sale, 1 beverage pot of the size nearest to 5-cup capacity, sold or offered for sale.</p> <p>(d) The percentage of water absorption of cast and jigged ceramic articles of the same pattern, which are "available in specified sets" and which are imported together in a ratio of at least 5 jigged articles to 1 cast article in the same shipment shall be the average water absorption of such cast and jigged articles, of the same pattern in the shipment, which average absorption shall be deemed to be equivalent to 5 percent of the water absorption of a representative sample of such cast articles plus 95 percent of the water absorption of a representative sample of such jigged articles.</p> <p>3. In those provisions of this part which classify merchandise according to the value of each "article", an article is a single tariff entity which may consist of more than one piece. For example, a vegetable dish and its cover, or a beverage pot and its lid, imported in the same shipment, constitute an article.</p>			

Appendix C
Statistical Tables

Table 1.--Ceramic table and kitchen articles: U.S. rates of duty, imports for consumption, and calculated duty at the trade-agreement rates, by TSUS items, 1977

TSUS item No. 1/	Description	Rate of duty			Im- ports 3/	Calculated duty	
		Statutory	Trade- agreement	Escape- action 1/ 2/		Amount	Ad valorem equivalent
	Articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients:	<u>Cents per</u> <u>dozen</u>	<u>Cents per</u> <u>dozen</u>	<u>Cents per</u> <u>dozen</u>			
	Of fine-grained earthenware (except arti- cles provided for in items 533.14 and 533.16) or of fine-grained stoneware:	<u>pieces;</u> <u>percent ad</u>	<u>pieces;</u> <u>percent ad</u>	<u>pieces;</u> <u>percent ad</u>			
	Available in specified sets:	<u>valorem</u>	<u>valorem</u>	<u>valorem</u>	<u>1,000</u> <u>dollars</u>	<u>1,000</u> <u>dollars</u>	<u>Percent</u>
533.23	In any pattern for which the aggregate value of the articles listed in head- note 2(b) of subpt. C is not over \$3.30.	10¢ + 50%	5¢ + 14%		54	8	14.3
533.25	In any pattern for which the aggregate value of the articles listed in head- note 2(b) of subpt. C is over \$3.30 but not over \$7.	10¢ + 50%	10¢ + 21%		171	37	21.8
533.26	In any pattern for which the aggregate value of the articles listed in head- note 2(b) of subpt. C is over \$7 but not over \$12.	10¢ + 50%	10¢ + 21%		372	97	26.1
533.28 (923.01)	In any pattern for which the aggregate value of the articles listed in head- note 2(b) of subpt. C is over \$12.	10¢ + 50%	5¢ + 10.5%	8.5¢ + 17.5%	75,856	8,618	11.4
533.31 (923.03)	Not available in specified sets: Steins, mugs, candy boxes, decanters, punchbowls, pretzel dishes, tidbit dishes, tiered servers, and bonbon dishes.	10¢ + 50%	5¢ + 12.5%		23,538	3,195	13.6
533.33 (923.05)	Other articles: Cups valued not over \$0.50 per dozen, saucers valued not over \$0.30 per dozen, plates not over 9 inches in maximum diameter and valued not over \$0.50 per dozen, plates over 9 but not over 11 inches in maximum diameter and valued not over \$1 per dozen, and other articles valued not over \$1 per dozen.	10¢ + 50%	5¢ + 12.5%		37	7	19.6
533.35 (923.07)	Cups valued over \$0.50 but not over \$1 per dozen, saucers valued over \$0.30 but not over \$0.55 per dozen, plates not over 9 inches in maximum diameter and valued over \$0.50 but not over \$0.90 per dozen, plates over 9 but not over 11 inches in maximum diameter and valued over \$1 but not over \$1.55 per dozen, and other articles valued over \$1 but not over \$2 per dozen.	10¢ + 50%	10¢ + 21%		158	43	27.5
533.36 (923.07)	Cups valued over \$1 but not over \$1.70 per dozen, saucers valued over \$0.55 but not over \$0.95 per dozen, plates not over 9 inches in maximum diameter and valued over \$0.90 but not over \$1.55 per dozen, plates over 9 but not over 11 inches in maximum diameter and val- ued over \$1.55 but not over \$2.65 per dozen, and other articles val- ued over \$2 but not over \$3.40 per dozen.	10¢ + 50%	10¢ + 21%		1,776	438	24.6
533.38 (923.07)	Cups valued over \$1.70 per dozen, saucers valued over \$0.95 per dozen, plates not over 9 inches in maximum diameter and valued over \$1.55 per dozen, plates over 9 but not over 11 inches in maximum diameter and valued over \$2.65 per dozen, and other articles valued over \$3.40 per dozen.	10¢ + 50%	5¢ + 11%	8.5¢ + 17.5%	30,359	3,530	11.6

