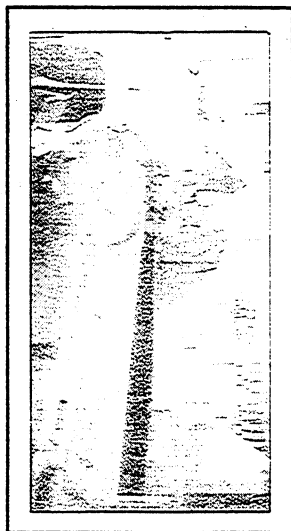




# U.S. International Trade Commission



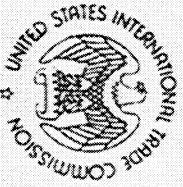
Annual Report

Fiscal Year 1995

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*The U.S. International Trade Commission is an independent, nonpartisan, quasi-judicial federal agency that provides trade expertise to both the legislative and executive branches of government, determines the impact of imports on U.S. industries, and directs actions against certain unfair trade practices, such as patent, trademark, and copyright infringement. ITC analysts and economists investigate and publish reports on U.S. industries and the global trends that affect them. The agency also maintains the National Library of International Trade, a specialized library open to the public.*

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# U.S. International Trade Commission Annual Report

## Commissioners:

Peter S. Watson, Chairman

Janet A. Nuzum, Vice Chairman

David B. Rohr

Don E. Newquist

Carol T. Crawford

Lynn M. Bragg

Fiscal Year 1995

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USITC Publication 2979

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# MESSAGE FROM THE CHAIRMAN

Fiscal Year 1995 was a year of challenge and change at the U.S. International Trade

Commission (ITC). Throughout the government, agencies were expected to fulfill their mandates with fewer resources at hand, and the ITC was no exception. Nonetheless, the agency continued its tradition of excellence in providing counsel, technical assistance, and analyses on international trade matters to the Congress and the President throughout FY 1995.

The likelihood of further budget reductions in FY 1996 and 1997 required the Commission to carefully re-assess its mission and operations and begin contingency planning. Although we found innovative ways to cut spending, circumstances forced us to prepare for the possibility of more drastic actions, including furloughs and a reduction in force, in FY 1996. I wish to express my sincere appreciation to the Commission's hardworking staff who exhibited great dedication, professionalism, and patience in the face of unusual fiscal uncertainty during the year.

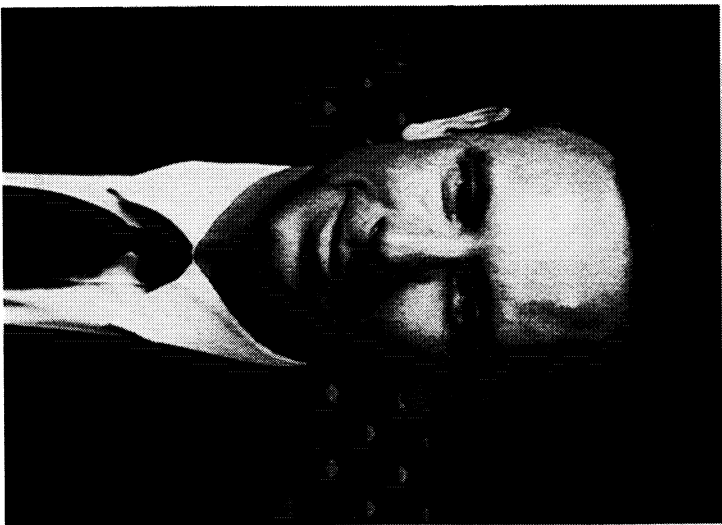
The past year saw the inception of new investigative duties as a result of the General Agreement on Tariffs and Trade (GATT) Uruguay Round. Furthermore, the Commission published its first-ever report on global competitiveness in the area of environmental technology, an area of growing importance in world markets. I would especially like to thank the Commission's staff for their hard work on a number of excellent section 332 reports.

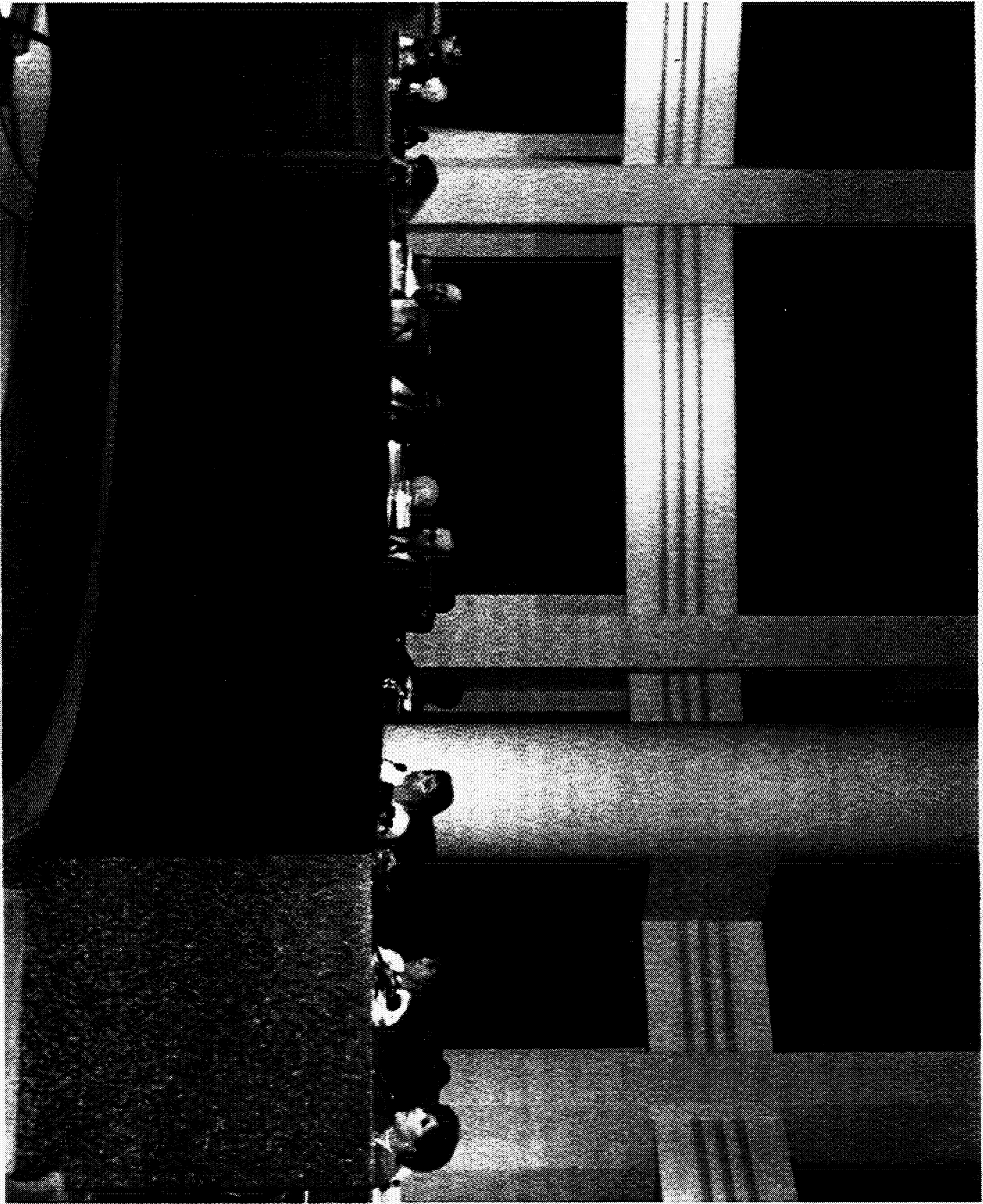
The Commission continued to carry a steady caseload during the year, completing a total of 131 investigations overall. Though the number of title VII (antidumping and countervailing duty) cases filed during FY 1995 was lower than in recent years, the Commission saw an increase in highly technical section 337 investigations. In addition, the Commission instituted one escape clause (section 201) investigation involving fresh winter tomatoes.

In its efforts to do more with less, the ITC enlisted the aid of new technologies. Specifically, the Commission enhanced the public's ability to follow Commission investigations and obtain ITC reports by establishing an ITC homepage on the World Wide Web. The approval of an imaging system promises to ease maintenance and research of Commission records as well. The Commission believes that these and other improvements will enable the agency to maintain solid service to its customers regardless of funding.

FY 1995 was a busy and productive year at the ITC, and as it ended, ITC staff and Commissioners remained dedicated to fulfilling the agency's important and unique mission and to maintaining the high standard of excellence that has long characterized our work.

Peter S. Watson  
Chairman







# THE COMMISSION

- The ITC is an independent, nonpartisan, quasi-judicial federal agency established by Congress with a wide range of trade-related mandates. Under its factfinding authority, the ITC exercises broad investigative powers on matters of trade. In its adjudicative role, the ITC makes determinations with respect to unfair trade practices. As the government's think tank on international trade, the ITC is a national resource where trade data are gathered and analyzed. Information and analysis are provided to the President and the Congress to assist them in developing U.S. trade policy.
- ITC activities include —
- determining whether U.S. industries are materially injured by reason of imports that benefit from pricing at less than fair value or from subsidization;
  - directing actions, subject to Presidential disapproval, against unfair trade practices such as patent infringement;
  - making recommendations to the President regarding relief for industries seriously injured by increasing imports;
  - providing objective analyses of other major trade issues, including estimating the probable economic effects of trade agreements;
  - analyzing the competitiveness of specific industries, seeking to identify economic factors within the industry as well as external factors that affect the industry's competitiveness;
  - participating in the development of uniform statistical data on imports, exports, and domestic production and in the establishment of an international harmonized commodity code; and
  - advising the President whether agricultural imports from non-WTO countries interfere with price-support programs of the U.S. Department of Agriculture.
- The six Commissioners are appointed by the President and confirmed by the Senate for terms of nine years, unless appointed to fill an unexpired term. The terms are set by statute and are staggered so that a different term expires every 18 months. A Commissioner who has served for

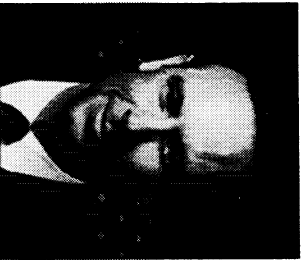
more than five years is ineligible for reappointment. No more than three Commissioners may be members of the same political party. The Chairman and the Vice Chairman are designated by the President and serve for a statutory two-year term. The Chairman may not be of the same political party as the preceding Chairman, nor may the President designate two Commissioners of the same political party as the Chairman and Vice Chairman.

## Summary of Investigations Completed, Fiscal Year 1995

<b>Tariff Act of 1930:</b>	
Section 332—general factfinding investigations	12
Section 337—investigations of alleged unfair practices in the import and sale of imported products	10
Antidumping and countervailing duty investigations (67 antidumping investigations—19 preliminary and 48 final; 7 countervailing duty investigations—2 preliminary and 5 final)	74
Section 753—review investigations	32
<b>Trade Act of 1974:</b>	
Section 201—escape clause investigations	1
<b>Omnibus Trade and Competitiveness Act of 1988:</b>	
Section 1205—modifications to the Harmonized Tariff Schedule	2
<b>Total</b>	<b>131</b>
Investigations completed during fiscal year 1995 and investigations pending on September 30, 1995, are shown in appendix A.	

# THE COMMISSIONERS

**Peter S. Watson**  
*Chairman*



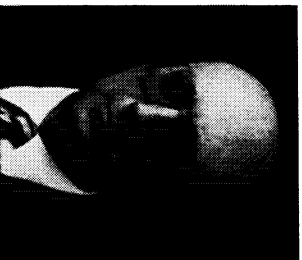
Peter S. Watson, a Republican of California, was designated Chairman of the ITC by President Clinton for the term June 17, 1994, through June 16, 1996, after serving as the ITC's Vice Chairman for the term June 17, 1992, through June 16, 1994. Mr. Watson was nominated to the Commission by President Bush on October 23, 1991, for the term December 17, 1991, through December 16, 2000. Prior to his appointment to the ITC, Mr. Watson served in the White House as Director of Asian Affairs at the National Security Council from 1989 to 1991. During 1976 and from 1978 through 1988, Mr. Watson practiced international and business law in Los Angeles and Washington, DC. He has been an adjunct Associate Professor in International Trade & Investment Law and International Business Law. From 1985 through 1986, Mr. Watson served as Chairman of the Los Angeles County Bar Association's International Law Section and, from 1986 through 1987, was Chairman of the State Bar of California's International Practice Committee.

**Janet A. Nuzum**  
*Vice Chairman*



Janet A. Nuzum, a Democrat of Virginia, was designated Vice Chairman of the ITC by President Clinton for the term June 17, 1994, through June 16, 1996. She became a member of the Commission on November 26, 1991, to fill an unexpired term ending June 16, 1996. Prior to this appointment, Ms. Nuzum was a member of the professional staff of the Committee on Ways and Means' Subcommittee on Trade in the U.S. House of Representatives. Ms. Nuzum is a member of the bar of the District of Columbia and has served in various capacities in the D.C. Bar Association and the American Bar Association. She was named "Outstanding Woman in International Trade, 1994-1995" by the Association of Women in International Trade. Ms. Nuzum received her B.A. from Smith College and her J.D. from the Georgetown University Law Center.

**David B. Rohr**



David B. Rohr, a Democrat of Maryland, became a member of the Commission on March 27, 1984, was subsequently reappointed to a term ending December 16, 1994, and continues to serve in office by operation of law. He is the senior Commissioner in terms of length of service. Before his appointment to the ITC, Mr. Rohr was staff director of the Committee on Ways and Means' Subcommittee on Trade in the U.S. House of Representatives. He was a trade advisor and the principal liaison with the ITC, the Office of the United States Trade Representative, and other federal agencies. Mr. Rohr also served as Director of the Trade Negotiations and Agreements Division of the U.S. Department of Commerce. He joined the Department of Commerce in 1961 as an international economist. Mr. Rohr is a graduate of Colorado State University, where he received a bachelor's degree in business administration and a master's degree in economics.

**Don E. Newquist**



Don E. Newquist, a Democrat of Texas, was appointed to the ITC to fill an unexpired term on October 18, 1988, and reappointed to a nine-year term ending December 16, 1997. Mr. Newquist served a two-and-one-half year term as Chairman of the ITC. He was first designated Chairman by President Bush on December 13, 1991, and was redesignated Chairman on June 16, 1992, for the term ending June 16, 1994. Before his appointment to the Commission, Mr. Newquist was with Valero Energy Corporation as Senior Vice President for Corporate Relations. He also served as general manager of the Chamber of Commerce of Denver, CO, and before that was with the Chamber of Commerce of Corpus Christi, TX. He is a past president of the South Texas Chamber of Commerce.

