

1981
Annual Report

United States International Trade Commission

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Commissioners

Alfred E. Eckes, Jr., Chairman

Paula Stern

Veronica A. Haggart

Kenneth R. Mason
Secretary to the Commission

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Washington, D.C. 20436

USITC Publication 1352

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Hal Sundstrom.

Letter of Transmittal

Sirs:

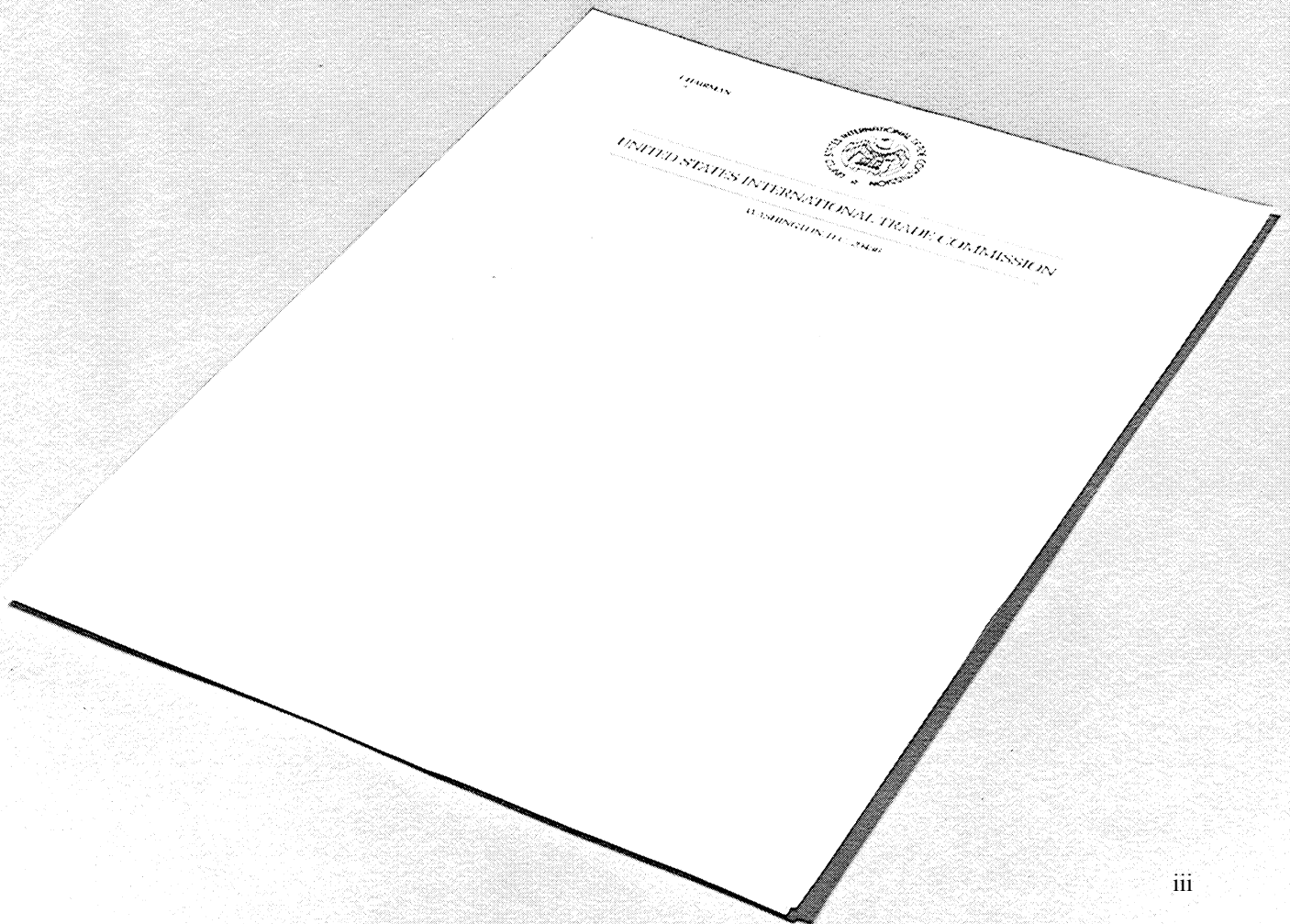
I have the honor to transmit the 65th Annual Report of the United States International Trade Commission.

Respectfully,

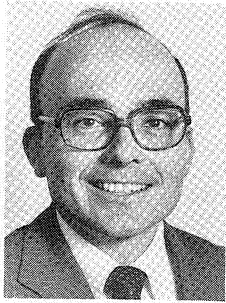


Alfred E. Eckes, Jr.
Chairman

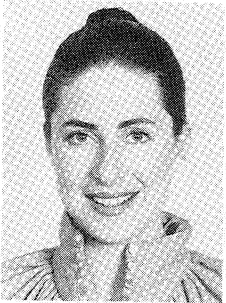
The President of the Senate
The Speaker of the House of Representatives



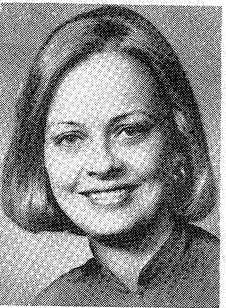
The Commission¹



Chairman Alfred E. Eckes, Jr., Republican of Virginia. Mr. Eckes entered on duty on September 21, 1981. His term expires on June 16, 1990.



Commissioner Paula Stern, Democrat of the District of Columbia. Dr. Stern entered on duty on October 16, 1978. Her term expires on June 16, 1987.



Commissioner Veronica A. Haggart, Republican of the District of Columbia. Ms. Haggart entered on duty on March 23, 1982. Her term expires on June 16, 1984.

Vacancy: The term expires on December 16, 1991.

Vacancy: The term expires on December 16, 1985.

Vacancy: The term expires on December 16, 1988.

¹Members of the United States International Trade Commission on September 30, 1981, were Bill Alberger, Michael J. Calhoun, Catherine Bedell, Paula Stern, Alfred E. Eckes, Jr., and Eugene J. Frank. Mrs. Bedell resigned on November 30, 1981, and Mr. Alberger resigned on June 16, 1982. Mr. Calhoun resigned on September 10, 1982, and Mr. Frank resigned on October 23, 1982.

Message From the Chairman

The International Trade Commission found itself in the national spotlight this year as it conducted an investigation on automobile and light truck imports under section 201 of the Trade Act of 1974. The subject and the economic importance of this investigation attracted general attention to a process normally followed only by those directly involved in international trade.

The automobile case was the most widely publicized; however, it was only 1 of 98 investigations completed by the Commission in fiscal year 1981. This total included 49 antidumping and countervailing duty investigations, 25 unfair import practice cases, and 2 investigations on agricultural commodities—peanuts and tobacco—under section 22 of the Agricultural Adjustment Act. The heavy caseload continued a trend established in 1980, following expansion of the Commission's responsibilities under the Trade Act of 1974 and the Trade Agreements Act of 1979.

In addition to import-related investigations, the Commission was engaged in a wide range of other activities this year. Responding to Presidential and congressional requests, the Commission examined specific trade issues and provided data and technical advice needed for trade policy decisions. Also, the Commission continued its work on the Harmonized Commodity Code being negotiated in Brussels, an agreement that will affect the conduct of international trade significantly in future years.

The Commission successfully met the challenges of a busy calendar during fiscal 1981 with the support of an outstanding professional staff. I am confident it will continue to deal promptly and fairly with the many trade issues brought before it by petitioners and commended to its expertise by the President and Congress.

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Summary of Activities

Investigations Completed

Tariff Act of 1930:	
Sec. 332 investigations	12
Sec. 337 investigations of alleged unfair practices in the importation and sale of imported products	25
Antidumping and countervailing duty investigations	49
Trade Act of 1974:	
Sec. 131 and sec. 503 advice on possible trade agreements	3
Sec. 201 "escape clause" case	1
Sec. 203 "review" cases	3
Sec. 603 preliminary investigation	1
Trade Agreements Act of 1979, sec. 104, review of countervailing duty cases	2
Agricultural Adjustment Act, sec. 22 investigations	2
Total	98

Other Activities

Publications issued (in addition to reports on investigations):	
Synthetic organic chemicals, production and sales	13
Benzenoid chemicals, imports	1
Responses to requests from Members of Congress and congressional committees	1,400
Import and export transactions analyzed	165,000
Library transactions:	
Reference calls	7,386
Reports prepared on proposed legislation	43
Reports prepared on specified commodities	31
Reports prepared on East-West trade	4
Summaries of trade and tariff information	57

Introduction to the USITC

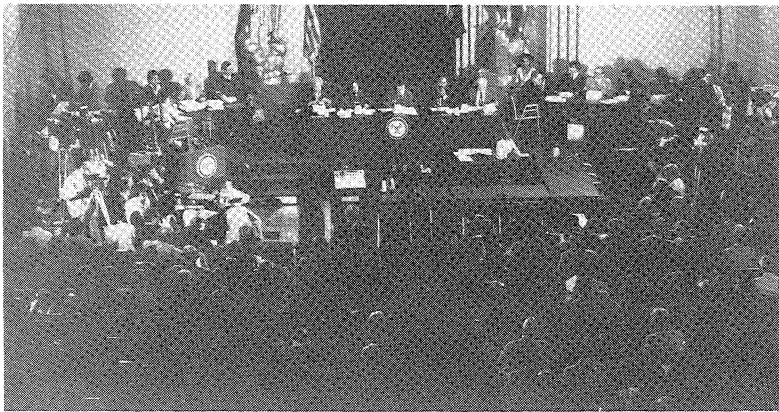
The United States International Trade Commission is an independent, bipartisan, quasi-judicial agency with broad powers to investigate all factors relating to the effects of U.S. foreign trade on domestic production, employment, and consumption. Although not charged with a policymaking role, the Commission contributes substantially to the development of sound, equitable international trade policy.

sides of an issue are heard, extensive field-work is undertaken, and public hearings are held in Washington, D.C., or, occasionally, in other parts of the country. The views of interested and affected parties such as labor, industry, agriculture, importers, and consumers are represented and evaluated in the Commission's work.

Commission activities include—

- Making recommendations to the President regarding import relief for domestic industries seriously injured by increased imports;
- Determining whether U.S. industries are materially injured by imports which benefit from pricing below fair value or subsidization;
- Directing action, subject to Presidential disapproval, against unfair trade practices such as patent infringement;
- Advising the President whether agricultural imports interfere with price-support programs of the United States Department of Agriculture;
- Conducting studies on trade and tariff issues and monitoring import levels; and
- Participating in the development of uniform statistical data on imports, exports, and domestic production and the establishment of an international harmonized commodity code.

By statute, the Commission may act on its own initiative, on the petition of interested parties, or at the request of the President, the United States Trade Representative, the House Ways and Means Committee, or the Senate Finance Committee. The Commission staff of over 400 men and women (including attorneys, economists, investigators, commodity-industry analysts, and data system programmers) gathers information and evaluates data to assist the Commission in its determinations. To get the facts and insure that all



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Automobiles and light trucks

In mid-year of 1980, the United Automobile Workers and Ford Motor Company sought "escape clause" relief from imports under section 201 of the Trade Act of 1974. Specifically, the union and company petitioned for import quotas and higher duties on cars and light trucks. The Commission's investigation of the then \$78 billion domestic market began on June 30, 1980. It was to become the most significant investigation ever conducted by the Commission in its 65-year history in terms of the volume and value of the trade involved.

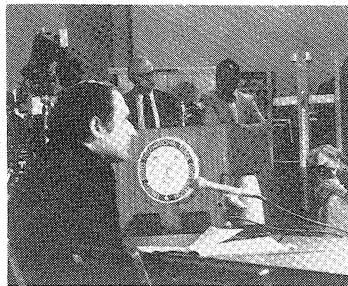
The public factfinding hearing, lasting 4 days and nights and covering 40 hours of testimony, was conducted during the second week of October in the Great Hall of the U.S. Department of Justice (1). Commissioners Alberger, Calhoun, Bedell, Moore, and Stern received testimony from both supporters and opponents and interested parties concerning the import relief petitions (2). Witnesses included Representative John Conyers, Jr. (3, right), Senators Carl Levin (4) and Donald W. Riegle (5), Democrats of Michigan; Philip Caldwell (6), Chairman of the Board and CEO, Ford Motor Company; and UAW President Douglas Frazer (7).

Others testifying were representatives of the European and Japanese auto industries, foreign and domestic trade associations, and a domestic industry dealers' panel (8).

Interested parties included Volkswagen of America, Inc., as well as General Motors Corporation, which was represented by Dr. David S. Potter (9).



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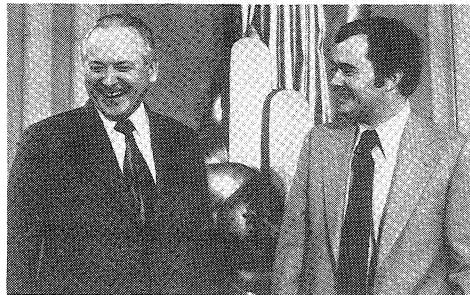


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Part I. Investigative Highlights

Investigations Under Section 201 of the Trade Act of 1974, the "Escape Clause"

The Commission completed just one investigation under the so-called escape-clause provision, section 201 of the Trade Act of 1974 (19 U.S.C. 2251), in fiscal year 1981. However, that investigation, No. TA-201-45, which involved imports of certain motor vehicles and certain chassis and bodies therefor, was by far the biggest investigation, in terms of import trade, ever conducted by the Commission. Imports of motor vehicles, chassis, and bodies totaled over \$17 billion in 1979, the latest calendar year for which data were available before the Commission reported the results of its investigation to the President in December 1980.

The criteria for import relief set forth in section 201 of the Trade Act of 1974 are based on article XIX of the General Agreement on Tariffs and Trade (GATT), an international agreement to which the United States is a signatory. Article XIX of the GATT is referred to as the escape clause because it permits a country to "escape" temporarily from its obligations under the GATT with respect to a product when increased imports of that product are causing

or threatening to cause serious injury to domestic producers of a like or directly competitive product. Commission investigations under section 201 provide a basis for the President to invoke article XIX.¹

The automobile investigation was instituted on June 30, 1980, following receipt of a petition for import relief filed by the International Union, United Automobile, Aerospace, & Agricultural Implement Workers of America, AFL-CIO, on June 12, 1980. Ford Motor Co. subsequently became a copetitioner.

On December 3, 1980, the Commission reported to the President that it had determined, by a vote of 3 to 2, that automobiles were not being imported in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the appropriate domestic industry.

¹The law requires the Commission to conduct such investigations upon receipt of a petition from an entity representative of a domestic industry, at the request of the President or the United States Trade Representative, or upon resolution of the House Committee on Ways and Means or the Senate Committee on Finance. The Commission may also conduct such investigations on its own motion. If, as a result of an investigation, the Commission finds that an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry, it must recommend to the President the tariff or quota relief necessary to prevent or remedy the injury or recommend the provision of adjustment assistance. The Commission must complete its investigation and make its determination and any recommendations within 6 months of receipt of the petition, request, or resolution. If the Commission finds in the affirmative and recommends tariff or quota relief, the President has an additional 60 days in which to advise Congress of what, if any, relief he will provide. If the President decides to take action different from that recommended by the Commission or decides to take no action, Congress, by majority vote of those present and voting in each House within 90 legislative days, may direct the President to provide the relief recommended by the Commission.

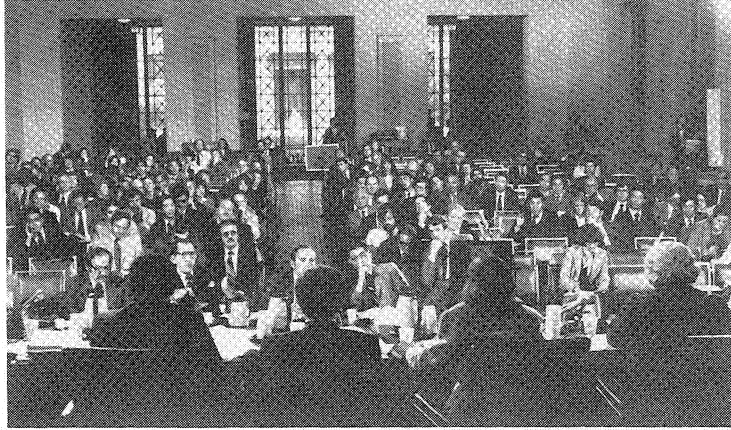


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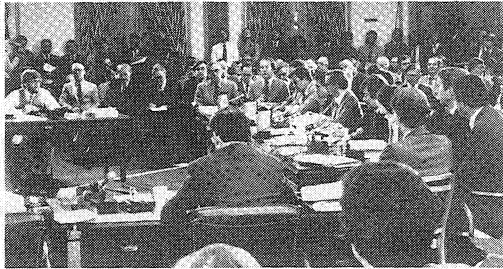
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Norman D. Lean (10), Senior Vice President, Toyota Motor Sales, U.S.A., testified, as did counsel representing the Japan Automobile Manufacturers Association (11).

The investigation culminated in the Commission's November 10, 1980, determination of no injury (12). Subsequent to the Commission's action, the Japanese Government entered into a voluntary agreement which limited exports to the domestic market to 1.68 million vehicles for 2 successive years.

Chairman Bill Alberger, Vice Chairman Michael J. Calhoun, and Commissioner Paula Stern voted in the negative and Commissioners George M. Moore and Catherine Bedell voted in the affirmative with respect to automobiles. Therefore, the Commission did not recommend the imposition of import relief for automobiles. The Commission also reported to the President that it had unanimously determined in the negative with respect to trucks, truck bodies, and chassis.

The three Commissioners finding in the negative with respect to automobiles maintained that although imports were increasing and the domestic industry was seriously injured, increased imports were not a "substantial cause" of the injury. The Trade Act of 1974 defines the term "substantial cause" to be a "cause which is important and not less than any other cause." The three Commissioners found one or more other causes to be more important causes of injury than increased imports.

