

UNITED STATES TARIFF COMMISSION

TELEVISION RECEIVERS, RADIOS, AND PHONOGRAPHS:
FORMER WORKERS AT THE
EMERSON TELEVISION AND RADIO COMPANY
JERSEY CITY, NEW JERSEY

Report to the President on
Worker Investigation No. TEA-W-77
Under Section 301(c)(2) of the Trade Expansion Act of 1962



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UNITED STATES TARIFF COMMISSION

Glenn W. Sutton

Bruce E. Clubb

Will E. Leonard, Jr.

George M. Moore

J. Banks Young

Kenneth R. Mason, *Secretary*

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

C O N T E N T S

	<u>Page</u>
Report to the President-----	1
Findings of the Commission-----	2
Views of Commissioners Clubb and Moore-----	3
Views of Commissioner Sutton-----	7
Views of Commissioner Leonard-----	8
Information obtained in the investigation:	
Description of the articles under investigation-----	10
U.S. tariff treatment-----	12
U.S. consumption, shipments, and exports-----	14
U.S. imports-----	17
U.S. producers-----	24
Emerson Television and Radio Company-----	25
Company plant-----	25
* * * * * * *	
Statistical appendix-----	27

TABLES

1.--Television receivers (monochrome and color): U.S. shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1966-70-----	28
2.--Phonographs and record players: U.S. shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1966-70-----	29
3.--Radio receivers: U.S. shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1966-70-----	30
4.--Radio-phonograph combinations: U.S. shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1966-70-----	31
5.--Tape players and recorders: U.S. shipments, imports for consumption, and apparent consumption, 1966-70-----	32
6.--Television receivers, monochrome and color: U.S. imports for consumption, 1966-70-----	33
* * * * * * *	

Note.--The whole of the Commission's report to the President may not be made public since it contains certain information that could 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. Also, for the purpose of continuity or clarity, certain words or phrases have been added--such additions are enclosed by brackets.

REPORT TO THE PRESIDENT

U.S. Tariff Commission
April 2, 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 February 3, 1971, the International Union of Electrical, Radio and Machine Workers, AFL-CIO, filed a petition for a determination of eligibility to apply for adjustment assistance in behalf of the former workers of the Emerson Television and Radio Company, Jersey City, New Jersey. The Commission instituted the investigation (TEA-W-77) on February 11, 1971, to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with the television receivers, radios, and phonographs produced by the aforementioned plant of the Emerson Company at Jersey City, New Jersey 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 at such plant.

Public notice of this investigation was given in the Federal Register (36 F.R. 3096) on February 17, 1971. No public hearing was requested by the petitioner nor by any party showing a proper interest in the subject matter of the investigation, and none was held.

The information contained herein was obtained principally through field interviews with officials of the National Union Electric Corporation, of which Emerson Television and Radio Company is a division, from discussions with officials of Local Union 480, International Union of Electrical, Radio and Machine Workers, from a questionnaire submitted to the Commission by the National Union Electric Corporation, and from the Commission's files.

Findings of the Commission

On the basis of its investigation, the Commission, being equally divided, 1/ makes no finding under section 301(c)(2) of the Trade Expansion Act of 1962 with respect to whether articles like or directly competitive with television receivers, radios, and phonographs produced at the plant of the Emerson Television and Radio Company at Jersey City, N.J., are, 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 under-employment of a significant number or proportion of the workers of said plant.

1/ Presiding Commissioner Sutton and Commissioner Leonard voted in the negative and Commissioners Clubb and Moore voted in the affirmative. Commissioner Young did not participate in the decision.

Views of Commissioners Clubb and Moore

This investigation relates to a petition for adjustment assistance under section 301 of the Trade Expansion Act of 1962 filed on behalf of former employees of the Emerson Television and Radio Company, Jersey City, N.J. The Jersey City plant of Emerson was engaged primarily in the assembly of television receivers from 1950 until June 1970 when production stopped; to a lesser extent, the company also produced radios and phonographs during 1966-70.

Under section 301(c)(2) of the Trade Expansion Act, four requirements must be met for the Commission to make an affirmative determination:

- (1) Imports of an article like or directly competitive with an article produced by the petitioning workers must be increasing;
- (2) The increase in imports must be a result in major part of trade-agreement concessions;
- (3) The workers concerned must be unemployed or underemployed, or threatened with unemployment or underemployment; and
- (4) The concession-generated increased imports must be the major factor in causing or threatening to cause the unemployment or underemployment.

In our judgment, each of the four conditions has been met in this case, and we have therefore made an affirmative determination. A discussion of each of the four conditions follows.