Table 1.--Ceramic table and kitchen articles: U.S. rates of duty, imports for consumption, and calculated duty at the trade-agreement rates, by TSUS items, 1977--Continued

TSUS item No. 1/	Description	Rate of duty			Im- ports 3/	Calculated duty	
		Statutory	Trade- agreement	Escape- action 1/ 2/		Amount	Ad valorem equivalent
	Articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients --Continued	<u>Cents per dozen</u>	<u>Cents per dozen</u>	<u>Cents per dozen</u>			
	Of nonbone chinaware or of subporcelain: Household ware available in specified sets:	<u>percent ad valorem</u>	<u>percent ad valorem</u>	<u>percent ad valorem</u>	<u>1,000 dollars</u>	<u>1,000 dollars</u>	<u>Percent</u>
533.63	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of subpt. C is not over \$10.	10¢ + 70%	10¢ + 48%		73	37	50.6
533.65	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of subpt. C is over \$10 but not over \$24.	10¢ + 70%	10¢ + 55%		258	147	57.0
533.66	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of subpt. C is over \$24 but not over \$56.	10¢ + 70%	10¢ + 36%		23,582	8,898	37.7
533.68	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of subpt. C is over \$56.	10¢ + 70%	5¢ + 18%		33,292	6,105	18.3
533.69	Not covered by items 533.63, 533.65, 533.66, 533.68, and in any pattern for which the aggregate value of the articles listed in headnote 2(c) of subpt. C is over \$8.	10¢ + 70%	5¢ + 18%		3,925	741	18.9
	Household ware not covered by item 533.63, 533.65, 533.66, 533.68, or 533.69:						
533.71 (923.11):	Steins, mugs, candy boxes, decanters, punchbowls, pretzel dishes, tidbit dishes, tiered servers, and bonbon dishes.	70%	22.5%		7,893	1,776	22.5
	Other articles:						
533.73 (923.13):	Cups valued not over \$1.35 per dozen, saucers valued not over \$0.90 per dozen, plates not over 9 inches in maximum diameter and valued not over \$1.30 per dozen, plates over 9 inches in maximum diameter and valued not over \$2.70 per dozen, and other articles valued not over \$4.50 per dozen.	10¢ + 70%	5¢ + 22.5%	8.5¢ + 39.5%	1,133	279	24.7
533.75 (923.15):	Cups valued over \$1.35 but not over \$4 per dozen, saucers valued over \$0.90 but not over \$1.90 per dozen, plates not over 9 inches in maximum diameter and valued over \$1.30 but not over \$3.40 per dozen, plates over 9 inches in maximum diameter and valued over \$2.70 but not over \$6 per dozen, and other articles valued over \$4.50 but not over \$11.50 per dozen.	10¢ + 70%	5¢ + 30%	8.5¢ + 47%	1,545	477	30.9
533.77	Cups valued over \$4 per dozen, saucers valued over \$1.90 per dozen, plates not over 9 inches in maximum diameter and valued over \$3.40 per dozen, plates over 9 inches in maximum diameter and valued over \$6 per dozen, and other articles valued over \$11.50 per dozen.	10¢ + 70%	5¢ + 17.5%		14,236	2,556	18.0

1/ The numbers in parentheses are Appendix items and apply to only part of the TSUS item. For description of Appendix item, see table 1-A.

2/ Rates effective May 1, 1977.

3/ Does not include articles imported under Appendix item Nos. See table 1-A.