Chairman Alberger stated that the decline in demand for automobiles and light trucks was a more important cause of injury than increased imports. Vice Chairman Calhoun identified two more important causes—a significant change in consumer preferences for smaller automobiles and an overall decline in purchases of automobiles and light trucks as a result of the downturn in the economy. Commissioner Stern also cited these factors as more important than imports as well as the financial impact of the industry's investment program as another important cause of serious injury.

Commissioners Moore and Bedell, however, found imports to be an important cause of injury and not less than any other cause. The two dissenting Commissioners concluded that "no other single adverse economic factor has plagued our domestic economy during the past several years which even approaches the disastrous effect caused by imports of passenger automobiles... during the past three years." They also said that they did not

believe that Congress envisioned that the Commission would consider an economic downturn per se to be a cause of injury, since to do so would result in there being few, if any, affirmative determinations in times of recession.

Five months after the Commission's report² to the President, the Japanese Government, acting unilaterally, announced that for the year beginning April 1, 1981, it would voluntarily restrict passenger car exports to the United States to 1.7 million units. The Japanese Government also announced its intention to restrain passenger car exports to the United States during the following 2 Japanese fiscal years.

The Commission also conducted three "review" investigations during fiscal year 1981 in connection with import relief provided as a result of earlier Commission determinations under section 201. These investigations, conducted under section 203(i) of the Trade Act of 1974, concerned the probable economic effect of the extension, reduction, or termination of import relief previously provided to the domestic non-rubber footwear, mushroom, and high-carbon ferrochromium industries. In each of these investigations, the law required the Commission to assess, among other things, the progress and specific efforts made by these industries to adjust to import competition.

²During the fiscal year, the Commission published public versions of nearly all the investigations discussed in this annual report. Copies may be obtained by calling 202-523-5178, or from the Office of the Secretary, United States International Trade Commission, 701 E Street NW., Washington, D.C. 20436.



Footwear

On March 9, 1981, the Commission held a public hearing concerning a "review" investigation of import relief previously granted the domestic non-rubber footwear industry (1) under section 201, the "escape clause," of the Trade Act of 1974. Senators Thomas F. Eagleton, Democrat of Missouri (2), and John Heinz, Republican of Pennsylvania (3), and Lane Kirkland (4, second from right), President of the AFL-CIO, testified in behalf of the U.S. industry. The value of imports in 1980 totaled \$2.3 billion.

Antidumping Investigations

The U.S. antidumping law, which is set forth in sections 731-740 of the Tariff Act of 1930 (19 U.S.C. 1673-1673i), provides for the levying of special duties to offset sales at less than fair value (LTFV) by foreign producers. The Department of Commerce must determine whether an imported article is being sold at less than fair value, and the Commission must determine whether an industry in the United States is materially injured or threatened with material injury, or whether the establishment of an industry in the United States is materially retarded, by reason of the alleged sales at less than fair value. In these investigations, the Commission is obliged to examine a domestic industry in order to assess the impact of imports on the industry's economic health.

The United States antidumping law is consistent with the standards set forth in the General Agreement on Tariffs and Trade and the so-called International Antidumping Code negotiated under GATT auspices in 1979, to which the United States is a signatory.

During fiscal year 1981, work at the Commission proceeded on some 28 preliminary and final antidumping investigations. The products involved ranged from basic industrial commodities such as strontium nitrate, wire nails, and stainless clad steel plate to relatively finished goods such as motorcycle batteries and electric motors. These antidumping investigations involved commodities valued at many millions of dollars.

One investigation which concerned the Commission throughout much of the fiscal year provides an overview of the Commission's role in the administration of the antidumping laws and of the statutory phases of each investigation. On September 8, 1980, the Commission and the Department

of Commerce received a petition from American Lignite Products Co. (Alpco), Ione, Calif., alleging material injury as a result of LTFV sales of unrefined montan wax from East Germany. Alpco was the sole U.S. producer of unrefined montan wax, a product derived from lignite and used in the production of one-time carbon paper. The imports were produced by VEB Braunkohlenkombinat, of the Roblingen area of East Germany, one of the major world producers of the commodity. Strohmeyer & Arpe, Millburn, N.J., was the sole U.S. importer of the East German wax for sale in the U.S. market.

Upon receipt of the petition, the Commission instituted a preliminary antidumping investigation (No. 731-TA-30 (Preliminary)). Simultaneously, the Department of Commerce examined the petition for sufficiency and determined by the 20th day that the petition was sufficient. The Department of Commerce then instituted its own investigation. The parallel investigations by the Commission and the Department of Commerce illustrate the different but complementary statutory mandates of the two agencies.

The Commission's investigation focused on the condition of the U.S. montan wax industry and the impact of montan wax imports on the economic health of that industry. The purpose of the investigation was to determine whether there was "a reasonable indication" that an industry in the United States, in this case Alpco, was materially injured or threatened with material injury by the alleged LTFV sales. In this type of investigation, if the Commission makes an affirmative preliminary determination, the Department of Commerce must continue its investigation and, no later than 160 days from the date of filing of the petition, determine whether there is a reasonable basis to believe or suspect that imports are being, or are likely to be, sold in the United States at less than fair value. If the Commission finds in the negative, the investigation at the Department of Commerce ends and no antidumping duty can be imposed.

On October 23, 1980, the Commission unanimously determined that there was a reasonable indication that the domestic unrefined montan wax industry was materially injured, or was threatened with material injury, by reason of imports from East Germany.

In order to make its preliminary determination, the Commission conducted what is commonly known as a 45-day investigation. Working under the supervision of the Director of Investigations, a Commission staff investigator, a commodity analyst, an economist, and an attorney prepared questionnaires regarding the economic condition of the industry and the impact of imports. The importer and domestic producer were required to complete and return them promptly to the Commission. Additionally, the staff, as usual, had access to the Commission's library resources and its own capacity for automated retrieval of statistical data on trade flows. All persons interested in the investigation had the opportunity to file written statements with the Commission throughout the investigation, and on October 1, 1980, the Director of Operations held a conference at which parties in support of and in opposition to the petition presented testimony.

On March 4, 1981, the Department of Commerce made an affirmative preliminary determination that there was a reasonable basis to believe or suspect that exports of unrefined montan wax from East Germany were being, or were likely to be, sold in the United States at less than fair value. When the Commission was advised of this finding, it initiated a final investigation (No. 731-TA-30 (Final)) to determine if Alpco was materially injured, or threatened with material injury, by reason of imports of montan wax found to have been sold at less than fair value. As the Commission proceeded with its final investigation, the Department of Commerce reached a final determination regarding the existence of LTFV sales on July 22, 1981. This determination, which was revised on August 25, 1981, provided information concerning the extent, or margin, of dumping.

During the course of the investigation, the Commission's investigative staff compiled data on such matters as domestic consumption of unrefined montan wax, consumption of competing products, U.S. production of the commodity, capacity, exports, domestic shipments, employment, and profit-and-loss experience of the domestic producers. Briefs were filed by the parties, and a hearing was held before the Commission at its headquarters in Washington, D.C., on July 20, 1981. On August 26, 1981, the Commission held a public meeting on the investigation, at which all four of the sitting Commissioners found Alpco to be materially injured by imports of unrefined montan wax from East Germany sold at less than fair value. Shortly thereafter, the Commission issued an opinion setting forth its reasons for the determination and a report on the information gathered in the course of the investigation. With this action, the Commission concluded its investigation. As a result of the determinations by the Commission and the Department of Commerce, an anti-dumping order permitting the collection of antidumping duties equal to the margin of dumping was issued.

Countervailing Duty Investigations

The countervailing duty law, which is set forth in sections 303 and 701-707 of the Tariff Act of 1930 (19 U.S.C. 1303 and 1671-1671f), provides for the levying of special duties to countervail (offset) subsidies provided by foreign governments.

Procedurally, the countervailing duty law is similar to the antidumping law in many respects. The Commerce Department determines whether there is a subsidy, and the Commission, when an injury test is required, conducts preliminary and final injury investigations using the same criteria. Furthermore, U.S. law is consistent with article VI of the GATT and the so-called

International Code on Subsidies/Countervailing Measures negotiated in 1979 under GATT auspices, to which the United States is a signatory.

The Commission conducts preliminary and final injury investigations under the countervailing duty laws only when the imports are from a country which has signed the Subsidies Code or has undertaken similar obligations or when the imports enter the United States free of duty from a country which is not a signatory and is not similarly obligated. Most of the major free-world trading nations have signed the Code; some, such as Mexico, have not. With respect to dutiable imports from those countries which have not signed the Subsidies Code or undertaken similar obligations, countervailing duties are imposed under section 303 of the Tariff Act of 1930 without a Commission injury investigation.

During fiscal year 1981, work at the Commission proceeded on six preliminary investigations which involved commodities ranging from leather wearing apparel and sodium gluconate to lamb meat and hard-smoked herring filets. The Commission made preliminary determinations regarding two of these investigations during the year. In its preliminary investigation on sodium gluconate from the European Communities (No. 701-TA-79), the Commission determined that there was a reasonable indication that an industry in the United States was materially injured or threatened with material injury by reason of the allegedly subsidized merchandise and reported its determination to the Department of Commerce. On September 16, 1981, Commerce notified the Commission that it had determined that there was a reasonable basis to believe or suspect that imports of sodium gluconate from the European Communities benefited from a subsidy. This determination required the Commission to initiate a final countervailing duty investigation on sodium gluconate. That investigation was in progress at the end of the fiscal year.

The Commission conducted one countervailing duty investigation through preliminary and final stages during fiscal year 1981. In November 1980 the Commission issued an affirmative preliminary determination in the case of leather wearing apparel from Uruguay (No. 701-TA-68), determining that there was a reasonable indication that an industry in the United States was threatened with material injury by imports of the allegedly subsidized merchandise. The investigation therefore continued at the Department of Commerce. On December 12, 1980, the Department of Commerce issued a preliminary determination that there was a reasonable basis to believe or suspect that the Government of Uruguay had granted benefits, which constituted a subsidy, to manufacturers, producers, or exporters of leather wearing apparel. This determination required the Commission to institute a final countervailing duty investigation. On May 4, 1981, on the basis of the record established during its final investigation, the Commission unanimously determined that the domestic industry producing leather wearing apparel was threatened with material injury by subsidized imports from Uruguay.

Section 104(b) Countervailing Duty Review Investigations

During fiscal year 1981, the Commission conducted four investigations under section 104(b) of the Trade Agreements Act of 1979 (19 U.S.C. 1671 note). Section 104(b), among other things, requires the Commission, at the request of a foreign government which has signed the Subsidies Code or exporters from that country, to determine whether a U.S. industry would be materially injured or threatened with material injury, or whether the establishment of an industry would be materially retarded, if an existing countervailing duty order were to be revoked. Most of the countervailing duty orders in effect at the time the Trade Agreements Act went into effect had been issued without a Commission injury finding.

The section 104(b) investigations involved a variety of articles. In several of the cases, the Commission determined that the countervailing duty order could be revoked without injuring a U.S. industry because import levels were low and/or the subsidy was very small, and in these instances would have little, if any, effect on import levels and prices.

Such was the case in an investigation on whiskey and cordials from Ireland (No. 104-TAA-3). On March 28, 1980, the Commission received a letter from the Delegation of the European Communities requesting review of a countervailing duty order on spirits from Ireland, in effect since 1914. On July 2, 1981, following an investigation, the Commission unanimously determined that revocation of the countervailing duty order would not materially injure, or threaten with material injury, an industry in the United States. In its opinion, the Commission noted that the subsidy for whiskey and cordials, 0.38 percent or less, was "minuscule" and that the revocation of the countervailing duty order would have no impact on the price structure of whiskeys and cordials in the United States.

Section 751 Review Investigations

The Trade Agreements Act of 1979 amended the Tariff Act of 1930 to establish, under section 751 (19 U.S.C. 1675), a statutory procedure for the review of outstanding antidumping and countervailing duty determinations. Under section 751, whenever the Commission receives information concerning, or a request for a review of, an outstanding countervailing duty or antidumping duty determination which shows changed circumstances sufficient to warrant such a review, the Commission conducts one. In the absence of good cause, the Commission may not conduct a review less than 24 months after publication of notice of the original determination.

During the fiscal year, the Commission completed review investigations under section 751 on television receivers from Japan (No. 751-TA-2), potassium chloride from Canada (No. 751-TA-3), and synthetic L-methionine from Japan (No. 751-TA-4).

The section 751 investigation concerning televisions began on July 28, 1980, when Sanyo Electric Co., Ltd., and Sanyo Electric, Inc., applied for a review of the Commission's 1971 determination. During the following month, similar applications were filed by several other firms asking the Commission to determine, in light of changed circumstances, whether a U.S. industry would be materially injured, or threatened with material injury, by imports of television receivers covered by the anti-dumping order if the order were modified or revoked.

The Commission initiated its investigation on September 16, 1980. The Commission investigative team collected data and prepared a staff report over a 9-month period. In making their determination, the Commissioners reviewed data in the report and in the record, consulted with the staff on pertinent economic and legal issues, and considered testimony presented at a hearing on the subject held on November 12 and 13, 1980. Finally, on June 4, 1981, the Commission determined that the domestic industry would be threatened with material injury if the antidumping order against television sets from Japan were modified or revoked. Chairman Bill Alberger, Vice Chairman Michael J. Calhoun, and Commissioner Catherine Bedell constituted the majority and Commissioner Paula Stern dissented.

Section 22 Investigations

During the fiscal year, the Commission also directed its attention to an area of investigative activity involving agricultural products. Section 22 of the Agricultural



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Peanuts

On January 6, 1981, the Commission unanimously voted to advise the President that the quota on peanut imports may be modified without materially interfering with the domestic price-support program. The Commission acted under section 22 of the Agricultural Adjustment Act (1). Representative Bruce F. Vento, Democrat of Minnesota (2), and officials of the Peanut Butter and Nut Processors Association and the National Confectioners Association, peanut growers and shellers, and various farm and agricultural groups appeared at the Commission's December 1, 1980, hearing.

Adjustment Act calls for the Secretary of Agriculture to alert the President when he believes agricultural commodities are being or are practically certain to be imported into the United States in such quantities as to render or tend to render ineffective, or materially interfere with, U.S. Department of Agriculture (USDA) programs, including price-support programs, or substantially reduce the amount of any product processed from a product covered by a USDA program.

If the President agrees with the Secretary of Agriculture, he directs the Commission to conduct an investigation and develop a report, including findings and recommendations, for his consideration. Following receipt of the Commission's report, the President may impose quotas or duties (not to exceed 50 percent of the imported product's value) to protect the program. In cases in which the Secretary of Agriculture determines that an emergency exists, the President may take action before a Commission investigation and report, and such emergency action continues in effect pending the Commission's eventual report and recommendation.

In fiscal year 1981, the Commission completed investigations involving peanuts (No. 22-42) and tobacco (No. 22-43) and began a third investigation with respect to casein (No. 22-44), a substance derived from milk protein used in artificial cheese, coffee whiteners, and adhesives.

The investigation on peanuts was instituted on October 15, 1980, at the request of the Peanut Butter & Nut Processors Association and the National Confectioners Association in order that the Commission might advise the President as to whether the existing section 22 quota on peanut imports of 1.7 million pounds, shelled basis, should be raised in view of the shortfall in the domestic peanut crop due to drought problems in all three major U.S. peanut-growing areas during the prior summer. In December 1980 President Carter authorized the United States Trade Representative to take emergency action and issue a proclamation raising the quota by 200 million

pounds, shelled basis, pending receipt of the Commission's advice. On January 15, 1981, the Commission unanimously advised the President that he could raise the quota to 200 million pounds, shelled basis (the amount set forth in the emergency proclamation), or more, for the period August 1, 1980-July 31, 1981, without causing problems for the USDA price-support program for peanuts. Three Commissioners, Alberger, Calhoun, and Stern, advised that the quota could be increased by up to 300 million pounds, shelled basis, without interfering with the USDA program.

During the closing days of his administration, President Carter instructed the Commission to conduct an investigation under section 22 to determine whether certain types of tobacco imports were rendering or tending to render ineffective or materially interfering with the USDA price-support programs for flue-cured and burley tobacco. The Commission initiated its investigation, No. 22-43, on March 5, 1981. At its public hearing on June 24, 1981, the Commission heard testimony on the effect of imports on the USDA programs from the USDA, from importer interests including U.S. cigarette manufacturers and representatives of foreign producers of tobacco, and from organizations representing U.S. tobacco growers, including the American Farm Bureau and six Southern State farm bureaus. Officials from the USDA recommended that imports of flue-cured tobacco be limited to a quota of 52 million pounds annually, but stated that imports of burley tobacco were not materially interfering with the burley program and did not recommend that restrictions be imposed on imports of burley tobacco.

After considering the testimony and submissions of the interested parties and additional information developed by the Commission's staff, the Commissioners, at a public meeting on August 4, 1981, determined, by votes of 3 to 1 with respect to flue-cured tobacco imports and 4 to 0 with respect to burley imports, that such articles



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Tobacco

North Carolina Governor James B. Hunt, Jr. (1), and Representatives Charles Rose, left, and Charles O. Whitney, right, Democrats of North Carolina (2), and Thomas E. Petri, Republican of Wisconsin (3), appeared as witnesses at the Commission hearing of June 24, 1981, concerning certain tobacco. The Commission instituted the investigation at the request of the President to determine if certain tobacco imports interfered with price-support programs of the Department of Agriculture under provisions of section 22 of the Agricultural Adjustment Act. The value of imports in 1980 totaled \$114.3 million.

were not being and were not practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the USDA programs for flue-cured and burley tobacco. Commissioner Catherine Bedell dissented from the majority's view with regard to the flue-cured tobacco program.

The Commission instituted a third investigation under section 22, also at the request of the President, on August 24, 1981, with respect to imports of casein, mixtures in chief value of casein, and lactalbumin (No. 22-44). Casein and lactalbumin are milk proteins used in the manufacture of food, paper, and adhesive products. In the investigation, the Commission was to determine whether such articles were being or were practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the USDA price-support program for milk or to reduce substantially the amount of any product processed in the United States from domestic milk. The investigation was in progress at the end of the fiscal year.