Increased imports

This requirement of the Trade Expansion Act of 1962 has clearly been met. Total imports of television receivers (the predominant product produced at the Jersey City plant) rose from 1.5 million sets in 1966 to 4.5 million sets in 1970; the value of such imports grew from

\$116 million in 1966 to \$316 million in 1970. This growth in imports occurred, moreover, concomitantly with a moderate decline in consumption; as a result, the proportion of consumption of television receivers supplied by imports more than tripled from 1966 to 1970--from 12 percent to 37 percent in quantity and from 5 percent to 16 percent in value.

U.S. imports of consumer electronic products like or directly competitive with the radios and phonographs produced by the Emerson Company also increased in terms of quantity and value from 1966 to 1970; in virtually all instances the imports supplied large and increasing proportions of U.S. consumption. For example, U.S. imports of radio receivers were 25 percent larger in quantity and 115 percent larger in value in 1970 than in 1966; the share of U.S. consumption of radios supplied by imports rose from 65 percent in 1966 to 88 percent in 1970 (based on quantity) and from 41 percent in 1966 to 80 percent in 1970 (based on value).

In major part

The second requirement of the Act is that the increased imports must have resulted in major part from trade-agreement concessions. We hold that this requirement of the statute is satisfied if, but for the concessions, imports of the products concerned would not be at substantially their present level.

In earlier cases, 1/ we have determined that the increased imports of television receivers have resulted in major part from trade-agreement

1/ Electrical Components and Apparatus and Allied Products: Production and Maintenance Workers of the F. W. Sickles Division, General Instrument Corporation . . . , Investigation No. TEA-W-21, TC Publication 329, July 1970 (at 8-9); Electronic Transformers: Former Workers of CP Electronics, Inc. . . . , Investigation No. TEA-W-31, TC Publication 351, January 1971 (at 10); and Television Receivers: Production and Maintenance Workers at RCA Corp. Plant . . . , Investigation No. TEA-W-70, TC Publication 376, March 1971 (at 4-5).

concessions. The rate of duty applicable to television receivers has been reduced from 35 percent ad valorem in 1930 to 7 percent ad valorem in 1970. If the 1930 rate had not been reduced, the duty applicable in 1970 to an imported color television receiver having a foreign value of about \$180 would have been about \$63, or \$50 more than the actual duty of \$13 paid. Similarly, if the 1930 rate had not been reduced, the duty applicable to an imported black-and-white set having a foreign value of about \$60 would have been about \$21, or \$17 more than the actual duty paid. In view of the sharp price competition between domestic and imported television receivers, such advantages to foreign producers stemming from trade-agreement concessions have often been a decisive factor in the marketplace. With respect to radios, phonographs, and tape players and recorders, the rates of duty were reduced from 35 percent ad valorem in 1930 to various levels in 1970, ranging from 7 percent to 11 percent ad valorem. The duty savings on such products resulting from the trade-agreement concessions provided a significant cost advantage in the domestic market. In our judgment, imports of such articles would not have approached the present volume, had it not been for the concessions.

Unemployment or underemployment

This statutory requirement has been met. The Jersey City plant, where the petitioning workers were employed, employed about 1,500 workers in 1966, of which * * * worked in the assembly of television receivers. Employment declined thereafter. In June 1970, when production stopped, employment was down to * * *; only * * * were employed in September 1970, all engaged in closing the plant. It clearly follows, therefore, that a significant number of workers have been unemployed or underemployed within the meaning of the statute.

Major factor

The final requirement of the statute is that concession-generated increased imports must have been the major factor in causing the unemployment or underemployment of the workers involved. The "but for" test is also applicable here. Thus, if the unemployment or underemployment would not have occurred had it not been for the increased imports, then for purposes of the statute, the increased imports have been the major factor causing the unemployment or underemployment.

In this case, a direct relationship between the increased imports of television receivers and the other products concerned and the unemployment of the workers involved is clearly evident. The Emerson Company, faced with strong import competition, first reduced and then shut down its production operations at the Jersey City plant. In a communication to officers of the union representing the petitioning workers, the company stated that it considers the Jersey City plant shutdown attributable in large part to destructive foreign competition.

The company has continued to distribute its brand-named television receivers and other consumer electronic products--some of which it has obtained by direct importation, and some of which it has obtained by purchase from another domestic firm whose supply is partly from imports. Accordingly, we have concluded that, for purposes of the statute, the increased imports have been the major factor in causing the unemployment of the workers concerned.

Conclusion

Since each of the four requirements of the statute have been met, we have made an affirmative determination.

Views of Commissioner Sutton

This investigation relates to a petition filed on behalf of workers at the plant of the Emerson Television and Radio Company located at Jersey City, N.J. When in operation, the plant had been devoted almost entirely to the production of television receivers. Some radios, phonographs, and combinations of television receivers, radios, and phonographs were assembled there, but employment on the production of such articles constituted only a small part of total employment at the plant.

