

UNITED STATES TARIFF COMMISSION

HOUSEHOLD CHINAWARE: CERTAIN WORKERS
OF THE SYRACUSE CHINA CORPORATION,
SYRACUSE, NEW YORK

Report to the President
on Worker Investigation No. TEA-W-34
Under Section 301(c) (2) of the Trade Expansion Act of 1962



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UNITED STATES TARIFF COMMISSION

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Note.--The whole of the Commission's report to the President may not be made public since it contains certain information that would result in the disclosure of the operations of an individual concern. This published report is the same as the report to the President, except that the above-mentioned information has been omitted. Such omissions are indicated by asterisks.

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REPORT TO THE PRESIDENT

U.S. Tariff Commission,
January 5, 1971

To the President:

In accordance with section 301(f)(1) of the Trade Expansion Act of 1962 (76 Stat. 885), the U.S. Tariff Commission herein reports the results of an investigation, made under section 301(c)(2) of the Act, in response to a petition filed by a group of workers.

On November 6, 1970, a petition was filed with the Commission for determination of the eligibility of office, supervisory, production, and maintenance workers of the Syracuse China Corporation, Syracuse, New York, to apply for adjustment assistance.

On November 13, 1970, the Commission instituted an investigation (TEA-W-34) to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with household ware of nonbone china or subporcelain produced by the Syracuse China Corporation are being imported into the United States in such increased quantities as to cause, or threaten to cause, the unemployment or underemployment of a significant number or proportion of the workers of such manufacturing corporation. Public notice of the receipt of the petition and the institution of the investigation was given by publication in the Federal Register November 19, 1970 (35 F.R. 17809-10). No hearing was requested and none was held.

The information herein was obtained principally from the officers of the Syracuse China Corporation and the Commission's files.

Finding of the Commission

On the basis of its investigation, the Commission 1/ finds that articles like or directly competitive with the household ware of nonbone china or subporcelain produced by the Syracuse China Corporation at Syracuse, New York, are not, 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, or threaten to cause, the unemployment or underemployment of a significant number or proportion of the workers of such manufacturing corporation.

1/ Commissioner Sutton did not participate in the decision.

Considerations Supporting the Commission's Finding

This investigation was undertaken in response to a petition filed on behalf of the employees of the Syracuse China Corporation, Syracuse, New York. Until recently, the Corporation--one of the larger U.S. producers of chinaware and *** U.S. producer of hotel china--operated two domestic plants, both located in Syracuse. The company's Court Street plant produced hotel china only; its Fayette Street plant produced mostly household china dinnerware, but also some hotel china. In mid-1970 Syracuse ended its production of household dinnerware and closed its Fayette Street plant. Some 270 workers were laid off by the company during the year. The petition was filed on behalf of those workers for a determination of their eligibility under section 301(c)(2) of the Trade Expansion Act of 1962 to apply for adjustment assistance.

Section 301(c)(2) establishes four criteria that the Commission must weigh in reaching its determination. The determination must be affirmative if all four criteria are met; it must be negative if any one of the four is not met. The four criteria are as follows:

- (1) Household chinaware like or directly competitive with that produced at the Syracuse China Corporation is being imported in increased quantities;
- (2) the increased imports are in major part the result of concessions granted under trade agreements;
- (3) a significant number or proportion of the workers at the company are unemployed or underemployed or are threatened therewith; and

- (4) the increased imports resulting in major part from trade-agreement concessions have been the major factor causing or threatening to cause the unemployment or underemployment.

In the instant case, the Commission has concluded that the fourth criterion has not been met--namely, that increased imports have not been the major factor causing unemployment of the petitioning workers. The Commission consequently has been required to make a negative determination.