**Carol T. Crawford**



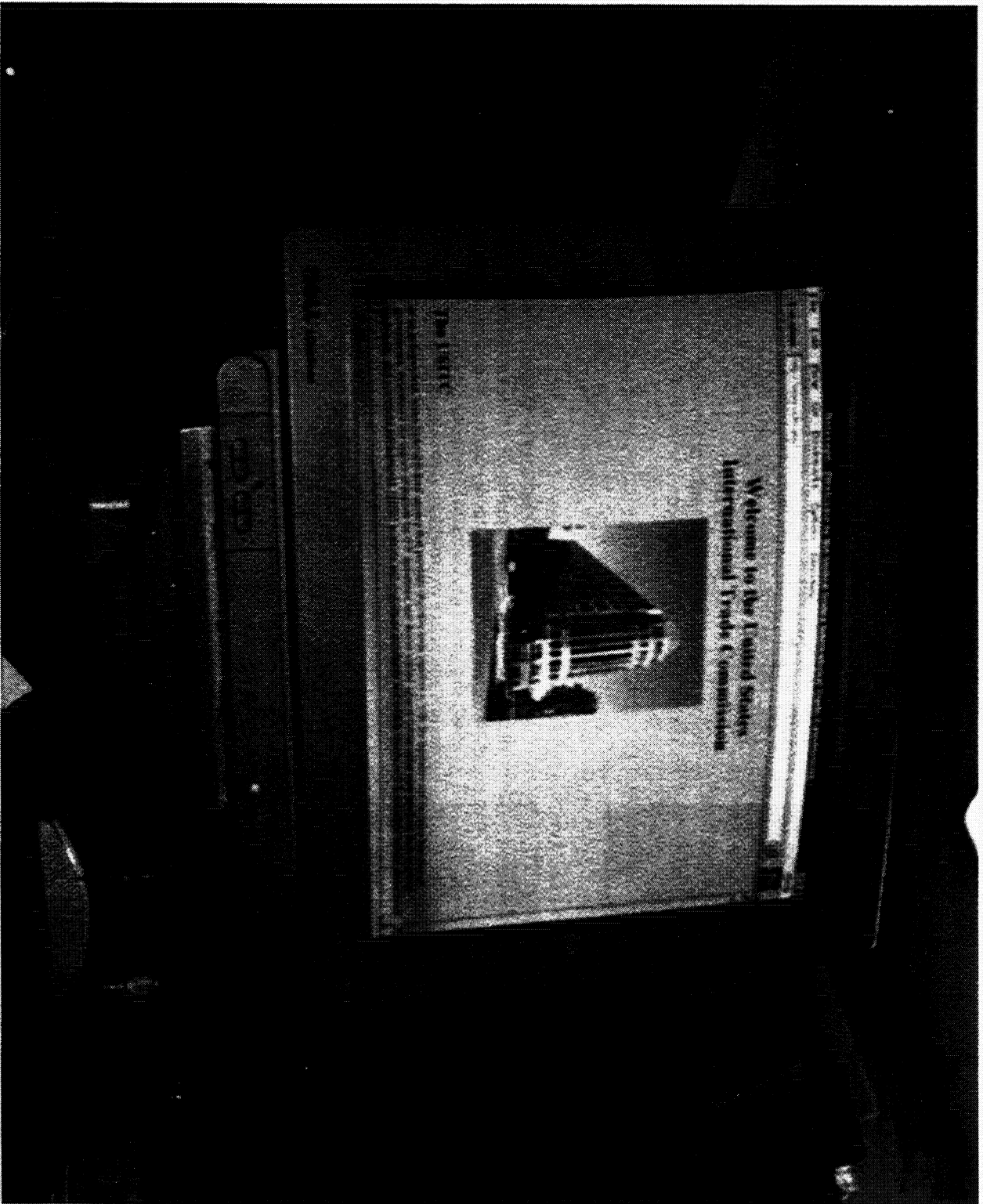
Carol T. Crawford, a Republican of Virginia, was appointed by President Bush and sworn in as a member of the Commission on November 22, 1991, for the term ending June 16, 1999. Prior to her appointment, Ms. Crawford was Assistant Attorney General (Legislative Affairs) in the U.S. Department of Justice. From 1985 to 1989, she served as Associate Director of the Office of Management and Budget where she was responsible for budget and policy oversight for five cabinet level departments and related agencies. She served at the Federal Trade Commission as Director of the Bureau of Consumer Protection from 1983 to 1985 and as Executive Assistant to the Chairman from 1981 to 1983. Previously, she practiced law in Washington, D.C., was Senior Legislative Assistant to Senator Bob Packwood (R-OR), and was on the legislative staff of Rep. Robert Denney (R-NE). Ms. Crawford holds a B.A. from Mt. Holyoke College and a J.D., *magna cum laude*, from the Washington College of Law, American University.

**Lynn M. Bragg**



Lynn Munroe Bragg, a Republican of Maryland, was appointed by President Clinton and was sworn in as a member of the Commission on March 31, 1994, for the term ending June 16, 2002. Prior to her appointment to the ITC, Ms. Bragg served in a senior management position with the Edison Electric Institute as a director of government affairs. From 1981 to 1991, Ms. Bragg served on the staff of Senator Malcolm Wallop (R-WY) as a Legislative Assistant and the Legislative Director. Previously, she held several positions in the corporate affairs department of the Potomac Electric Power Company (PEPCO) in Washington, DC. She holds a B.A. degree with Final Honors from Mary Washington College and a M.S. degree from Boston University.

*The ITC launched a homepage on the Internet's World Wide Web during FY 1995. Visitors to the ITC website can download full-text versions of factfinding investigations, other agency publications, rules and rule changes, and Commissioner opinions in title VII cases; gain on-screen access to ITC news releases, notices, information on recent petitions and complaints, and general information about the agency and Commissioners; and tap into Trade Resources, a directory of hypertext links to other on-line trade-related resources that is maintained by ITC staff. The Commission anticipates that in addition to improving its service to its customers, Internet access to ITC materials eventually will help reduce the agency's printing and mailing costs. Visit the ITC's homepage at <http://www.usitc.gov> (or its ftp server at <ftp://ftp.usitc.gov>).*



# INTRODUCTION

International trade practitioners will remember FY 1995 as the year that Congress enacted legislation to implement changes in U.S. law required by the Uruguay Round Agreements (URA). The enactment of the Uruguay Round Agreements Act (URAA) formed the backdrop for a challenging and productive year at the United States International Trade Commission.

The URAA affected the ITC in several ways throughout FY 1995. ITC staff experts were called upon for significant technical support by U.S. policymakers as they drafted various provisions of the legislation. Commissioners and staff attorneys reviewed the ITC's rules of practice and procedure and revised them to comply with the new law. Perhaps most importantly, long-term planning took on a new importance within the agency as Commissioners carefully assessed URAA provisions that are expected to increase the agency's investigative case load beginning in FY 1997.

These activities augmented the ITC's ongoing responsibilities. The agency conducted a steady level of statutory investigations and produced

several significant factfinding reports requested by the USTR or the Congress during the year. The ITC also achieved important advances in communications and internal streamlining during FY 1995 — like all government agencies, the ITC worked hard to find ways to increase efficiency and improve service to its customers while maintaining the highest quality in its work products in an era of declining resources.

In addition to completing 74 injury investigations under the antidumping/countervailing duty laws, the ITC undertook one "escape clause" investigation under section 201 of the Trade Act of 1974 (which involves increased imports but not necessarily an unfair trade practice) and completed 10 investigations under section 337 of the Tariff Act of 1930 (which involves certain unfair trade practices, such as patent, trademark, and copyright infringement). Details of these investigations can be found in appendix A of this report.

Among the key factfinding investigations completed during the year were *The Economic Effects of Antidumping and Countervailing*

*Duty Orders and Suspension Agreements* (Inv. No. 332-344); *Global Competitiveness of U.S. Environmental Technology Industries: Municipal and Industrial Water and Wastewater* (Inv. No. 332-347); and *Lamb Meat: Competitive Conditions Affecting the U.S. and Foreign Lamb Industries* (Inv. No. 332-357). Information on ITC factfinding investigations completed during FY 1995 can be found in the Highlights section and appendix B of this report.

In July, the agency published the 1994 edition of *The Year in Trade*, an annual examination of the administration of U.S. trade policy. This year's report included a practical guide to changes in U.S. international trade laws resulting from the URAA, a progress report on the formal establishment of the World Trade Organization (WTO), and a review of continuing negotiations in services and other areas.

The Commission looked to the agency's future in drawing up a Strategic Plan in accordance with the requirements of the National Performance Review. Agencywide participation enabled the

Commissioners to identify five lines of business that will comprise the agency's work in the coming years, and individual offices developed action plans to achieve the goals articulated in the Commission's mission and values statements.

Finally, a timely change in communication techniques occurred as the agency launched itself into cyberspace during FY 1995, establishing an Internet server and a homepage on the World Wide Web. The ITC's homepage enables users to access full ITC reports, Commissioner opinions in title VII investigations, agency news releases and notices, scheduling information, general information about the agency and Commissioners. *The Harmonized Tariff Schedule of the United States*, and other useful information and research tools. In addition to improving service to agency customers, the Commission views the Internet as a promising means of reducing printing and mailing costs as more citizens gain access to it and become comfortable using it to obtain the agency's work products. The agency's server can be accessed at <http://www.usitc.gov> or <ftp://ftp.usitc.gov>.

*ITC staff often make field visits to gather firsthand information and data for investigations. A solid official record built on factual information is a critical requirement in all ITC investigations, and the agency's staff of professional investigators, analysts, economists, and attorneys are respected for the quality of their work and their expertise. Here, Investigators Gina Beck and Mary Messer visit U.S. beekeepers to build the record in the antidumping investigation regarding Honey from China.*



# PART I. HIGHLIGHTS

## INVESTIGATIONS UNDER TITLE VII OF THE TARIFF ACT OF 1930

Under title VII of the Tariff Act of 1930, U.S. industries may petition the government for relief from imports that are sold in the United States at less than fair value ("dumped") or which benefit from subsidies provided through foreign government programs.

Under the law, the U.S. Department of Commerce determines whether the dumping or subsidization exists and, if so, the margin of dumping or amount of the subsidy. The ITC determines whether the dumped or subsidized imports materially injure or threaten to materially injure the U.S. industry. A more detailed explanation of antidumping/countervailing duty laws is included in appendix C.

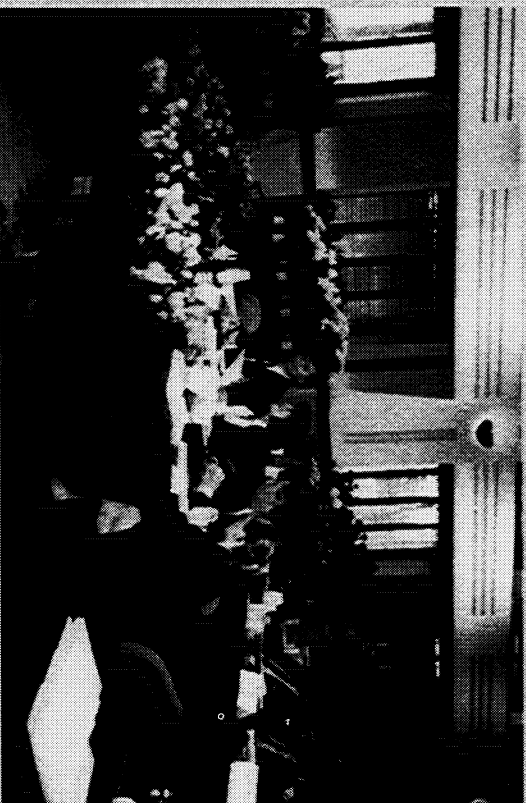
The majority of the 20 title VII petitions filed with the Commission during FY 1995 concerned allegations of dumping (18 of the 20). The petitions covered a variety of products, including honey, drawer slides, manganese metal, manganese sulfate, poly-

vinyl alcohol, light-walled rectangular carbon steel pipe, bicycles, standard carbon steel pipe, pasta, large printing presses, PVC/polystyrene framing stock, and clad steel plate.

The Commission also finished work on a number of cases that had been filed during FY 1994. These included paper clips, pencils, silico-manganese, saccharin, coumarin, stainless steel bar, fresh garlic, fresh-cut roses, carbon steel butt-weld pipe fittings, magnesium, stainless steel angle, disposable lighters, ferro-vanadium, furfuryl alcohol, canned pineapple, carbon steel seamless pipes, oil country tubular goods, glycine, carbon steel pipe nipples, and wheel inserts. See appendix A for a complete list of investigations and accompanying details.

In addition, as a result of changes in U.S. law required by the URA, the ITC conducted 32 investigations under section 753 of the Tariff Act of 1930 during FY 1995. This section provides that, in the case of a countervailing duty order with respect to which an affirmative determination of material injury by the Commission was not

*Roses from growers in the United States, Colombia, and Ecuador filled the ITC Main Hearing Room during a Commission hearing in connection with its final antidumping investigation Fresh Cut Roses from Colombia and Ecuador. Hearing exhibits enable Commissioners to compare domestic and imported products under investigation. Here, economist Paula Stern, a former ITC chairwoman, testifies before the Commission.*



*Investigations filed under section 337 of the Tariff Act of 1930 generally involve unfair trade practices such as patent, trademark, and copyright infringement. In recent years, many filings in this area have involved complex technologies, particularly in the computer and chemical areas. Here, Investigative Attorney Kent Stevens and Supervisory Attorney Spence Chubb examine electrical connectors at issue in the patent infringement investigation Certain Electrical Connectors and Products Containing Same.*



required at the time the order was issued, interested parties may request that the Commission initiate an investigation to determine whether an industry in the United States is likely to be materially injured by reason of imports of the subject merchandise if the order is revoked. Such requests have to be filed with the Commission within six months of the date on which the country from which the subject merchandise originates becomes a signatory to the Agreement on Subsidies and Countervailing Measures. The Commission did not receive requests for the 32 investigations listed in appendix A and, accordingly, made negative determinations in each.

## INVESTIGATIONS UNDER SECTION 337 OF THE TARIFF ACT OF 1930

Under section 337 of the Tariff Act of 1930, the ITC conducts investigations into certain alleged unfair practices in import trade. Most complaints filed under this provision involved allegations of patent infringement, trademark infringement, or misappropriation of trade secrets. A more detailed explanation of section 337 is included in appendix C.

In FY 1995, as in previous years, the ITC's section 337 caseload was highlighted by investigations involving

complex technologies, particularly in the computer and chemical areas. Significant among these were computer-related investigations concerning semiconductor devices, computer hard disk drives, electrical connectors for memory modules, microprocessors, connecting devices for local area networks, and facsimile machines. In addition, several investigations involved other sophisticated technology, including pharmaceuticals (a widely used cardiovascular medication, recombinantly produced human growth hormones, and antibiotics for poultry), rare earth magnets used in electronic products, polymer chemistry, adhesives for repositionable notes, and rechargeable batteries.

During FY 1995, four of the pending investigations in the above technology areas involved allegations that complainants' patented processes were being employed abroad, without authorization, to produce products that respondents imported into the United States. Two section 337 investigations involved allegations of infringement of complainant's common law and registered trademarks. Additional patent-based section 337 investigations focused on products, such as automobile disc brake lathes, audible alarm devices for divers, wind turbines for generating electricity, and footwear.



Also in FY 1995, the Commission's caseload included a formal enforcement proceeding based on allegations that one of the respondents in a section 337 investigation involving plastic encapsulated integrated circuits had violated a cease and desist order previously issued by the Commission.

## INVESTIGATIONS UNDER THE TRADE ACT OF 1974

Under section 201 of the Trade Act of 1974, domestic industries seriously injured by increased imports may petition the ITC for import relief. Section 201 does not require a finding of an unfair trade practice, as do the antidumping/countervailing duty laws and section 337 of the Tariff Act of 1930. If the Commission makes an affirmative determination in a section 201 investigation, it recommends to the President relief that would remedy the injury and facilitate industry adjustment to import competition. The President makes the final decision whether to provide relief and the amount of relief. A more detailed description of section 201 appears in appendix C.