In another recent investigation under the Trade Expansion Act, 1/ I found that television receivers are not being imported in increased quantities as a result in major part of concessions granted under trade agreements. I concluded, rather, that the sale of Japanese television receivers at less than fair value within the meaning of the Antidumping Act, 1921, and the duty-saving provisions of item 807.00 of the Tariff Schedules of the United States 2/ have contributed more to the rising trend of imports than the trade-agreement concessions. For these same reasons, my determination is negative in the instant investigation. Since the increased imports of television receivers are not in major part the result of trade-agreement concessions, the conditions imposed by section 301(c)(2) of the Trade Expansion Act for an affirmative determination have not been met.

1/ Television Receivers: Production and Maintenance Workers at RCA Corp. Plant, Memphis, Tenn. ... , Investigation No. TEA-W-70, TC Publication 376, March 1971, pp. 7-8.

2/ Under this item, U.S. duty is assessed on the value of the imported article less the value of the U.S. components contained therein.

Views of Commissioner Leonard

My determination in this investigation is in the negative because all of the conditions imposed by section 301(c)(1) of the Trade Expansion Act of 1962 have not been satisfied.

The petitioning workers, who had been employed at the Jersey City plant of the Emerson Television and Radio Company, had been engaged in the assembly of television receivers, radios, phonographs, and combinations thereof. In earlier investigations under the Trade Expansion Act, 1/ I set forth my view that such articles, as well as tape recorders (which I regard as directly competitive with phonographs), are not being imported into the United States in increased quantities as a result "in major part" of concessions granted under trade agreements.

The U.S. rates of duty applicable to imports of those products have been reduced substantially--from a rate of 35 percent ad valorem before any trade agreements were negotiated to rates of 6 percent to 10.4 percent ad valorem currently. However, the major concessions, accounting in most instances for about two-thirds of the total duty reductions, occurred more than two decades ago--before such products had been a significant item of trade. The recent Kennedy Round concessions have been comparatively minor, generally resulting in duty reductions of no more than 4 percentage points in the ad valorem rates. While U.S. imports of most of those articles increased materially in the late 1960's,

1/ Fibre Form Corporation . . . , Investigations Nos. TEA-F-16 and TEA-W-55, TC Publication 362, February 1971, pp. 4-6; Electronic Transformers: Former Workers of CP Electronics, Inc. . . . , Investigation No. TEA-W-31, TC Publication 351, January 1971, pp. 13-14; Electrical Components and Apparatus and Allied Products: Production and Maintenance Workers of the F. W. Sickles Division, General Instrument Corporation. . . , Investigation No. TEA-W-21, TC Publication 329, July 1970, p. 5.

such recent increases in trade could not have been caused in major part by trade-agreement concessions which had largely occurred many years before.

For the foregoing reasons, I have had to make a negative determination in this case.

INFORMATION OBTAINED IN THE INVESTIGATION

Description of the articles under investigation

The Emerson Plant in Jersey City, New Jersey, when in operation, was principally engaged in the assembly of monochrome (i.e., black-and-white) and color television receivers, and to a lesser extent in the assembly of various types of radio receivers and phonographs. It also assembled different combinations of television receivers, radios, and phonographs. All articles that were produced by the Emerson Plant were of the type used for home entertainment.

A television receiver--hereafter referred to as a TV receiver--is a device that converts a transmitted television signal into video, synchronizing, and audio elements which reproduce the picture and sound originally transmitted. The video element controls the intensity of the electron beam(s) in the television picture tube. The synchronizing element positions the electron beam(s) in the picture tube. The audio element controls the sound emission.

A phonograph is an instrument for reproducing and amplifying a channel of sound generated from the track on a record, and directing that channel of sound to a speaker or speaker system. In stereophonic phonographs, two or more channels of sound are involved, together with a speaker system. In its basic form, a phonograph consists of a sound pickup, tone arm, turn-table (including a motor), an amplifying system, and a speaker or speaker system.

A radio receiver is an apparatus, consisting of a tuner, amplifier, and speaker or speaker system, usually combined in one cabinet, that reproduces sound originally transmitted by a radio station. The tuner

accepts the transmitted radio wave and converts it into a discrete, but weak, signal, and the amplifier increases the weak signal to a power sufficient to energize a speaker or speaker system.