The Syracuse China Corporation had produced chinaware at the Fayette Street plant for nearly a century. After World War II, the company marketed a medium-priced line of china dinnerware. In the mid-1950's, however, Syracuse decided to shift to the prestige market--that supplied by high-priced, high-quality dinnerware. This move proved to be unsuccessful from the very beginning. According to company officials, Syracuse was never able to cater well to the prestige market. The company was obliged to try, by advertising and promotion, to change its image from that of a company producing average quality ware to that of a producer of high-quality ware--a problem distinct to Syracuse inasmuch as the other domestic producers of high-quality ware--Castleton, Flintridge, Franciscan, Lenox, and Pickard--had long served the prestige market. Meanwhile, the company faced other problems in profitably producing and marketing dinnerware. The layout of the 90-year-old Fayette Street plant was inefficient,

production being conducted on three floors and warehousing on a fourth; the rejection rate on dinnerware was very high relative to the experience of other domestic producers (although the marketing of "seconds" through the company's retail outlet in Syracuse produced substantial income). Costs were high in part because of heavy advertising and promotion expenditures inherent in attempting to establish the prestige line. ***

In 1970 Syracuse decided that its lengthy attempt to enter the prestige dinnerware market should be terminated. It had been unable to design, produce, and market profitably a high-quality line of china dinnerware, although other domestic producers long established in the prestige market had continued to do so. Under then existing market conditions, moreover, the company's current need for the Fayette Street plant as a reserve production facility for hotel china was less than it had been; the company consequently decided that it would produce hotel china only at the Court Street plant, which is a modern

and efficient establishment. U.S. imports of high-quality china dinnerware--the ware that competes most directly with that produced at the Fayette Street plant--have, of course, been a factor in the U.S. market for many years. But the major factors causing the unsuccessful operation of the Fayette Street plant were unrelated to such imports. In the light of these circumstances, the Commission has concluded that the fourth criterion has not been met, and consequently it has made a negative determination.

Information Obtained in the Investigation

Description and uses

The articles covered by this investigation consist of nonbone household china. Such articles are used for preparing, serving, and storing food, drink, and the ingredients thereof. Nonbone household chinaware is further identified according to end use. Tableware, as the term suggests, consists of articles designed primarily for serving food and drink at the table. Kitchenware consists of articles designed primarily for preparing and storing food and drink.

In the trade, tableware is commonly further classified as either "dinnerware" 1/ or "other tableware." Dinnerware is composed of those patterns of ware in which at least the following pieces are available: 2/ (1) dinner plate (over 9 inches in actual diameter), (2) bread and butter plate, or salad plate, (3) tea cup and saucer, (4) soup, fruit, or cereal dish, (5) sugar bowl, (6) creamer, (7) platter or chop dish, and (8) vegetable dish. Other tableware includes all other ware designed primarily for serving food at tables, such as beverage and dessert sets, place plates, and other shortline (incomplete service) tableware.

1/ For tariff purposes ware "available in specified sets" as defined in headnotes 2(b) and 2(c) of schedule 5 of the TSUS (items 533.63, 533.65, 533.66, 533.68, 533.69) is considered dinnerware,

2/ The above definition corresponds closely to that of "ware available in specified sets" in items 533.63-.69 of the TSUS, implementation of which was provided for in the Tariff Classification Act of 1962.

Although the present investigation covers both nonbone household china table and kitchen articles, only small quantities of china kitchen articles, are either manufactured in the United States or imported. Dinnerware has always been the predominant type of china produced in the United States or imported; its manufacture in the United States has accounted for virtually all of the household chinaware produced. The household chinaware division of the Syracuse China Corporation was engaged almost exclusively in the making of china dinnerware. Most of the remainder of this report is, therefore, devoted to china dinnerware.

Household chinaware of a kind covered by this investigation includes articles of both feldspathic china and subporcelain. Feldspathic china--which until 1962 was the only kind of chinaware produced in the United States--contains no bone ash; the glass-forming ingredient is a feldspathic mineral. The term "subporcelain" embraces fine grained ceramic ware (other than stoneware) whether or not glazed or decorated, having a fired body which is white (unless artificially colored). 1/

~~1/ The American Society for Testing and Materials (ASTM) definitions place an upper limit of 0.5 percent on the water absorption of a china body. Subporcelain bodies have a water absorption of between 0.5 percent and 3.0 percent.~~

Household fine china dinnerware, or formal china, has a vitreous (virtually non-absorbent), translucent, white body covered with a transparent glaze. A type of household china dinnerware, ordinarily referred to as casual ware, has been developed in the United States in recent years. This ware is generally thicker than fine or formal china, but not as thick as hotel ware. 1/ Casual ware, like hotel ware, is rarely decorated with gold or platinum, colored designs are usually under the glaze, and, the shapes of the pieces are fairly simple.