The Commission instituted one escape clause (section 201) investigation during the year, involving fresh winter tomatoes. The petition in that

case was withdrawn after the Commission determined that provisional relief should not be granted by the President.

## INVESTIGATIONS UNDER SECTION 332 OF THE TARIFF ACT OF 1930

Under section 332 of the Tariff Act of 1930, the ITC conducts general investigations on any matter involving tariffs and international trade. Some of the most significant analytical section 332 studies completed during the year are highlighted below. Detailed information on other ITC reports completed during FY 1995 or pending on September 30, 1995, is provided in appendix B.

### Studies Analyzing Various Aspects of U.S. Trade Agreements and Other Special Trade Programs

*Chile: Probable Economic Effect on U.S. Imports, Industries, Consumers, and Exports of Accession to the North American Free Trade Agreement and Report on Services Trade (332-359)*

On March 8, 1995, the USTR requested that the ITC conduct an investigation to: (a) advise the President, with respect to each item in chapters 1 through 98 of the Harmo-

nized Tariff Schedule of the United States (HTS), as to the probable economic effect of providing, under the North American Free Trade Agreement (NAFTA), duty-free treatment for imports of products of Chile on industries in the United States producing like or directly competitive articles and on consumers; (b) advise the

President, with respect to each product sector, of the probable economic effect on U.S. exports to Chile of the removal of Chilean import duties under the NAFTA; and (c) prepare a report on U.S. service transactions with Chile that would provide an overview of the nature and extent of such transactions, highlight key U.S. service industries that export services to Chile, identify principal non tariff barriers that impede the participation of U.S. services providers in the Chilean market, and assess the effects of such barriers on U.S. service providers. The ITC report which remains classified was delivered to the USTR in September 1995.

### Studies on Special Areas of Congressional or USTR Interest

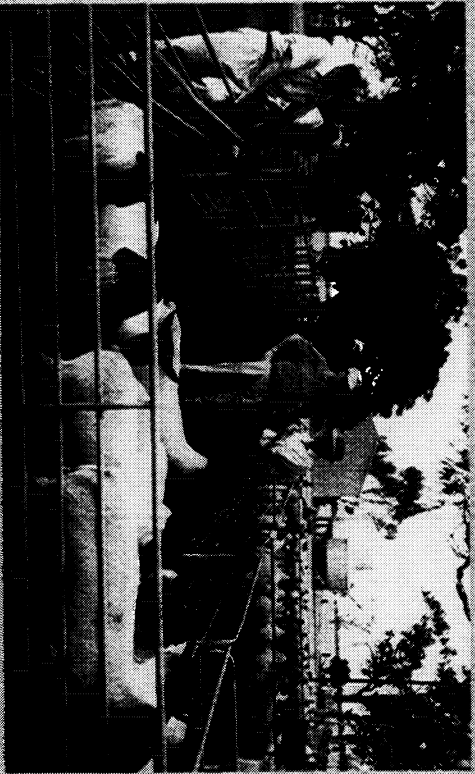
*The Economic Effects of Antidumping and Countervailing Duty Orders and Suspension Agreements (332-344)*

On June 9, 1993, the USTR requested that the ITC investigate the

economic effects of antidumping and countervailing duty orders and suspension agreements, and the economic effects of the dumping and subsidy practices that such orders and suspension agreements address.

The ITC report, submitted to the USTR in June 1995, included a comprehensive empirical analysis of the economic condition of the U.S. domestic industries impacted (including upstream and downstream industries) by unfairly traded imports both before and after relief was granted. The analysis included relevant industry information on employment, wages, production, prices, investment, trade and other factors internal and external to the industry, including the relevant unfair foreign trade practices affecting the general health and competitiveness of the domestic industries. As the USTR requested, the ITC employed a standard comparative static model to estimate the economic effects of the unfair trade practices and remedies on selected U.S. industries. Also as requested, the ITC complemented the empirical analysis with quantitative and other estimates of the labor and other domestic adjustment costs involved and provided an assessment of the economywide net economic welfare effects of unfair trade practices and the remedies provided.

*ITC factfinding investigations under section 332 of the Tariff Act of 1930 provide U.S. trade policymakers in both the Executive and Legislative branches of government with expert analysis and factual data concerning the subject under investigation. Here, Commissioner David Rohr (center) inspects a prime lamb breeding station near Adelaide, Australia, in connection with the ITC's factfinding investigation Lamb Meat: Competitive Conditions Affecting the U.S. and Foreign Lamb Industries.*



*Effects of the Arab League Boycott of Israel on U.S. Businesses (332-349)*

On November 3, 1993, the USTR requested that the ITC investigate the economic cost to U.S. businesses arising from the Arab League boycott of Israel. The costs, defined in the USTR request as reduced U.S. exports and reduced U.S. profits, included lost sales and business opportunities in Arab League countries and/or Israel arising from being blacklisted or from seeking to avoid such blacklisting; increased costs of sourcing and transportation resulting from the boycott as well as compliance costs, including legal costs and direct and indirect costs associated with compliance with antiboycott laws; and distorted or foregone investments in either the Arab or Israeli markets resulting from the boycott as well as investment diverted from or denied to blacklisted U.S. businesses due to association with Israel. The ITC assessed the scope of the boycott, the degree of enforcement on a country-by-country basis, and the degree of compliance with the boycott by U.S. businesses. The study was the first to estimate the economic effects of the boycott on the United States; most previous analyses have focused on the effect of the boycott on Israel and the boycotting nations. The ITC report, submitted to the USTR in November 1994, found that for the period studied (January 1, 1992, through

December 31, 1993), the Arab League boycott of Israel annually cost U.S. businesses at least \$410 million in lost export sales to the Middle East and that U.S. businesses spent another \$160 million annually to comply with U.S. antiboycott laws.

**Studies Analyzing the Competitiveness of U.S. Industry**

*Global Competitiveness of U.S. Environmental Technology Industries: Municipal and Industrial Water and Wastewater (332-347)*

On October 14, 1993, the Senate Committee on Finance requested that the ITC undertake a two-part investigation on the global competitiveness of U.S. environmental technology industries. The first report, completed in FY 1995, dealt with goods and services for municipal and industrial water supply and for municipal and industrial wastewater treatment and disposal. The second study, due in FY 1996, will deal with air pollution prevention and abatement equipment and services. The Committee requested that the ITC examine factors relevant to the global competitiveness of the environmental technology industry, including government policies such as export promotion and market development, environmental regulation, technology transfer, technical development assistance, economic

development or other financial assistance, and intellectual property protection. The Committee also requested that the ITC review the export promotion/technical assistance policies of the United States' top competitors in the environmental technology field, including Japan and Germany. The first ITC report, submitted to the Committee in March 1995, found that an excess of firms and a saturated domestic market are causing U.S. industries that supply goods and services to municipal and industrial water and wastewater treatment facilities to consider exports as a source of revenues. The ITC also found that U.S. manufacturers face challenges both within the United States and in third country markets from foreign competitors, mostly British and French companies that have gained a competitive edge in services worldwide due in part to the extensive privatization of their domestic water and wastewater services.

#### *Lamb Meat: Competitive Conditions Affecting the U.S. and Foreign Lamb Industries (332-357)*

On October 12, 1994, the USTR requested that the ITC investigate the competitive conditions affecting the U.S. lamb industry and provide U.S. and foreign industry profiles; information concerning whether there is government assistance to the industries in Australia and New Zealand, without regard to whether that assistance may

constitute a subsidy under U.S. countervailing duty law; information concerning U.S. and foreign markets, U.S. imports and exports, and U.S. market penetration; price comparisons of domestic and imported lamb meat; and any other information relating to competitive factors that affect the U.S. lamb industry. The ITC report, submitted to the USTR in August 1995, found that lamb meat imports as a share of U.S. lamb meat consumption rose from 7 percent in 1990 to 12 percent in 1994, with virtually all U.S. lamb meat imports coming from Australia and New Zealand.

#### **Studies Conducted on a Recurring Basis**

##### *U.S. Trade Shifts in Selected Industries, Merchandise: 1994 Annual Report (332-345)*

On August 27, 1993, the Commission instituted on its own motion an annual investigation to review U.S. trade performance, focusing on changes in U.S. imports, exports, and trade balances of key agricultural and manufactured products and on changes in U.S. bilateral trade with major trading partners. The current report also profiles the U.S. industry and market for nearly 300 industry and commodity groups, providing data for 1990-94 on domestic consumption,

production, employment, trade, and import penetration. The report summarizes U.S. merchandise trade performance and includes rankings of the industry and commodity groups that experienced the most significant shifts in trade during the past year. The ITC has published such reports on a quarterly, semiannual, or annual basis since 1981; the annual report containing data for the years 1990-94 was published in October 1995.

## ANNUAL REPORT ON THE U.S. TRADE AGREEMENTS PROGRAM

### *The Year in Trade 1994*

Section 163(b) of the Trade Act of 1974 requires the ITC to submit to the Congress an annual report on the operations of the trade agreements program. The report, now known as *The Year in Trade*, provides the Congress with factual information on trade policy and its administration. It also serves as an historical record of the major trade-related activities of the United States for use as a general reference by government officials and others with an interest in U.S. trade relations.

*The Year in Trade 1994*, published in August 1995, provides a practical

guide to recent changes in U.S. international trade laws resulting from the implementation of the Uruguay Round Agreements, a progress report on the formal establishment of the World Trade Organization, and a review of continuing negotiations in services and other areas. The report also examines three important regional trade developments — the North American Free Trade Agreement's first year of operation, the meeting of Asia-Pacific Economic Cooperation leaders, and the Summit of the Americas. The publication includes complete listings of antidumping, countervailing duty, intellectual property rights infringement, and section 301 cases undertaken by the U.S. government in 1994. An index geared to trade specialists cross-references the report by country and commodity.

*The ITC provides expertise and extensive technical assistance to the U.S. Trade Representative in his efforts to negotiate and enforce U.S. trade policy. During FY 1995, the agency was called upon for support in several areas, including a major unfair trade investigation concerning barriers to U.S. access to the auto parts replacement market in Japan. Here, Dan Leahy, Deputy Director of the Office of Executive and International Liaison (right), and Larry DiRiccio, a nomenclature analyst in the Office of Tariff Affairs and Trade Agreements, prepare analytical data for use by the USTR in that investigation.*



# PART II. ORGANIZATIONAL ACTIVITIES

## OFFICE OF OPERATIONS

The ITC's core of investigative, industry, economic, nomenclature, and technical expertise is found within the Office of Operations. Under the supervision of the Director, staff in the component offices of Operations complete all statutory investigations, studies, and special work projects assigned by the Commission. The work includes completing the investigations within statutory deadlines and with a level of accuracy and detail suitable for subsequent review by the courts. The office is also responsible for information resources and statistical services.

## Office of Investigations

The Office of Investigations conducts the ITC's countervailing duty, antidumping, and review investigations under title VII of the Tariff Act of 1930; escape clause and market disruption investigations under the Trade Act of 1974; and investigations under section 22 of the Agricultural Adjustment Act.

The primary responsibility of the Office of Investigations is to prepare an

objective and comprehensive report in each investigation that will enable the Commission to determine, on the basis of the facts of the investigation, whether a U.S. industry has been injured or is threatened with injury by reason of imports of products like those it produces. The key investigations conducted by Investigations during FY 1995 are discussed in the Highlights section of this report.

In each investigation, an investigative team (made up of a supervisory investigator, an investigator, and an accountant/auditor from Investigations as well as an economist, a commodity-industry analyst, and an attorney) develops a thorough understanding of the conditions of competition within the domestic market of the industry under investigation. Largely through industry-specific questionnaires, telephone interviews, plant visits, consultations with technical and marketing specialists, and public hearings, the team collects and analyzes the extensive data that constitute the report to the Commission. Data presented in the staff's report include, but are not limited to, the industry's productive capacity, actual production, capacity utilization,

domestic and export shipments, inventories, imports, domestic market shares held by U.S. and foreign suppliers, employment, hours worked, productivity, wages and total compensation paid, unit labor costs, pricing, distribution channels, and full financial data on the U.S. companies producing the product under investigation. Somewhat more limited information about the foreign industry producing the product under investigation is also collected and analyzed.

Investigations staff members work closely with officials at the U.S. Department of Commerce, the U.S. Customs Service, parties to the investigations and their attorneys, and company officials for both U.S. producers and importers of the product. Investigators also assist the USTR following Commission recommendations to the President in escape clause, market disruption, and section 22 cases.

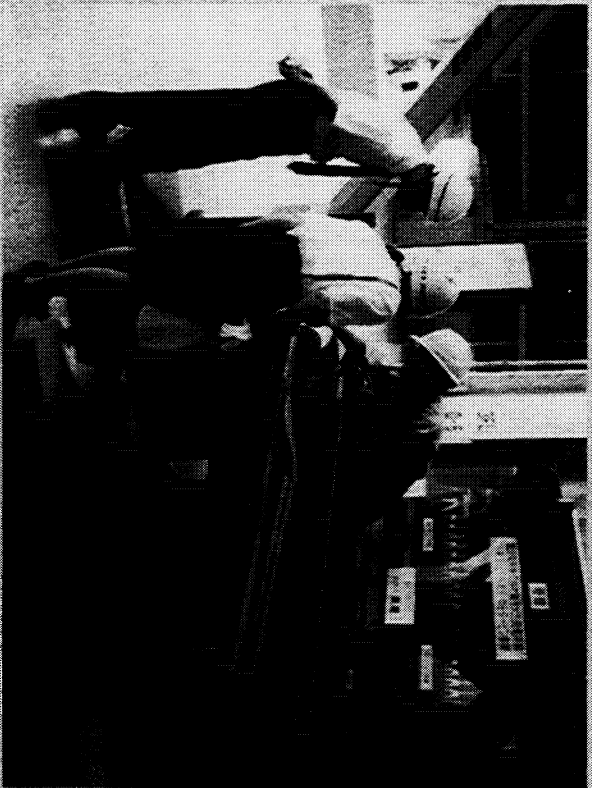
## Office of Industries

The Office of Industries maintains technical expertise related to the performance and global

competitiveness of U.S. industries and the impact of international trade on those industries. International trade analysts in the office produce studies on a range of issues each year. Studies generally are conducted under section 332 of the Tariff Act of 1930 at the request of the President or specific committees of Congress or on the ITC's own motion. Industries staff includes more than 85 international trade analysts who monitor the import, export, production, and sale of more than 8,000 agricultural products, raw materials, and manufactured products as well as a number of U.S. service industries.

Upon request, Industries analysts provide information and assistance related to international trade negotiations to the USTR. In addition to conducting factfinding investigations, Industries analysts contribute substantially to congressional bill reports, which analyze proposed tariff-related legislation. They also assist the Office of Investigations in title VII investigations. The office also publishes the *Industry, Trade, and Technology Review*, a quarterly collection of timely analytical articles developed by

*International Trade Analyst Susan Lust inspects low NO<sub>x</sub> burners used to produce electricity in a coal-fired power plant in Yokohama, Japan. The air pollution reducing technology is among those included in the ITC's factfinding investigation Global Competitiveness of U.S. Environmental Technology Industries: Air Pollution Prevention and Control.*



Industries analysts in the course of their research.