A tape player is a device for reproducing and amplifying a channel of sound that has been recorded on tracks of magnetized tape. One, two, four, or eight tracks of sound are stored on tapes. In stereophonic tape players, two tracks of sound are reproduced simultaneously, each directed to a separate speaker. A tape recorder is an instrument that both records sound programs on tape and reproduces the recorded programs. A tape player or recorder is sometimes combined in the same cabinet with a radio, phonograph, or TV receiver. Although they were not a product of the Emerson Plant, tape players and recorders are included in the investigation because they are closely competitive with the phonographs that were produced by that plant.

U.S. tariff treatment

Under the Tariff Act of 1930, TV receivers, radio receivers, radio-phonograph combinations, tape players and tape recorders were classifiable in a group of electrical articles under paragraph 353; this group of articles was dutiable at 35 percent ad valorem from June 18, 1930, through December 31, 1938.

Pursuant to successive trade-agreement concessions beginning in 1939, these rates have been reduced substantially. The rates of duty currently (1971) in effect on these articles range from 6 percent ad valorem to 10.4 percent. The current rates reflect the fourth stage of the five-stage concession granted in the Kennedy Round negotiations under the General Agreement on Tariffs and Trade (GATT). The final stage of that concession is scheduled to become effective on January 1, 1972.

Under the Tariff Schedules of the United States (TSUS), these articles are provided for as follows: TV receivers, item 685.20; radio receivers, items 685.23 and 685.25; radio-phonograph combinations, item 685.30; phonographs and record players, item 685.32; tape recorders, item 685.40; and tape players, item 678.50.

The effective dates of the various rates of duty applicable to the aforementioned articles under the Tariff Act of 1930, as modified by trade-agreement concessions, are given in the table below.

Certain consumer electronic products: Effective date of U.S.
rates of duty, June 18, 1930-Jan. 1, 1972

(In percent ad valorem)

Effective date	TV receivers (Item 685.20)	Radio receivers solid- state (Item 685.23)	tube- type (Item 685.25)	Radio- phonograph combin- ations (Item 685.30)	Phono- graphs (Item 685.32)	Tape record- ers (Item 685.40)	Tape players (Item 678.50)
June 18, 1930--	35%	35%	35%	35%	35%	35%	35%
Jan. 1, 1939--	25%	25%	25%	25%	25%	27.5%	25%
Jan. 1, 1948--	15%	15%	15%	15%	15%	15%	15%
June 6, 1951--	12.5%	12.5%	12.5%	13.75%	13.75%	13.75%	13.75%
June 30, 1956--	11.5%	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>
June 30, 1957--	11%	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>
June 30, 1958--	10.5%	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>
July 1, 1962--	10%	<u>1/</u>	<u>1/</u>	<u>1/</u>	12.5%	12.5%	12.5%
July 1, 1963--	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	11.5%	11.5%	11.5%
Aug. 31, 1963--	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>2/</u> 10%
Jan. 1, 1968--	9%	12%	11%	12%	10%	10%	9%
Jan. 1, 1969--	8%	11.5%	10%	11%	9%	9%	8%
Jan. 1, 1970--	7%	11%	8.5%	9.5%	8%	8%	7%
Jan. 1, 1971--	6%	10.4%	7%	8%	6.5%	6.5%	6%
Jan. 1, 1972--	5%	10.4%	6%	6.5%	5.5%	5.5%	5%

1/ No change

2/ This rate was a result of combining several different rates.

Some TV receivers, radio receivers, phonographs, and tape players and recorders have been entered under item 807.00 which provides that for imported articles assembled in whole or in part of U.S. fabricated components the duty may be assessed only on the value added abroad, thus permitting the U.S. components to be entered duty free.

On December 4, 1970, the Assistant Secretary of the Treasury advised the Tariff Commission that television receiving sets, monochrome and color, from Japan are being, or are likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended. In accordance with the requirements of section 201(a) of the Antidumping Act (19 U.S.C. 160(a)), the

Tariff Commission instituted Investigation No. AAL921-66 to determine whether an industry in the United States is being, or is likely to be, injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. On the basis of the investigation, the Commission determined unanimously that an industry in the United States is being injured by reason of the importation of television receiving sets, monochrome and color, from Japan sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended. ^{1/} On March 8, 1971, the Secretary of the Treasury issued a "finding of dumping" on imports of television receiving sets, both monochrome and color, from Japan (36 F.R. 4597, March 10, 1971).

U.S. consumption, shipments, and exports

TV receivers.--Following a general upward trend during 1959-65, total annual U.S. consumption of TV receivers (both monochrome and

^{1/} U.S. Tariff Commission, Television Receiving Sets From Japan: Determination of Injury, TC Publication 367, 1971 (processed).

color) fluctuated in quantity but decreased significantly in value from 1966 to 1970. Total annual consumption during 1966-70 fluctuated from 13.0 million sets (in 1966, the peak year) to 11.2 million sets (in 1967), and the value of consumption decreased from \$2.4 billion in 1966 to about \$2.0 billion in 1970 (table 1). The quantity of total consumption was 6 percent smaller in 1970 than in 1966, and the value was 18 percent smaller.