Both imported and domestic china dinnerware is available in a wide variety of shapes, patterns, and decorations. Virtually every type of imported china dinnerware is similar in quality and appearance to some type of domestic dinnerware.

U.S. tariff treatment

Household china table and kitchen articles were provided for in paragraph 212 of the Tariff Act of 1930. Under that act, the original rates of duty on household china table and kitchen articles were 10 cents per dozen pieces plus 60 percent ad valorem on articles not colored or decorated, and 10 cents per dozen pieces plus 70 percent ad valorem on colored or decorated articles (table 1).

1/ Nonbone chinaware for hotel and restaurant use, is thicker and heavier than household ware, is generally less decorated, and the pieces are simpler in shape than household ware; such ware is excluded from this investigation.

Household china table and kitchen articles are currently classified under items 533.63-.77 of the Tariff Schedules of the United States (TSUS). Rates of duty are either compound or ad valorem and vary according to whether or not the ware is available in specified sets and value categories. These rates were established by the TSUS, effective August 31, 1963 (table 2). The basis for duty assessment, as reflected in the TSUS, was substantially simplified under the Tariff Classification Act of 1962 from that previously in effect.

For convenience, feldspathic 1/ household chinaware table and kitchen articles have been classified in two categories: (1) whether available or not available in specified sets; and (2) by value, which, for simplicity, are identified here as (a) the bottom value category, 2/ (b) the middle value category, 3/ and (c) the top value category. 4/

Prior to the Kennedy Round Trade Conference of 1964-67, the only tariff concessions granted on household chinaware table and kitchen articles occurred during the latter 1940's and the 1950's. The largest concessions, which were granted in 1948 and 1951, were on chinaware in the top value category; the concessions resulted in the reduction of the ad valorem portion of the compound duty rate to 35 percent from 70 percent on items decorated or colored, and from 60

1/ In this report, unless otherwise indicated, the term "feldspathic" is used to cover all nonbone china, including porcelain and sub-porcelain.

2/ Includes TSUSA items 533.63, 533.73.

3/ Includes TSUSA items 533.65, 533.75.

4/ Includes TSUSA items 533.66, 533.68, 533.69, 533.77.

percent on items plain or uncolored. Duty concessions on household chinaware table and kitchen articles in the middle value category and the low value category occurred in 1955. Concessions granted on the middle value category were relatively small. Concessions granted on the low value category resulted in a reduction of the ad valorem portion of the compound rate of duty to 45 percent from 70 percent on items decorated or colored, and from 60 percent on items plain or uncolored. Tariff concessions granted in the Kennedy Round Trade Conference of 1964-67 were principally on items not available in specified sets. Concessions were also granted on ware available in specified sets (dinnerware) on two of the high value category items, both concessions amounting to a 50 percent reduction from the rate of duty in effect prior to January 1, 1968.

The following tabulation shows the average ad valorem equivalents of the 1930 and 1969 rates of duty on household chinaware table and kitchen articles, based on imports in 1969. The table also shows the percentage reduction in the ad valorem equivalent of the 1930 rate on each class and the share of total imports in terms of quantity accounted for by these classes.

(Percent)						
Description	Average ad valorem equivalent based on imports in 1969 of the rates of duty in effect in--			Reduction in the ad valorem equivalent of the 1930 rates		Share of total imports in 1969 in terms of quantity
	1930 ^{1/}	1969	1972	1969	1972	
Household table and kitchen articles (feldspathic):						
Available in specified sets-----	73.8	51.9	51.8	29.7	29.8	86.3
Not available in specified sets-----	74.8	39.9	24.9	46.7	66.7	13.7
Total or average-----	73.9	50.5	48.8	31.7	34.0	100.0
All household table and kitchen articles:						
Bottom value category-----	77.9	47.5	37.8	39.1	49.8	14.6
Middle value category-----	74.7	59.3	58.4	20.6	21.8	69.6
Top value category----	71.8	35.9	34.5	50.0	51.9	15.8
Total or average-----	73.9	50.5	48.8	31.7	34.0	100.0
Household table and kitchen articles available in specified sets (dinnerware):						
Bottom value category-----	75.9	53.9	53.9	29.0	29.0	5.0
Middle value category-----	74.7	59.7	59.7	20.1	20.1	77.7
Top value category----	72.0	36.9	35.5	48.8	50.7	17.3
Total or average-----	73.8	51.9	51.8	29.7	29.8	100.0

^{1/} Partly estimated.