Unfair Import Practice Investigations

Section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) declares unlawful unfair methods of competition and unfair acts in the importation of articles into the United States, or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States. If the Commission finds a violation of section 337, it can issue an order excluding the subject imports from entry into

the United States or order the violating parties to cease and desist from the unlawful practices. The Commission can also issue temporary orders during the pendency of an investigation. The Commission does not issue such orders when there are overriding public-interest considerations, and the President may disapprove an order within 60 days of issuance for "policy reasons."

Section 337 investigations are usually instituted on the basis of a formal complaint, although the Commission can institute an investigation on its own initiative. Most section 337 complaints contain allegations of patent infringement. A patent provides a patent holder with the right to exclude others from making, using, or selling the patented product, process, or design for a 17-year period. An exclusion order banning imports of articles which infringe the patent for the duration of the 17-year period is often the remedy recommended in patent infringement cases. Some section 337 proceedings involve allegations of trademarks or copyright infringement, passing off, and antitrust violations. Unfair practices which involve dumping or foreign government subsidies must be pursued under the antidumping and countervailing duty provisions of the Tariff Act, not under section 337.

The Commission normally completes section 337 investigations within 12 months of publication of notice of the institution of the investigation. The Commission may take 18 months in cases declared to be "more complicated," but rarely does. The hearings are formal courtlike proceedings conducted before an administrative law judge in accord with the Administrative Procedure Act, 5 U.S.C. 551 et seq. Following the hearing, the administrative law judge transmits to the Commission a recommended determination based on the record. The Commissioners make the final determination after reviewing the record and the recommended determination. If the Commissioners find a violation, they must then determine the appropriate remedy, the

amount of any bond to be collected during the period the order is pending before the President, and whether public-interest considerations preclude the issuance of an exclusion or cease and desist order. Persons found to be violating a Commission order can be made subject to civil penalties of up to \$10,000 per day.

Since 1975, when section 337 was substantially amended by the Trade Act of 1974,³ the Commission has instituted more than 100 section 337 investigations. During fiscal year 1981, the Commission completed 25 investigations, and there were 17 investigations pending on September 30, 1981.

Fiscal year 1981 was marked by a number of firsts for the Commission under section 337. In its investigation on certain apparatus for the continuous production of copper rod (No. 337-TA-89), the Commission issued its first temporary exclusion order since section 337 was amended in 1975. In this case, Southwire, Inc., a domestic producer of copper rod and owner of several patents on apparatus used in the production of copper rod, alleged that Krupp, the West German steel corporation, was infringing one of its patents in its sale of a copper rod rolling mill to Phelps Dodge Corp., a U.S. copper rod producer. The Commission had held this patent valid in a previous copper rod case (No. 337-TA-52) between the same two parties concerning the sale of another mill by Krupp. After an expedited hearing the Commission issued a temporary exclusion order. The Commission's order was entered on the same day that the first major shipment of the mill arrived in the harbor of New York.

³Among the changes made were the following: time limits were set, the Administrative Procedure Act was made applicable, and the Commission was authorized to issue orders, including cease and desist orders, subject to Presidential disapproval (previously the Commission could only make recommendations).

In fiscal 1981, the Commission issued its first limited exclusion order, an exclusion order specifically directed to the product of one foreign manufacturer. Previously, all Commission exclusion orders had applied to all potentially infringing products regardless of the foreign manufacturer. In its investigation on large video matrix display systems (No. 337-TA-75), better known as scoreboards, the Commission issued an exclusion order limited to the scoreboards of respondent Omega, the Swiss watch company. This case concerned the new scoreboard installed in Milwaukee County Stadium, which was capable of showing moving pictures and instant replays. The Commission found that this scoreboard infringed three patents held by Stewart-Warner Corp., of Chicago, which also manufactures major league scoreboards, and ordered that imports of Omega scoreboards be excluded from entry into the United States. The Commission determined that in cases which concern a large capital good item made to specific order, it would be inappropriate to exclude similar products of other manufacturers since there had been no showing that other products infringed the patent in question.

In three separate section 337 cases involving wood-burning stoves, two of which are discussed here, the Commission investigated various allegations from a number of stove manufacturers concerning the direct copying of airtight cast-iron wood-burning stoves by foundries in Taiwan. In the first case (No. 337-TA-69), the complainants were a Norwegian stove manufacturer, Jotul, and its U.S. affiliate. The Commission found for the first time under section 337 that the appropriate domestic industry was a nonmanufacturing industry—in this case a service and distribution industry. This decision represented an extension of the traditional concept of industry under section 337.

The third investigation (No. 337-TA-106) was the first self-initiated Commission

section 337 investigation. It was based on a complaint prepared by Commission staff in the Unfair Import Investigations Division. The complaint alleged unfair acts and unfair methods of competition by Franklin Cast Products, Inc., and Oriental Kingsworld Industrial Corp., which were allegedly copying the stoves of several U.S. companies. Some of the information in the complaint had been developed in the prior investigations on airtight cast-iron stoves. This investigation was terminated after the respondents entered into a consent decree with the Commission agreeing to cease all unfair acts and unfair methods of competition alleged in the Commission's complaint.

Two of the most interesting investigations in progress during fiscal 1981 involved the popular audiovisual games known as Galaxian, Pac-Man, and Rally-X (investigations Nos. 337-TA-87 and 337-TA-105). These investigations raised novel legal questions regarding the applicability of copyright protection under the Copyright Act of 1976 to the audiovisual portions of the games. In the first investigation, which involved the Galaxian games, the Commission found that no evidence had been brought forward to rebut the presumption of copyright validity which results from the issuance of a certificate of copyright by the U.S. Copyright Office. Therefore, relying on the presumption, the Commission found the copyright valid and infringed, and issued an order excluding from entry the particular games found to infringe the copyright. In the second investigation, involving the Rally-X and Pac-Man games, the complainant requested both temporary and permanent relief. The Commission's presiding officer held a hearing on temporary relief in September 1981, and the Commission was awaiting his recommended determination at the close of the fiscal year.

During fiscal 1981, the Commission issued 8 exclusion orders, 6 cease and desist orders, and accepted 25 consent decrees from various respondents.

Part II. Organizational Activities

Office of Investigations

It is unlikely that any other part of the Commission was as deeply affected by the Trade Agreements Act of 1979 as the Office of Investigations. Its workload, responsibilities, and staff were all enlarged following the passage of the act, and it became evident that investigations should be administered as a separate office reporting directly to the Director of Operations.

Enactment of the Trade Agreements Act increased the investigative workload by requiring the Commission to make 45-day preliminary investigations in all dumping cases and in most countervailing duty cases. Concurrently, the number of countervailing duty cases investigated by the Commission increased as more countries became signatories to the so-called International Code on Subsidies/Countervailing Measures. Dutiable as well as non-dutiable imports from these signatories became entitled to an injury test by the Commission. Additionally, under section 104 of the Trade Agreements Act, these signatories became entitled to request an injury proceeding for each countervailing duty order which had been issued with respect to exports of dutiable merchandise for which no injury investigation had been conducted under the previous law. The Trade Agreements Act also required the Commission to conduct investigations under section 751 of the Tariff Act of 1930 to determine whether domestic industries would be injured if outstanding countervailing duty or dumping determinations were revoked. Previously, there were no established procedures for such review of Commission determinations, although a limited number of dumping orders had been reviewed on an ad hoc basis. All these provisions contributed to the increased level of investigative activity at the Commission during the fiscal year.

The principal operating units in the Office of Investigations are the Unfair Import Investigations Division, which conducts adjudicative investigations relating to unfair import practices under section 337

of the Tariff Act of 1930, and three nonadjudicative divisions, which conduct countervailing duty and antidumping investigations under the Tariff Act of 1930, escape-clause and market disruption investigations pursuant to the Trade Act of 1974, and investigations under the Agricultural Adjustment Act to determine whether imports of agricultural products are interfering with programs of the U.S. Department of Agriculture. Thus the Office of Investigations is responsible for the gathering and analysis of data and the preparation of Commission reports for nearly all the Commission's statutory investigations. However, it is invariably assisted in its tasks by other Commission offices such as Industries, Economics, and the General Counsel.

For organizational purposes there are a supervisory investigator, four investigators, and a secretary in each of the nonadjudicative divisions. The investigative working groups do not specialize in a certain type of investigation; they work with all types because the Commission is unable to control the rate at which various petitions are filed. An investigator may contribute to the work on more than one investigation at a time, in cooperation with one or more commodity-industry analysts, economists, and attorneys.

Office of Industries

The Commission's Office of Industries generated a broad series of commodity summaries and special studies on U.S. trade-related topics during fiscal year 1981. Additionally, its 88 commodity-industry analysts contributed significantly to the staff teams assigned to assist the Commission in its completion of 98 investigations, including 12 investigations under section 332 of the Tariff Act of 1930. This statutory provision provides the legal basis for many of the Commission's research activities. It

enables the Commission to perform its responsibility as a factfinding agency in international trade matters, and contributes to the Commission's anticipation of issues in international trade with potentially significant impact on the U.S. economy.

One Office of Industries study under section 332 relates U.S. service industries' foreign activities to the Nation's merchandise exports. Service industries accounted for about 60 percent of this country's gross national product in 1980 and are an important positive factor in the total U.S. trade balance. U.S. policymakers are increasing their effort to understand service trade issues, and the Office of the United States Trade Representative (USTR) is placing particular emphasis on this area in developing U.S. trade policy.

Recognizing the subject's expanding importance, the Commission instructed Industries to develop a report on the relationship of exports in selected U.S. service industries to U.S. merchandise exports. The study examines the value of foreign revenues generated by U.S. service industries, the dollar impact of international barriers to U.S. services trade, the level and type of merchandise exports which result from U.S. services provided abroad, markets, and competitive factors which people working in service industries themselves view as important in international trade.

Service industries selected to be examined in this study include air transportation, consulting and management services, equipment-leasing services, financial services, franchising, health services, hotel and motel services, maritime transportation, motion picture services, and telecommunications. The report is expected to be of particular interest to the President, the USTR, and congressional committees monitoring U.S. trade.

In another study initiated during the fiscal year, *Analysis of Recent Trends in U.S. Countertrade*, Industries' trade specialists describe the major types of countertrade arrangements. Such arrangements have come into prominence in recent years and may account for as much as 20 percent of world trade volume. Arrangements such as "buy backs," clearing arrangements—a name for pure barter—and offset trade, in which payments for imported merchandise are made in the form of stipulated products of the importing country, are of growing significance in trade between nonmarket economy and developing countries. The Commission's report charts the expanded use of countertrade by U.S. and Western European firms in recent years, analyzes the benefits and some of the problems such arrangements may pose for U.S. corporations, and reviews some of the major countertrade contracts which have involved U.S. business.

For several years, congressional committees charged with monitoring developments in international trade have stressed the need for an early warning system which would alert the Government to sudden shifts in international trade patterns which affect the U.S. economy. During fiscal year 1981, the Office of Industries, in cooperation with the Commission's Office of Data Systems, developed, without increased funding, a computerized Trade Monitoring System which tests 2,500 commodity groupings for shifts in trade patterns as measured by shipment quantity, value, unit value, country of destination, and country of origin. These comprehensive and standardized data are presented in tables. The data are automatically tested quarterly and annually by computer against predetermined criteria or "gates" to detect aberrant trade behavior. In order to benefit other Government agencies, the business community, and the general public, during fiscal year 1981 the Office of Industries began publishing quarterly reports based on the Trade Monitoring System entitled *U.S. Trade Shifts in Selected Commodity Areas*.

The Office of Industries concluded several significant studies during fiscal year 1981. Among them was an analysis of the multilateral agreement which establishes the guidelines for many bilateral agreements governing trade in textiles between nations. *The Multifiber Arrangement, 1973 to 1980*, published in March 1981, was prepared principally by a team of commodity analysts and trade law experts drawn from the Commission's Offices of Industries and the General Counsel. By providing a basis for bilateral trade agreements among signatories, the Multifiber Arrangement (MFA) seeks to provide the economies of developing nations with growing markets for textile exports at a rate which does not cause major dislocations in the more developed economies. The Commission's report on the subject reviews the U.S. experience with the MFA through 1980, and provides a broad overview of the issues, including administrative procedures used by the U.S. Government in implementing the MFA, the current status of bilateral agreements, possible renewal of the MFA, detailed data on U.S. textile and apparel imports under the MFA, analysis of the U.S. textile and apparel industries with particular emphasis on eight sectors, and an examination of the European Community's textile trade under the MFA.

Another Industries effort illustrates the Commission's role as a factfinding agency. One of the numerous responsibilities assigned to the Commission by the Trade Agreements Act of 1979 was to aid the President in studying the desirability of entering into trade agreements with the countries of the northern portion of the Western Hemisphere in order to promote mutual economic growth. Several studies have been developed and have been transmitted by the President to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. In May 1980 the United States Trade Representative requested that the

Commission provide the President with an in-depth review of the petrochemical industry in North America. The Office of Industries was assigned primary responsibility for the project's development by the Commission. The result of this effort was a four-volume work published in January 1981, *Study of the Petrochemical Industry in the Countries of the Northern Portion of the Western Hemisphere*. The first volume offers an overview of the North American petrochemical industry as a whole, including sections on its development, factors of production, technology, and outlook. This volume also reviews the impact of government policies on trade in petrochemicals. The following three volumes more closely examine the petrochemical industries of Canada, Mexico and other North American nations excluding Canada and the United States, and the United States.

Industries continued publication of its widely used series of summaries of trade and tariff information to provide the Congress, Government agencies, the public, and business institutions with information on the commodities listed in the Tariff Schedules of the United States. During fiscal year 1981, Industries published 57 summaries, including 11 on animal and vegetable products, 5 on forest products, 6 on textile fibers and textile products, 8 on chemicals and related products, 14 on metals and manufactured metal products, 4 on nonmetallic minerals and products, and 9 on miscellaneous manufactured products.

Additionally, Industries published numerous periodic reports on such commodities as synthetic organic chemicals, color television sets, canned mushrooms, footwear, and automobiles. These reports were typically prepared in response to requests from the Congress or the Executive to aid various Government agencies in monitoring both U.S. imports and domestic production of various products. One such series, the Commission's monthly and annual reports on synthetic organic chemicals, is used extensively by both the

Government and the business community. These synthetic organic chemical reports have a venerable history which extends back to the administration of President Wilson.

Office of Economics

During fiscal year 1981, the Commission's recently reorganized Office of Economics¹ took on new investigative responsibilities in addition to producing a growing body of reports and special studies on the economic impact of trade developments. Along with investigators, commodity-industry analysts, and attorneys drawn from other offices within the agency, Commission staff economists in the Investigative Support Division now participate as full investigative team members in the agency's investigations of possible injury to domestic producers resulting from increased imports. Depending on the requirements of the statute under which a Commission investigation may be proceeding, economists may report on price comparisons at the first level of competition between imported and domestically produced products and employment levels and trends in the domestic industry. Information developed on employment typically includes the number of production workers in the domestic industry, the number of hours worked, and an analysis of worker productivity. The Investigative Support Division also aids the Commission by reporting on the possible economic effects of programs of import relief that the Commission may recommend to the President.

The Office's Research Division was engaged in producing several forward-looking studies on the economic impact of

a variety of trade issues in 1981. It is hoped that these studies will anticipate significant economic developments during the early 1980's which affect U.S. trade. Among the Research Division's projects is a study of floating exchange rates and U.S. competitiveness. Initiated in March 1981, portions of the study attempt to explain to a general audience the impact of floating exchange rates on the demand for U.S. products. The study also includes statistical appendixes containing econometrics on bilateral-exchange-rate models. Having examined some of the financial, political, and psychological pressures on the value of the dollar with respect to other currencies, the study proceeds to investigate the relationship between changing rates of exchange and the balance of trade.

Another in-progress study examines the effectiveness of escape-clause relief in promoting adjustment to import competition. Since 1951, under various U.S. statutes referred to as the escape clause, domestic industries have petitioned the Commission for temporary import relief for the purpose of adjusting to import competition. The Research Division's study examines the adjustment of five industries that obtained relief in the 1950's and early 1960's.

The Trade Reports Division serves as the Commission's foreign country specialists. Economists monitor economic and commercial policy developments among the principal trading partners of the United States—the European Community, Canada, Japan, and Mexico—as well as China, the Soviet Union, and other nonmarket economy countries, so that timely trade-related economic information and technical assistance are available to the Congress and the Executive on current issues in the bilateral and multilateral trade relations of the United States. A main function of the Trade Reports Division is the preparation of two regular series of reports on U.S. trade relations that the Commission provides to the Congress: the annual report on

¹On June 12, 1980, three divisions were organized in the Office of Economics: Investigative Support Division, Research Division, and Trade Reports Division.

the operation of the trade agreements program (OTAP) and the quarterly reports on U.S. trade with nonmarket economy countries.

In December 1980 the Commission provided the Congress with the 31st annual report on the OTAP. This report is a comprehensive survey of international trade agreements and arrangements in which the United States participates. The OTAP report also surveys the administration of the U.S. trade laws during each calendar year, reviews trade relations between the United States and its major trading partners, and reviews activities of organizations that deal with international trade matters, especially as they relate to the United States. The 31st OTAP report focused on trade-agreement developments during 1979, a year which saw significant developments in the operation of the General Agreement on Tariffs and Trade (GATT). During 1979, the Tokyo round of Multilateral Trade Negotiations came to an end, and the OTAP report covered the results of these negotiations in the areas of tariff and nontariff barriers to trade.

The Trade Reports Division also continued to fulfill the Commission's congressionally mandated responsibility to monitor trade between the United States and the nonmarket economy countries and to provide Congress and the Executive with quarterly reports on East-West trade. The Commission submitted four reports on East-West trade to the Congress and the interagency Trade Policy Committee during fiscal 1981. These reports reflect the Commission's continuing effort to monitor the flow of imports and exports between the United States and the nonmarket economy countries, including the Soviet Union, most of the countries of Eastern Europe, and the People's Republic of China. They also examine major developments in commercial policy and review some of the more important economic developments in the nonmarket economy countries.