Total U.S. shipments of TV receivers declined from a peak of 11.7 million sets in 1966 to 7.8 million sets in 1970, and the value of shipments decreased from \$2.4 billion to \$1.7 billion--representing a reduction of about a third in quantity and two-sevenths in value (table 1).

As shown in the following table, from 1966 to 1970 shipments of color TV receivers comprised a growing proportion of the total quantity of domestic shipments.

Monochrome and color TV receivers: U.S. shipments, 1966-70

(In millions of units)

Year	Monochrome	Color	Total
1966-----	6.9	4.8	11.7
1967-----	4.7	5.0	9.7
1968-----	5.2	5.1	10.3
1969-----	4.5	4.4	8.9
1970 ^{1/} -----	3.3	4.5	7.8

^{1/} Estimated by the staff of the U.S. Tariff Commission.

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

As indicated by data on domestic production during 1966-70, U.S. shipments of monochrome receivers decreased in all categories of screen sizes, but the bulk of the reduction was in sets with screen sizes over 16" but not over 19", and those with screen sizes over 19". Shipments of color receivers with screen sizes not over 19" increased considerably from 1966 to 1970, but this rise was more than offset by a substantial decrease in shipments of sets with screen sizes over 19" (the predominant category) during the same period.

U.S. exports of TV receivers during 1966-70 ranged from 126,000 to 168,000 units, with the value varying from \$24 million to \$33 million (table 1). In relation to the quantity and value of shipments each year, exports varied from about 1 percent to 2 percent.

Other consumer electronic products.--Data on U.S. consumption, shipments, and exports of phonographs and record players, radio receivers, radio-phonographs, and tape players and recorders are given in tables 2, 3, 4, and 5, respectively. The aggregate value of total annual consumption of all these products in 1970, about \$1.4 billion, was 31 percent larger than in 1966. As shown in tables 2 to 5, in 1970 compared with 1966 (or 1968), consumption of each product increased from 14 percent to 64 percent in terms of quantity and from 3 percent to 191 percent in terms of value, with the exception of a 7-percent decrease in the quantity of consumption of radio receivers; the largest increase was in the consumption of tape players and recorders.

The sum of the value of total annual shipments of the consumer electronic products covered in tables 2 to 5 was about \$680 million in

1970, or 15 percent below that in 1966. From 1966 to 1970, the quantity of annual shipments, by product, increased by 2 percent to 13 percent, except for a 66-percent decline in radio receivers. In the same period, the value of annual shipments of radio receivers and of tape players and recorders decreased by 62 percent and 33 percent, respectively; and the value of annual shipments of radio-phonograph combinations and of phonographs and record players increased by 6 percent and 5 percent, respectively.

The value of annual exports of all the products treated in tables 2 to 5 totaled about \$9 million in 1970, roughly the same as in 1966. In 1970, exports of radio receivers equalled 5 percent of radio receiver shipments, and exports of each of the other products equalled 1 percent or less of the respective shipments.

U.S. imports

TV receivers.--Total annual U.S. imports of TV receivers (both monochrome and color) grew from about 1.5 million units, valued at \$116 million, in 1966, to 4.5 million units, valued at \$316 million, in 1970--the gain was nearly 200 percent in units and 172 percent in value (table 1). However, year-to-year increases varied greatly;

e.g., the rise in 1970 was 12 percent in quantity and 7 percent in value, compared with one of 68 percent in quantity and 62 percent in value in 1968. Except in 1967, the increases in imports were consistently greater in quantity than in value, reflecting the growing importance of sets of smaller screen size. Monochrome TV receivers regularly made up about 75 percent to 80 percent of the total annual imports during 1967-70 in terms of quantity, and constituted 48 percent to 57 percent in terms of value (table 6).

During 1966-70, the ratio of total imports of TV receivers to total consumption of TV receivers rose from 12 percent to 37 percent in terms of quantity, and from 5 percent to 16 percent in terms of value (table 1). These increases in the ratio reflect not only the sharp growth in imports but also a substantial decline in domestic producers' shipments--e.g., in 1970, the imports of TV receivers were larger by 3.0 million units, whereas domestic shipments were smaller by 3.9 million units, than in 1966.

The total imports of TV receivers under the provisions of item 807.00--dutiable only on the foreign value added--have grown markedly. Compared with 1967, the units so imported in 1970 (1.2 million) were 17 times as large, and the total value of the imports (\$56 million) was 9 times as large, as shown in the following table.