The specific component of the various compound rates of duty accounts for a declining part of the total duty as the unit value of the ware increases.

U.S. consumption

Apparent U.S. consumption of nonbone household chinaware (including dinnerware) increased annually from 12,570 thousand dozen pieces in 1965 to *** thousand dozen pieces in 1969 (table 3), an increase of*** percent. During the same period, U.S. shipments decreased by*** percent, whereas U.S. imports increased 80 percent. Imports have accounted for over 90 percent of apparent annual consumption of household table and kitchen articles since the latter 1950's, and in January-May, 1970 amounted to*** percent of apparent U.S. consumption.

Apparent consumption of articles available in specified sets (dinnerware) during 1965-69 increased annually from 10,145 thousand dozen pieces in 1965 to *** thousand dozen pieces in 1969, an increase of *** percent. During the same period, U.S. imports of dinnerware increased 81 percent. Imported dinnerware accounted for 92 percent of apparent annual consumption in 1965; in 1969 this ratio was*** percent.

Purchasers of dinnerware may choose between earthenware, glassware, chinaware, or plastic ware. The choice depends largely on how much the consumer is willing to pay, his personal preferences to design and decorations, the emphasis placed on durability and prestige, and how the ware will be used (e.g., special occasions, every day).

Inasmuch as chinaware is more durable and considered by most to be more attractive than earthenware, many consumers are willing to pay considerably more for china dinnerware than for earthen dinnerware of similar patterns. On the other hand, due to confusing terminology in

the trade, many consumers do not distinguish between chinaware and earthenware.

Increased consumption of china dinnerware has been largely due to the increased popularity of casual china dinnerware as a substitute for earthen dinnerware. The consumer of casual china dinnerware desires a well-made, durable ware, usually more boldly designed than fine china dinnerware.

A recent survey disclosed that the bridal market accounts for about 41 percent of all chinaware sales. The steady rise in consumer buying power is reflected by young marrieds expecting to start out with a fully furnished and equipped household. The dinnerware companies that are best situated to dominate this market are those with a strong and successful brand image. Not only does this give them a larger share of the market, but it also builds future business. Studies have shown that women tend to replace their household chinaware with brands they already own. Additions to existing service, as well as replacements, may extend over a period of years.

Families that are unable or unwilling to purchase high-priced china usually buy either the less expensive domestic china (casual) or imported Japanese low-priced china or earthenware. Younger married couples usually buy more than one set of dinnerware--a fine set for best, a less-expensive imported set for secondary occasions, and/or an earthen, casual china or plastic ware set for everyday use.

Household fine china serves a market dominated by tradition, the tradition of a special set of dinnerware reserved for formal dining

and party occasions. It is a prestige market featuring high quality, high-priced ware. In general it is considered to include dinnerware priced from about \$15.00 and up per 5-piece place setting at the retail level. Design requirements and colors of fine china tend to be traditional. Pieces are luxurious in appearance and aesthetically pleasing with respect to shape, size, feel, and decoration. These qualities tend to give fine china long-term usage. To establish a prestige market and create an image, china firms usually expend large sums for promotional advertising, with heavy emphasis aimed at the bridal market.

U.S. imports

In 1970 about 180 concerns imported household china table and kitchen articles. The importers generally maintain stocks and sell through either their own sales force or their own retail outlets. Importers usually have the exclusive right to sell certain patterns, and sometimes certain makes of ware.

Since World II the trend of imports of household china table and kitchen articles has been markedly upward. In 1950-65, imports, by quantity, increased annually by an average of more than 7 percent; in 1965-69, the average annual rate of increase was about 15 percent. Imports in the bottom value category rose in the latter 1950's, but have declined since the early 1960's. Imports in both the top and middle value categories have risen significantly since 1964 and 1963, respectively (table 4). In the aggregate imports of all types of household china table and kitchen articles rose from 11.8 million dozen pieces in 1965 to 21.2 million dozen pieces in 1969 (table 3).

The bulk of household china table and kitchen articles sold in the United States has been imported for many years. In 1969 imports supplied *** percent of apparent domestic consumption of household china table and kitchen articles; in 1965 this ratio was 94 percent and in 1960, 91 percent. In 1965-69, about four-fifths of all imports consisted of household chinaware available in specified sets (dinnerware); most of the remainder consisted of articles such as china steins, mugs, or individual pieces unlike any produced in the United States.