Table 1-A.--Certain ceramic table and kitchen articles: Escape-action rates of duty, most-favored-nation imports for consumption, and calculated duty at the escape-action rates, by TSUS items, 1977

TSUS item No.	Description	Escape-action rate (effective May 1, 1977)	Imports	Calculated duty	
				Amount	Ad valorem equivalent
	Articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients:	<u>Cents per dozen pieces;</u>			
	Of fine-grained earthenware or of fine-grained stoneware:	<u>percent</u>	<u>1,000</u>	<u>1,000</u>	<u>Percent</u>
	Available in specified sets:	<u>ad valorem</u>	<u>dollars</u>	<u>dollars</u>	
923.01	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of sub-pt. C, pt. 2 of schedule 5 is over \$12 but not over \$22 (provided for in item 533.28).	8.5¢ + 17.5%	218	45	20.7
	Not available in specified sets:				
923.07	Cups valued over \$1.70 but not over \$3.10 per dozen; saucers valued over \$0.95 but not over \$1.75 per dozen; plates not over 9 inches in maximum diameter and valued over \$1.55 but not over \$2.85 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued over \$2.65 but not over \$4.85 per dozen; and creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued over \$3.40 but not over \$6.20 per dozen (provided for in item 533.38).	8.5¢ + 17.5%	792	159	20.0
	Of nonbone chinaware or of subporcelain:				
	Household ware:				
923.13	Cups valued not over \$1.35 per dozen; saucers valued not over \$0.90 per dozen; plates not over 9 inches in maximum diameter and valued not over \$1.30 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued not over \$2.70 per dozen; and creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued not over \$4.50 per dozen (provided for in item 533.73).	8.5¢ + 39.5%	191	84	44.0
923.15	Cups valued over \$1.35 but not over \$4 per dozen; saucers valued over \$0.90 but not over \$1.90 per dozen; plates not over 9 inches in maximum diameter and valued over \$1.30 but not over \$3.40 per dozen; plates over 9 but not over 11 inches in maximum diameter and valued over \$2.70 but not over \$6 per dozen; creamers, sugars, vegetable dishes or bowls, platters or chop dishes, butter dishes or trays, gravy boats or gravies and stands, any of the foregoing articles valued over \$4.50 but not over \$11.50 per dozen (provided for in item 533.75).	8.5¢ + 47%	1,014	507	50.0

1/ Less than \$500.

Table 2.--Earthen table and kitchen articles: U.S. shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, by types of ware, 1973-77

Type of ware and year	Shipments <u>1/</u>	Imports	Exports <u>1/</u>	Apparent consumption	Ratio of imports to apparent consumption
	<u>1,000 dozen</u> <u>pieces</u>	<u>1,000 dozen</u> <u>pieces</u>	<u>1,000 dozen</u> <u>pieces</u>	<u>1,000 dozen</u> <u>pieces</u>	<u>Percent</u>
Earthenware, total table and kitchen articles:					
1973-----	11,832	15,994	22	27,804	58
1974-----	10,222	14,391	73	24,540	59
1975-----	10,690	14,382	140	24,932	58
1976-----	9,771	19,165	154	28,796	67
1977-----	10,453	23,325	195	33,563	69
Earthen dinnerware only:					
1973-----	11,132	9,014	22	20,124	45
1974-----	9,537	8,992	73	18,456	49
1975-----	10,089	9,522	134	19,477	49
1976-----	9,153	11,642	151	20,644	56
1977-----	9,852	13,369	187	23,034	58

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

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

Table 3.--Earthen dinnerware and other table and kitchen articles:
 U.S. producers' yearend inventories of unsold finished ware,
 1973-77

(In thousands of dozen pieces)					
Item	: 1973	: 1974	: 1975	: 1976	: 1977
Earthen dinnerware-----	: 2,531	: 2,468	: 2,273	: 2,410	: 2,343
Other earthen table and	:	:	:	:	:
kitchen articles-----	: 695	: 523	: 646	: 342	: 107
Total earthenware-----	: 3,226	: 2,991	: 2,919	: 2,752	: 2,450
	:	:	:	:	:

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

Table 4.--Earthen and household china table and kitchen articles:
U.S. imports for consumption, by types of ware, 1973-77

(In thousands of dozen pieces)					
Type of ware	1973	1974	1975	1976	1977
Earthenware:					
Dinnerware-----	9,014	8,992	9,522	11,642	13,369
Steins, mugs, and miscel- laneous articles <u>1</u> /----	3,077	2,475	2,242	4,079	5,057
Other table and kitchen articles-----	3,903	2,924	2,618	3,444	4,879
Total earthenware-----	15,994	14,391	14,382	19,165	23,305
Household chinaware:					
Dinnerware-----	7,966	5,355	4,596	6,583	7,403
Steins, mugs, and miscel- laneous articles <u>1</u> /----	1,432	893	863	1,280	1,510
Other table and kitchen articles (including bone china)-----	2,881	2,346	2,029	3,623	3,800
Total household china- ware-----	12,279	8,594	7,488	11,486	12,713
Grand total-----	28,273	22,985	21,870	30,651	36,018

1/Includes candy boxes, decanters, punchbowls, pretzel dishes, tidbit dishes, tiered servers, and bonbon dishes.