In February 1981 the Commission transmitted to the United States Trade Representative a report on its investigation of the economic structures and international trade patterns in the North American region, *Background Study of the Economies and International Trade Patterns of the Countries of North America, Central America, and the Caribbean*. The study contributed to the USTR's report to the President on the advisability of the United States' entering into new trade agreements with the countries of the northern portion of the Western Hemisphere, as required by the Trade Agreements Act of 1979. The Commission's report, prepared mainly by the Trade Reports Division, offers a comparative overview of the economic structures within the region, analyzes regional trade patterns, and reviews barriers to trade which exist among the countries of North America, Central America, and the Caribbean.

Office of Tariff Affairs

Although the duties collected on imports have had a declining significance as a source of government revenue in this century, the U.S. tariff schedules have become important in new ways, especially since World War II. The spirit of internationalism in the postwar era led to a continuing effort within the GATT to facilitate free trade through the reduction of tariff barriers. Meanwhile, the concurrent development of computerized data processing technology, especially during the past 15 years, has made sophisticated statistical data on trade flows available with an astounding rapidity. Governmental efforts to gather trade data, regulate trade, and contribute to the international process of reducing trade barriers are of central interest to the business community and ultimately the entire Nation. The Commission makes a vital technical contribution to the process.

Within the Commission, the Office of Tariff Affairs provides technical expertise on the design and maintenance of trade classification and valuation systems. A

primary responsibility of the Office of Tariff Affairs has been the publication of the Tariff Schedules of the United States (TSUS). The schedules are organized into approximately 7,000 legal classifications describing every product in international trade for the purpose of collecting duties. Each classification is assigned a five-digit number to identify the kind of product or products therein. For statistical purposes, many are broken into subclassifications, each of which adds two digits to the identifying number, so that data may be gathered about trade flows in specified articles. There are now approximately 14,000 such subclassifications.

Tariff Affairs represents the Commission on and chairs an interagency committee which considers petitions from firms, business and industry groups, and Government agencies to establish new statistical subcategories. Other members of the committee include the Department of Commerce's Bureau of the Census and the Department of the Treasury's Customs Service. Tariff Affairs emphasizes the Commission's effort to benefit the business community and other interested parties to the maximum extent possible within the framework and rules of the TSUS.

Tariff Affairs published a new edition of the TSUS during 1981, which included changes resulting from the Tokyo round of Multilateral Trade Negotiations. In addition, it published two supplements to the TSUS reflecting legislative changes as well as changes made by the President. The Office also assists in the preparation of draft legislation and drafts Presidential proclamations and Executive orders which affect the TSUS and classification matters.

A significant responsibility of Tariff Affairs is its participation in technical work on the Harmonized Commodity Description and Coding System, an international classification system being developed by many nations and international organizations under the auspices of the Customs Cooperation Council in Brussels, Belgium. This new trade nomenclature, designed to be implemented and interpreted uniformly by

nations adopting it, would attempt to facilitate trade by providing a common description for each article in international trade. Under the Trade Act of 1974, the Commission was directed to participate in the U.S. contribution to the technical work on the Harmonized System to assure the recognition of the needs of the U.S. business community.

Since then, the Commission has held hearings and meetings and has otherwise solicited the advice of Government agencies, firms, business groups, and individuals on the drafting of the Harmonized System and the economic impact that its adoption by the United States would have on their interests. The Office of Tariff Affairs has played a major role in coordinating these activities and in preparing draft U.S. comments to sections of the system as they are submitted to the Customs Cooperation Council.

The Office of Tariff Affairs provides the U.S. delegation to the Customs Cooperation Council with its chief representative, who participated in four sessions of the Council during fiscal year 1981. The Office represented the Commission in technical consultations with European Community representatives and drafted U.S. proposals for inclusion in the Harmonized System. These proposals were directed at meeting classification needs of the U.S. business community, assuring that a workable structure is developed, and eliminating unnecessary obstacles to trade. Many such proposals have been accepted by delegates to the working sessions and included in draft texts.

In August 1981 the Commission received another responsibility in connection with the Harmonized System in the form of a letter from President Reagan. In it, the President stated his belief that "The use of the Harmonized System by all countries for customs tariff and international trade

statistical reporting could result in major benefits both to the United States and our trading partners." The President then requested that the Commission initiate an investigation to serve as the basis for the conversion of the Tariff Schedules of the United States into the nomenclature structure of the Harmonized System. The Commission's report will assess the probable economic effect of the conversion process on U.S. workers, industry, and trade. The Office of Tariff Affairs, working with the Office of Industries, was proceeding with this investigation at the end of the fiscal year. Should the President choose to continue the process of conversion of the TSUS to the Harmonized System, the converted schedules would then be presented in the form of legislation for congressional approval.

Finally, Tariff Affairs assists in the institution and conduct of the various statutory investigations assigned to the Commission and in studies and publications on different aspects of international trade.

Office of Executive Liaison and Special Adviser for Trade Agreements

As an independent, factfinding agency with some quasi-judicial responsibilities, the Commission does not define or implement trade policy or programs. However, it does contribute to the development of U.S. international trade policy by providing technical assistance and advice to the Congress, the President, and the United States Trade Representative² and to the Departments of State, Commerce, Labor, and Agriculture.

The Commission's Office of Executive Liaison and Special Adviser for Trade Agreements functions as a focal point in arranging Commission assistance and guidance on technical matters to the USTR and other executive departments. During fiscal year 1981, the Office's 10-member staff provided assistance to executive branch offices and agencies in numerous

areas. Among them was the Generalized System of Preferences (GSP) program. Along with many other developed, industrialized nations, the United States has established a system for providing duty-free treatment for eligible imports originating in beneficiary developing countries. Approximately 113 such countries benefit from the program, which allows for the importation into the United States of approximately 2,300 articles on a duty-free basis. The GSP is a flexible program—both beneficiary countries and eligible articles may be added to or removed from the system. The United States views GSP as a means to offer new industries in beneficiary developing countries a temporary advantage in the U.S. marketplace, and thus to help them become competitive.

The Office of Executive Liaison plays a central role in assisting the Commission in formulating its advice to the President regarding countries and articles eligible for treatment under the program. During fiscal year 1981, the Office responded to requests for advice concerning the probable economic effect on domestic industries of the inclusion of some 428 articles which may be considered for GSP treatment.

Eligibility issues under the GSP also generated two hearings before the Commission during the fiscal year. In March 1981

²Within the executive branch, the Office of the United States Trade Representative has had significant responsibilities for U.S. trade policy since its inception in 1963. The USTR has primary responsibility for the development, coordination, and implementation of U.S. international trade policy, including negotiation of international commodity agreements and—to the extent they are related to international trade policy—direct investment matters. The USTR serves as chief representative of the United States in all activities under the auspices of the General Agreement on Tariffs and Trade and has represented the United States in numerous other international organizations considering and trade commodity issues.



Generalized System of Preferences

Representatives Leon E. Panetta, left, and Tony Coelho (1), Democrats of California, testified about domestic specialty crops and olives, respectively, at the Commission's hearing (2) on November 18, 1980, on the President's list of articles which may be designated as eligible articles for purposes of the Generalized System of Preferences.

the Commission traveled to Providence, R.I.—a center of domestic jewelry production—for a public hearing regarding the economic effect of subdividing the TSUS item covering gold jewelry into five new items for the purposes of the GSP. In May 1981 the Commission reported its advice to the Senate Finance Committee, which had requested the investigation. In January 1981 the Commission responded to a request from the USTR for advice on the probable economic effect of designating the People's Republic of China as a beneficiary developing country under the GSP. The Commission held a hearing in the investigation on April 22, 1981, and transmitted its report on the matter to the USTR in June 1981.

The Office of Executive Liaison played a role in several other trade matters of significance in which the Commission became involved during fiscal year 1981. The General Agreement on Tariffs and Trade has begun work on a looseleaf system as a means of keeping an up-to-date compilation of each country's tariff concessions. The Commission is proceeding with the technical work involved in providing the U.S. contribution to the looseleaf system, and the Office of Executive Liaison is coordinating much of the Commission's work in this area.

In another area of technical guidance, the Office of Executive Liaison aids the Trade Policy Staff Committee in reviewing Commission reports transmitted to the President. Under various statutes, the Commission submits reports on its investigations to the President. Executive branch review of these reports, a process to which the Trade Policy Staff Committee contributes, is usually centered in the USTR. The Commission's nonvoting representative to the Committee provides technical guidance during these proceedings.

During fiscal year 1981, the Office of Executive Liaison initiated work on a project which is expected to engage the Commission increasingly during the near future. The Commission, and the Office of Executive Liaison in particular, will contribute technical guidance to an interagency study

of the economic effects of the establishment of a free-trade agreement among several nations in the Caribbean, part of the President's recently announced Caribbean Basin Initiative.

Office of Congressional Liaison

During fiscal year 1981, the Office of Congressional Liaison continued to provide liaison with the Congress, State and local governments, international organizations, and the independent Federal Government agencies. Responding to congressional inquiries remained a major activity of the Office: the Commission replied to an average of 32 written requests and 68 telephone inquiries each month. In addition, technical assistance was provided on 39 bills, and staff specialists participated at a number of congressional committee hearings.

A section 332 investigation was requested in December 1980 by the Subcommittee on Trade, House Committee on Ways and Means, to prepare monthly reports providing information on the U.S. automobile industry (No. 332-121). This document was transmitted to the subcommittee each month from January through June 1981, when the subcommittee requested that the monthly reports be continued through December 1981 (No. 332-129).

The report on a section 332 investigation required by the Senate Finance Committee in December 1980, Study of the Economic Impact on the Domestic Jewelry Industry of the Subdivision of Item 740.10 of the Tariff Schedules of the United States for Purposes of the Generalized System of Preferences (No. 332-122), was transmitted to the committee on May 4, 1981. The Commission also continued its ongoing section 332 investigation on the formulation of an international commodity code (No. 332-73), as required by section 608(c)(1) of the Trade Act of 1974.



Gold chain

The Commission completed a section 332 study of the domestic jewelry industry at the request of the Committee on Finance of the United States Senate on the economic impact on the domestic industry of the subdivision of the Tariff Schedules of the United States into five categories for purposes of the Generalized System of Preferences (TSUS item 740.10, precious metal jewelry).

A public factfinding hearing was held in Providence, Rhode Island (1, 1a), on March 30, 1981. Presentations were made to the Commission by Governor Joseph Garrahy (2) and George R. Frankovitch of the Manufacturing Jewelers & Silversmiths of America (3) and other interested parties. In 1980, the value of imports of precious jewelry and related articles was \$528 million and precious metal chain, \$212 million.

The Commission has broad powers to study and investigate all factors relating to U.S. foreign trade, their effect on domestic production, employment, and consumption, and the competitiveness of U.S. products.



During the year, 14 Members of Congress appeared as witnesses at hearings before the Commission, and written testimony concerning several cases being investigated by the Commission was received from additional Congressmen.

Part III. Administration and Finances

The Commission

The six Commissioners of the U.S. International Trade Commission are appointed by the President and confirmed by the U.S. Senate for terms of 9 years, unless appointed to fill an unexpired term. A Commissioner who has served for more than 5 years is not eligible for reappointment. Not more than three Commissioners may be members of the same political party.

The Chairman is designated by the President and serves for a 2-year period. No Chairman may be of the same political party as the preceding Chairman, nor may the President designate two Commissioners of the same political party as Chairman and Vice Chairman.

The following Commissioners served during fiscal year 1981:

Commissioner George M. Moore, Republican of Maryland. Mr. Moore resigned effective January 16, 1981.

Commissioner Bill Alberger, Democrat of Oregon. Mr. Alberger's term expires December 16, 1985.¹

Commissioner Catherine Bedell, Republican of Washington. Mrs. Bedell's term expires June 16, 1984.²

Commissioner Paula Stern, Democrat of the District of Columbia. Dr. Stern's term expires June 16, 1987.

Commissioner Michael J. Calhoun, Independent of the District of Columbia. Mr. Calhoun's term expires December 16, 1988.³

Commissioner Alfred E. Eckes, Jr., Republican of Virginia. Mr. Eckes' term expires June 16, 1990.

Commissioner Eugene J. Frank, Republican of Pennsylvania. Mr. Frank's term expires December 16, 1982.⁴

¹Commissioner Alberger resigned effective June 16, 1982.

²Commissioner Bedell resigned effective Nov. 30, 1981.

³Commissioner Calhoun resigned effective Sept. 10, 1982.

⁴Commissioner Frank resigned effective Oct. 23, 1982.

Executive Staff

The executive staff of the Commission at the close of fiscal year 1981 was as follows:

General Counsel	Michael H. Stein
Assistant General Counsel for Litigation and Special Projects	Edward M. Lebow
Assistant General Counsel for Antidumping and Countervailing Duty Investigations	Edward R. Easton
Assistant General Counsel for Section 337 Investigations	N. Timor Yaworski
Assistant General Counsel for Escape-Clause, Section 22, and Section 332 Investigations	William W. Gearhart

Director, Office of Executive Liaison and Special Adviser for Trade Agreements	William T. Hart
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Secretary to the Commission	Kenneth R. Mason
Public Information and Consumer Affairs Officer	Harold W. Sundstrom

Director, Office of Congressional Liaison	George L. Hooper
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Chief Administrative Law Judge	Donald K. Duvall
Administrative Law Judge	Janet D. Saxon

Director, Office of Administration	Lorin L. Goodrich
Director, Finance and Budget Division	Richard D. Arnold
Director, Personnel Division	Terry P. McGowan
Chief, Administrative Services Division ⁵	Kenneth Will, Jr. (Acting)

Director, Office of Operations	Charles W. Ervin
Director, Office of Investigations	E. William Fry
Chief, Unfair Import Investigations Division	David I. Wilson
Director, Office of Industries	Norris A. Lynch
Chiefs of Divisions:	
Agriculture, Fisheries, and Forest Products	Edward P. Furlow
Minerals and Metals	Larry L. Brookhart
Energy and Chemicals	Aimison Jonnard
Textiles, Leather Products, and Apparel	Reuben I. Schwartz
Machinery and Equipment	Aaron H. Chesser
General Manufactures	Walter S. Trezevant
Director, Office of Economics	John Suomela
Director, Office of Data Systems	Michael J. Olsavsky
Director, Office of Tariff Affairs	Eugene A. Rosengarden

⁵Effective Nov. 18, 1980, the Services Division and Production Division were realigned into a single Administrative Services Division.

The General Counsel is the Commission's chief legal adviser.

The Director of the Office of Executive Liaison and Special Adviser for Trade Agreements coordinates Commission activities and assistance to the United States Trade Representative and keeps the Commission informed of trade issues and policy formulation regarding bilateral and multi-lateral trade agreements.

The Secretary serves the Commission in the conduct of its business and is an official point of contact with other Government agencies and the public. The Public Information Office is the unit in the Office of the Secretary responsible for media relations and consumer affairs.

The Director of the Office of Congressional Liaison acts as a point of contact for the Commission with the U.S. Senate and the U.S. House of Representatives.

The administrative law judges preside over unfair import practice investigations (sec. 337) and transmit advisory determinations to the Commission for ultimate decisions.

The Director of Administration is responsible for support, including personnel, finance and budget, management analysis, and administrative services.

The Director of Operations is in charge of carrying out the Commission's substantive day-to-day activities involving investigations, factfinding research, special studies, and data compilation.

Sources of Information

In addition to its statutory obligations to conduct public investigations, the Commission assists the legislative and executive branches of Government and responds to many inquiries from the news media and the public.

As the international economic research arm of the Government, the Commission maintains a 76,000-volume library, which receives about 2,200 periodicals annually. The facility houses not only publications

on international trade and U.S. tariff and commercial policy, but also many business and technical journals.

The Commission's Office of the General Counsel maintains a Law Library and a comprehensive file of documents on legislation affecting U.S. trade. The Law Library is located in room 213 of the USITC Building.

The Commission's Office of Data Systems maintains a comprehensive computer tape library consisting of historical trade data developed from Department of Commerce import/export statistics, related descriptive information for a variety of commodity classification groups, and computerized files used in preparing many of the reports issued by the Commission.

Facilities for research by the public are located in the Office of the Secretary, room 156, and in the Commission Library, which is located in room 313 of the USITC Building.

Inquiries should be directed to the specific organizational unit or to the Secretary, U.S. International Trade Commission, 701 E Street NW., Washington, D.C. 20436, phone 202-523-0161. Publications may be ordered 24 hours a day, 7 days a week, by calling 202-523-5178.

Employment and Appropriations

The Commission staff consisted of 411 permanent employees on September 30, 1981, ending the Commission's 65th year as an independent, impartial, factfinding agency. Interestingly, 50 years ago—in 1931—the Commission had 395 employees. Despite the new responsibilities under the Trade Act of 1974 and the Trade Agreements Act of 1979, which have sharply boosted the Commission's investigative caseload, the Commission staff has remained relatively constant in size.

To do the work mandated by the Congress, the Commission maintains an expert staff of professional investigators, attorneys, economists, data system programmers, and commodity analysts. These include nationally and internationally recognized experts—a skilled grouping of men and women who constantly monitor their fields for developments that affect U.S. policy and trade interests.