Imports of household china dinnerware (ware available in specified sets) increased from 9.2 million dozen pieces, valued at \$22.1 million, in 1965 to 16.7 million dozen pieces, valued at \$43.5 million, in 1969 (table 5). In 1969 imports supplied ***percent of apparent U.S. consumption; in 1965 this ratio was 92 percent, and in 1960, 87 percent.

Imported dinnerware in the top value categories comprised 11 percent of the quantity of total dinnerware imports in 1965, and 17 percent in 1969. Imported dinnerware in the middle value category accounted for 75 percent of total dinnerware imports in 1965, and 78 percent in 1969. Imports in the top and middle value categories increased significantly while those in the bottom value category declined from 14 percent of all dinnerware imports in 1965 to 5 percent in 1969. This development was accompanied by a similar shift in the value structure of U.S. dinnerware imports from Japan. The following tabulation shows the percentage distribution (based on quantity) of imports of household china dinnerware by country and value categories, for the years 1965 and 1969:

Year and item	United Kingdom	West Germany	Japan	All other	Total, all countries
1965:					
Value category:					
Bottom-----	0.3	1.4	79.2	19.1	100.0
Middle-----	<u>1</u> /	1.8	97.9	.3	100.0
Top-----	4.2	45.5	40.2	10.1	100.0
Average-----	.5	6.7	88.8	4.0	100.0
1969: <u>2</u> /					
Value category:					
Bottom-----	-	.1	54.0	<u>3</u> / 45.9	100.0
Middle-----	<u>1</u> /	1.0	98.4	.6	100.0
Top-----	2.3	33.3	58.0	6.4	100.0
Average-----	.4	6.6	89.2	3.8	100.0

1/ Less than 0.05 percent.

2/ Preliminary.

3/ Principally from Poland; imports from that country are subject to trade-agreement rates of duty.

In 1965 Japan supplied 89 percent of the quantity and 78 percent of the value of imported dinnerware; in 1969 these percentages were 89 and 82 percent, respectively. West Germany supplied 7 percent of the quantity and 15 percent of the value of imported china dinnerware in 1965; in 1969 these percentages were 7 percent and 12 percent, respectively.

Japanese export controls

For a number of years exports of chinaware to the United States (and other countries) have been subject to voluntary controls of the Japanese manufacturers and exporters. The Ministry of International Trade and Industry (MITI) of the Japanese government also imposes some mandatory quantitative and price controls. MITI establishes a single annual export ceiling for all shipments of chinaware,

earthenware, and novelties to both the United States and Canada, but does not disclose the size and breakdown thereof. The Commission does not have information available to indicate whether the various quantitative controls have limited Japan's exports of household chinaware to the United States to quantities smaller than they otherwise would have been. As indicated in the previous section, however, such exports increased sizably in recent years. In addition, the Japan Pottery Exporters Association (JPEA) maintains quantitative export controls for chinaware in specified low-value brackets.

For price control, MITI uses minimum export "check" prices. The check price applicable to china dinnerware sets of 32 pieces or more was \$16.80 per 93-piece equivalent (or \$2.17 per dozen pieces) in 1964-70. Check prices for open stock tableware were also instituted at a level comparable to that of dinnerware. These check prices generally fall in the lowest quarter of the lowest value bracket established for household chinaware available in sets in the Tariff Schedules of the United States (item 533.62); thus, to the extent they may be effective, they would prevent the exportation of only very low-priced chinaware to the United States.

U.S. sales and inventories ^{1/}

Eight firms, operating nine plants, presently produce household chinaware in the United States. The principal producing States are California, New Jersey, and Pennsylvania. During 1970, the Syracuse China Corporation closed its household chinaware facilities and another firm, also located in Syracuse, New York, went out of business.

^{1/} Exports of dinnerware are negligible and believed to be comprised of seconds and merchandise sent to U.S. embassies.

*** The four largest producers (two of which have ceased production of household china) accounted for about *** of U.S. production in 1969.