During FY 1995, the Office of Industries conducted 25 investigations under section 332, including both one-time factfinding studies and continuing industry surveys. The office also completed recurring studies and monitoring reports requested by the President, Congress, and the Commission. These reports covered synthetic organic chemicals, nonrubber footwear, automobiles, ethyl alcohol, steel, tomatoes, peppers, the U.S. services commitments under the GATT, the multifiber arrangement, and production sharing under chapter 98 of the Harmonized Tariff Schedule. The office also published its annual analysis of significant trade shifts in selected commodity areas.

Since the 1920s, the ITC periodically has issued a series of detailed reports on thousands of products imported into and exported from the United States. Each report, known today as an Industry and Trade Summary, addresses one or more industry sectors and contains information on product uses, customs treatment, and trends affecting consumption, production, and trade of the commodities or services covered. The Office of Industries launched its most recent series of summaries in FY 1991; during

FY 1995, 27 summaries were published, bringing the total number of summaries published in this series to 105.

### Office of Economics

The Office of Economics provides expert economic analysis for ITC investigations and reports. The office consists of three divisions.

Research Division economists provide the theoretical and technical expertise utilized in the quantitative analysis of trade and economic issues. Division economists use state-of-the-art analytical tools to provide modeling and other support for ITC investigations, USTR requests for technical assistance and analysis, and Congressional inquiries. In addition, they review ITC section 332 studies to ensure that the studies are based on generally accepted economic principles. Research Division economists also monitor relevant technical developments in the field of economics, actively participate in professional society meetings, and publish regularly in scholarly publications.

The Research Division develops and maintains the computable general equilibrium (CGE) models that enable agency staff to estimate the effects of changing any specific trade restraint or

set of multiple restraints simultaneously. These CGE models include a 491-sector U.S. model and global/regional models that are used in a broad range of analyses.

The division rendered technical assistance to the USTR throughout FY 1995, providing critical reviews of global trade models, trade flow data, and general model results. Division economists also assisted the Council of Economic Advisors in quantifying non-tariff barriers and provided a three-day workshop for a delegation of Russian economists as part of a program sponsored by the U.S. Department of Commerce that offered technical assistance to countries of the former Soviet Union. A Research Division economist was sent to Moscow and a Trade Reports Division economist and an Applied Economics Division economist were sent to Kiev for special training missions as part of that program. Finally, Research Division economists published working papers on trade and labor standards and on trade and the environment, as well as coauthoring with the Trade Reports Division a working paper on China. In addition, the division sponsors a popular seminar series that is open to the public. During FY 1995, the series included 28 seminars on trade policy issues.

Economists in the Trade Reports Division contribute country-specific

economic expertise to ITC investigations and maintain up-to-date data concerning global economic, investment, and trade developments by region. The division complements and works closely with the ITC Office of Industries to provide U.S. trade policymakers with information about specific industries and countries.

Trade Reports Division economists prepare recurring reports, briefing materials, and background information on monitored countries. They also monitor and report a broad array of data and information on regional organizations and global trade initiatives. These economists provide substantial technical assistance and information on current policy questions to members of Congress, other government agencies, the news media, and the public; additionally, they frequently participate in ITC meetings and seminars with foreign visitors as well as in interagency meetings, conferences, and seminars on bilateral, regional, and multilateral trade topics.

During FY 1995, the Trade Reports Division completed two section 332 factfinding investigations as well as a number of regular trade-monitoring reports, including an annual review of multilateral, regional, and bilateral trade developments entitled *The Year in Trade*. The division also produces the *International Economic Review (IER)*, a monthly journal

analyzing economic and trade policy developments. In February 1995, the division published its first annual *IER Index*, cataloging articles on major multilateral, regional, and country developments over the past four years.

The Applied Economics Division primarily is responsible for providing technical economic expertise in the ITC's antidumping and countervailing duty investigations as well as in escape clause, market disruption, and section 22 investigations. Division economists serve on investigative teams, where they analyze pricing, demand, supply, and other market-related information for the staff report to the Commission. They also model the economic impact of unfairly priced imports on the U.S. industry producing competing articles.

During FY 1995, Applied Economics Division economists participated in all antidumping, countervailing duty, market disruption, and section 22 investigations. In addition, they made substantial contributions to several section 332 investigations, assisting in economic modeling and providing general economic analysis.

## Office of Tariff Affairs and Trade Agreements

The Office of Tariff Affairs and Trade Agreements (TATA) carries out

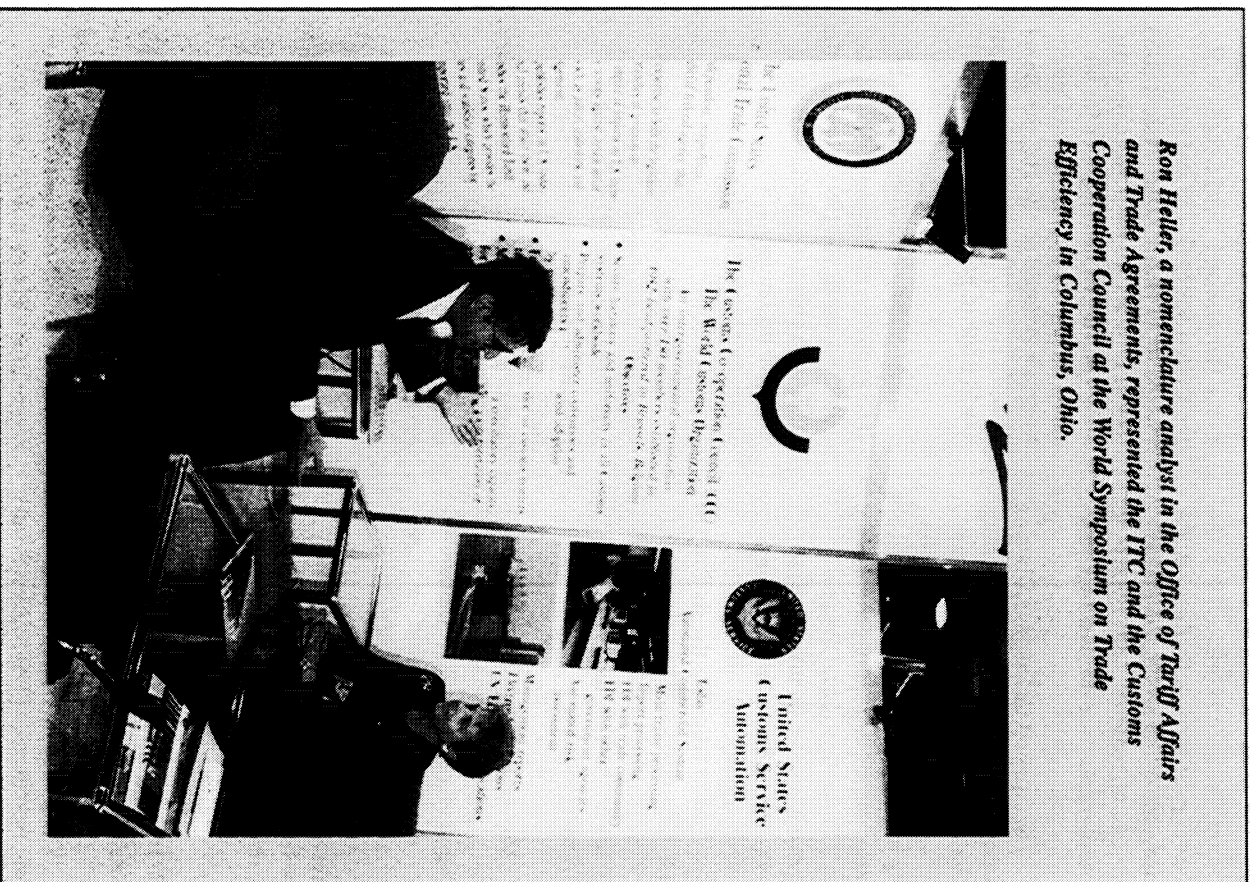
the ITC's responsibilities with respect to the Harmonized Tariff Schedule of the United States (HTS) and the international Harmonized System (HS). The HTS provides the applicable tariff rates and statistical categories for all merchandise imported into the United States; it is based on the HS, the global classification system that governs most world trade in goods.

TATA updates and publishes the HTS annually. In December 1994, the office published the 1995 edition of the HTS, with changes scheduled to be effective on January 1, 1995. A supplement was issued in June 1995.

The lawyers, analysts, and economists who comprise the TATA staff also provide expert HTS-related information upon request to the business community and the public. The office maintains an electronic database that tracks the history of all changes (legal and statistical) to the HTS since its inception.

TATA staff members also work with the Office of Industries to prepare bill reports requested by Congress (these reports investigate the economic effects of proposed tariff reductions and duty suspensions for specific products; see appendix D). The office also provides technical advice and assistance to the USTR on bilateral and multilateral trade programs, participating in Trade Policy Staff Committee

**Ron Heller, a nomenclature analyst in the Office of Tariff Affairs and Trade Agreements, represented the ITC and the Customs Cooperation Council at the World Symposium on Trade Efficiency in Columbus, Ohio.**



activities, preparing Presidential proclamations, developing trade data tailored for use by negotiators, and, when requested, directly assisting negotiating teams. In providing technical and legal assistance to the USTR during FY 1995, TATA staff prepared the proclamation implementing the URA, participated in writing Uruguay Round agreements, and began work on the draft proclamation to implement the changes to the HS nomenclature adopted by the World Customs Organization. These proclamations contain all U.S. tariff changes and staged duty reductions and fill several hundred pages in the *Federal Register*.

The office conducts investigations under section 1205 of the Omnibus Trade and Competitiveness Act of 1988, which provides an administrative means for updating the HTS to reflect modifications to the HS. During FY 1995, TATA completed work on two investigations under section 1205 of the Omnibus Trade and Competitiveness Act of 1988. TATA staff drafted the Presidential proclamations required to implement the changes covered in these investigations, which were pending at the end of FY 1995.

The office participates in the Customs Cooperation Council (CCC), an international organization headquartered in Brussels, Belgium. The CCC oversees the continuous develop-

ment and maintenance of the global HS. TATA represents the U.S. government on the central committee for nomenclature and classification matters (the Harmonized System Committee), the Technical Committee on Rules of Origin, the HS Review Subcommittee, and the Scientific Subcommittee. TATA participated in meetings of these four committees during FY 1995 and provided technical assistance to the Customs Service officials serving as U.S. delegates.

TATA's Director chairs the Committee for Statistical Annotation of the Tariff Schedule, which also includes representatives of the U.S. Customs Service and the Census Bureau. The committee analyzes and evaluates petitions requesting changes in HTS statistical subheadings; it received 72 such petitions during FY 1995. Through the committee, TATA participated during FY 1995 in several bilateral meetings with the Canadian government in connection with a U.S.-Canada Memorandum of Understanding, under which the two countries exchange monthly import statistics that reflect each country's exports to the other. The arrangement eliminates the need to prepare and compile over one million export documents annually.

During FY 1995, TATA's director was selected by the Vice President to



serve on the Board of Directors of the International Trade Data System (ITDS). The ITDS is an integrated trade data system to be shared by all federal trade agencies. It results from a National Performance Review initiative recommending the establishment of such a system. The project is expected to be completed in three years.

## Office of Unfair Import Investigations

The Office of Unfair Import Investigations (OUII) participates as a full party representing the public interest in adjudicatory investigations conducted under section 337 of the Tariff Act of 1930. These investigations most frequently involve allegations of patent or trademark infringement. Allegations of copyright infringement, misappropriation of trade secrets, passing off, false advertising, and antitrust violations also can be litigated in these investigations. If the Commission finds a violation of section 337, it may issue exclusion orders and cease and desist orders as a remedy.

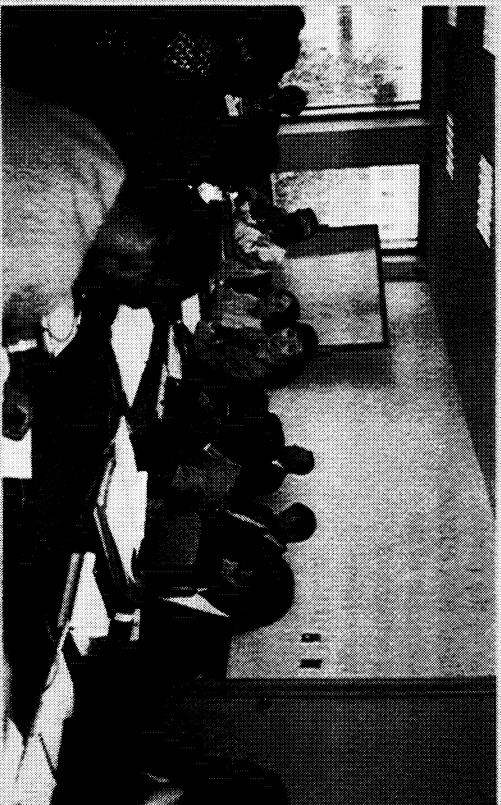
Investigative attorneys from OUII actively participate throughout the investigation along with counsel for the private parties. However, the investiga-

tive staff represents the public interest rather than the private interests of a complainant or respondent. Representation of the public interest is important because the remedies available in section 337 investigations may affect nonparties and U.S. consumers. OUII investigates and offers an independent perspective on the many issues presented in section 337 investigations.

OUII attorneys review section 337 complaints prior to institution of an investigation and advise the Commission whether complaints are legally sufficient for purposes of institution. Upon request, OUII also provides information to prospective complainants regarding procedures for filing complaints under section 337 and reviews draft complaints on a confidential basis. Once an investigation is instituted, OUII attorneys seek to ensure that a sufficient evidentiary record is developed. OUII attorneys conduct discovery, participate at hearings before the Administrative Law Judges (ALJs), and submit legal briefs to the ALJs and the Commission.

After a hearing, the ALJ issues an initial determination on all issues related to the alleged violation of section 337. The ALJ's initial determination is subject to review and modification by the Commission. If

*ITC staff and Commissioners frequently meet with visitors from around the world to discuss the agency and its work. Here, Vice Chairman Janet Nuzum (center) and ITC project team members met with a Sub-Saharan Africa trade study group that included representatives from numerous African nations as the agency launched its factfinding investigation U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy.*



the Commission does not modify the initial determination, it becomes the Commission's final determination. If the Commission determines that there is a violation of section 337, it may issue remedial orders. Those orders are effective when issued and become final 60 days after issuance unless disproved for policy reasons by the President within that 60-day period. (A more complete description of section 337 is included in appendix C).

OUII also assists the parties with settlements. OUII attorneys review proposed consent orders (orders of the Commission agreed to by the parties that prohibit specific activities related to the importation and/or sale of the products at issue) and settlement agreements (private agreements between the parties). OUII then submits responses to the ALJ regarding public interest concerns and compliance with ITC rules.

During FY 1995, there were 19 active section 337 investigations, 10 of which were instituted in FY 1995. (Key investigations are detailed in the Highlights section of this report, and a full list of investigations completed appears in appendix A). The Commission terminated four investigations as a result of settlement agreements or consent orders entered into by the parties prior to an evidentiary hearing. Settlement agreements or consent orders were also entered in five other

investigations. Temporary relief, which was sought in one investigation, was denied by the ALJ after an evidentiary hearing, the ALJ's determination was pending before the Commission at the end of FY 1995. The Commission found a violation of section 337 in three investigations. Limited exclusion orders and cease and desist orders were issued in two of those investigations, and a general exclusion order was issued in the third investigation. The Commission found no violation of section 337 in three investigations.