In fiscal year 1981, average employment—in terms of work-years—was 5.5 percent above that of fiscal year 1980. The following tabulation shows the number of permanent officers and employees of the Commission by organizational units at the close of fiscal year 1981:

Organizational unit	Sept. 30, 1981
Commissioners	6
Offices of the Commissioners	17
Office of the General Counsel	26
Office of Executive Liaison and Special Adviser for Trade Agreements	11
Office of the Secretary	15
Office of Congressional Liaison	2
Office of the Administrative Law Judge	7
Office of the Director of Operations	2
Office of Investigations	43
Office of Industries	130
Office of Economics	34
Office of Data Systems	38
Office of Tariff Affairs	17
Office of Administration	63
Total	411

The U.S. International Trade Commission submits its budget to the President for transmittal to the Congress.⁶ During fiscal year 1981, appropriated funds made available to the Commission amounted to \$17,215,000. Reimbursements received totaled \$19,000, making available a grand total of \$17,234,000. Obligations for fiscal years 1980 and 1981 were as follows (in thousands of dollars):

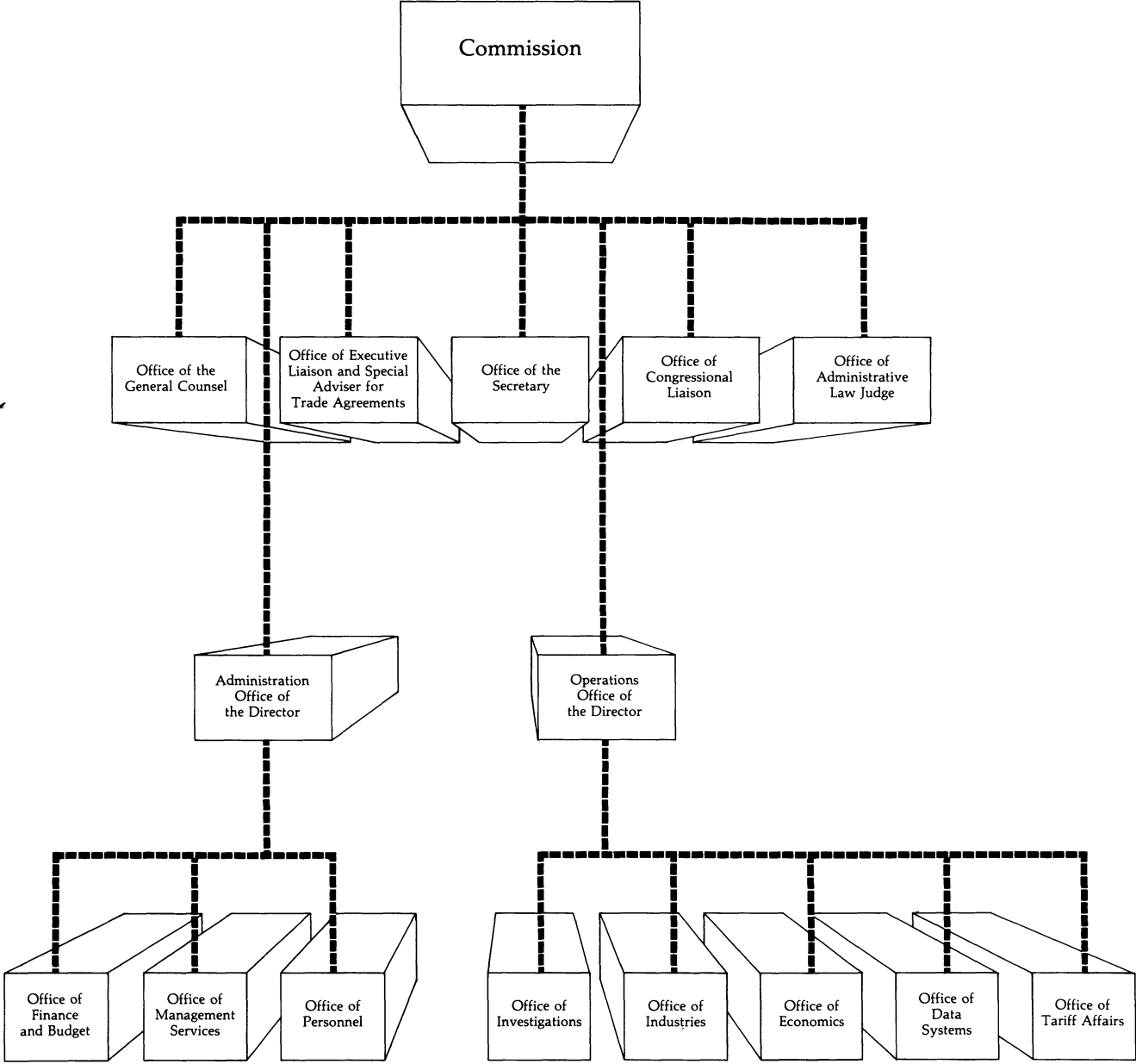
Item	Fiscal year 1980	Fiscal year 1981
Salaries and personnel benefits	10,894	12,409
Travel and transportation	242	286
Rental and communications services	1,137	1,550
Other services	919	1,185
Printing and reproduction	187	295
Equipment, supplies, and material	754	815
Total	14,133	16,540

⁶Because of the unique role of the Commission as a quasi-judicial, bipartisan, independent agency designed to provide trade expertise to both the legislative and executive branches of Government, Congress provided in sec. 175 of the Trade Act of 1974 that the budget of the U.S. International Trade Commission would not be subject to control by the Office of Management and Budget, but would instead be submitted directly to the Congress.

A majority of the Commission's employees are housed in the historic U.S. International Trade Commission Building, at 701 E Street NW., Washington, D.C. Built from 1839 to 1869 under the supervision of Thomas U. Walter, one of the architects of the Capitol, the Commission took up quarters in the building in 1921. The building has housed the Postmaster General, the General Land Office, the Bureau of Education, the National Selective Draft Board, the Panama Canal Company, and General John J. Pershing.

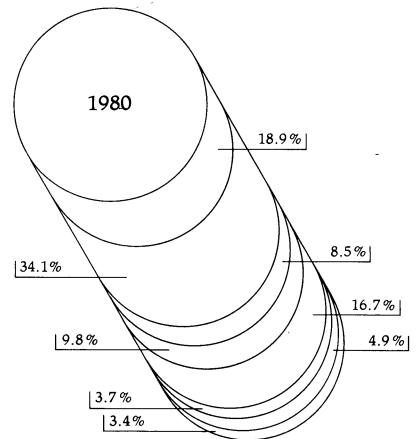
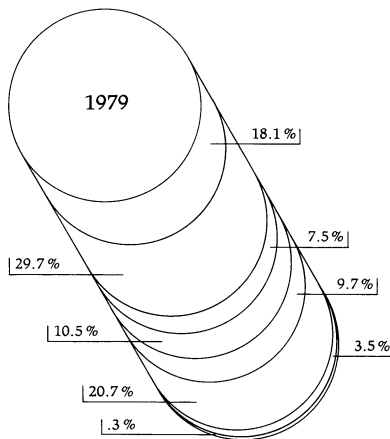
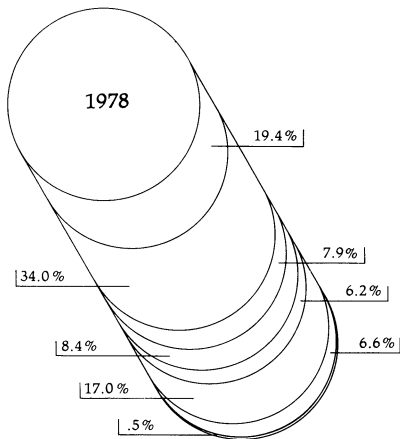
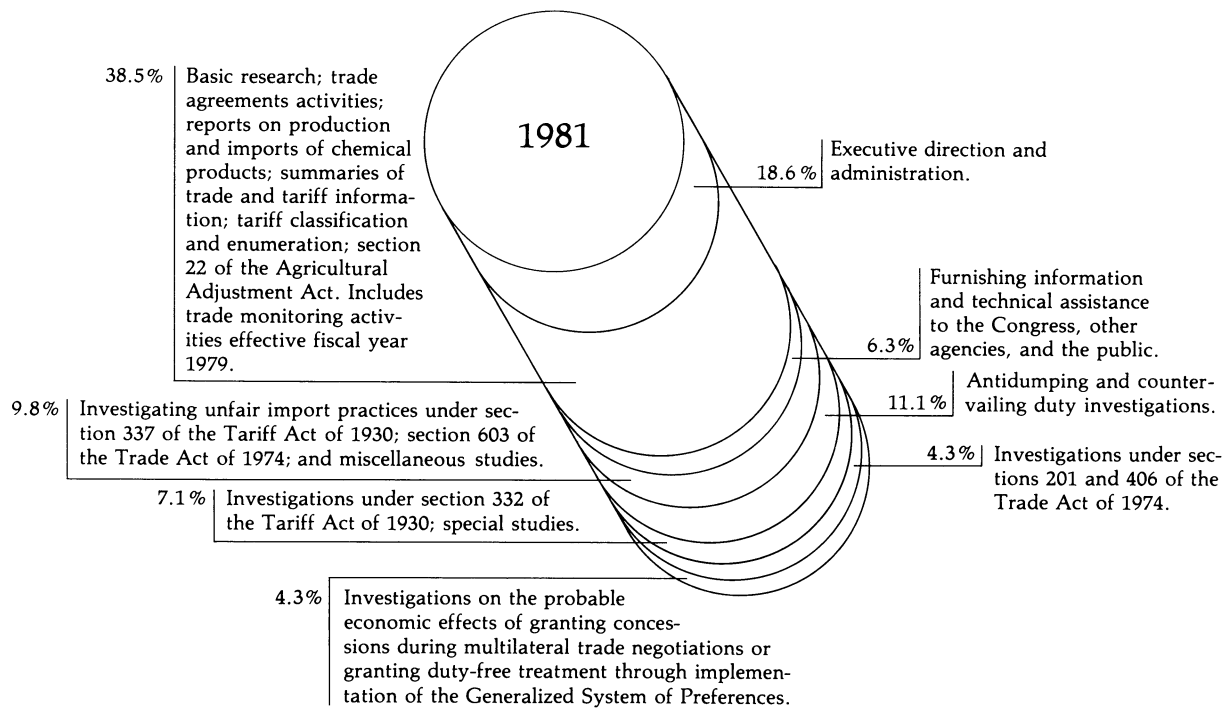
Owing to space limitations, approximately 18 percent of the Commission's employees are located at the Waterfront Center, 1010 Wisconsin Avenue NW., and the Bicentennial Building, at 600 E Street NW., Washington, D.C.

International Trade Commission



Appendix A

Summary of Principal Activities of the U.S. International Trade Commission, Fiscal Years 1978-81



Appendix B

Summary of investigations completed during fiscal year 1981 and pending on September 30, 1981

Table 1

"Escape clause" investigation completed under sec. 201
of the Trade Act of 1974, fiscal year 1981

Investigation No.	Article concerned	Petitioner or requester	Petition or request filed	Public hearing	Finding of Commission	Commissioners' votes		Commission's report	
						Affirmative	Negative	To the President	USITC Publication No.
TA-201-44	Certain motor vehicles and certain chassis and bodies therefor.	International Union, United Automobile, Aerospace, & Agricultural Implement Workers of America.	6-12-80	10- 8-80 to 10-11-80	Negative	Moore Bedell	Alberger Calhoun Stern	12-3-80	1110

Table 2

"Escape clause" investigation under sec. 201 of the Trade Act of 1974
pending on Sept. 30, 1981

Investigation No.	Article concerned	Petition or request received	Origin
TA-201-45	Fishing rods and parts thereof.	7-13-81	Petition by 21 U.S. fishing rod and parts manufacturers.

Table 3

“Review” investigations completed under sec. 203 of the Trade Act of 1974, fiscal year 1981

Investigation No.	Article concerned	Petitioner or requester	Petition or request filed	Public hearing	Commissioners' advice		Commission's report	
					Recommendation to extend relief	Recommendation to terminate or reduce relief	To the President	USITC Publication No.
TA-203-7	Nonrubber footwear.	The American Footwear Industries Association, Amalgamated Clothing & Textile Workers Union, AFL-CIO, and United Food & Commercial Workers Union, AFL-CIO.	10-23-80	3- 9-81 and 3-10-81	Alberger ¹ Calhoun ¹ Bedell ² Stern ¹	Alberger ³ Calhoun ³ Stern ³	4-22-81	1139
TA-203-8	High-carbon ferro-chromium.	Committee of Producers of High-Carbon Ferro-chromium.	5-15-81	7-22-81	Alberger Calhoun Bedell Stern	—	9-16-81	1185
TA-203-9	Certain mushrooms.	United States Trade Representative.	5-19-81	7-30-81	Alberger ⁴ Calhoun ⁴ Bedell ⁴ Stern ⁴	Alberger ⁵ Calhoun ⁵ Bedell ⁵ Stern ⁵	9-11-81	1184

¹With respect to imports of nonrubber footwear, except athletic footwear, from Taiwan.

²With respect to imports of nonrubber footwear, including athletic footwear, from Taiwan and nonrubber footwear from the Republic of Korea.

³With respect to imports of nonrubber footwear from the Republic of Korea and athletic footwear from Taiwan.

⁴Advised that the exclusion of 4 categories of certain mushrooms from the import relief presently in effect would have an adverse economic effect on the domestic industry producing prepared or preserved mushrooms: (1) canned straw mushrooms, stems and pieces, (2) straw mushrooms, whole, in containers of more than 4 ounces, (3) certain oriental mushrooms known

as golden, oyster, or summer oyster, stems and pieces, and (4) certain oriental mushrooms known as golden, oyster, or summer oyster, whole, in containers of more than 9 ounces.

⁵Advised that the exclusion of 5 categories of certain mushrooms from import relief presently in effect would not have an adverse economic effect on the domestic industry producing prepared or preserved mushrooms: (1) frozen battered or frozen breaded mushrooms, (2) straw mushrooms, whole, in containers of 9 ounces or less, (3) certain oriental mushrooms known as golden, oyster, or summer oyster, whole, in containers of 9 ounces or less, (4) canned wild specialty mushrooms, and (5) canned cultivated specialty mushrooms valued over \$3 per pound.

Table 4

“Review” investigations under sec. 203 of the Trade Act of 1974 pending on Sept. 30, 1981

Investigation No.	Article concerned	Petition or request received	Origin
TA-203-10	Porcelain-on-steel cooking ware.	6-16-81	United States Trade Representative.
TA-203-11	Bolts, nuts, and large screws of iron or steel.	6-30-81	United States Fastener Manufacturing Group, the United Steel Workers of America, the International Association of Machinists & Aerospace Workers, the United Automobile, Aerospace, & Agricultural Implement Workers of America, and the Industrial Union Department of the AFL-CIO.
TA-203-12	Clothespins	7-10-81	Diamond International Corp., Forster Manufacturing Co., National Clothespin Co., and Penley Corp.

Table 5

Antidumping investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1981

Investigation No.	Article concerned	Preliminary investigation				Final investigation			
		(a) Request received (b) Conference (c) Report to Secretary of Commerce	Finding that "there is a reasonable indication [of injury]" (Commerce continues its investigation)	Finding that "there is no reasonable indication [of injury]" (Commerce terminates its investigation)	USITC Publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative	USITC Publication No.
731-TA-4	Countertop microwave ovens from Japan.	—	—	—	—	(a) 7-10-80	—	—	Terminated 12-4-80.
731-TA-7	Certain electric motors from Japan.	—	—	—	—	(a) 6-17-80 (b) 11-21-80 and 11-22-80 (c) 12-12-80	Alberger Calhoun Moore Bedell	Stern	1116
731-TA-25	Anhydrous sodium metasilicate from France.	—	—	—	—	(a) 8-29-80 (b) 12- 3-80 (c) 12-23-80	Alberger Calhoun Moore Bedell Stern	—	1118
731-TA-28	Menthol from the People's Republic of China.	—	—	—	—	(a) 1- 7-81 (b) 5- 5-81 (c) 6- 5-81	—	Alberger Calhoun Bedell Stern	1151
731-TA-29	Asphalt roofing shingles from Canada.	(a) 8-21-80 (b) 9-22-80 (c) 10- 6-80	Moore Bedell	Alberger Calhoun Stern	1100	—	—	—	—
731-TA-30	Montan wax from East Germany.	(a) 9- 8-80 (b) 10- 1-80 (c) 10-23-80	Alberger Calhoun Moore Bedell Stern	—	1103	(a) 3- 4- 81 (b) 7-20-81 (c) 8-31-81	Alberger Calhoun Bedell Stern	—	1180
731-TA-31 through 731-TA-33.	Barium carbonate and strontium carbonate from the Federal Republic of Germany and strontium nitrate from Italy.	(a) 9- 9-80 (b) 10- 3-80 (c) 10-24-80	Alberger Calhoun Moore Bedell Stern	Alberger ¹ Calhoun ¹ Stern ¹	1105	(a) 2-13-81 (b) 5-18-81 (c) 6-12-81	Alberger Calhoun Bedell Stern	—	1154 and 1155
731-TA-34	Portable electric nibblers from Switzerland.	(a) 9- 8-80	—	—	Terminated 10-3-80.	—	—	—	—
731-TA-35	Portable electric nibblers from Switzerland.	(a) 10-16-80 (b) 10-29-80 (c) 11-24-80	Calhoun Bedell	Alberger Moore Stern	1108	—	—	—	—
731-TA-36	Snow-grooming vehicles, parts thereof, and accessories therefor from the Federal Republic of Germany.	(a) 11- 6-80 (b) 12- 4-80 (c) 12-22-80	—	Alberger Calhoun Moore Bedell Stern	1117	—	—	—	—
731-TA-37	Certain iron-metal castings from India.	(a) 11-19-80 (b) 12-10-80 (c) 1- 5-81	Calhoun Moore Bedell Stern	Alberger	1122	—	—	—	—

See footnotes at end of table.