During the period 1965-69, annual U.S. shipments of household chinaware are estimated to have declined from 815 thousand dozen pieces in 1965 to *** thousand dozen pieces in 1969 (table 3), an average annual decline of *** percent. On the basis of data available for the first five months of 1970, *** As indicated earlier, nearly all of the shipments consisted of dinnerware.

Prices

In 1965-69, *** percent of the value of household china dinnerware sold by the Syracuse China Corporation consisted of fine china dinnerware, a category in which it is extremely difficult to make meaningful price comparisons. There is no "typical" fine china dinnerware; it is available in an almost infinite variety of patterns and varies widely in style, design, and prestige. Competition in fine china is based both on price and the above mentioned criteria.

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The Syracuse China Corporation

Operations, production, and sales

Employment at Syracuse China Corp.

Appendix A: Tables

Table 1.--China ware table and kitchen articles: U.S. rates of duty under the Tariff Act of 1930, as modified, prior to the TSUS

(Cents per dozen separate pieces; percent ad valorem)

Paragraph and description	Tariff Act of 1930		
	Statutory rate	Trade-agreement modification prior to the TSUS	
		Rate change	Effective date and basis of change
Par. 212:			
China, porcelain, and other vitrified wares, composed of a vitrified nonabsorbent body which when broken shows a vitrified, vitreous, semivitrified, or semivitreous fracture, and bisque and parian wares; any of the foregoing not containing 25 percent or more of calcined bone which are tableware, kitchenware, and table and kitchen utensils:			
Household ware or utensils:			
Plates, not over 6-5/8 inches in diameter and valued over 90 cents but not over \$2.55 per dozen, or over 6-5/8 but not over 7-7/8 inches in diameter and valued over \$1.35 but not over \$3.45 per dozen, or over 7-7/8 but not over 9-1/8 inches in diameter and valued over \$1.80 but not over \$5 per dozen, or over 9-1/8 inches in diameter and valued over \$2.70 but not over \$6 per dozen;			
cups, valued over \$1.35 but not over \$4.45 per dozen;			
saucers, valued over 90 cents but not over \$1.90 per dozen; and other articles (than plates, cups, and saucers), valued over \$4.50 but not over \$11.50 per dozen articles:			
all the foregoing:			
Plain, not colored or decorated in any manner.	10¢ doz. + 60%	10¢ doz. + 60%	9-10-55; GATT.
Colored or decorated in any manner---	10¢ doz. + 70%	10¢ doz. + 60%	9-10-55; GATT.
Plates, cups, and saucers, and other articles than plates, cups, and saucers; each of the foregoing valued at less than the minimum value specified above for the like article:			
Plain, not colored or decorated in any manner.	10¢ doz. + 60%	10¢ doz. + 45%	9-10-55; GATT.
Decorated or colored in any manner---	10¢ doz. + 70%	10¢ doz. + 45%	9-10-55; GATT.
Plates, cups, and saucers, and other articles than plates, cups, and saucers; each of the foregoing valued at more than the maximum value specified above for the like article:			
Plain, not colored or decorated in any manner.	10¢ doz. + 60%	10¢ doz. + 35%	6-6-51; GATT.
Decorated or colored in any manner---	10¢ doz. + 70%	10¢ doz. + 35%	1-1-48; GATT. 10-1-51; GATT. ¹ / ₁

¹/ A rate of 10 cents per dozen plus 45 percent ad valorem was in effect on articles in the lower part of the top value category from April 21, 1948 to Sept. 30, 1951.

Note.--The statutory rate shown in the first column is that originally provided for in the Tariff Act of 1930. This rate applies to products of Communist dominated or Communist controlled areas designated by the President pursuant to sec. 231 of the Trade Expansion Act of 1962. The trade-agreement rate in the second column is the rate effective prior to the Tariff Schedules of the United States (TSUS). In the right-hand column is indicated the trade agreement in which the modified rate was negotiated. (GATT refers to the General Agreement on Tariffs and Trade.)