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

Table 5.--Earthen table and kitchen articles: U.S. imports for consumption,
by TSUS items, 1973-77

Article and TSUS item No.	1973	1974	1975	1976	1977
	Quantity (1,000 dozen pieces)				
Earthen dinnerware:					
533.23-----	7	11	5	8	10
533.25-----	25	54	17	4	13
533.26-----	149	24	43	132	194
533.28-----	6,869	8,104	8,964	11,309	13,070
923.01 <u>1</u> /-----	1,963	799	493	188	82
Total, earthen dinnerware-----	9,014	8,992	9,522	11,642	13,369
Earthen nondinnerware:					
Steins, mugs, and miscellaneous articles:					
533.31 <u>2</u> /-----	873	1,347	1,177	3,564	5,057
923.03 <u>3</u> /-----	2,204	1,128	1,065	515	<u>3</u> /
Subtotal-----	3,077	2,475	2,242	4,079	5,057
Other:					
533.33-----	186	63	18	87	58
923.05 <u>4</u> /-----	26	9	1	2	<u>4</u> /
533.35-----	611	267	143	112	108
533.36-----	465	372	299	553	658
533.38-----	1,627	1,639	1,612	2,390	3,820
923.07 <u>1</u> /-----	987	574	545	300	235
Subtotal-----	3,903	2,924	2,618	3,444	4,879
Total, earthen nondinnerware-----	6,980	5,399	4,860	7,523	9,936
Grand total-----	15,994	14,391	14,382	19,165	23,305
	Value (1,000 dollars)				
Earthen dinnerware:					
533.23-----	31	17	13	28	64
533.25-----	95	201	91	21	172
533.26-----	319	85	163	260	375
533.28-----	32,912	43,920	50,610	59,870	75,860
923.01 <u>1</u> /-----	6,136	2,386	1,422	620	218
Total, earthen dinnerware-----	39,493	46,609	52,299	60,799	76,689
Earthen nondinnerware:					
Steins, mugs, and miscellaneous articles:					
533.31 <u>2</u> /-----	5,828	8,567	7,217	15,873	23,544
923.03 <u>3</u> /-----	3,500	2,437	2,442	1,210	<u>3</u> /
Subtotal-----	9,328	11,004	9,659	17,083	23,544
Other:					
533.33-----	146	46	14	41	40
923.05 <u>4</u> /-----	14	6	1	<u>5</u> /	<u>4</u> /
533.35-----	872	413	221	179	163
533.36-----	1,086	902	718	1,389	1,790
533.38-----	14,168	14,651	13,898	19,507	30,399
923.07 <u>1</u> /-----	1,935	1,273	1,321	769	793
Subtotal-----	18,221	17,291	16,173	21,886	33,185
Total, earthen nondinnerware-----	27,549	28,295	25,832	38,969	56,729
Grand total-----	67,042	74,904	78,131	99,768	133,418

1/ Appendix item, effective May 1, 1972.

2/ Includes candy boxes, decanters, punchbowls, pretzel dishes, tidbit dishes, tiered servers, and bonbon dishes.

3/ Appendix item, effective May 1, 1972-Apr. 30, 1976; includes only steins and mugs.

4/ Appendix item, effective May 1, 1972-Apr. 30, 1976.

5/ Less than \$500.

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

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

Table 6.--Earthen table and kitchen articles: U.S. imports for consumption, by types of ware and by principal sources, 1973-77