Television receivers: 807.00 imports and total imports, 1967-70

Year	807.00 imports				Total imports	
	Quantity	Value			Quantity	Value
		U.S. value	Foreign value added	Total		
	<u>1,000 units</u>	<u>Million dollars</u>	<u>Million dollars</u>	<u>Million dollars</u>	<u>1,000 units</u>	<u>Million dollars</u>
1967----	70	3	3	6	1,614	126
1968----	445	6	16	22	2,711	204
1969----	939	18	29	47	4,034	296
1970----	1,195	<u>1/</u> 21	<u>1/</u> 35	56	4,513	316

1/ Estimated, based on data for February-December.

As indicated above, from 1967 to 1970 the ratio of the imports of receivers under 807.00 to total imports of receivers grew from 4 percent to 26 percent in terms of quantity and from 5 percent to 18 percent in terms of value. On the other hand, the ratio of the U.S. value to the total value of 807.00 imports decreased from 50 percent in 1967 to 38 percent in 1970.

The vast majority of the TV receivers imported under item 807.00 have consisted of monochrome receivers; e.g., in 1970 monochrome receivers made up more than nine-tenths of the imports in terms of both quantity and value.

Imports under item 807.00 result in substantial savings in duty-- e.g., the duty-saving on imports of TV receivers in 1969 was \$1.4 million, or 38 percent of the total duty payable in the absence of

item 807.00. However, as reported by the Commission (TC Publication 339, September 1970), U.S. producers state that, without the benefits under the 807.00 provision, it would be virtually impossible for them to maintain a significant share of the U.S. market.

Other consumer electronic products.--Data on U.S. imports of phonographs and record players, radio receivers, radio-phonographs, and tape players and recorders are presented in tables 2, 3, 4, and 5, respectively. The aggregate total value of the imports of this group of products was about \$735 million in 1970, a rise of 155 percent in relation to 1966. Of the 1970 aggregate value of these imports, 87 percent was comprised of tape players and recorders and of radio receivers.

Among these products, the changes in imports from 1966 to 1970 varied greatly (tables 2 to 5). In 1970, the quantity of imports of tape players and recorders was about 1.7 times that in 1968, and the value was 4.5 times that in 1966. In 1970, compared with 1966, imports of radio receivers were 25 percent larger in quantity and 115 percent larger in value. The smaller imports of radio-phonograph combinations nearly doubled in quantity and tripled in value from 1966 to 1970, and those of phonographs and record players grew by 17 percent in quantity from 1968 to 1970, but declined by 7 percent in value from 1966 to 1970.

For most products in this group, the imports supplied a large and increasing proportion of consumption during 1966-70 in terms of

either quantity or value, or both (tables 2 to 5). The ratios (percent) of imports to consumption in 1966 and 1970, in quantity and value, are presented in the following table.

Certain consumer electronic products: Ratio (percent) of imports to consumption, 1966 and 1970

Item	Phonographs and record players		Radio receivers		Radio-phonograph combinations		Tape players and recorders	
	1966	1970	1966	1970	1966	1970	1966	1970
Ratio of the--	:	:	:	:	:	:	:	:
Quantity of im-	:	:	:	:	:	:	:	:
ports to the	:	:	:	:	:	:	:	:
quantity of	:	:	:	:	:	:	:	:
consumption----	<u>1/</u> 45%	46%	65%	88%	33%	46%	<u>1/</u> 92%	96%
Value of imports	:	:	:	:	:	:	:	:
to the value of:	:	:	:	:	:	:	:	:
consumption----	20%	18%	41%	80%	5%	12%	59%	91%

1/ Applies to 1968; data for 1966-67 are not available.

Some of the imports of radio receivers, phonographs, and tape players and recorders were entered under the provisions of item 807.00. Details on the value of such entries during 1967-70 are given in the table below, together with data on the respective total imports. * * *

Radio receivers, phonographs, and tape players and recorders:
807.00 imports and total imports, in value, 1967-70

(Value in millions of dollars)

Item	1967	1968	1969	1970
Radio receivers:				
Total imports-----	163.4	225.1	305.5	305.2
807.00 imports, total-----	18.7	27.9	51.1	42.0
U.S. value-----	3.8	4.5	8.5	6.2
Foreign value added-----	14.9	23.4	42.7	35.8
Phonographs:				
Total imports-----	37.8	42.6	47.3	50.0
807.00 imports, total-----	14.1	20.2	21.8	13.8
U.S. value-----	2.7	3.6	3.5	2.3
Foreign value added-----	11.4	16.7	18.3	11.4
Tape players and recorders:				
Total imports-----	104.7	180.2	273.4	335.3
807.00 imports, total-----	1/	1/	1/	1.9
U.S. value-----	1/	1/	1/	0.3
Foreign value added-----	1/	1/	1/	1.7

1/ Not available.