Table 2.--Chinaware table and kitchen articles: U.S. rates of duty (column 1) ^{1/} provided in the Tariff Schedules of the United States (TSUS), as modified

(Cents per dozen pieces; percent ad valorem)			
TSUS item	Article	Rate prior to Jan. 1, 1968	U.S. concessions granted in 1964-67 trade conference (Kennedy Round)
			Third stage, effective Jan. 1, 1970
	Articles chiefly used for preparing, serving, or storing food or beverages, or food or beverage ingredients: Of nonbone chinaware or of subporcelain: Household ware available in specified sets:		
533.63	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of this subpart is not over \$10.	10¢ doz. + 48%	2/ 2/
535.65	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of this subpart is over \$10 but not over \$24.	10¢ doz. + 55%	2/ 2/
533.66	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of this subpart is over \$24 but not over \$56. ^{3/}	10¢ doz. + 36%	2/ 2/
533.68	In any pattern for which the aggregate value of the articles listed in headnote 2(b) of this subpart is over \$56. ^{3/}	10¢ doz. + 36%	7¢ doz. + 25% 5¢ doz. + 18%
533.69	Not covered by items 533.63, 533.65, 533.66, or 533.68, and in any pattern for which the aggregate value of the articles listed in headnote 2(c) of this subpart is over \$8.	10¢ doz. + 36%	7¢ doz. + 25% 5¢ doz. + 18%
533.71	Household ware not covered by items 533.63, 533.65, 533.66, 533.68, or 533.69: Steins, mugs, candy boxes, decanters, punch bowls, pretzel dishes, tidbit dishes, tiered servers, and bonbon dishes.	45%	31% 22.5%
533.73	Other articles: 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 other articles valued not over \$4.50 per dozen.	10¢ doz. + 45%	7¢ doz. + 31% 5¢ doz. + 22.5%
533.75	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, and other articles valued over \$4.50 but not over \$11.50 per dozen.	10¢ doz. + 60%	7¢ doz. + 42% 5¢ doz. + 30%
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 but not over 11 inches in maximum diameter and valued over \$6 per dozen, and other articles valued over \$11.50 per dozen.	10¢ doz. + 35%	8¢ doz. + 28% 5¢ doz. + 17.5%

^{1/} The column 2 rates of duty which apply to certain Communist controlled countries are equivalent to the 1930 statutory rates of duty.

^{2/} Duty status not affected by trade conference.

^{3/} TSUS items 533.66 and 533.68 are new tariff classifications, effective Jan. 1, 1968. These items replaced TSUS item 533.67 which had been in effect from Aug. 31, 1963 to Dec. 31, 1967. The new TSUS numbers and the corresponding old TSUS numbers are as follows:

New	Old
533.66	533.67 (pt.)
533.68	533.67 (pt.)

Table 3.--Household chinaware articles used chiefly for preparing, serving, or storing food or beverages, or food or beverage ingredients: U.S. shipments, U.S. imports for consumption, U.S. exports, apparent U.S. consumption and ratio of imports to consumption, 1965-69, and January-May 1969 and 1970

(Quantity in 1,000 dozen pieces)						
Type of ware and period	Shipments <u>1/</u>	Imports	Exports <u>2/</u>	Apparent consumption	Ratio of imports to apparent consumption	Percent
Table and kitchen articles (including dinnerware):						
1965-----	815	11,798	43	12,570	94	
1966-----	778	12,148	50	12,876	94	
1967-----	771	13,428	63	14,136	95	
1968-----	774	17,800	51	18,523	96	
1969-----	<u>3/</u>	<u>4/</u> 21,238	52	<u>5/</u>	<u>5/</u>	
January-May:						
1969-----	<u>3/</u>	<u>4/</u> 8,462	22	<u>5/</u>	<u>5/</u>	
1970-----	<u>3/</u>	<u>4/</u> 7,265	27	<u>5/</u>	<u>5/</u>	
Articles available in specified sets (dinnerware) <u>6/</u>						
1965-----	815	9,332	2	10,145	92	
1966-----	778	9,965	2	10,741	93	
1967-----	771	10,765	2	11,534	93	
1968-----	774	13,803	2	14,575	95	
1969-----	<u>3/</u>	<u>4/</u> 16,886	2	<u>5/</u>	<u>5/</u>	
January-May:						
1969-----	<u>3/</u>	<u>4/</u> 6,904	2	<u>5/</u>	<u>5/</u>	
1970-----	<u>3/</u>	<u>4/</u> 5,405	2	<u>5/</u>	<u>5/</u>	

1/ Estimates based on data submitted to the Tariff Commission by domestic producers.

2/ Estimated.

3/ Data submitted in confidence to the U.S. Tariff Commission by the domestic producers; not for publication.