(Quantity in thousands of dozens; value in thousands of dollars)								
Year	Japan		United Kingdom		All other		Total, all countries	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Dinnerware								
1973----	5,795	23,184	2,795	13,659	424	2,650	9,014	39,493
1974----	5,227	25,068	3,146	17,945	619	3,596	8,992	46,609
1975----	6,108	27,621	2,822	21,176	592	3,502	9,522	52,299
1976----	7,580	36,257	3,153	20,378	909	4,164	11,642	60,799
1977----	9,630	52,952	2,366	17,324	1,373	6,413	13,369	76,689
Steins, mugs, and miscellaneous articles ^{1/}								
1973----	2,916	7,120	43	335	118	1,873	3,077	9,328
1974----	2,242	8,174	52	391	181	2,439	2,475	11,004
1975----	2,052	7,200	44	450	146	2,009	2,242	9,659
1976----	3,474	12,906	162	851	443	3,326	4,079	17,083
1977----	3,871	16,699	233	1,081	953	5,764	5,057	23,544
Other table and kitchen articles								
1973----	3,110	12,673	158	1,756	635	3,791	3,903	18,220
1974----	2,204	11,516	178	2,137	542	3,638	2,924	17,291
1975----	1,918	9,461	129	2,002	571	4,710	2,618	16,173
1976----	2,389	13,682	180	2,292	875	5,912	3,444	21,886
1977----	3,151	21,202	210	2,710	1,518	9,272	4,879	33,184
Total, earthen table and kitchen articles								
1973----	11,821	42,977	2,996	15,750	1,177	8,314	15,994	67,041
1974----	9,673	44,758	3,376	20,473	1,342	9,673	14,391	74,904
1975----	10,078	44,282	2,995	23,628	1,309	10,221	14,382	78,131
1976----	13,443	62,845	3,495	23,521	2,227	13,402	19,165	99,768
1977----	16,652	90,853	2,809	21,115	3,844	21,449	23,305	133,417

^{1/} Includes candy boxes, decanters, punchbowls, pretzel dishes, tidbit dishes, tiered servers, and bonbon dishes.

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

Table 7.--Household china table and kitchen articles (excluding dinnerware and bone china): U.S. imports for consumption, by TSUS items, 1973-77

Article and TSUS item No.	1973	1974	1975	1976	1977
	Quantity (1,000 dozen pieces)				
China nondinnerware:					
Steins, mugs, and miscellaneous articles:					
533.71 <u>1/</u> -----	413	491	659	1,197	1,510
923.11 <u>2/</u> -----	1,019	402	204	83	<u>2/</u>
Total-----	1,432	893	863	1,280	1,510
Other table and kitchen articles:					
533.73-----	606	477	323	782	1,036
923.13 <u>3/</u> -----	489	160	204	350	101
533.75-----	201	157	133	264	435
923.15 <u>3/</u> -----	459	353	320	541	353
533.77-----	468	614	585	1,120	1,326
Total-----	2,223	1,761	1,565	3,057	3,251
Total, china nondinnerware-----	3,655	2,654	2,428	4,337	4,761
	Value (1,000 dollars)				
China nondinnerware:					
Steins, mugs, and miscellaneous articles:					
533.71 <u>1/</u> -----	2,112	2,566	2,932	5,303	7,971
923.11 <u>2/</u> -----	2,092	932	502	214	<u>2/</u>
Total-----	4,204	3,498	3,434	5,517	7,971
Other table and kitchen articles:					
533.73-----	1,066	998	702	1,532	1,752
923.13 <u>3/</u> -----	675	336	374	489	191
533.75-----	965	891	617	1,273	1,810
923.15 <u>3/</u> -----	1,228	965	789	1,292	1,014
533.77-----	6,164	7,166	7,073	11,506	14,638
Total-----	10,098	10,356	9,555	16,092	19,405
Total, china nondinnerware-----	14,302	13,854	12,989	21,609	27,376

1/ Includes candy boxes, decanters, punchbowls, pretzel dishes, tidbit dishes, tiered servers, and bonbon dishes.

2/ Appendix item, effective May 1, 1972-Apr. 30, 1976, includes only steins and mugs.

3/ Appendix item, effective May 1, 1972:

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

Table 8.--Earthen and household china table and kitchen articles
(excluding bone china or china dinnerware): U.S. imports for
consumption, by types of ware, 1973-77

(In thousands of dozen pieces)					
Type of ware	1973	1974	1975	1976	1977
Earthenware:					
Dinnerware-----	9,014	8,992	9,522	11,642	13,369
Steins, mugs, and miscellaneous articles 1/-----	3,077	2,475	2,242	4,079	5,057
Other table and kitchen articles-----	3,903	2,924	2,618	3,444	4,879
Total earthenware-----	15,994	14,391	14,382	19,165	23,305
Household chinaware					
(excluding bone china and dinnerware):					
Steins, mugs, and miscellaneous articles 1/-----	1,432	893	863	1,280	1,510
Other table and kitchen articles-----	2,223	1,761	1,565	3,057	3,251
Total household china- ware-----	3,655	2,654	2,428	4,337	4,761
Grand total-----	19,649	17,045	16,810	23,502	28,066

1/ Includes candy boxes, decanters, punchbowls, pretzel dishes, tid-bit dishes, tiered servers, and bonbon dishes.