Table 5—Continued

Antidumping investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1981

Investigation No.	Article concerned	Preliminary investigation				Final investigation			
		(a) Request received (b) Conference (c) Report to Secretary of Commerce	Finding that "there is a reasonable indication [of injury]" (Commerce continues its investigation)	Finding that "there is no reasonable indication [of injury]" (Commerce terminates its investigation)	USITC Publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative	USITC Publication No.
731-TA-38	Truck trailer axle-and-brake assemblies from Hungary.	(a) 2-19-81 (b) 3- 5-81 (c) 3-30-81	—	Alberger Calhoun Bedell Stern	1135	—	—	—	—
731-TA-39	Tubeless-tire valves from the Federal Republic of Germany.	(a) 2-24-81	—	—	Terminated 3-13-81.	—	—	—	—
731-TA-40	Secondary aluminum alloy in unwrought form from the United Kingdom.	(a) 3-24-81 (b) 4-20-81 (c) 5- 8-81	—	Alberger Calhoun Bedell Stern	1143	—	—	—	—
731-TA-41	Tubeless-tire valves from the Federal Republic of Germany	(a) 4- 9-81 (b) 4-30-81 (c) 5-26-81	Alberger Calhoun Bedell Stern	—	1147	—	—	—	—
731-TA-42	Motorcycle batteries from Taiwan.	(a) 5- 1-81 (b) 5-27-81 (c) 6-16-81	Alberger Calhoun Bedell Stern	—	1157	—	—	—	—
731-TA-43	Fresh cut roses from Colombia.	(a) 6- 4-81	—	—	Terminated 6-25-80.	—	—	—	—
731-TA-44	Sorbitol from France	(a) 6-15-81 (b) 7-13-81 (c) 7-30-81	Alberger Calhoun Bedell Stern	—	1168	—	—	—	—
731-TA-45 through 731-TA-47.	Certain steel wire nails from Japan, ² the Republic of Korea, and Yugoslavia.	(a) 7- 2-81 (b) 7-23-81 (c) 8-17-81	Alberger ³ Calhoun ³ Bedell ³ Stern ³	Alberger ⁴ Calhoun ⁴ Bedell ⁴ Stern ⁴	1175	—	—	—	—
731-TA-48	Certain amplifier assemblies and parts thereof from Japan.	(a) 7-24-81 (b) 8-19-81 (c) 9- 8-81	Alberger Calhoun Bedell Stern	—	1182	—	—	—	—
731-TA-49	Fireplace mesh panels from Taiwan.	(a) 8-11-81 (b) 9- 4-81 (c) 9-25-81	Alberger Calhoun Bedell Stern	—	1186	—	—	—	—

¹With respect to imports of strontium carbonate from the Federal Republic of Germany (investigation No 731-TA-32).

²Commerce advised the Commission on Aug. 11, 1981, that it had terminated its antidumping investigation on steel wire nails from Japan. Accordingly, the Commission terminated its investigation concerning these products on Aug. 14, 1981.

³With respect to imports from the Republic of Korea

⁴With respect to imports from Yugoslavia

Table 6

**Countervailing duty investigations completed under sec. 701 of the
Tariff Act of 1930, fiscal year 1981**

Investigation No.	Article concerned	Preliminary investigation				Final investigation			
		(a) Request received (b) Conference (c) Report to Secretary of Commerce	Finding that "there is a reasonable indication [of injury]" (Commerce continues its investigation)	Finding that "there is no reasonable indication [of injury]" (Commerce terminates its investigation)	USITC Publication No.	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative	USITC Publication No.
701-TA-64	Certain glass-lined steel storage tanks and glass-lined steel pressure vessels, and parts thereof, from France.	(a) 9- 2-80 (b) 9-24-80	—	—	Terminated 10-6-80.	—	—	—	—
701-TA-65 through 701-TA-67.	Leather wearing apparel from Brazil, Korea, and Taiwan.	(a) 10-15-80	—	—	Terminated 11-6-80.	—	—	—	—
701-TA-68	Leather wearing apparel from Uruguay.	(a) 10-15-80 (b) 11-12-80 (c) 12- 1-80	Alberger Calhoun Moore Bedell Stern	—	1114	(a) 12-12-80 (b) 3-26-81 (c) 5-13-81	Alberger Calhoun Bedell Stern	—	1144
701-TA-69 through 701-TA-78 ¹	Sodium gluconate from Belgium, Denmark, the Federal Republic of Germany, France, Greece, Ireland, Italy, Luxembourg, the Netherlands, and the United Kingdom.	(a) 6-16-81 (b) 7-14-81 (c) 7-31-81	Alberger Calhoun Bedell Stern	—	1169	—	—	—	—

¹At the Commission meeting of July 27, 1981, these investigations were consolidated into investigation No. 731-TA-79, sodium gluconate from the European Communities.

Table 7

**Countervailing duty investigation completed under sec. 303(b) of the
Tariff Act of 1930, fiscal year 1981**

Investigation No.	Article concerned	Preliminary investigation			Final investigation			
		(a) Request received (b) Conference (c) Report to Secretary of Commerce	Finding that "there is a reasonable indication [of injury]" (Commerce continues its investigation)	Finding that "there is no reasonable indication [of injury]" (Commerce terminates its investigation)	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative	USITC Publication No.
303-TA-14	Plastic animal identification tags from New Zealand.	—	—	—	(a) 10-28-80 (b) 1-30-81 (c) 2-24-81	—	Alberger Calhoun Bedell Stern	1128

Table 8

**Countervailing duty investigations completed under sec. 104
of the Trade Agreements Act of 1979, fiscal year 1981**

Investigation No.	Article concerned	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative	USITC Publication No.
104-TAA-2	Optic liquid-level sensing systems from Canada.	(a) 1-14-81 (b) 6- 3-81 (c) 7-10-81	—	Alberger Calhoun Bedell Stern	1164
104-TAA-3	Certain spirits from Ireland.	(a) 4-20-81 (b) None (c) 7-17-81	—	Alberger Calhoun Bedell Stern	1165

Table 9**Antidumping and countervailing duty investigations pending on Sept. 30, 1981**

Investigation No.	Article concerned	Request received
Preliminary:		
701-TA-80	Lamb meat from New Zealand	9-21-81
Final:		
701-TA-79	Sodium gluconate from the European Communities	9-16-81
731-TA-38	Truck trailer axle-and-brake assemblies and parts thereof from Hungary.	9-17-81
104-TAA-4	Steel units for electrical towers from Italy	3-27-81
104-TAA-5	Ski-lifts and parts thereof from Italy	3-28-81

Table 10**"Review" investigations completed under sec. 751 of the Tariff Act of 1930, fiscal year 1981**

Investigation No.	Article concerned	(a) Request received (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative	USITC Publication No.
751-TA-2 ¹	Television receiving sets from Japan	(a) 7-28-80 (b) 11-12-80 (c) 6-12-81	Alberger Calhoun Bedell	Stern	1153
751-TA-3	Potassium chloride from Canada	(a) 8- 1-80 (b) None (c) 4- 9-81	—	Alberger Calhoun Bedell Stern	1137
751-TA-4	Synthetic L-methionine from Japan	(a) 12-15-80 (b) None (c) 7-22-81	—	Alberger Calhoun Bedell Stern	1167

¹This investigation was instituted as No. AA1921-66A (Review); it was subsequently renumbered as investigation No. 751-TA-2.

Table 11**Investigations completed under sec. 22 of the Agricultural Adjustment Act, fiscal year 1981**

Investigation No.	Article concerned	Request received	Date investigation instituted	Public hearing	Finding and recommendations	USITC Publication No.	Date report was—	
							Submitted to President	Released by President
22-42	Peanuts	10- 1-80	10-15-80	12- 1-80	Advise the President that permitting entry of 200,000,000 pounds (shelled basis) or more of peanuts in addition to the entry of the normal quota level of 1,709,000 pounds would not have the effect of rendering or tending to render ineffective, or materially interfering with, any program or operation undertaken by the Department of Agriculture.	1124	1-15-81	4-18-81 ¹
22-43	Certain tobacco	1-18-81	3- 5-81	6-24-81	Tobacco is not being and is not practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the flu-cured tobacco program or the burley tobacco program of the Department of Agriculture.	1174	8-21-81	8-31-81

¹On Apr. 14, 1981, the President issued a proclamation announcing a quota of 300,000,000 pounds (shelled basis) of peanuts.

Table 12**Investigations under sec. 22 of the Agricultural Adjustment Act pending on Sept. 30, 1981**

Investigation No.	Article	Request received	Origin
22-44	Casein, mixtures in chief value of casein, and lactalbumin.	8-10-81	Letter from the President.

Table 13

**Investigations of unfair trade practices completed under sec. 337 of the
Tariff Act of 1930, fiscal year 1981**

Article concerned	Complainant	Complaint filed	Date of publication of notice in <i>Federal Register</i> and No.	Public hearing	Finding and remedy of Commission	Date orders issued	USITC Publication No.
Certain skateboards and platforms therefor.	Richard L. Stevenson d.b.a. Makaha International, Los Angeles, Calif.	10- 6-77;	11-11-77, 337-TA-37	10-10-78.	No violation. ¹	11-13-78	926
		10-25-77 (amendment)			Violation; exclusion order. ²	11- 9-80	1101
Certain multicellular plastic film.	Huang Well Industrial Co., Ltd., Taipei, Taiwan. ³	10-4-80	11-6-80, 337-TA-54A	—	Terminated; no violation.	3- 3-81	—
Certain high-voltage circuit interrupters and components thereof.	Westinghouse Electric Corp., Paterson, N.J.	2-16-79	3-28-79, 337-TA-64	—	Suspended.	10- 4-79	—
					Terminated. ⁴	7- 7-81	—
Certain inclined-field acceleration tubes and components thereof.	High Voltage Engineering Corp., Burlington, Mass.	5-17-79; 6-20-79 (amendment)	6-27-79, 337-TA-67	3-12-80 and 11-25-80	Violation. ⁵	12-29-80	1119
Certain surveying devices.	Gammon Reel Inc., San Francisco, Calif.	5-17-79; 6- 4-79 (amendment)	7-5-79, 337-TA-68	5- 7-80	Violation; exclusion order. ⁶	7- 7-80 and 8-26-81 ⁷	1085 and 1178
Certain airtight cast-iron stoves.	Jotul, Inc., Oslo, Norway; Kristie Associates, Portland, Maine; and Jotul Stove Dealers of the United States.	5-23-79; 6-14-79 (amendment)	7-12-79, 337-TA-69	11- 3-80	Violation; cease and desist order and exclusion orders. ⁸	12-31-80	1126
Certain turning machines and components thereof.	The Warner & Swasey Co., Cleveland, Ohio.	9-13-79	10-24-79, 337-TA-72	9-26-80	Terminated; no violation. ⁹	12- 8-80	—
Certain rotatable photograph and card display units and components thereof.	Roto Photo Co., Inc., Chicago, Ill.	10-15-79; 11- 5-79 (amendment)	10-21-79, 337-TA-74	10-17-80	Violation; exclusion orders. ¹⁰	11-21-80	1109
Certain large video matrix display systems and components thereof.	Stewart-Warner Corp., Chicago, Ill.	10-25-79	12-19-79, 337-TA-75	5- 8-81	Violation; exclusion orders. ¹¹	6-19-81	1158
Certain food slicers and components thereof.	Prodyne Enterprises Inc., Montclair, Calif.	11- 5-79; 11-26-79 and 11-30-79 (amendments)	12-21-79, 337-TA-76	—	Terminated; no violation.	6-22-81	—
Certain computer forms feeding tractors and components thereof.	Precision Handling Devices, Inc., Assonet, Mass.	12-19-79; 1- 9-80 and 1-10-80 (amendments)	1-30-80, 337-TA-77	—	Terminated. ⁹	12-30-80	—
Certain poultry disk picking machines and components thereof.	Stork-Gamco, Inc., Gainesville, Ga.	1- 8-80; 1-21-80 (amendment)	2-27-80, 337-TA-78	—	Terminated. ⁹	2- 5-81	—

See footnotes at end of table.

Table 13—Continued

**Investigations of unfair trade practices completed under sec. 337 of the
Tariff Act of 1930, fiscal year 1981**

Article concerned	Complainant	Complaint filed	Date of publication of notice in <i>Federal Register</i> and No.	Public hearing	Finding and remedy of Commission	Date orders issued	USITC Publication No.
Certain cathode sputter coated glass transparencies.	PPG Industries, Inc., Pittsburgh, Pa.	1-14-80; 2-12-80 (amendment)	2-27-80, 337-TA-79	—	Terminated. ⁹	10-22-80	—
Certain plastic bouquet holders.	Lomey Manufacturing Corp., Deer Park, N.Y.	1-18-80; 2- 7-80 (amendment)	3-5-80, 337-TA-80	—	Terminated; consent order. ¹²	12- 9-80	—
Certain hollow fiber artificial kidneys.	Cordis Dow Corp., Miami, Fla.	2- 6-80	4-2-80, 337-TA-81	—	Terminated. ⁹	3-11-81	—
Certain headboxes and papermaking machine forming sections for the continuous production of paper, and components thereof.	Beloit Corp., Beloit, Wis.	2-21-80	4-8-80, 337-TA-82	2-24-81	Violation; exclusion order. ¹³	4- 8-81	1138
Certain adjustable windowshades and components thereof.	Newell Window Furnishings Co., Freeport, Ill.	4- 7-80	5-29-80, 337-TA-83	—	Violation; exclusion order. ¹⁴	5-29-81	1152
Certain slide fastener stringers and machines and components thereof for producing such slide fastener stringers.	Talon Division of Textron, Inc., Meadville, Pa.	5- 9-80	6-11-80, 337-TA-85	8-15-80 (on temporary exclusion order)	Terminated; no violation. ¹⁵	1-12-81	1141
					Terminated; no violation.	3- 3-81	—
Certain shell brim hats.	Zwicker Knitting Mills, Appleton, Wis.	5-16-80; 5-28-80 and 6-11-80 (amendments)	6-25-80, 337-TA-86	—	Terminated; consent orders. ¹⁶	4-22-81	—
Certain coin-operated audiovisual games and components thereof.	Midway Manufacturing Co., Franklin Park, Ill.	5-22-80; 6- 9-80 (amendment)	6-25-80, 337-TA-87	3-16-81	Violation; exclusion orders. ¹⁷	6-25-81	1160
Certain spring assemblies and components thereof and methods for their manufacture.	Kuhlman Corp., Troy, Mich.	6-23-80; 7- 8-80 (amendment)	8-8-80, 337-TA-88	6-10-81	Violation; exclusion order.	8-10-81	1172
Certain apparatus for the continuous production of copper rod.	Southwire Co., Carrollton, Ga.	7-29-80; 8- 1-80 and 8- 5-80 (amendments)	8-13-80, 337-TA-89	10-15-80 (on temporary exclusion order)	Temporary exclusion order issued. ¹⁸	10-29-80	1132
Certain mass flow devices and components thereof.	Tylan Corp., Torrance, Calif.	10-14-80; 10-31-80, 11- 5-80, and 11-12-80 (amendments)	11-26-80, 337-TA-91	—	Terminated. ⁹	9-22-81	—

See footnotes at end of table.

Table 13—Continued

**Investigations of unfair trade practices completed under sec. 337 of the
Tariff Act of 1930, fiscal year 1981**

Article concerned	Complainant	Complaint filed	Date of publication of notice in <i>Federal Register</i> and No.	Public hearing	Finding and remedy of Commission	Date orders issued	USITC Publication No.
Certain wet motor circulating pumps and components thereof.	Taco, Inc., Cranston, R.I.	11-20-80; 11-21-80 and 12- 2-80 (amendments)	12-31-80, 337-TA-94	—	Terminated. ⁹	9-22-81	—
Certain airtight cast-iron stoves.	U.S. International Trade Commission. ¹⁹	5-21-81	7-8-81, 337-TA-106	—	Terminated; consent orders. ²⁰	8-26-81	—

¹Appealed to Court of Customs and Patent Appeals, Oct. 12, 1979; remanded to Commission on Dec. 20, 1979.

²The President took no action; exclusion order became final on Dec. 9, 1980.

³Huang Well Industrial Co., Ltd., sought an advisory opinion with respect to an earlier Commission investigation under sec. 337.

⁴Westinghouse Electric Corp. filed a motion to terminate on Apr. 22, 1981; the Commission terminated with prejudice on July 7, 1981.

⁵Public-interest factor enumerated in subsecs. (d) and (f) of the statute precludes the imposition of a remedy.

⁶The President took no action; became final on Sept. 7, 1980, expires on Mar. 9, 1982.

⁷Advisory opinion issued wherein Commission determined that respondent's modified surveying device continues to infringe the patent in issue and therefore remains subject to Commission's exclusion order.

⁸The President took no action; orders became final on Mar. 13, 1981.

⁹By reason of settlement agreement.

¹⁰The President took no action; became final on Jan. 22, 1981.

¹¹The President took no action; became final on Aug. 19, 1981.

¹²The President took no action; became final on Mar. 21, 1981.

¹³The President denied the exclusion order and requested the Commission to reconsider its recommendation. See investigation No. 337-TA-82A (table 14).

¹⁴The President took no action; exclusion order became final on July 29, 1981.

¹⁵Temporary exclusion denied by Commission on Aug. 21, 1980.

¹⁶The President took no action; orders became final on June 21, 1981.

¹⁷The President took no action; orders became final on Aug. 26, 1981.

¹⁸Case suspended until the date on which U.S. Court of Customs and Patent Appeals makes final decision on 2 appeals.

¹⁹Commission instituted on own motion.

²⁰The President took no action; orders became final on Oct. 28, 1981.