The ITC may conduct enforcement proceedings to determine whether the importation of a specific product violates an existing Commission order. Also, the Commission may issue advisory opinions regarding whether certain anticipated conduct would violate an outstanding Commission order. During FY 1995, OUII attorneys were involved in one enforcement proceeding stemming from an alleged violation of a cease and desist order in a prior section 337 investigation.

## **Trade Remedy Assistance Office**

The Trade Remedy Assistance Office (TRAO) assists the public and small businesses seeking benefits or relief under U.S. trade laws. TRAO provides general information concerning remedies and benefits available

under the trade laws of the United States, and it provides technical and legal assistance and advice to eligible small businesses seeking remedies.

In FY 1995, the TRAO received 311 inquiries from small businesses, trade associations, unions, Congress, the news media, academia, and law firms and certified 12 entities as eligible small businesses. TRAO provided technical and legal assistance and advice to three organizations that pursued remedies at the ITC. One investigation under section 337 of the Tariff Act of 1930 involved audible alarm devices for divers; two investigations under title VII of the Tariff Act of 1930 involved certain drawer slides from China and manganese sulfate from China. (See appendix A for details of these investigations.)

## **Office of Information Services**

The Office of Information Services (OIS) administers all ITC computer, telecommunications, and statistical and editorial services, as well as the National Library of International Trade. During FY 1995, OIS staff provided the technical expertise needed to build the ITC's Internet servers, continued work on modernizing the agency's international trade database, and participated in interagency planning for a governmentwide

international trade data system under the National Performance Review.

## **Library Services**

The Library Services staff manages the ITC's National Library of International Trade, a specialized technical library that serves as the agency's information and research center. The library houses over 100,000 volumes and approximately 2,000 periodical titles related to U.S. industry and international trade laws and practices as well as several CD-ROM and on-line information data bases. Library Services supports the Commissioners and ITC staff by acquiring, organizing, and disseminating information in all media. During FY 1995, the library expanded its use of electronic media by adding an Internet kiosk, placing 15 CD-ROMs on the agency's network, and launching efforts to add the public catalog to the agency's network. The National Library of International Trade is open throughout the workday to public researchers, scholars, and university students.

## **OFFICE OF ADMINISTRATION**

The Office of Administration oversees the administration of the ITC's budget, manages all personnel matters and agencywide programs and

activities, directs procurement and publishing activities, conducts the agency information security program, and coordinates the day-to-day operation of the building that houses the agency.

## **Office of Finance and Budget**

The Office of Finance and Budget develops, monitors, and administers the ITC budget and expenditures, ensuring proper financial management of agency activities. The Budget Division formulates, justifies, and executes the ITC budget; the Finance Division maintains the ITC financial information system and the agency payroll and travel functions. The office also performs liaison on budget and finance matters with other federal agencies, the Office of Management and Budget, and congressional committees. Finance and Budget staff manage travel, payroll, and other financial services; help ITC offices develop their annual budget requests; develop the overall annual agency appropriation and authorization requests; and prepare monthly accounting, activity, and financial projection reports.

During FY 1995, the office continued to seek ways to streamline procedures and increase efficiency in accordance with National Performance Review initiatives. The Office imple-

mented a more efficient means of issuing vendor payments through an electronic funds system and implemented the use of the American Express Automatic Teller Machine (ATM) program to reduce the amount of cash on hand in the agency's travel imprest fund. ATM use also allows travelers to manage official travel cash advances more efficiently. In addition, Commission staff were trained in the use of an electronic management system that the office expects to institute during FY 1996.

## **Office of Management Services**

The Office of Management Services (OMS) manages the ITC's publishing, procurement, and facilities management activities. During FY 1995, the office continued efforts to improve service to agency personnel and the public through upgraded technology. It acquired and installed a second computerized document management, conversion, and archiving system to further streamline publication printing and distribution activities and to reduce related costs. The office also reduced storage space costs by contracting out certain needs and by utilizing the services of the Consolidated Administrative Services Unit of the Department of Agriculture's Centralized Excess Property Operation.

OMS also continued to manage requests from other agencies to use ITC facilities for meetings and events.

## **Office of Personnel**

The Office of Personnel manages the ITC's recruitment, training, and personnel management operations and serves as a resource for managers and staff on employee relations, employee development, and benefits matters. A hiring freeze was instituted in the third quarter of the fiscal year, resulting in approximately a 4-percent drop in overall employment by the end of the fiscal year. With recruitment activity down, an emphasis on doing more with less led to extensive in-house training in such areas as office automation and managerial development. The search for new efficiencies also led to an initiative to acquire a new automated, integrated personnel/payroll system.

## **OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY**

The Office of Equal Employment Opportunity (EEO) administers the ITC affirmative action program. The Director advises the Chairman and ITC managers on all equal employment issues; evaluates the sufficiency of the

agency's EEO program and recommends improvements or corrections, including remedial and disciplinary action; establishes and maintains a diversity outreach program; and monitors recruitment plans and activities to assure equity in hiring activities.

The Director manages the complaints and investigation process; coordinates the pre-complaint counseling and alternative dispute resolution processes; and manages and supervises the work of the collateral-duty Special Emphasis Program Managers and EEO Counselors. The ITC/EEO program is structured to promote understanding and appreciation of multiple ethnicity in the workplace and to prevent inappropriate, discriminatory conduct on the part of all employees. The ITC Employee Development Program is a corollary function within the Office of EEO.

## **OFFICE OF THE ADMINISTRATIVE LAW JUDGES**

The ITC's Administrative Law Judges (ALJs) hold hearings and make initial determinations in investigations under section 337 of the Tariff Act of 1930.

After the Commission has instituted an investigation, the matter is referred to the Office of the

Administrative Law Judges. The Chief Judge assigns the investigation to one of the judges, who directs the litigation, which includes scheduling and holding a hearing. The judge considers the evidentiary record and the arguments of the parties and makes an initial determination, including findings of fact and conclusions of law. Temporary relief may be granted in certain cases. (A more detailed description of section 337 is included in appendix C.)

The judge's initial determination is subject to review and modification by the Commission. If the Commission does not modify the initial determination, it becomes the Commission's final determination. If the Commission determines that there is a violation of section 337, it may issue remedial orders. Those orders are effective when issued and become final 60 days after issuance unless disapproved for policy reasons by the President within that 60-day period.

During FY 1995, the Office of the Administrative Law Judges held five evidentiary hearings in section 337 cases under the Administrative Procedure Act. (See Highlights section of this report for details on key section 337 investigations during FY 1995 and appendix A for a complete list of investigations.)

## OFFICE OF CONGRESSIONAL LIAISON

The Office of Congressional Liaison is the primary point of contact between the ITC and Congress. The office works with congressional staff to clarify congressional intent in section 332 investigation requests, responds to inquiries from Members of Congress, and keeps the Commission apprised of legislative initiatives that would affect ITC operations. The office also provides technical assistance to Members of Congress and their staff on various trade-related matters.

During FY 1995, the ITC received 111 letters from Members of Congress and submitted three miscellaneous tariff bill reports to the Senate Committee on Finance. The Commission's bill reports provide statistical, technical industry analysis for use by the House Committee on Ways and Means and the Senate Committee on Finance during consideration of tariff-related legislation.

Chairman Peter S. Watson testified on February 27, 1995, before the House Committee on Ways and Means' Subcommittee on Trade and on August 1, 1995, before the Senate Committee on Finance's Subcommittee on International Trade regarding the ITC's

FY 1996 authorization. He also testified on April 5, 1995, before the House Committee on Appropriations' Subcommittee on Commerce, Justice, State, and the Judiciary regarding the ITC's FY 1996 appropriation.

## OFFICE OF INSPECTOR GENERAL

The Inspector General conducts all audits and investigations related to ITC programs and operations and recommends and comments on proposed legislation, regulations, and procedures that affect the agency's efficiency and effectiveness. The accomplishments of the Inspector General are detailed in semiannual reports submitted to Congress in May and November. The Office of Inspector General reviews all proposed ITC directives and regulations as a means of preventing or detecting fraud, waste, or abuse. As required by the Inspector General Act, the office also has a process for commenting on existing and proposed legislation and regulations relating to programs and operations of the ITC.

During FY 1995, the Inspector General conducted an audit of the ITC financial statements for FY 1994 and FY 1993. Inspections included

compliance with the Federal Managers' Integrity Act of 1982; travel expenses; imprest fund cash accounts; lobbying activities; property inventories; HIV/AIDS education; use of printing and mailing forms; and selected telephone policies and use.

The Inspector General is an active member of the Executive Council on Integrity and Efficiency.

## OFFICE OF THE SECRETARY

The Office of the Secretary compiles and maintains the ITC's official records, including petitions, briefs, and other legal documents. In FY 1995, a total of 8,617 documents were filed with the office.

Under the direction of the Secretary, the office issues ITC notices, reports, and orders, and it schedules and participates in all Commission meetings (33 in FY 1995) and hearings (19 days of hearings in FY 1995). The office makes determinations on requests for confidential treatment of information, requests for information to be released under protective order, and requests under the Freedom of Information Act (FOIA). The following table shows the number of these requests in FY 1994 and FY 1995:

Type of request	FY 1994	FY 1995
Requests for confidential treatment . . . . .	311	251
Requests for release of confidential business information under protective order . . . . .	195	82
FOIA requests:		
Received . . . . .	85	83
Granted in whole or in part . . . . .	53	51

The Office of the Secretary receives surety bonds or other collateral posted by parties in connection with the temporary exclusion orders issued in section 337 investigations. The Secretary is also authorized to issue seizure letters authorizing the U.S. Customs Service to hold certain merchandise when a prohibited importation is attempted. In addition, the Secretary issues administrative protective orders in cases filed before the NAFTA. The Secretary monitors alleged breaches of ITC administrative protection orders.

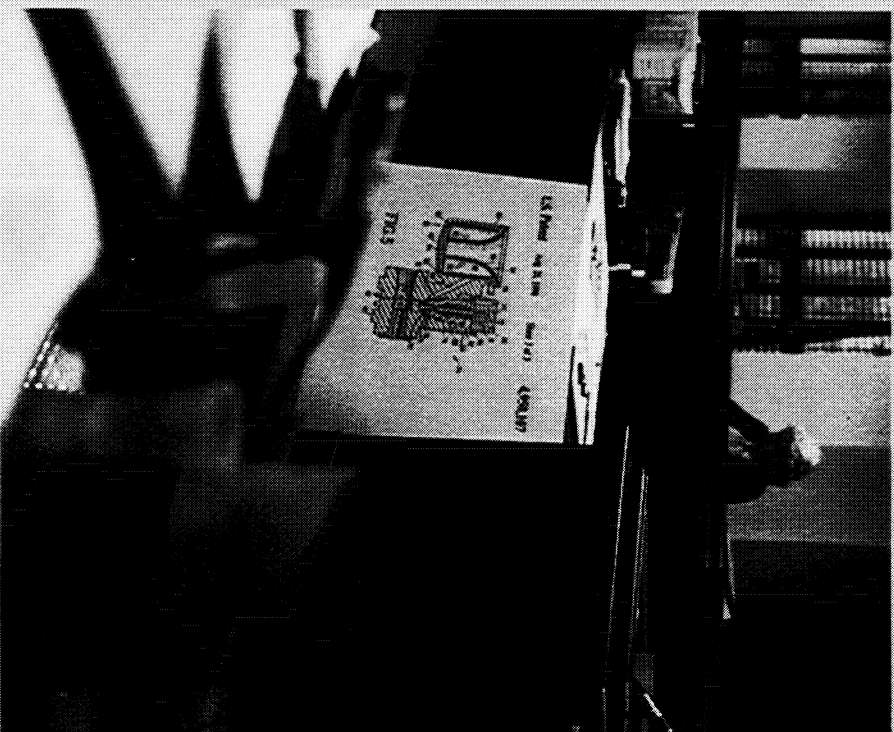
The Office of the Secretary manages distribution of ITC reports and studies through its Publications

Branch, responding to an average of 785 requests monthly. In addition, each month an average of 200 visitors as well as ITC staff use the office's public files for research purposes. Research facilities are available in the Office of the Secretary (room 112) and in the ITC National Library of International Trade and the ITC Law Library. Inquiries should be directed to the specific organizational unit or to the Secretary, U.S. International Trade Commission, 500 E Street, SW, Washington, DC 20436. Publications may be ordered 24 hours a day, seven days a week, by calling 202-205-1809. Recorded information on the latest petitions and complaints filed with the ITC can be obtained by calling 202-205-2196.

### OFFICE OF EXECUTIVE AND INTERNATIONAL LIAISON

The Office of Executive and International Liaison manages the technical assistance that the ITC provides to the USTR and other executive branch agencies in the operation of the trade agreements program and in the execution of U.S. trade policy. The Director is the ITC's representative on the interagency Trade Policy Staff Committee (TPSC) and an advisor to the Trade Policy Review-Group (TPRG). The TPSC and TPRG,

*Chief ALJ Janet Saxon conducts the evidentiary hearing in the ITC's investigation Certain Audible Alarm Systems for Divers. This case was brought to the ITC through the agency's Trade Remedy Assistance Office, which provides technical assistance to eligible small businesses seeking remedies under U.S. trade laws.*



*Commissioner David Roh and Vice Chairman Janet Nuzum (center), accompanied by Attorney-Advisor John Sclorjano (left) and a U.S. embassy official, discuss the Chilean fresh fruit export industry with a fruit packing plant manager in Santiago as part of the ITC factfinding investigation Chile: Probable Economic Effect on U.S. Imports, Industries, Consumers, and Exports of Accession to the North American Free Trade Agreement and Report on Services Trade. Fresh fruit is among the major Chilean exports to the United States.*



which are chaired by the USTR, are the principal subcabinet interagency trade policy coordination groups. The office provides assistance to the agencies responsible for trade policy formulation and keeps Commissioners and senior ITC staff informed of developing trade issues that might affect the agency's mission.

The office serves as liaison with the USTR in coordinating Presidential requests for advice and information on trade issues. In FY 1995, the ITC completed five investigations that had been requested by the USTR under section 332 of the Tariff Act of 1930. The Office of Executive and International Liaison also oversees the preparation of Presidential proclamations that implement U.S. trade policy decisions concerning modifications to the HTS. In addition, it manages interactions between the Commission and the international trade community, coordinating requests for assistance from U.S. embassies abroad in connection with the Commission's investigations and studies as well as arranging and participating in meetings with representatives of foreign governments and international organizations.

During FY 1995, the office continued its assistance to the USTR in the implementation of the Uruguay Round agreements through the preparation of Presidential Proclamations and other technical documentation. The

office also prepared Federal Register notices and technical import product lists in conjunction with two major section 301 investigations conducted by the USTR. The cases concerned the failure to protect intellectual property rights by the People's Republic of China and barriers to access to the auto parts replacement market in Japan. Assistance was also provided to the USTR in support of its negotiations on Chile's accession to the North American Free Trade Agreement.

## OFFICE OF THE GENERAL COUNSEL

The General Counsel serves as the ITC's chief legal advisor. The General Counsel and the 23 attorneys in the office provide legal advice and support to the Commissioners and ITC staff on statutory investigations, prepare briefs and represent the ITC in court and before binational panels and administrative tribunals, and provide assistance and advice on general administrative matters, including ethics, personnel and labor relations, and contracts. Appendix E of this report details the litigation matters completed or terminated during FY 1995 or pending at year-end. The office also provides assistance and support in the drafting of new ITC rules of practice and procedure. During FY 1995, amendments were made to the rules governing antidumping and countervailing duty investigations, section 337 investigations, and

safeguard investigations, including amendments to reflect changes required by the Uruguay Round Agreements Act.