4/ Preliminary.

5/ Not available.

6/ Virtually all household china table and kitchen articles produced in the U.S. were dinnerware.

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

Table 4.--Household ware of nonbone chinaware or subporcelain: U.S. imports for consumption, by tariff classification value categories and most-favored-nation rates of duty, 1950-69

Year	Bottom value category 1,000 doz. pcs.	Rate of duty	Middle value category 1,000 doz. pcs.	Rate of duty	High value category 1,000 doz. pcs.	Rate of duty
1950-----	1/	:	3,578	10¢ doz. + 45% ad val.	365	10¢ doz. + 35% ad val.
1951-----	1/	:	4,306	do.	479	do.
1952-----	1/	:	3,356	do.	446	do.
1953-----	1/	:	4,009	do.	491	do.
1954-----	1/	:	5,190	do.	495	do.
1955-----	1/	10¢ doz. + 45%	5,821	10¢ doz. + 60% ad val.	566	do.
		9-10-55; GATT.		9-10-55; GATT.		
1956-----	4,087	do.	2,775	do.	582	do.
1957-----	4,154	do.	2,988	do.	733	do.
1958-----	4,193	do.	3,075	do.	568	do.
1959-----	5,240	do.	3,732	do.	843	do.
1960-----	4,398	do.	4,162	do.	913	do.
1961-----	4,424	do.	3,482	do.	696	do.
1962-----	5,614	do.	4,161	do.	779	do.
1963-----	3,946	10¢ doz. + 48% ad val. 2/	2,874	10¢ doz. + 55% ad val. 2/	692	10¢ doz. + 36% ad val. 2/
		8-31-63; GATT.		8-31-63; GATT.		8-31-63; GATT.
1964-----	2,721	do.	7,304	do.	694	do.
1965-----	3,141	do.	7,156	do.	1,115	do.
1966-----	3,429	do.	7,129	do.	1,228	do.
1967-----	2,632	do.	8,549	do.	1,477	do.
1968-----	3,634	do.	10,661	do.	2,144	9¢ doz.pcs. + 32% ad val. 3/
						8¢ doz.pcs. + 28.5% ad val. 3/
1969-----	2,897	do.	13,516	do.	3,351	do.

1/ Not separately classified before September 1955; included in the figures for the middle category.

2/ These rates apply to ware available in specified sets only, pursuant to the Tariff Classification Act of 1962 which separated ware available in specified sets from other table and kitchen articles. These rates became effective with the implementation of the TSUS.

3/ U.S. concessions granted in 1964-67 trade conference (Kennedy Round), applicable to ware available in specified sets only.

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

Note.--The above table does not include data on imports under TSUS item 533.71 (steins, mugs, candy boxes, etc.) for the years 1963-69.

Table 5.--Household chinaware (nonbone), including subporcelain articles, available in specified sets, chiefly used for preparing, serving, or storing food or beverages: U.S. imports for consumption, by value categories, 1965-69 1/

Item	1965	1966	1967	1968	1969
Quantity (1,000 dozen pieces)					
Value category:					
Bottom <u>2/</u> -----	1,243	1,832	941	1,410	845
Middle <u>3/</u> -----	6,922	6,872	8,299	10,150	12,981
Top <u>4/</u> -----	1,043	1,137	1,332	2,018	<u>5/</u> 2,891
Total, all categories <u>6/</u> ---	9,207	9,841	10,572	13,579	<u>5/</u> 16,717
Value (1,000 dollars)					
Value category:					
Bottom <u>2/</u> -----	1,877	2,741	1,339	2,223	1,429
Middle <u>3/</u> -----	14,515	14,834	16,581	20,691	27,435
Top <u>4/</u> -----	5,752	6,566	7,658	10,846	14,652
Total, all categories <u>6/</u> ---	22,144	24,141	25,579	33,760	43,516

1/ Does not include imports from certain Communist countries dutiable at the full statutory rates of duty. Such imports accounted for less than 1 percent of annual imports.

2/ TSUS item 533.63.

3/ TSUS item 533.65.

4/ TSUS items 533.66, 533.68, and 533.69.

5/ Adjusted to compensate for error reported in official statistics for West Germany.

6/ Because of rounding, data may not add to totals shown.

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

A-31 through A-34

Appendix B