Table 14**Investigations of unfair trade practices under sec. 337 of the Tariff Act of 1930 pending on Sept. 30, 1981**

Article concerned	Complainant	Complaint filed	Date of publication of notice in <i>Federal Register</i> and No.	Public hearing
Certain headboxes and papermaking machine forming sections for the continuous production of paper, and components thereof.	Beloit Corp., Beloit, Wis.	(1)	7-1-81, 337-TA-82A	—
Chlorofluorohydrocarbon drycleaning process machines and components therefor.	Research Development Co., Minneapolis, Minn.	4-17-80	6-11-80, 337-TA-84	—
Certain airless paint spray pumps and components thereof.	Wagner Spray Tech. Corp., Minneapolis, Minn.	10- 8-80; 10-22-80 (amendment)	11-21-80, 337-TA-90	9-17-81
Certain airtight wood stoves.	Energy Harvester Corp., Fitzwilliam, N.H.	10-16-80; 11-13-80 (amendment)	12-17-80, 337-TA-92	—
Certain universal joint kits, components thereof, and trunion seals used therewith.	Dana Corp., Toledo, Ohio.	11- 3-80; 11-18-80 (amendment)	12-24-80, 337-TA-93	—
Certain surface grinding machines and literature for the promotion thereof.	Brown & Sharpe Manufacturing Co., North Kingston, R.I.	12-15-80	1-22-81, 337-TA-95	—
Certain modular pushbutton switches and components thereof.	ITT Schadow, Inc., Eden Prairie, Maine.	12-15-80	1-28-81, 337-TA-96	—
Certain steel rod treating apparatus and components thereof.	Morgan Construction Co., Worcester, Mass.	12-17-80	1-28-81, 337-TA-97	10-14-81
Certain screw jacks and components thereof including cold-worked pinion gears.	Auto Specialties Manufacturing Co., St. Joseph, Mich.	1- 8-81; 1-28-81 (amendment)	2-11-81, 337-TA-98	—
Certain molded-in sandwich panel inserts and methods for their installation.	Shur-Lok Corp., Irvine, Calif.	3-27-81	4-29-81, 337-TA-99	—
Certain thermal conductivity sensing gem testers and components thereof.	Ceres Electronics Corp., Waltham, Mass; Adams-Smith, Inc., Hudson, Mass; and MSB Industries, Inc., New York, N.Y.	4-13-81; 5-6-81 (amendment)	5-22-81, 337-TA-100	—
Certain hot air corn poppers and components thereof.	Wear-Ever Aluminum, Inc., Chillicothe, Ohio.	4-16-81; 4-30-81 and 5-13-81 (amendments)	5-22-81, 337-TA-101	—
Certain wheel locks and components thereof.	McGard, Inc., Buffalo, N.Y.	4-16-81; 5-4-81 (amendment)	5-28-81, 337-TA-102	—
Certain stabilized hull units and components thereof and sonar units utilizing said stabilized hull units.	Western Marine Electronics, Inc., Seattle, Wash.	4-29-81; 5-20-81 (amendment)	6-10-81, 337-TA-103	—
Certain card data imprinters and components thereof.	AM International, Inc., Los Angeles, Calif., and Bartizan Corp., Yonkers, N.Y.	5-7-81	6-12-81, 337-TA-104	—

See footnote at end of table.

Table 14—Continued

Investigations of unfair trade practices under sec. 337 of the Tariff Act of 1930 pending on Sept. 30, 1981

Article concerned	Complainant	Complaint filed	Date of publication of notice in <i>Federal Register</i> and No.	Public hearing
Certain coin-operated audiovisual games and components thereof (viz, Rally-X and Pac-Man).	Midway Manufacturing Co., Franklin Park, Ill.	4-17-81; 4-30-81, 5-7-81, 6-15-81, and 6-17-81 (amendments)	7-1-81, 337-TA-105	—
Certain ultrafiltration membrane systems and components thereof, including ultrafiltration membranes.	Amicon Corp., Lexington, Mass.; Romicon, Inc., Woburn, Mass.; and Comex, Inc., Woburn, Mass.	5-19-81; 6-10-81 and 7-1-81 (amendments)	7-15-81, 337-TA-107	—

¹The President disapproved the Commission's determination in investigation No. 337-TA-82 on June 9, 1981, and requested the Commission to reconsider its recommendation.

Table 15

General investigations of trade and tariff matters completed under sec. 332 of the Tariff Act of 1930, fiscal year 1981

Investigation No.	Subject	Origin	USITC Publication	
			No.	Date
332-93	Quarterly statistical reports providing certain information on nonrubber footwear.	Request from the President (Presidential Proclamation 4510).	1113 1130 1148 1177	November 1980 March 1981 May 1981 August 1981
332-108	Study of the Multifiber Arrangement	Initiated by the Commission on its own motion.	1131	March 1981
332-109	Study of the petrochemical industries in the countries of the northern portion of the Western Hemisphere.	Request from the United States Trade Representative.	1123	January 1981
TA-131(b)-5, TA-503(a)-7, and 332-113.	Probable economic effects of possible tariff reductions under section 124 of the Trade Act of 1974 and designation of certain articles as eligible articles for purposes of the Generalized System of Preferences.	Request from the United States Trade Representative.	(¹)	February 1981
TA-503(a)-8 and 332-118.	President's list of articles which may be designated as eligible articles for purposes of the Generalized System of Preferences.	Request from the United States Trade Representative.	1156	June 1981
332-119	Background study of the economies and international trade patterns of the countries of North America (including Central America and the Caribbean).	Request from the United States Trade Representative.	1176	September 1981
332-120	U.S. synthetic organic dye industry: its competitiveness in the world market.	Initiated by the Commission on its own motion.	1166	July 1981
332-121	Monthly reports providing information on the U.S. auto industry.	Request from the Subcommittee on Trade of the House Committee on Ways and Means.	—	January 1981 February 1981 March 1981 April 1981 May 1981 June 1981 July 1981
332-122	Study of the economic impact on the domestic jewelry industry of the subdivision of item 740.10 of the Tariff Schedules of the United States for purposes of the Generalized System of Preferences.	Request of the Senate Committee on Finance.	1142	May 1981
332-123	Probable economic effect on domestic industries of the designation of the People's Republic of China as a beneficiary developing country for purposes of the U.S. Generalized System of Preferences.	Request of the President as transmitted through the United States Trade Representative.	(¹)	June 1981
332-127	Capers imported in bulk: competitive status under section 504(d) of the Trade Act of 1974.	Request from the United States Trade Representative.	(¹)	July 29, 1981
332-128	The implications of recent technological changes on watch production.	Initiated by the Commission on its own motion.	—	(²)

¹Confidential report.

²Terminated on July 13, 1981.

Table 16**General investigations of trade and tariff matters under sec. 332 of the
Tariff Act of 1930 pending on Sept. 30, 1981**

Investigation No.	Subject	Origin	USITC Publication	
			No.	Date
332-73	Formulation of an international commodity code	Sec. 608(c)(1) of the Trade Act of 1974.	—	—
332-84	Quarterly statistical reports providing certain information on canned and frozen mushrooms.	Requests from the President.	1149 1179	May 1981 August 1981
332-96	Report on consumption of watches and watch movements, or modules.	Public Law 89-805 and the Tariff Schedules of the United States.	—	March 1981
332-97	Report on consumption of brooms	Public Law 89-241 and Executive Order 11377.	1140	April 1981
332-103	Annual and quarterly surveys on bolts, nuts, and screws of iron or steel.	Request from the President (Presidential Proclamation 4632).	1112 1129 1134 1150	November 1980 February 1981 March 1981 May 1981
332-111	Annual and semiannual surveys on nonelectric cooking ware of steel.	Request from the President (Presidential Proclamation 4713).	(1) (1)	March 1981 August 1981
332-112	Annual and quarterly statistical reports providing certain information on color television receivers and certain sub-assemblies thereof.	Request from the President (Presidential Proclamation 4769).	1107 1127 1133 1145 1173	November 1980 February 1981 March 1981 May 1981 August 1981
332-114	Study of production techniques and product specialization within U.S. industries.	Initiated by the Commission on its own motion.	—	—
332-115	Study of the effectiveness of escape-clause relief in promoting adjustment to import competition.	Initiated by the Commission on its own motion.	—	—
332-116	Study of the effect of the enlargement of the European Community on U.S. trade.	Initiated by the Commission on its own motion.	—	—
332-117	Study of the operation of export restraint agreements	Initiated by the Commission on its own motion.	—	—
332-124	Study of floating exchange rates and U.S. competitiveness	Initiated by the Commission on its own motion.	—	—
332-125	Analysis of recent trends in U.S. barter and countertrade	Initiated by the Commission on its own motion.	—	—
332-126	Emerging textile-exporting countries	Initiated by the Commission on its own motion.	—	—
332-129	Monthly reports providing information on the U.S. auto industry.	Request from the Subcommittee on Trade of the House Committee on Ways and Means.	—	August 1981 - September 1981
332-130 and TA-503(a)-9.	President's list of articles which may be designated as eligible articles for purposes of the Generalized System of Preferences.	Request from the United States Trade Representative.	—	—

See footnote at end of table.

Table 16—Continued

General investigations of trade and tariff matters under sec. 332 of the Tariff Act of 1930 pending on Sept. 30, 1981

Investigation No.	Subject	Origin	USITC Publication	
			No.	Date
332-131	Conversion of the Tariff Schedules of the United States into the nomenclature structure of the Harmonized System.	Request from the President	—	—
332-132	The relationship of exports in selected U.S. service industries to U.S. merchandise exports.	Initiated by the Commission on its own motion.	—	—

¹Confidential report.

Table 17

Investigations under sec. 131 of the Trade Act of 1974 pending on Sept. 30, 1981

Investigation No.	Subject	Origin
TA-131(b)-6	Probable economic effects of possible tariff reductions under section 124 of the Trade Act of 1974.	Request from the United States Trade Representative.
TA-131(b)-7	Probable economic effects of possible tariff reductions under section 123 of the Trade Act of 1974.	Request from the United States Trade Representative.

Table 18

Preliminary investigation completed under sec. 603 of the Trade Act of 1974¹

Investigation No.	Article concerned	Date and basis for initiation	Hearing	Commission finding	USITC Publication No.
603-TA-6	Steel jacks from Canada	4-23-80; self-initiated	—	(2)	—

¹Sec. 603(a) of the Trade Act of 1974 provides that, in order to expedite the performance of its functions under the act, the Commission may conduct preliminary investigations, determine the scope and manner of its proceedings, and consolidate proceedings before it. In recent years, sec. 603 investigations have been used by

the Commission to determine whether a sec. 337 investigation of alleged unfair practices in import trade should be instituted.

²On Dec. 5, 1980, the Commission issued a notice terminating the investigation on the basis of a consent order.

Appendix C

Reports Submitted on Proposed Legislation

1. **H.R. 7802** (Mr. Downey)—To amend the Tariff Schedules of the United States with respect to the rates of duty on ephedrine, racebookedrine, and their salts. November 7, 1980.
2. **H.R. 8086** (Mr. Royer)—For the relief of Charles Evans and Associates of San Mateo, California. November 10, 1980.
3. **H.R. 6750** (Mr. Edgar)—To suspend until July 1, 1982, the column 1 rate of duty on textile fabrics used in the manufacture of hovercraft skirts. November 26, 1980.
4. **H.R. 7709** (Mr. Jones of Oklahoma)—To amend the Tariff Schedules of the United States to increase the quantity of cigarettes that may be accorded duty-free treatment if acquired in the insular possessions and entered by returning United States residents. December 10, 1980.
5. **H.R. 657** (Mr. Yates)—To reduce until the close of June 30, 1983, the rate of duty on certain woven fabrics of wool. March 24, 1981.
6. **H.R. 833** (Mr. Derwinski)—To extend duty-free treatment to prayer shawls, bags for the keeping of prayer shawls, and certain headwear used in religious observances. March 24, 1981.
7. **H.R. 1755** (Mr. Mitchell)—To amend the Tariff Schedules of the United States in order to increase the rate of duty on certain boxes, cases, and chests lined with textile fabrics. May 1, 1981.
8. **H.R. 1867** (Mr. Thomas)—Relating to the country of origin marking requirements for pistache nuts that are the product of Iran. May 1, 1981.
9. **H.R. 1931** (Mr. Wylie)—To extend the temporary suspension of duty on doxorubicin hydrochloride until the close of June 30, 1984. May 1, 1981.
10. **H.R. 1988** (Mr. Frenzel)—To suspend the duty on carob flour until December 31, 1984. May 4, 1981.
11. **H.R. 2269** (Mr. Schulze)—To apply duty-free treatment to Yankee dryer cylinders. May 4, 1981.
12. **H.R. 2485** (Mr. Albosta)—To extend duty-free treatment to imports of chipper knife steel. May 4, 1981.
13. **H.R. 2082** (Mr. Archer)—To provide duty-free treatment with respect to parts of pipe organs. May 5, 1981.
14. **H.R. 2232** (Mr. de Lugo)—To apply duty-free treatment under certain circumstances to articles produced in the insular possessions of the United States, and for other purposes. May 5, 1981.
15. **H.R. 2502** (Mr. Leath of Texas)—To extend for three years the existing suspension of duty on natural graphite. May 6, 1981.
16. **H.R. 1989** (Mr. Frenzel)—To repeal the additional duties imposed until 1993 under the Omnibus Reconciliation Act of 1980 on imported ethyl alcohol. May 7, 1981.
17. **H.R. 1910** (Mr. Green)—To amend the Tariff Schedules of the United States to suspend the duty on tartaric acid and certain tartaric chemicals. May 13, 1981.
18. **H.R. 1868** (Mr. Thomas)—To amend the Tariff Schedules of the United States to increase the tariff on pistache nuts from Iran. May 19, 1981.

19. **H.R. 2479** (Mr. Vander Jagt)—To extend until the close of June 30, 1984, the existing suspension of duties on certain metal waste and scrap, unwrought metal, and other articles of metal. May 19, 1981.
20. **H.R. 2162** (Mr. Petri)—To extend duty-free treatment on certain toy tea sets. May 21, 1981.
21. **H.R. 2563** (Mr. Wilson)—Relating to the tariff treatment of certain ceramic insulators used in spark plugs. May 21, 1981.
22. **H.R. 2786** (Mr. Crane)—To suspend for three years the duty on P-Chlor Meta Cresol (CAS 59-50-7). May 26, 1981.
23. **H.R. 2516** (Mr. Frank)—To extend for two years the existing suspension of duty on wood excelsior. May 27, 1981.
24. **H.R. 1656** (Mr. Neal)—To increase the rates of duty on certain tobacco and to prohibit the payment of substitution drawback with respect to imports of such tobacco. June 2, 1981.
25. **H.R. 2454** (Mr. Jenkins)—To extend duty-free treatment to certain freight containers. June 2, 1981.
26. **H.R. 3075** (Mr. Gibbons)—Relating to the tariff treatment of tuna packed in airtight containers. June 2, 1981.
27. **H.R. 2487** (Mr. Bafalis)—To amend section 8e of the Agricultural Marketing Agreement Act of 1937, to subject imported tomatoes to restrictions comparable to those applicable to domestic tomatoes. June 3, 1981.
28. **H.R. 2491** (Mr. Breaux)—To amend the Tariff Schedules of the United States to increase the rates of duty on shellfish. June 4, 1981.
29. **H.R. 2889** (Mr. Loeffler)—To impose quantitative restrictions on the importation of lamb meat. June 22, 1981.
30. **H.R. 1184** (Mr. Shannon)—To amend the Tariff Schedules of the United States regarding the rate of duty that may be proclaimed by the President with respect to sugar imports. July 8, 1981.
31. **H.R. 2928** (Mr. Gibbons)—To prohibit the importation into the United States of pistols and revolvers and parts thereof. July 8, 1981.
32. **H.R. 4155** (Mr. Martin)—To suspend for four years the duty on double-head latch needles. October 13, 1981.
33. **H.R. 4002** (Mr. Studds)—To amend the Tariff Schedules of the United States to provide for a lower rate of duty for certain fish netting and fish nets. October 19, 1981.
34. **S. 3038** (Mr. Bayh)—To prohibit imports of canned beef from Argentina. November 12, 1980.
35. **S.J. Res. 5** (Mr. Riegle)—Authorizing the President to enter into negotiations with foreign governments to limit the importation of automobiles and trucks into the United States. March 1981.
36. **S. 200** (Mr. Thomas)—To amend the Internal Revenue Code of 1954 to provide a refundable credit against income tax for up to \$750 of the cost of purchasing a new highway vehicle. March 11, 1981.
37. **S. 426** (Mr. Matsunaga)—To implement the United Nations Convention on the Means of Prohibiting and Preventing the Illicit Import, Export, and Transfer of Ownership of Cultural Property. April 7, 1981.

38. S. 754 (Mr. Moynihan)—To require that most-favored-nation treatment be granted only to the products of countries which have not expropriated United States citizens' property without compensation therefor. May 4, 1981.
39. S. 857 (Mr. Tower)—To impose quantitative restrictions on the importation of lamb meat. June 22, 1981.
40. S. 231 (Mr. Matsunaga)—To amend the Tariff Act of 1930 to increase from \$250 to \$600 the amount for informal entry of goods. July 6, 1981.
41. S. 958 (Mr. Heinz)—To amend the Trade Act of 1974 to provide a special remedy for the artificial pricing of articles produced by non-market economy countries. July 14, 1981.
42. S. 1552 (Mr. Humphrey)—To lower the duty on certain imported sachet parts. October 19, 1981.
43. S. 1565 (Mr. Mitchell)—To amend the Tariff Schedules of the United States to provide for a lower rate of duty for certain fish netting and fish nets. October 19, 1981.

Appendix D

Litigation in Fiscal Year 1981

Litigation Arising From Antidumping Determinations

Armco Inc. v. United States (Court of International Trade Case No. 80-9-01436)

In *Steel Wire Nails From Korea*, investigation No. 731-TA-26 (Final), the Commission determined that there is no injury to the domestic industry producing steel wire nails, and if there were injury, it would not be the result of the sales at less than fair value (LTFV) found by the Commerce Department. The complainant has appealed to the U.S. Court of International Trade and argues that there is a causal link between the LTFV imports and the allegedly poor condition of the domestic industry.

The plaintiffs are contesting the Commission's determination on the grounds that the Commission failed to apply the law correctly in (1) determining whether there is material injury or threat thereof to the U.S. nail industry and (2) determining the degree of the causal connection required to support an affirmative injury determination. According to the plaintiffs, there is substantial evidence on the record to support a finding that there is material injury or threat of material injury to the U.S. nail industry by reason of the imports of nails from Korea which the U.S. Department of Commerce has determined are being sold in the United States at less than fair value. The case was pending before the court at the close of the fiscal year.