General Counsel attorneys serve as members of investigative teams assigned to antidumping and countervailing duty investigations and investigations under other statutory authorities; they prepare legal issues memoranda and assist the Commission in the drafting of opinions in the course of these investigations. During FY 1995, attorneys in the office prepared numerous memoranda and other documents describing changes in the laws administered by the ITC as a result of passage of the Uruguay Round Agreements Act.

When requested, the office provides technical assistance to the Congress and the executive branch on tariff and trade matters. During FY 1995, the office was called upon to provide technical assistance and support to the USTR in connection with notification of WTO committees of U.S. legislation that implements U.S. obligations under the new WTO agreements and to review the antidumping, countervailing duty, and safeguard laws of other countries for consistency with WTO requirements. Office attorneys also provided technical assistance to USTR staff in connection with consultations under the GATT Antidumping and Subsidies Codes

relating to ITC antidumping and countervailing duty determinations.

## OFFICE OF PUBLIC AFFAIRS

The Office of Public Affairs is the ITC's primary liaison with the public and the news media. The office develops and implements information programs to educate a variety of audiences about the ITC, its mission, and its role in U.S. international trade matters.

Through its Director, the office serves as spokesperson for the ITC. It maintains an active relationship with the national and international news media, responding to inquiries, issuing news releases concerning Commission determinations, publicizing ITC studies and publications, and arranging interviews with Commissioners and staff experts. The office prepares and disseminates brochures, pamphlets, and other materials to enhance public understanding of the ITC. It also advises the Commission and agency staff on public affairs issues and practices.

Public Affairs also directs the ITC visitors program. During FY 1995, the office arranged ITC visits for 201 individuals from 59 countries, including government officials, journalists, businessmen, economists, bankers, attorneys, professors, and students.

*Commissioner Don Newquist (left) and Commissioner David Rohr (right) discuss U.S.-Chilean trade issues with Chilean Senator Gabriel Valdes Subercanoux in connection with the factfinding investigation Chile: Probable Economic Effect on U.S. Imports, Industries, Consumers, and Exports of Accession to the North American Free Trade Agreement and Report on Services Trade.*







# PART III. MANAGEMENT AND FINANCE

The ITC maintains an expert staff of professional international trade and nomenclature analysts, investigators, attorneys, economists, computer specialists, and administrative support personnel. All ITC personnel are located at 500 E Street, SW, Washington, DC 20436.

At the end of FY 1995, a total of 425 permanent employees were employed by the ITC.

A breakdown of staff, by organization, is shown at the right:

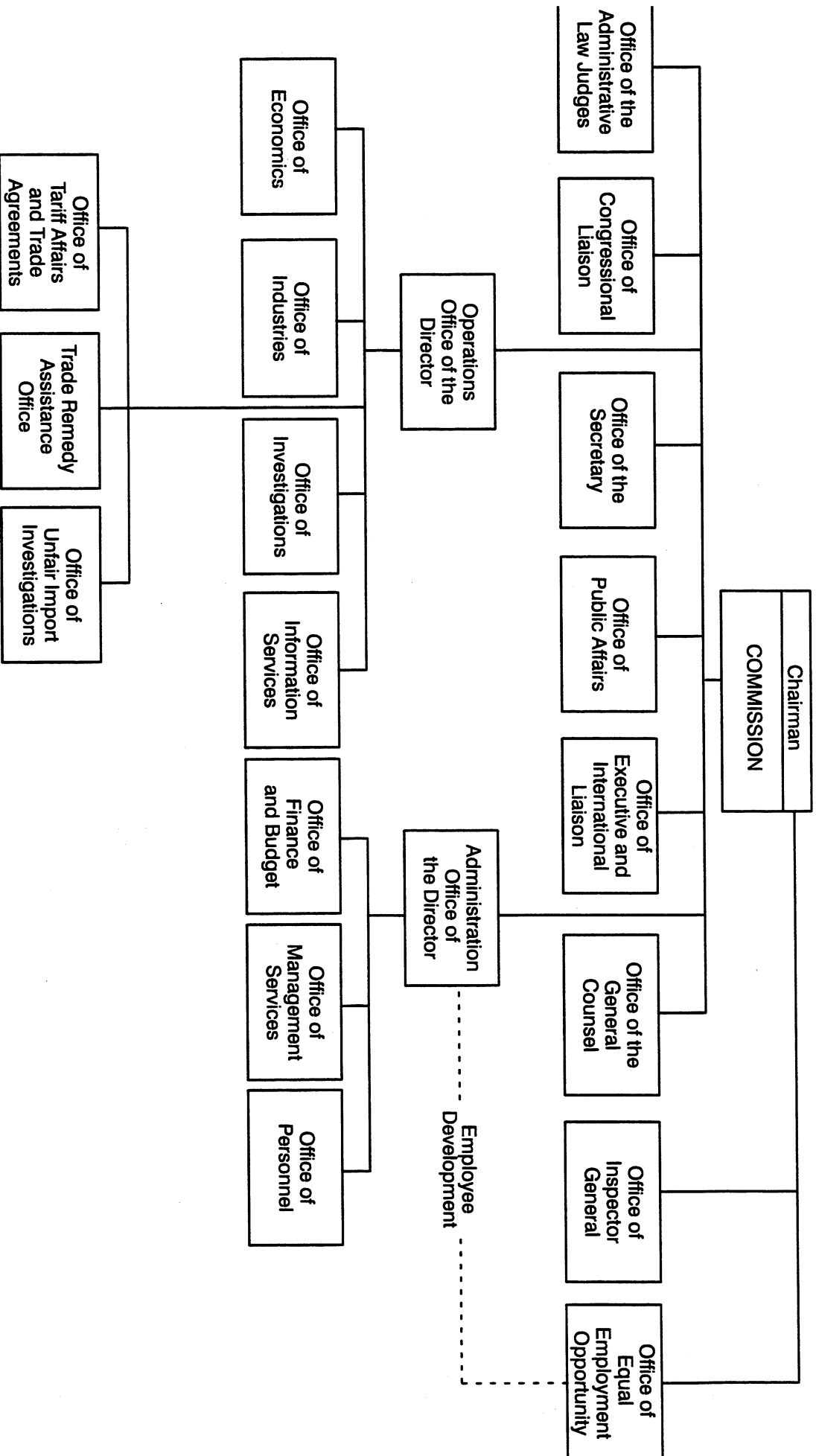
Organizational unit	Number as of September 30, 1995
Commissioners	6
Offices of the Commissioners	29
Office of the Administrative Law Judges	8
Office of the Secretary	15
Office of Public Affairs	2
Office of Executive and International Liaison	5
Office of Congressional Liaison	2
Office of the General Counsel	39
Office of Inspector General	2.5
Office of the Director of Operations	4
Office of Economics	41
Office of Industries	118
Office of Investigations	33
Office of Tariff Affairs and Trade Agreements	14
Office of Unfair Import Investigations	14
Trade Remedy Assistance Office	1.5
Office of Information Services	30
Library Services	8
Office of the Director of Administration	4
Office of Finance and Budget	10
Office of Management Services	30
Office of Personnel	8
Office of Equal Employment Opportunity	1
<b>Total</b>	<b>425</b>

The ITC submits its budget to the President for transmittal to Congress. Because of the unique role of the ITC as a quasi-judicial, nonpartisan, independent agency designed to provide trade expertise to the legislative and executive branches of government, Congress provided in section 175 of the Trade Act of 1974 (19 U.S.C. 2232) that the ITC budget would not be subject to control by the Office of Management and Budget, but would instead be submitted directly to Congress.

During FY 1995, appropriated funds made available to the ITC amounted to \$44,509,000. Obligations for FY 1994 and FY 1995 (in thousands of dollars) are shown at the right:

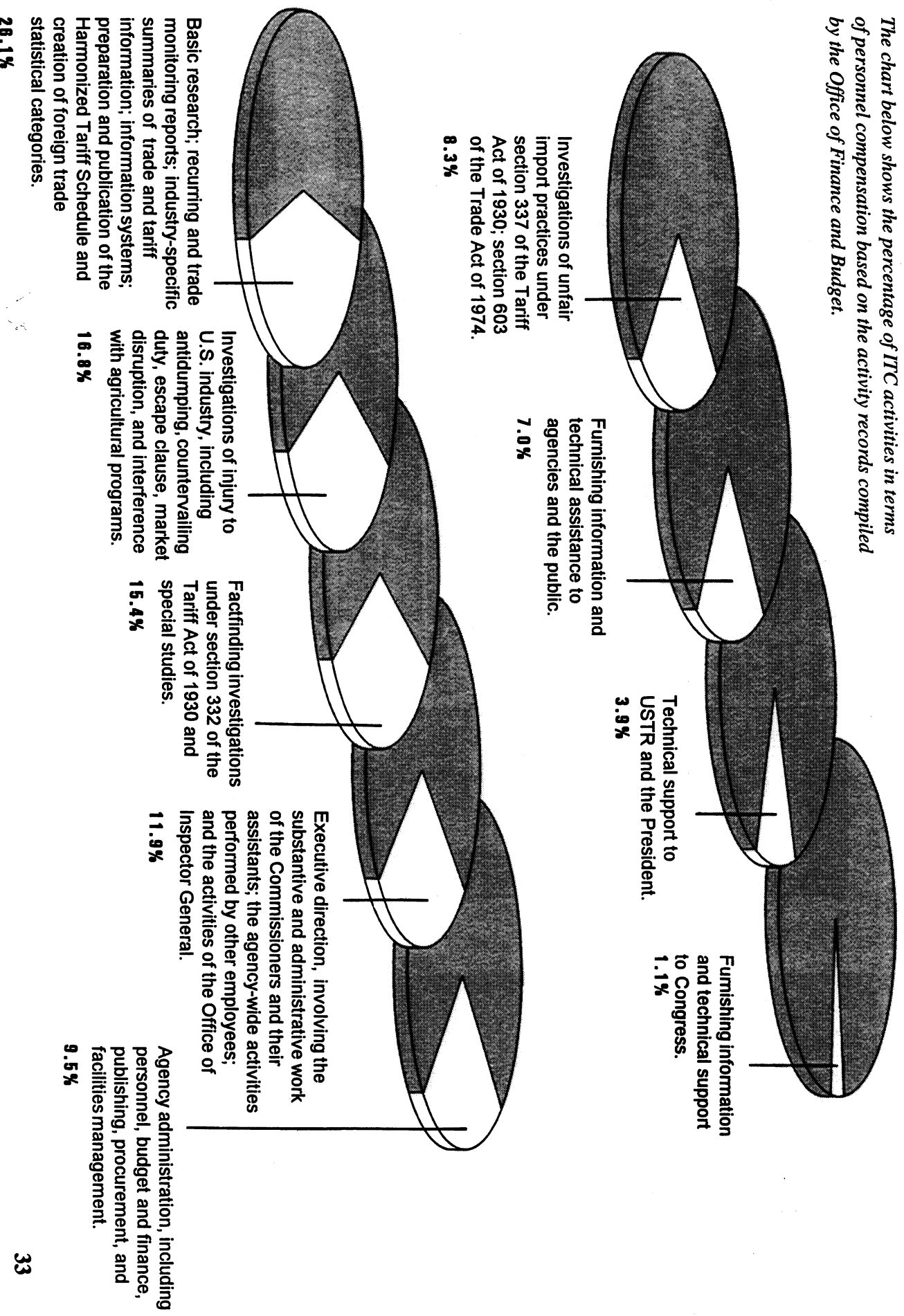
Item	FY 1994	FY 1995
Salaries and personnel benefits	30,080	30,521
Travel and transportation	419	401
Rental and communication services	8,838	8,515
Other services	2,395	2,678
Printing and reproduction	166	158
Equipment, supplies, and material	1,160	1,661
<b>Total</b>	<b>43,058</b>	<b>43,934</b>

**FIGURE 1  
ITC ORGANIZATION**



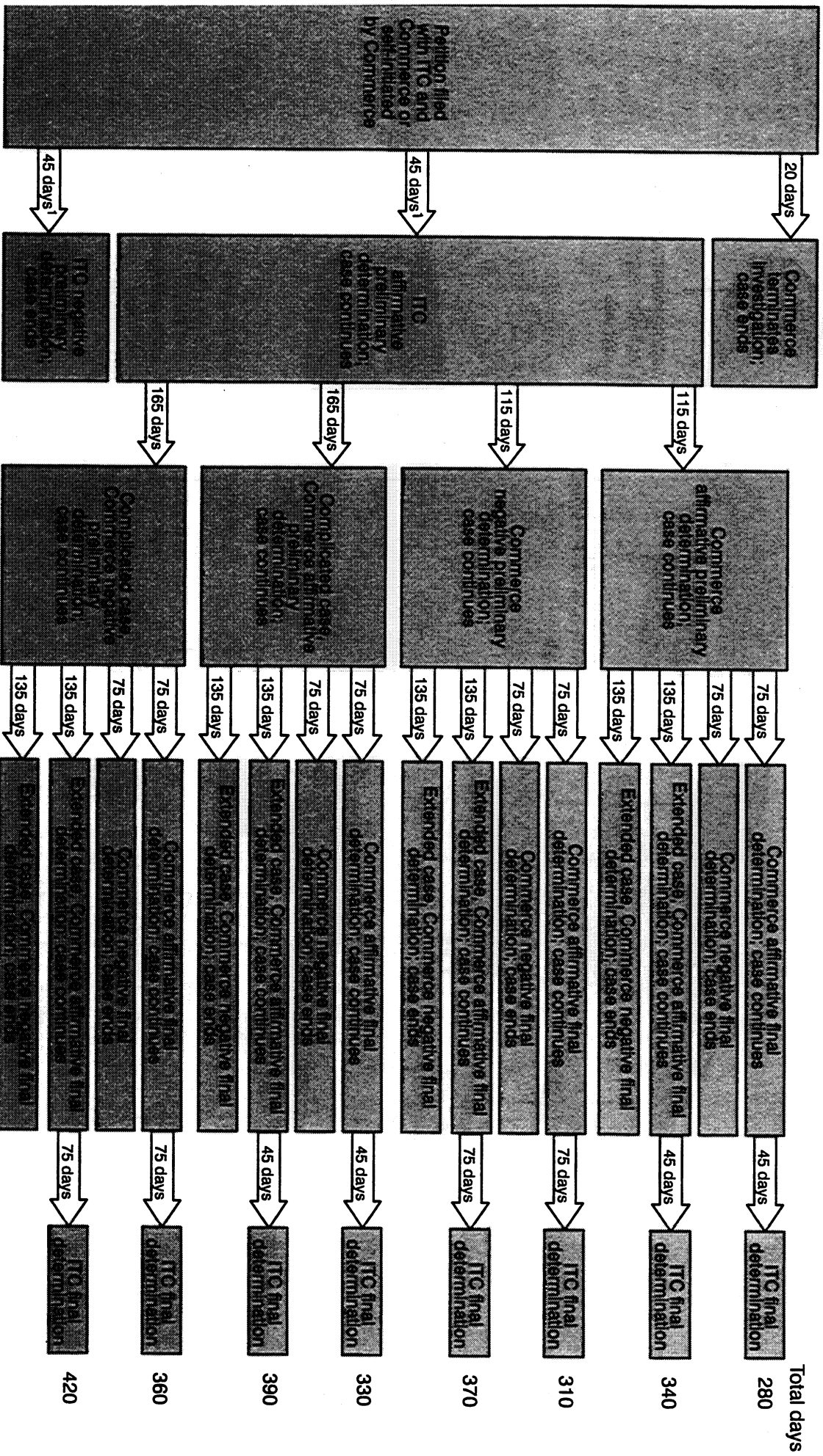
# FIGURE 2 SUMMARY OF PRINCIPAL ACTIVITIES, FISCAL YEAR 1995

The chart below shows the percentage of ITC activities in terms of personnel compensation based on the activity records compiled by the Office of Finance and Budget.