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

As indicated in the foregoing table, from 1967 to 1969 the value of total 807.00 imports of radio receivers and phonographs increased by 173 percent and 55 percent, respectively, and decreased by 18 percent and 37 percent, respectively, in 1970. From 1967 to 1970, the total value of 807.00 imports of radio receivers equalled 11 percent to 17 percent of the total of such imports; the total value of 807.00 imports of phonographs equalled 27 percent to 47 percent of the total of such imports. During 1966-70, the U.S. value of such imports of radio receivers constituted 15 percent to 20 percent of the total value of 807.00 imports, and the U.S. value of such imports of phonographs made up 16 percent to 19 percent of the respective total value. The total

value of 807.00 imports of tape players and recorders in 1970-- comparable data are not available for earlier years--was about \$1.9 million, which equalled less than 1 percent of the total of such imports; the U.S. value comprised about 15 percent of the total value of 807.00 imports of tape players and recorders.

U.S. producers

Currently, about 20 domestic firms account for virtually all U.S. production of the consumer electronic products considered here. This number has decreased from about 30 in 1965, through attrition, mergers, and acquisitions. In recent years, most of the U.S. production of TV receivers has been accounted for by four large firms. These four firms together with six others, according to trade information, have accounted for a substantial part of the domestic production of radio receivers, phonographs, tape players and recorders, and various combinations of such products; additional domestic production of such articles by several other firms consists of units assembled for the most part in foreign establishments and generally subjected to only minor processing in domestic establishments.

Of the principal U.S. producers in 1970, most were situated in the North Central States and the Mid-Atlantic States. Most of the domestic producers are large and diversified--in addition to the consumer electronic products, their production includes complex electronic products of advanced technology for use by industry and the military. In many cases, however, TV receivers and the other consumer electronic products are the most important product lines.

Most of the domestic firms operate one or more additional plants; in the larger firms, such plants produce various electronic components and parts (e.g., tuners, transformers, and loudspeakers) and cabinets, and in the smaller firms, the additional plants ordinarily produce cabinets. All of the firms, however, purchase a variety of components and parts from a large number of small companies.

Emerson Television and Radio Company

The Emerson Television and Radio Company, Jersey City, N.J., is a division of National Union Electric Corporation (NUE); the headquarters of the corporation are situated in Greenwich, Conn.

NUE is a diversified multinational corporation with domestic operations in several States and foreign operations in Canada; it is one of the larger domestic companies, with total net sales in 1969 of \$151 million. The Emerson Television and Radio Company (hereafter referred to as the Emerson Company) was acquired by the NUE in May 1966 and was operated as a division of the corporation; within the corporation, the Emerson Plant at Jersey City was the only producer of TV receivers, radio receivers, phonographs, and similar consumer electronic products.

Company plant.--The company plant in Jersey City, N. J., constructed in 1950, is a five-story building, with about 611,000 square feet of floor space. At the time of a visit by Commission staff members in February 1971, all production equipment had been removed from the plant, some space was being used for storage of various products, and a small number of employees was at work preparing the structure for sale.

The main product lines of the Emerson Plant consisted of TV receivers, in both the monochrome and color types. The plant produced monochrome receivers with screen sizes ranging from 15" to 22" and

color receivers with screen sizes from 18" to 23"; portable, table, console, and console models were produced in each type. Circuitry in the TV receivers was either of the solid-state type or of the hybrid type (partly tubes, and partly solid-state). In addition, the plant produced AM and AM-FM radios, in pocket and table models, and also clock-radios in table models, phonographs in portable, table, and console models, as well as various combinations of a phonograph with a radio and/or a TV receiver. The Emerson Company marketed its products under the "Emerson", "Dumont", and "Pilot" labels.

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STATISTICAL APPENDIX

Table 1.--Television receivers (monochrome and color): U.S. shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1966-70

Year	Shipments	Imports	Exports	Apparent consumption	Ratio (percent) of imports to consumption
Quantity (thousands of units)					
1966-----	11,673	1,524	168	13,029	12
1967-----	9,701	1,614	139	11,176	14
1968-----	10,328	2,711	144	12,895	21
1969-----	8,914	4,034	157	12,791	32
1970-----	<u>1/</u> 7,800	4,513	126	12,200	37
Value (millions of dollars)					
1966-----	2,350	116	26	2,439	5
1967-----	2,192	126	24	2,294	6
1968-----	2,222	204	28	2,398	8
1969-----	1,859	296	33	2,122	14
1970-----	<u>1/</u> 1,700	316	26	2,000	16

1/ Estimated by the staff of the U.S. Tariff Commission.