Asahi Chemical Industry Co., Ltd., Japan Exlan Co., Ltd., and Mitsubishi Rayon Co., Ltd. v. United States (Court of International Trade Case No. 80-5-00755)

The case involves an appeal of the determination by the Commission in *Spun Acrylic Yarn From Japan*, investigation No. 731-TA-1 (Final), that an industry in

the United States is being materially injured by reason of imports of spun acrylic yarn from Japan which the Treasury Department found is being, or is likely to be, sold at less than fair value. The complaint named the Departments of Commerce and the Treasury in addition to the Commission, although the complaint focuses on the Commission's determination. The plaintiffs assert that the Commission determination is not supported by substantial evidence on the record. In particular, they claim that the Commission failed to consider the bilateral United States-Japan textiles agreement; that it should have considered data on a quarterly basis; that it should not have aggregated Japanese and Italian imports; that it failed to separate injury sustained from Japanese imports from injury sustained from all imports; and that it improperly attributed U.S. plant closings and unemployment to imports from Japan. The case was pending before the court at the close of the fiscal year.

Atlantic Sugar Ltd. et al. v. United States (Court of International Trade Case No. 80-5-000754)

In *Sugars and Sirups From Canada*, investigation No. 731-TA-3 (Final), the Commission found that a regional industry is being injured. The plaintiffs assert that the Commission incorrectly applied the criteria for determining the existence of a regional industry. The case was remanded to the Commission for a redetermination in light of corrected data. 519 F. Supp. 916 (U.S. Ct. Int'l Trade 1981). On remand, the Commission again found injury to a regional industry.

Babcock & Wilcox v. United States (Court of International Trade Case Nos. 80-5-00772 and 80-5-01179, Consolidated No. 80-5-00772)

This litigation arises out of the preliminary antidumping determination in

Pipes and Tubes of Iron or Steel From Japan, investigation No. 731-TA-15 (Preliminary), that there is no reasonable indication that an industry in the United States is being injured by reason of imports of four classes of pipe and tube from Japan. The litigation involves the question of whether the Commission must make its determinations on a product-by-product basis or whether it may consider aggregated data. The plaintiffs allege that the Commission was required to assess the impact of the alleged LTFV sales on a product-by-product basis and that the Commission committed reversible error in failing to request information on that basis. The Commission contends that it took all feasible steps to obtain disaggregated data. The litigation also involves the question of whether a preliminary determination may be reconsidered by the Commission when a major factual error is brought to its attention. The plaintiffs allege that a preliminary determination may not be reconsidered on any basis.

On August 20, 1981, the court remanded this case to the Commission with instructions to obtain additional data on the injury to the U.S. industries producing particular products. 15 Cust. B. & Dec. No. 37 at 91 (Sept. 16, 1981). On September 21, 1981, the Commission entered into an agreement with the plaintiffs whereby the parties would file a joint motion to suspend the remand order pending submission by Babcock & Wilcox of a new antidumping petition containing updated data. The parties also agreed that once Babcock & Wilcox's new antidumping petition is accepted by the Commission, they would submit a joint motion to vacate the court's remand order and opinion.

Railcar Division, Budd Co. v. United States (Court of International Trade Case No. 80-3-00505)

The Commission determined in *Rail Passenger Cars and Parts Thereof From Italy and Japan*, investigation No. 731-TA-56 (Preliminary), that there is no reasonable indication of material injury or

threat of material injury in a preliminary case involving subway cars and parts for subway cars. The Budd Co. appealed the decision to the Court of International Trade, arguing that the Commission used too high a standard of what is "reasonable indication of injury" in a preliminary investigation.

The court found the Commission's determination to be supportable as it relates to subway cars; however, Judge Boe remanded to the Commission the issue of whether manufacturers of parts of railcars are being injured. 15 Cust. B. & Dec. No. 12 at 37 (Mar. 25, 1981). On March 23, 1981, the Commission transmitted supplementary findings on railcar parts to the court and reaffirmed its original determination. The plaintiff filed a stipulation of dismissal on April 10, 1981, and the court dismissed the action, with prejudice, on April 13, 1981.

Melamine Chemicals, Inc. v. United States (Court of International Trade Case Nos. 80-6-00878, 79, and 80)

In its petition, Melamine Chemicals, Inc., alleged that companies from Austria, Italy, and the Netherlands dumped melamine in the United States, causing injury to the domestic industry. After an initial "final determination" of no dumping, the Commerce Department issued a second final determination to correct inadvertent errors and found that there were dumping margins on the melamine imported from these three countries.

In *Melamine in Crystal Form From Austria, Italy, and the Netherlands*, investigations Nos. 731-TA-13, 731-TA-14, and 731-TA-16 (Final), the Commission unanimously concluded that the dumped imports caused no injury to the domestic industry. During the period under investigation, there were three domestic companies producing melamine. One had gone out of

business, but for reasons other than the dumping margins. The second company did not join in the complaint and does not appear to be injured by the imported melamine. Finally, the petitioner, Melamine Chemicals, showed healthy profit during the period under investigation and was in the process of greatly expanding its productive capacity.

On appeal, Melamine Chemicals makes two arguments: first, that the Commerce Department had no authority to issue a final affirmative determination in view of its previous final determination of no dumping; and second, that the Commission did not have sufficient evidence to conclude that the dumping margins did not injure the domestic melamine industry. The case was pending before the court at the close of the fiscal year.

Nakajima All Co., Ltd. v. United States (Court of International Trade Case No. 80-6-00933) and *Silver Reed America, Inc., and Silver Seiko, Ltd. v. United States* (Court of International Trade Case No. 80-6-99934)

These are actions for review of the Commerce Department's final antidumping duty order and of the Commission's injury determination underlying the order in *Portable Electric Typewriters From Japan*, investigation No. 731-TA-12. The plaintiffs argue that the Commission's determination of injury to an industry in the United States and the Department of Commerce's finding that imported portable electric typewriters are being sold at less than fair value are not supported by substantial evidence on the record and are contrary to law. These cases were pending before the court at the close of the fiscal year.

SCM Corp. v. United States (Court of International Trade Case No. 77-4-00553)

The case involves an appeal of a determination made in 1975 in the antidumping investigation *Portable Electric Typewriters From Japan*, investigation No. AA1921-145, that an industry in the United States is not

being or likely to be injured, or prevented from being established, by reason of sales of portable electric typewriters in the United States at less than fair value. The issue involved is whether the Commission correctly interpreted the term "injury," as it appears in the Antidumping Act, 1921, in making its negative determination. A motion to dismiss on the ground that the appeal is moot as a consequence of the affirmative determination in the 1980 electric typewriters investigation was denied. The court asked the Commission to expand its reasoning in reaching its determination. Chairman Alberger informed the court that the Commission, as currently constituted, would be unable to give the court an explanation of the opinion of an earlier Commission. The court subsequently ordered the current Commission to supply more specific and explicit reasons for certain aspects of the original Commission decision. 15 Cust. B. & Dec. No. 30 at 18 (July 29, 1981). The Commission submitted its expanded statement of reasons to the court on September 29, 1981.

Alberta Gas Chemicals, Inc. v. United States (Court of International Trade Case No. 79-8-01295)

This case was based on an appeal of the Commission's affirmative determination in *Methyl Alcohol From Canada*, investigation No. AA1921-202. On May 28, 1981, the court entered an opinion reversing the Commission's determination. 515 F. Supp. 780 (U.S. Ct. Int'l Trade 1981). The court concluded that the record before the Commission shows only a possibility that injury might occur at some remote future time. Such a showing, the court held, does not rise to the "real and imminent" standard enunciated by Congress.

Mitsui & Co. (USA), Inc. v. United States (U.S. Court of International Trade Case No. 78-7-01288)

The complaint, filed on July 30, 1980, alleges error in the dumping determination issued by the Department of the Treasury and in the Commission's affirmative injury determination in *Roller Chain Other Than Bicycle From Japan*, investigation No. AA1921-111, since it was based on the Treasury's dumping finding. The Commission filed an answer on August 5, 1980, denying the allegations of the complaint. The case was pending before the court at the close of the fiscal year.

Litigation Arising From Countervailing Duty Determinations

Henkel Corp. v. United States (Court of International Trade Case No. 80-6-00910)

The case involves an appeal from the Commission's negative determination in *Dextrines and Soluble or Chemically Treated Starches Derived From Corn or Potato Starch*, investigations Nos. 701-TA-11-19 and 701-TA-22-30 (Final). The Commission determined that the domestic industry is not materially injured or threatened with material injury by reason of subsidized imports from the European Community. The appeal alleges various errors concerning the Commission's determination and procedures. The Commission denied these allegations in an answer filed on August 4, 1980. The case was pending at the close of the fiscal year.

Litigation Arising From Section 337 Determinations

Several appeals have arisen from the Commission's determination in *In the Matter of Certain Multicellular Plastic Film*, investigation No. 337-TA-54. In *Canadian Tarpoly Co. v. U.S. International Trade Commission*, 649 F.2d 855, the Court of Customs and Patent Appeals held

on February 5, 1981, that the plaintiff was not entitled to a writ of mandamus directing the Commission to vacate its orders excluding from the United States multicellular plastic film manufactured in a foreign country in accordance with a patent process. In *Sealed Air Corporation v. U.S. International Trade Commission*, 645 F.2d 976, the Court of Customs and Patent Appeals held on March 12, 1981, that the Commission's exclusion order is valid.

In a final case involving multicellular plastic film, *Canadian Tarpoly Company v. USITC*, (C.C.P.A. Appeal No. 81-11), the Commission's denial on December 10, 1980, of the petition of Canadian Tarpoly, filed November 7, 1980, is being appealed. That petition alleged that the Commission order issued in the underlying investigation exceeded the Commission's jurisdiction under section 337 because it allegedly excludes plastic film that does not infringe the process patent in question. The petition requested the Commission to vacate its order. The Commission refused; it is this refusal that is the subject of the appeal. The Commission has argued that the petition of November 7, 1980, could not be used to give Canadian Tarpoly a new appeal period in view of its having failed to appeal within 60 days of the Commission's final order of July 5, 1980. The case was pending before the court at the close of the fiscal year.

In *Syntex Agribusiness, Inc. v. U.S. International Trade Commission*, 15 Cust. B. & Dec. No. 37 at 75 (Sept. 16, 1981), the Court of Customs and Patent Appeals denied a petition brought to compel the institution of a section 337 investigation. The court held that the Commission is correct in requiring factual support of conspiracy charges. Mere notice pleading is insufficient. In addition, section 337(b)(3), 19 U.S.C. 1337(b)(3), gives the Commission discretion to refrain from instituting an investigation where a complaint is based in part on matters within the purview of the antidumping laws.

Appendix E

Key Statutes Involving the U.S. International Trade Commission

Sec. 201, Trade Act of 1974 (Escape-Clause Investigations), Import Relief for Domestic Industries

When: The Commission conducts investigations upon its own motion or upon petition on behalf of a firm, a group of workers, or other entity representative of an industry to determine whether an article is being imported in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.

Duration: The investigation must be completed not later than 6 months after being instituted.

Finding: If the Commission's finding is affirmative it must recommend a remedy to the President, who has discretion to take action to provide import relief, such as an increase in duties, the establishment of quantitative restrictions, the negotiation of orderly marketing agreements, or specified types of adjustment assistance to groups of workers, firms, or communities.

Followup: The Commission reports with respect to developments within an industry that has been granted import relief and advises the President of the probable economic effect of the reduction or the elimination of the tariff increase that has been granted.

Sec. 337, Tariff Act of 1930 (Investigations of Unfair Practices in Import Trade)

When: The Commission, after receipt of a complaint under oath from an interested party or upon its own motion, conducts investigations to determine whether unfair methods of competition or unfair acts are occurring in the importation of articles into the United States or in their sale.

Duration: The investigation must be completed in no more than 1 year, or 18 months in a more complicated case, after the date of publication of notice of investigation in the *Federal Register*.

Finding: If the Commission determines that the importation of such articles is such that the effect or tendency is to destroy or substantially injure an efficiently and economically operated industry, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce, it may issue orders excluding the articles from entry or issue cease and desist orders. The President may disapprove these actions within 60 days after issuance of the Commission's determination.

Sec. 703(a), Tariff Act of 1930 (Preliminary Countervailing Duty Investigations), Subsidized Imports

When: The Commission, after the simultaneous filing of a proper petition with it and the Department of Commerce, conducts investigations to determine, on the basis of the best information available to it at the time of the determination, whether there is a reasonable indication that an industry is materially injured, or is threatened with material injury, or the establishment of an industry is materially retarded, by reason of imports of the allegedly subsidized merchandise which is the subject of the investigation by Commerce.

Duration: The investigation must be completed within 45 days of the receipt of the petition.

Finding: If the Commission's determination is affirmative, Commerce continues its investigation.

Sec. 705(b), Tariff Act of 1930 (Final Countervailing Duty Investigations), Subsidized Imports

When: The Commission, after a preliminary determination by the Secretary of Commerce that imported articles are subsidized, conducts investigations to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of the subsidized merchandise.

Duration: The investigation must usually be completed within 120 days after an affirmative preliminary determination by the Secretary of Commerce or 45 days after an affirmative final determination by the Secretary of Commerce that a subsidy is being provided, whichever is longer.

Finding: If the Commission's determination is affirmative, the Secretary of Commerce imposes a countervailing duty on imports of the articles in question.

Sec. 733(a), Tariff Act of 1930 (Preliminary Antidumping Investigations), Imports Marketed at Less Than Fair Value

When: The Commission, after the simultaneous filing of a proper petition with it and the Department of Commerce, conducts investigations to determine, on the basis of the best information available to it at the time of the determination, whether there is a reasonable indication that an industry is materially injured, or is

threatened with material injury, or the establishment of an industry is materially retarded, by reason of imports of the allegedly dumped merchandise which is the subject of the investigation by Commerce.

Duration: The investigation must be completed within 45 days of receipt of the petition.

Finding: If the Commission's determination is affirmative, Commerce continues its investigation.

Sec. 735(b), Tariff Act of 1930 (Final Antidumping Investigations), Imports Marketed at Less Than Fair Value

When: The Commission, after a preliminary determination by the Secretary of Commerce that imported articles are being, or are likely to be, sold at less than fair value, conducts investigations to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of the dumped merchandise.

Duration: The investigation must usually be completed within 120 days after an affirmative preliminary determination by the Secretary of Commerce or 45 days after an affirmative final determination by the Secretary of Commerce that the imported articles are being, or are likely to be, sold at less than fair value.

Finding: If the Commission's determination is affirmative, the Secretary of Commerce imposes a dumping duty on imports of the articles in question.

*Sec. 332, Tariff Act of 1930
(General-Purpose
Investigations)*

When: Upon official request or upon its own motion, the Commission initiates a factfinding investigation on any matter involving tariffs and international trade. This broad provision allows the Commission to investigate trade matters of immediate concern to the Government and the public.

Duration: Unless otherwise directed, the Commission establishes an administrative deadline.

Finding: Unless the President or the Congress directs otherwise, the Commission's reports are made available to all interested parties, the general public, the President and executive departments, and the Congress.

*Sec. 22,
Agricultural Adjustment Act,
Import Interference With
Agricultural Programs*

The Commission conducts investigations at the direction of the President to determine whether any articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to materially interfere with programs of the Department of Agriculture for agricultural commodities or products thereof, or to reduce substantially the amount of any product processed in the United States from such commodities or products, and makes findings and recommendations to the President. The President may restrict the imports in question by imposition of either import fees or quotas.

*Other Areas of
Involvement by Statute*

*Bestowal of Bounties or Grants
on Imports*

The Commission determines, with respect to any duty-free article on which the Secretary of the Treasury has determined that a bounty or grant is being paid, 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 article. (Sec. 303, Tariff Act of 1930; 46 Stat. 687.)

Uniform Statistical Data

The Commission, in cooperation with the Secretary of the Treasury and the Secretary of Commerce, establishes for statistical purposes an enumeration of articles imported into the United States and exported from the United States, and seeks to establish comparability of such statistics with statistical programs for domestic production.

In conjunction with such activities, the Commission and the Secretary of Commerce are to identify concepts underlying the formulation of an international commodity code for reporting transactions in international trade and to report thereon to the Congress. (Sec. 484(e), Tariff Act of 1930, 19 U.S.C. 1484(e); sec. 608, Trade Act of 1974.)

*Tariff Schedules of the United
States Annotated*

The Commission issues a publication containing U.S. tariff schedules and related material and considers questions concerning the arrangement of such schedules and the classification of articles. (Sec. 201, Tariff Classification Act of 1962, 76 Stat. 74;

secs. 332(a) and 484(e), Tariff Act of 1930, 19 U.S.C. 1332(a) and 19 U.S.C. 1484(e).)

Tariff Summaries

The Commission prepares and publishes, from time to time, a series of summaries of trade and tariff information. These summaries contain descriptions (in terms of the Tariff Schedules of the United States) of the thousands of products imported into the United States, methods of production, and the extent and relative importance of U.S. consumption, production, and trade, together with certain basic factors affecting the competitive position and economic health of domestic industries. (Sec. 332, Tariff Act of 1930; 19 U.S.C. 1332.)

Advice Concerning Trade Negotiations

The Commission advises the President as to the probable economic effect on domestic industries and consumers of modification of duties and other barriers to trade which may be considered for inclusion in any proposed trade agreement with foreign countries. (Sec. 131, Trade Act of 1974; 19 U.S.C. 2151.)

Generalized System of Preferences

With respect to articles which may be considered for duty-free treatment when imported from designated developing countries, the Commission advises the President as to the probable economic effect of the removal of duty on the domestic industry and on consumers. (Secs. 131 and 503, Trade Act of 1974; 19 U.S.C. 2151, 2163.)

East-West Trade Monitoring System

The Commission monitors imports into the United States from nonmarket

economy countries and makes a report not less frequently than once each calendar quarter on the effect of such imports on the production of like or directly competitive articles in the United States and on employment within the industry. (Sec. 410, Trade Act of 1974; 19 U.S.C. 2440.)

Trade With Communist Countries

The Commission makes investigations to determine whether increased imports of an article produced in a Communist country are causing market disruption in the United States. If the Commission's determination is in the affirmative, the President may take the same action as in a case involving injury to an industry, except that the action would apply only to imports of the article from the Communist country. (Sec. 406, Trade Act of 1974; 19 U.S.C. 2436.)