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

Table 9.--Certain earthen and household china table and kitchen articles: U.S. imports for consumption at escape-action rates of duty, by TSUS items, 1973-77

TSUS item No.	Description	1973	1974	1975	1976	1977
		Quantity (1,000 dozen pieces)				
	Earthen table and kitchen articles:					
923.01	Dinnerware-----	1,963	799	493	188	82
923.03	Steins and mugs-----	2,204	1,128	1,065	515	<u>1/</u>
	Other nondinnerware table and kitchen articles:					
923.05	Low-value-----	26	9	1	2	<u>1/</u>
923.07	Medium- and high-value-----	987	575	545	300	235
	Total earthenware-----	5,180	2,510	2,104	1,005	317
	China table and kitchen articles:					
923.11	Steins and mugs-----	1,019	402	203	83	<u>1/</u>
	Other nondinnerware table and kitchen articles:					
923.13	Low-value-----	489	160	204	350	227
923.15	Medium-value-----	459	353	320	541	419
	Total chinaware-----	1,967	915	727	975	646
	Grand total-----	7,147	3,425	2,831	1,980	963
		Value (1,000 dollars)				
	Earthen table and kitchen articles:					
923.01	Dinnerware-----	6,136	2,386	1,422	620	218
923.03	Steins and mugs-----	3,500	2,437	2,442	1,210	<u>1/</u>
	Other nondinnerware table and kitchen articles:					
923.05	Low-value-----	14	6	1	<u>2/</u>	<u>1/</u>
923.07	Medium- and high-value-----	1,935	1,273	1,321	769	793
	Total earthenware-----	11,585	6,102	5,186	2,600	1,011
	China table and kitchen articles:					
923.11	Steins and mugs-----	2,092	932	502	214	<u>1/</u>
	Other nondinnerware table and kitchen articles:					
923.13	Low-value-----	675	336	374	489	306
923.15	Medium-value-----	1,228	965	789	1,292	1,112
	Total chinaware-----	3,995	2,233	1,665	1,996	1,418
	Grand total-----	15,580	8,335	6,851	4,596	2,429

1/ Discontinued on May 1, 1976.

2/ Less than \$500.

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

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

Table 10.--Earthen dinnerware: Percentage distribution of dinnerware sales, by types of marketing outlets, 1973-77

(Percent of total quantity)					
Type of outlet	1973	1974	1975	1976	1977
Sales by domestic producers					
Wholesale distributors-----	8	9	9	13	12
Discount department stores and chain variety stores-----	38	45	46	41	40
Other department stores and specialty, gift, and jewelry stores-----	15	23	18	16	17
Premium outlets-----	23	11	12	9	14
Mail-order and catalog houses (without retail outlets)-----	12	9	12	15	8
Other-----	4	3	3	5	9
Total-----	100	100	100	100	100
Sales by importers					
Wholesale distributors-----	2	5	3	2	4
Discount department stores and chain variety stores-----	5	14	6	8	1
Other department stores and specialty, gift, and jewelry stores-----	46	42	66	57	52
Premium outlets-----	33	13	12	20	38
Mail-order and catalog houses (without retail outlets)-----	13	21	9	5	3
Other-----	1	5	4	8	2
Total-----	100	100	100	100	100

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

Table 11.--Earthen dinnerware: 1/ Percentage distribution of U.S. producers' and importers' sales, by wholesale price ranges, 1973-77

(Percent of total quantity)					
Item and price range	1973	1974	1975	1976	1977
U.S. producers' sales of 45-piece services for 8 priced at--					
Not over \$15-----	72	37	28	29	25
Over \$15 but not over \$30-----	18	51	62	57	63
Over \$30-----	10	12	10	14	12
Total-----	100	100	100	100	100
Importers' sales of 45-piece services for 8 priced at --					
Not over \$15-----	1	6	<u>2/</u>	<u>2/</u>	<u>2/</u>
Over \$15 but not over \$30-----	66	21	33	21	39
Over \$30-----	33	73	67	79	61
Total-----	100	100	100	100	100

1/ Includes open stock available in specified sets.

2/ Less than 0.5 percent.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission by the domestic producers and importers.

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