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

Table 2.--Phonographs and record players: U.S. shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1966-70

(Quantity in thousands of units; value in millions of dollars)

Year	Shipments	Imports	Exports	Apparent consumption	Ratio (percent) of imports to consumption
Quantity					
1966-----	4,686	<u>1/</u>	35	<u>1/</u>	<u>1/</u>
1967-----	4,285	<u>1/</u>	34	<u>1/</u>	<u>1/</u>
1968-----	4,748	3,820	41	8,527	45
1969-----	5,083	4,260	45	9,298	46
1970-----	<u>2/</u> 5,300	4,451	34	<u>3/</u> 9,700	46
Value					
1966-----	220	54	3	271	20
1967-----	201	38	3	236	16
1968-----	223	43	3	263	16
1969-----	218	47	3	262	18
1970-----	<u>2/</u> 230	50	2	<u>3/</u> 280	18

1/ Not available.

2/ Estimated by the staff of the U.S. Tariff Commission.

3/ Calculations derived partly from rounded figures.

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

Table 3.--Radio receivers: U.S. shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1966-70

(Quantity in thousands of units; value in millions of dollars)

Year	Shipments	Imports	Exports	Apparent consumption	Ratio (percent) of imports to consumption
Quantity					
1966-----	13,536	24,950	218	38,268	65
1967-----	9,362	23,579	254	32,687	72
1968-----	7,455	28,346	385	35,416	80
1969-----	6,008	34,677	329	40,356	86
1970-----	<u>1/</u> 4,600	31,151	245	<u>2/</u> 35,500	88
Value					
1966-----	210	142	4	347	41
1967-----	151	164	4	311	53
1968-----	127	225	5	347	65
1969-----	104	306	5	405	75
1970-----	<u>1/</u> 80	305	4	<u>2/</u> 380	80

1/ Estimated by the staff of the U.S. Tariff Commission.

2/ Derived from rounded data.

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

Table 4.--Radio-phonograph combinations: U.S. shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1966-70

(Quantity in thousands of units; value in millions of dollars)

Year	Shipments	Imports	Exports	Apparent consumption	Ratio (percent) of imports to consumption
Quantity					
1966-----	1,702	828	17	2,513	33
1967-----	1,730	1,315	18	3,027	43
1968-----	1,982	1,611	19	3,574	45
1969-----	1,886	1,658	28	3,516	47
1970-----	<u>1/</u> 1,850	1,579	20	<u>2/</u> 3,400	46
Value					
1966-----	312	17	2	326	5
1967-----	324	26	3	347	7
1968-----	379	30	3	405	7
1969-----	337	36	4	369	10
1970-----	<u>1/</u> 330	45	3	<u>2/</u> 370	12

1/ Estimated by the staff of the U.S. Tariff Commission.

2/ Calculation derived partly from rounded figures.

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

Table 5.--Tape players and recorders: U.S. shipments, imports for consumption, and apparent consumption, 1966-70

(Quantity in thousands of units; value in millions of dollars)

Year	Shipments	Imports	Apparent consumption	Ratio (percent) of imports to consumption
Quantity				
1966-----	608	1/	1/	1/
1967-----	846	1/	1/	1/
1968-----	679	7,737	8,416	92
1969-----	650	11,493	12,143	95
1970-----	2/ 620	13,211	13,831	96
Value				
1966-----	52	75	127	59
1967-----	50	105	155	68
1968-----	47	180	227	79
1969-----	37	273	310	88
1970-----	2/ 35	335	370	91

1/ Not available.

2/ Estimated by the staff of the U.S. Tariff Commission.

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

Note.--Data on exports are not shown here, as they apparently are not comparable to those on shipments and imports; the annual exports are believed to have been nil or negligible during 1966-70.

Table 6.--Television receivers, monochrome and color: U.S. imports for consumption, 1966-70

Year	Monochrome		Color		Total	
	Quantity	Value	Quantity	Value	Quantity	Value
	<u>1,000</u> <u>units</u>	<u>Million</u> <u>dollars</u>	<u>1,000</u> <u>units</u>	<u>Million</u> <u>dollars</u>	<u>1,000</u> <u>units</u>	<u>Million</u> <u>dollars</u>
1966----	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	1,519	115
1967----	1,290	71	318	53	1,608	124
1968----	2,043	97	666	106	2,708	203
1969----	3,121	152	912	143	4,034	296
1970----	3,596	174	914	142	4,510	316

1/ Not available.

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

Note:--Due to rounding, figures may not add to the totals shown. The totals in this table do not include data on radio-TV-phonograph combinations, and are therefore slightly smaller than the totals in table 1.

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