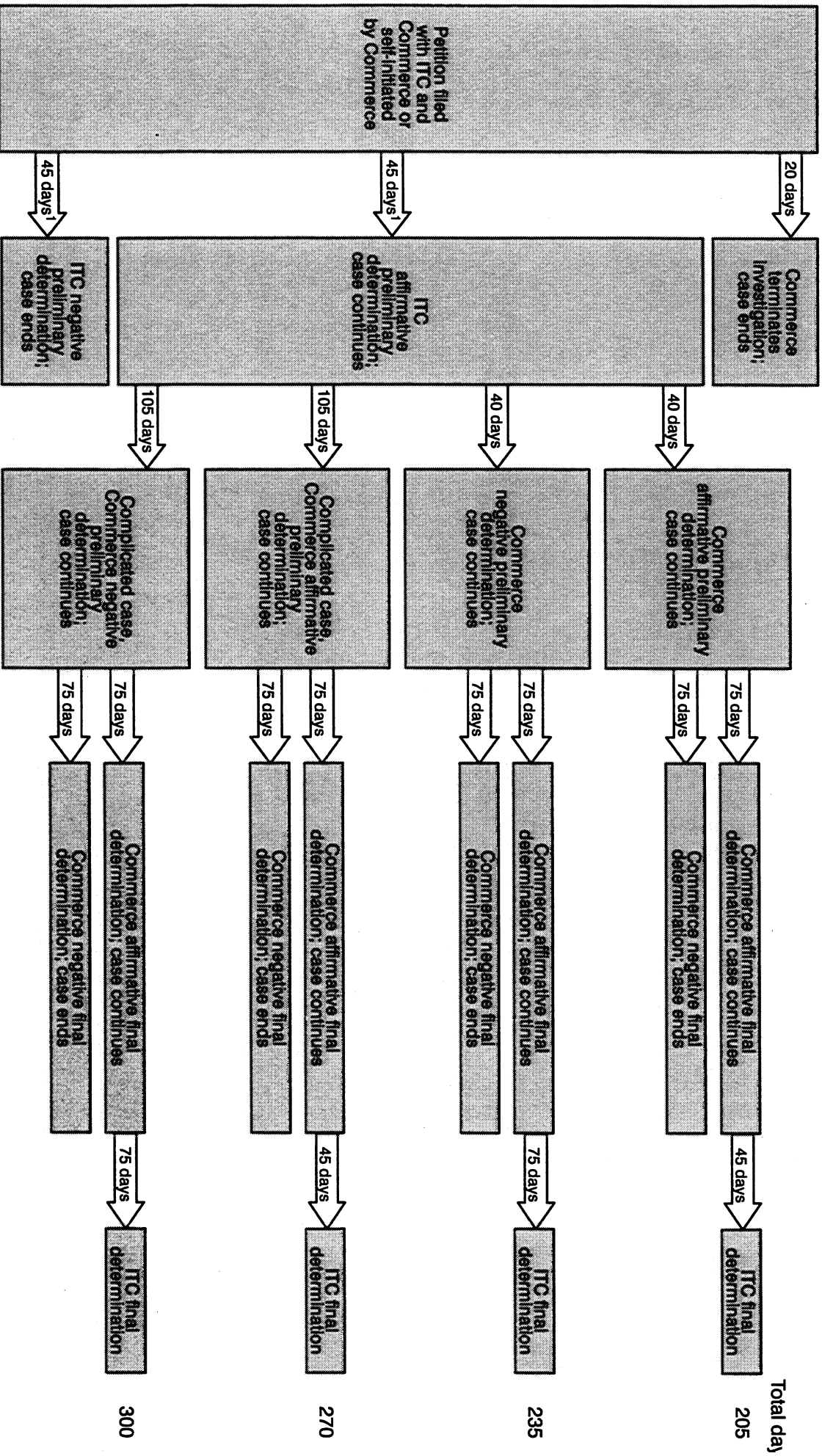
# FIGURE 3 STATUTORY TIMETABLES FOR ANTIDUMPING AND COUNTERVAILING DUTY INVESTIGATIONS

Statutory timetable for antidumping investigations (in days)



<sup>1</sup> Normal case. ITA may extend the time allowed for it to initiate an investigation from 20 days to up to 40 days after a petition is filed if the extra time is needed to determine industry support for the petition. In the event of such an extension, the deadline for the ITC's preliminary determination and all following dates would be increased by the amount of the extension.

**Statutory timetable for countervailing duty investigations (in days)**





# **APPENDIXES**

## **APPENDIX A**

**SUMMARY OF INVESTIGATIONS COMPLETED  
DURING FISCAL YEAR 1995 AND PENDING ON  
SEPTEMBER 30, 1995**

**Table 1**  
**General investigations of trade and tariff matters completed under sec. 332 of the Tariff Act of 1930 and sec. 1205 of the Omnibus Trade and Competitiveness Act of 1988, fiscal year 1995**

Investigation No. and title	Origin	USITC publication—	
		No.	Date
<b>332-175</b> Run: Annual Report Selected Economic Indicators	Request from the Committee on Finance, U.S. Senate	(1)	(1)
<b>332-327</b> Steel: Semiannual Monitoring Report	Request from the Committee on Ways and Means, U.S. House of Representatives	2878	April 1995
<b>332-344</b> The Economic Effects of Antidumping and Countervailing Duty Orders and Suspension Agreements	Request from the United States Trade Representative	2900	June 1995
<b>332-347</b> Global Competitiveness of U.S. Environmental Technology Industries: Municipal and Industrial Water and Wastewater	Request from the Committee on Finance, U.S. Senate	2867	March 1995
<b>332-349</b> Effects of the Arab League Boycott of Israel on U.S. Businesses	Request from the United States Trade Representative	2827	November 1994
<b>332-356</b> President's List of Articles Which May Be Designated or Modified as Eligible Articles for Purposes of the U.S. Generalized System of Preferences	Request from the United States Trade Representative	2834	December 1994
<b>332-357</b> Lamb Meat: Competitive Conditions Affecting the U.S. and Foreign Lamb Industries	Request from the United States Trade Representative	2915	August 1995
<b>332-359</b> Chile: Probable Economic Effect on U.S. Imports, Industries, Consumers, and Exports of Accession to the North American Free Trade Agreement and Report on Services Trade	Request from the United States Trade Representative	Confidential	September 1995
<b>332-363</b> Chemicals and Chemical Products: Probable Effect of Certain Modifications to the North American Free Trade Agreement Rules of Origin Pertaining to Such Products	Request from the United States Trade Representative	Confidential	September 1995
<b>332-364</b> Certain Miscellaneous Products: Probable Effect of Certain Modifications to the North American Free Trade Agreement Rules of Origin	Request from the United States Trade Representative	Confidential	September 1995



**Table 1—Continued**  
**General investigations of trade and tariff matters completed under sec. 332 of the Tariff Act of 1930 and sec. 1205 of the Omnibus Trade and Competitiveness Act of 1988, fiscal year 1995**

Investigation No. and title	Origin	USITC publication—	
		No.	Date
<b>1205-3</b> <i>Proposed Modifications to the Harmonized Tariff Schedule of the United States</i>	Instituted by the Commission on its own motion	2830	December 1994
<b>1205-4</b> <i>Proposed Modifications to the Harmonized Tariff Schedule of the United States Concerning the Tariff Treatment of Petroleum Jelly</i>	Instituted by the Commission on its own motion	2833	December 1994

<sup>1</sup> The investigation was terminated by the Commission on June 29, 1995, at the request of the Committee on Finance, U.S. Senate.

**Table 2**  
**General investigations of trade and tariff matters under sec. 332 of the Tariff Act of 1930 and sec. 1205 of the Omnibus Trade and Competitiveness Act of 1988 pending on Sept. 30, 1995**

Investigation No. and title	Origin	USITC publication—	
		No.	Date
<b>332-135</b> <i>Synthetic Organic Chemicals: United States Production and Sales, 1993</i>	Request from the Committee on Ways and Means, U.S. House of Representatives	2810	November 1994
<b>332-191</b> <i>Nonrubber Footwear Quarterly Statistical Report</i>	Request from the Committee on Finance, U.S. Senate	2839 2868 2901 2925	December 1994 March 1995 June 1995 September 1995
<b>332-207</b> <i>The U.S. Automobile Industry Monthly Report on Selected Economic Indicators</i>	Request from the Committee on Ways and Means, U.S. House of Representatives	2828 2838 2847 2854 2861 2871 2888 2895 2908 2914 2923 2929	October 1994 November 1994 December 1994 January 1995 February 1995 March 1995 April 1995 May 1995 June 1995 July 1995 August 1995 September 1995
<b>332-227</b> <i>Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers</i>	Required by sec. 215(a) of the Caribbean Basin Economic Recovery Act	2927	September 1995
<b>332-237</b> <i>Production Sharing: Use of U.S. Components and Materials in Foreign Assembly Operations, 1990-1993</i>	Instituted by the Commission on its own motion	2886	May 1995
<b>332-288</b> <i>Ethyl Alcohol for Fuel Use: Determination of the Base Quantity of Imports</i>	Required by the Steel Trade Liberalization Program Implementation Act	( <sup>1</sup> )	( <sup>1</sup> )
<b>332-325</b> <i>The Economic Effects of Significant U.S. Import Restraints</i>	Request from the United States Trade Representative	( <sup>2</sup> )	( <sup>2</sup> )
<b>332-343</b> <i>U.S. Imports of Textiles and Apparel Under the Multifiber Arrangement: Annual Report for 1994</i>	Instituted by the Commission on its own motion	2884	April 1995
<b>332-345</b> <i>U.S. Trade Shifts in Selected Industries: Merchandise, Annual Report 1994</i>	Instituted by the Commission on its own motion	2924	September 1995

**Table 2—Continued**  
**General Investigations of trade and tariff matters under sec. 332 of the Tariff Act of 1930 and sec. 1205 of the Omnibus Trade and Competitiveness Act of 1988 pending on Sept. 30, 1995**

Investigation No. and title	Origin	USITC publication—	
		No.	Date
<b>332-350</b> <i>Monitoring of U.S. Imports of Tomatoes</i>	Required by the North American Free Trade Agreement Implementation Act	2912	July 1995
<b>332-351</b> <i>Monitoring of U.S. Imports of Peppers</i>	Required by the North American Free Trade Agreement Implementation Act	2913	July 1995
<b>332-352</b> <i>Andean Trade Preference Act: Impact on U.S. Industries and Consumers and on Drug Crop Eradication and Crop Substitution</i>	Required by sec. 206 of the Andean Trade Preference Act	2926	September 1995
<b>332-354</b> <i>U.S. Schedule of Services Commitments</i>	Request from the United States Trade Representative	(2)	(2)
<b>332-358</b> <i>General Agreement on Trade in Services: Examination of Major Trading Partners' Schedules of Commitments</i>	Request from the United States Trade Representative	(2)	(2)
<b>332-360</b> <i>International Harmonization of Customs Rules of Origin</i>	Request from the United States Trade Representative	(2)	(2)
<b>332-361</b> <i>Global Competitiveness of U.S. Environmental Technology Industries: Air Pollution Prevention and Control</i>	Request from the Committee on Finance, U.S. Senate	(2)	(2)
<b>332-362</b> <i>U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy</i>	Request from the United States Trade Representative	(2)	(2)

<sup>1</sup> Not applicable.  
<sup>2</sup> In progress at end of FY 1995.

**Table 3**  
**Investigations completed under sec. 337 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	Complainant	Complaint filed	Federal Register notice date	Public hearing	Finding and remedy of Commission	Date orders issued	USITC publication No.
<b>337-TA-349</b> <i>Certain Diltiazem Hydrochloride and Diltiazem Preparations</i>	Tanabe Seiyaku Co., Ltd. Osaka, Japan	2-25-93; 3-23-93 (amendment)	3-31-93	(1)	Terminated <sup>2</sup>	6-1-95	(1)
	Marion Merrell Dow, Inc. Kansas City, MO						
<b>337-TA-358</b> <i>Certain Recombinantly Produced Human Growth Hormones</i>	Genentech, Inc. South San Francisco, CA	3-16-93; 3-30-93, 3-31-93, 4-5-93, 4-6-93, 4-9-93, 4-12-93, and 4-22-93 (supplements); 8-18-93 (amendment)	9-29-93	(1)	Terminated <sup>3</sup>	1-17-95	(1)
<b>337-TA-360</b> <i>Certain Devices for Connecting Computers Via Telephone Lines</i>	Farallon Computing, Inc. Alameda, CA	10-12-93; 11-1-93 (amendment); 11-2-93 (supplement)	11-17-93	(1)	Violation <sup>4</sup>	11-18-94	2843
<b>337-TA-361</b> <i>Certain Portable On-Car Disc Brake Lathes and Components Thereof</i>	Pro-Cut International, Inc. Lebanon, NH	10-22-93; 11-15-93 (supplement)	12-1-93	(1)	Terminated <sup>5</sup>	1-10-95	2889
<b>337-TA-364</b> <i>Certain Curable Fluoroelastomer Compositions and Precursors Thereof</i>	Minnesota Mining and Manufacturing Co. St. Paul, MN	2-7-94	3-16-94	(1)	Violation <sup>6</sup>	3-16-95	2890
<b>337-TA-365</b> <i>Certain Audible Alarm Devices for Divers</i>	David A. Hancock and Ideations Design, Inc. Seattle, WA	4-28-94; 5-23-94 (supplement)	6-8-94	(1)	Violation <sup>7</sup>	6-6-95	2903
<b>337-TA-367</b> <i>Certain Facsimile Machines and Components Thereof</i>	Ricoh Co., Ltd. Tokyo, Japan	8-1-94; 8-22-94 (supplement); 8-25-94 (amendment)	9-8-94	(1)	Terminated <sup>8</sup>	3-7-95	(1)
	Ricoh Corp. West Caldwell, NJ						

**Table 3—Continued**  
**Investigations completed under sec. 337 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	Complainant	Complaint filed	Federal Register notice date	Public hearing	Finding and remedy of Commission	Date orders issued	USITC Publication No.
<b>337-TA-368</b> Certain Rechargeable Nickel Metal Hydride Anode Materials and Batteries, and Products Containing Same	Ovonic Battery Co., Inc., Energy Conversion Devices, Inc. Troy, MI	8-8-94; 8-11-94 (amendment); 8-30-94 (amendment and supplement)	9-14-94	(1)	Terminated <sup>8</sup>	2-28-95	(1)
<b>337-TA-369</b> Certain Health and Beauty Aids and Identifying Marks Thereon	Redmond Products, Inc. Chanhassen, MN	12-2-94; 12-16-94 (amended complaint); 12-22-94 and 12-23-94 (supplemental letters)	1-18-95	(1)	Terminated <sup>8</sup>	9-19-95	(1)
<b>337-TA-375</b> Certain Clog Style Articles of Footwear	R. G. Barry Corp. Pickerington, OH	4-18-95; 5-8-95; 5-10-95 (supplements)	5-24-95	(1)	Terminated <sup>9</sup>	8-9-95	(1)

<sup>1</sup> Not applicable.  
<sup>2</sup> Settlement agreement for one respondent and no violation for two respondents.  
<sup>3</sup> Complaint dismissed with prejudice and investigation terminated with finding of no violation.  
<sup>4</sup> General exclusion order. President took no action; became final 1-19-95.  
<sup>5</sup> No violation.  
<sup>6</sup> Limited exclusion order and cease and desist order. President took no action; became final 5-15-95.  
<sup>7</sup> Limited exclusion order and cease and desist order. President took no action; became final 8-7-95.  
<sup>8</sup> Settlement agreement.  
<sup>9</sup> Consent order.

**Table 4**  
**Investigations under sec. 337 of the Tariff Act of 1930 pending on Sept. 30, 1995**

<b>Investigation No. and title</b>	<b>Complainant</b>	<b>Complaint filed</b>	<b>Federal Register notice date</b>
<b>337-TA-366</b> Certain Microsphere Adhesives, Process for Making Same, and Products Containing Same, Including Self-Stick Repositionable Notes	Minnesota Mining and Manufacturing Co. St. Paul, MN	5-9-94; 5-27-94 (amendment)	6-8-94
<b>337-TA-370</b> Certain Salinomycin Biomass and Preparations Containing Same	Kaken Pharmaceutical Co., Ltd. Tokyo, Japan	12-23-94; 1-18-95 (revised complaint and revised memorandum)	2-6-95
<b>337-TA-371</b> Certain Memory Devices with Increased Capacitance and Products Containing Same	Emanuel Hazani Sunnyvale, CA  Patent Enforcement Fund, Inc. Fairfield, CT	12-30-94; 1-9-95, 1-19-95 (supplements)	2-6-95
<b>337-TA-372</b> Certain Neodymium-Iron-Boron Magnets, Magnet Alloys, and Articles Containing the Same	Crucible Materials Corp. Syracuse, NY	2-1-95; 2-23-95 (supplement)	3-9-95
<b>337-TA-373</b> Certain Low-Power Computer Hard Disk Drive Systems and Products Containing Same	Conner Peripherals, Inc. San Jose, CA	4-4-95; 4-27-95 (supplement)	5-10-95
<b>337-TA-374</b> Certain Electrical Connectors and Products Containing Same	AMP, Inc. Harrisburg, PA  The Whitaker Corp. Wilmington, DE	4-3-95; 4-27-95 (supplement)	5-11-95
<b>337-TA-376</b> Certain Variable Speed Wind Turbines and Components Thereof	Kenetech Windpower, Inc. Livermore, CA	4-21-95	5-30-95
<b>337-TA-377</b> Certain Microprocessors Having Alignment Checking and Products Containing Same	Intel Corp. Santa Clara, CA	7-24-95; 8-11-95 (supplement)	8-30-95
<b>337-TA-378</b> Certain Asian-Style Kamaboko Fish Cakes	Yamasa Enterprises Los Angeles, CA	8-15-95; 9-6-95 (supplement)	9-20-95

**Table 5**  
**Countervailing duty investigations completed under sec. 753 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	(a) (b) (c)	Institution Hearing Report to Secretary of Commerce	Affirmative	Negative	Not participating	USITC publication No.
753-TA-1 Apparel from Argentina	(1)		(1)	(1)	(1)	(1)
753-TA-2 Carbon Steel Cold-Rolled Flat Products from Argentina	(1)		(1)	(1)	(1)	(1)
753-TA-3 Leather Wearing Apparel from Argentina	(1)		(1)	(1)	(1)	(1)
753-TA-4 Line Pipe from Argentina	(1)		(1)	(1)	(1)	(1)
753-TA-5 Nonrubber Footwear from Argentina	(1)		(1)	(1)	(1)	(1)
753-TA-6 Standard Pipe from Argentina	(1)		(1)	(1)	(1)	(1)
753-TA-7 Textile Mill Products from Argentina	(1)		(1)	(1)	(1)	(1)
753-TA-8 Heavy-Walled Rectangular Tubing from Argentina	(1)		(1)	(1)	(1)	(1)
753-TA-9 Light-Walled Rectangular Tubing from Argentina	(1)		(1)	(1)	(1)	(1)
753-TA-10 Carbon Steel Wire Rod from Malaysia	(1)		(1)	(1)	(1)	(1)
753-TA-11 Ceramic Tile from Mexico	(1)		(1)	(1)	(1)	(1)
753-TA-12 Leather Wearing Apparel from Mexico	(1)		(1)	(1)	(1)	(1)
753-TA-13 Textile Mill Products from Mexico	(1)		(1)	(1)	(1)	(1)
753-TA-14 Brazing Cooper Rod and Wire from New Zealand	(1)		(1)	(1)	(1)	(1)
753-TA-15 Steel Wire from New Zealand	(1)		(1)	(1)	(1)	(1)

**Table 5—Continued**  
**Countervailing duty investigations completed under sec. 753 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	(a) (b) (c)	Institution Hearing Report to Secretary of Commerce	Affirmative	Negative	Not participating	USITC publication No.
753-TA-16 Steel Wire Nails from New Zealand	(1)		(1)	(1)	(1)	(1)
753-TA-17 Carbon Steel Wire Rod from New Zealand	(1)		(1)	(1)	(1)	(1)
753-TA-18 Cotton Sheeting and Sateen from Peru	(1)		(1)	(1)	(1)	(1)
753-TA-19 Cotton Yarn from Peru	(1)		(1)	(1)	(1)	(1)
753-TA-20 Rebar from Peru	(1)		(1)	(1)	(1)	(1)
753-TA-21 Textile Mill Products from Peru	(1)		(1)	(1)	(1)	(1)
753-TA-22 Ferrochrome from South Africa	(1)		(1)	(1)	(1)	(1)
753-TA-23 Textile Mill Products from Sri Lanka	(1)		(1)	(1)	(1)	(1)
753-TA-24 Apparel from Thailand	(1)		(1)	(1)	(1)	(1)
753-TA-25 Butt-Weld Pipe Fittings from Thailand	(1)		(1)	(1)	(1)	(1)
753-TA-26 Malleable Iron Pipe Fittings from Thailand	(1)		(1)	(1)	(1)	(1)
753-TA-27 Pipe and Tube from Thailand	(1)		(1)	(1)	(1)	(1)
753-TA-28 Rice from Thailand	(1)		(1)	(1)	(1)	(1)
753-TA-29 Steel Wire Nails from Thailand	(1)		(1)	(1)	(1)	(1)
753-TA-30 Circular Welded Nonalloy Steel Pipe from Venezuela	(1)		(1)	(1)	(1)	(1)
753-TA-31 Ferrosilicon from Venezuela	(1)		(1)	(1)	(1)	(1)



**Table 5—Continued**  
**Countervailing duty investigations completed under sec. 753 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	(a) (b) (c) Institution Hearing Report to Secretary of Commerce	Affirmative	Negative	Not participating	USITC publication No.
753-TA-32 Carbon Steel Wire Rod from Zimbabwe	(1)	(1)	(1)	(1)	(1)

<sup>1</sup> Section 753 of the Tariff Act of 1930 provides that, in the case of a countervailing duty order with respect to which an affirmative determination of material injury by the Commission was not required at the time the order was issued, interested parties may request the Commission to initiate an investigation to determine whether an industry in the United States is likely to be materially injured by reason of imports of the subject merchandise if the order is revoked. Such requests must be filed with the Commission within six months of the date on which the country from which the subject merchandise originates becomes a signatory to the Agreement on Subsidies and Countervailing Measures. The Commission did not receive requests for the investigations listed in this table and, accordingly, made negative determinations in each; all determinations were unanimous, with all Commissioners participating. The Commission notified the Secretary of Commerce of its determinations in Inv. Nos. 753-TA-1 through 31 on 7-17-95 (60 F.R. 38367) and in Inv. No. 753-TA-32 on 9-18-95 (60 F.R. 49857). No Commission publications were issued.

**Table 6**  
**Countervailing duty investigations completed under sec. 701 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	Preliminary Investigation			Final Investigation			USITC publication No.				
	(a) Request received (b) Conference Report to Secretary of Commerce	Affirmative	Negative/negligibility <sup>1</sup>	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing Report to Secretary of Commerce		Affirmative	Negative	Not participating	USITC publication No.
701-TA-360-361 Certain Carbon Steel Butt-Weld Pipe Fittings from India and Israel	(2)	(2)	(2)	(2)	(2)	(a) 5-31-94 (b) 2-28-95 (c) 4-3-95	(2)	Watson Nuzum Rohr Newquist Crawford Bragg	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	2870
701-TA-362 Certain Seamless Carbon and Alloy Standard Line and Pressure Steel Pipe from Italy	(2)	(2)	(2)	(2)	(2)	(a) 11-28-94 (b) 6-20-95 (c) 7-26-95	Watson Nuzum Rohr Newquist Crawford Bragg	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	2910	
701-TA-363 Oil Country Tubular Goods from Austria	(2)	(2)	(2)	(2)	(2)	(a) 1-23-95 (b) 6-27-95 (c) 8-2-95	Newquist <sup>3</sup> Bragg <sup>3</sup>	Watson Nuzum Rohr Newquist <sup>4</sup> Crawford Bragg <sup>4</sup>	(2)	2911	
701-TA-364 Oil Country Tubular Goods from Italy	(2)	(2)	(2)	(2)	(2)	(a) 12-2-94 (b) 6-27-95 (c) 8-2-95	Rohr <sup>3</sup> Newquist <sup>3</sup> Bragg <sup>3</sup>	Watson Nuzum Rohr <sup>4</sup> Newquist <sup>4</sup> Crawford Bragg <sup>4</sup>	(2)	2911	
701-TA-365-366 Certain Pasta from Italy and Turkey	(a) 5-12-95 (b) 6-2-95 (c) 7-3-95	Watson <sup>5</sup> Nuzum <sup>6</sup> Rohr <sup>5</sup> Newquist <sup>5</sup> Crawford <sup>5</sup> Bragg <sup>5</sup>	Watson <sup>7</sup> Nuzum <sup>7</sup> Rohr <sup>7</sup> Newquist <sup>7</sup> Crawford <sup>7</sup> Bragg <sup>7</sup>	(2)	2905	(2)	(2)	(2)	(2)	2911	

<sup>1</sup> For definition of negligibility, see page 69.  
<sup>2</sup> Not applicable.  
<sup>3</sup> With respect to OCTG other than drill pipe.  
<sup>4</sup> With respect to drill pipe.  
<sup>5</sup> With respect to dry pasta.  
<sup>6</sup> With respect to dry nonegg pasta.  
<sup>7</sup> Made a finding of negligibility with respect to oriental-style noodles.

**Table 7**  
**Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	Preliminary Investigation			Final Investigation			USITC publication No.	
	(a) Request received (b) Conference Report to Secretary of Commerce	Affirmative	Negative/negligibility <sup>1</sup>	(a) Advice received from Commerce Hearing Report to Secretary of Commerce	Affirmative	Negative		Not participating
731-TA-663 Certain Paper Clips from China	(2)	(2)	(2)	(a) 5-16-94 (b) 10-4-94 (c) 11-14-94	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	(2)	2829
731-TA-669 Certain Cased Pencils from China	(2)	(2)	(2)	(a) 6-16-94 (b) 8-25-94 (c) 12-15-94	Watson Nuzum Rohr Newquist Bragg	Crawford	(2)	2837
731-TA-670 Certain Cased Pencils from Thailand	(2)	(2)	(2)	(a) 6-16-94 (b) 8-25-94 (c) 10-13-94	(2)	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	2816
731-TA-671-674 Silicomanganese from Brazil, China, Ukraine, and Venezuela	(2)	(2)	(2)	(a) 6-16-94 (b) 11-3-94 (c) 12-14-94	Watson <sup>3</sup> Nuzum <sup>4</sup> Rohr Newquist Bragg <sup>5</sup>	Watson <sup>6</sup> Nuzum <sup>7</sup> Crawford Bragg <sup>8</sup>	(2)	2836
731-TA-675 Saccharin from China	(2)	(2)	(2)	(a) 6-23-94 (b) 11-10-94 (c) 12-22-94	Rohr Newquist	Watson Nuzum Crawford Bragg	(2)	2842
731-TA-677 Counamin from China	(2)	(2)	(2)	(a) 8-2-94 (b) 12-13-94 (c) 2-1-95	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	(2)	2852

**Table 7—Continued**  
**Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	Preliminary Investigation			Final Investigation			USITC publication No.
	(a) Request received (b) Conference Report to Secretary of Commerce	Affirmative	Negative/negligibility <sup>1</sup>	(a) Advice received from Commerce Hearing Report to Secretary of Commerce	Affirmative	Negative	
731-TA-678-679, 681-682 Stainless Steel Bar from Brazil, India, Japan, and Spain	(2)	(2)	(2)	(a) 8-4-94 (b) 12-15-94 (c) 2-10-95	Nuzum Rohr Newquist Crawford <sup>9</sup> Bragg	Watson Crawford <sup>10</sup>	(2) 2856
731-TA-680 Stainless Steel Bar from Italy (terminated 1-23-95)	(2)	(2)	(2)	(a) 8-4-94	(2)	(2)	(2) (2)
731-TA-683 Fresh Garlic from China	(2)	(2)	(2)	(a) 7-11-94 (b) 9-27-94 (c) 11-7-94	Watson <sup>11</sup> Nuzum <sup>11</sup> Rohr <sup>11</sup> Newquist <sup>11</sup> Crawford <sup>11</sup> Bragg <sup>11</sup>	Watson <sup>12</sup> Nuzum <sup>12</sup> Rohr <sup>12</sup> Newquist <sup>12</sup> Bragg <sup>12</sup>	(2) 2825
731-TA-684-685 Fresh Cut Roses from Colombia and Ecuador	(2)	(2)	(2)	(a) 9-16-94 (b) 1-26-95 (c) 3-13-95	Nuzum Rohr	Watson Newquist Crawford Bragg	(2) 2862
731-TA-688-695 Certain Carbon Steel Butt-Weld Pipe Fittings from France, India, Israel, Malaysia, Korea, Thailand, the United Kingdom, and Venezuela	(2)	(2)	(2)	(a) 10-3-94 (b) 2-28-95 (c) 4-3-95	(2)	Watson Nuzum Rohr Newquist <sup>13</sup> Crawford Bragg	Newquist <sup>14</sup> 2870
731-TA-696-698 Magnesium from China, Russia, and Ukraine	(2)	(2)	(2)	(a) 11-7-94 (b) 3-28-95 (c) 5-5-95	Rohr <sup>15</sup> Newquist <sup>15</sup> Bragg <sup>15</sup>	Watson Nuzum Rohr <sup>16</sup> Newquist <sup>16</sup> Crawford Bragg <sup>16</sup>	(2) 2885

**Table 7—Continued**  
**Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	Preliminary Investigation			Final Investigation			USITC publication No.			
	(a) Request received (b) Conference Report to Secretary of Commerce	Affirmative	Negative/negligibility <sup>1</sup>	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing Report to Secretary of Commerce		Affirmative	Negative	Not participating
731-TA-699 Stainless Steel Angle from Japan	(2)	(2)	(2)	(2)	(2)	(a) 11-10-94 (b) 3-30-95 (c) 5-10-95	(2)	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	2887
731-TA-700 Disposable Lighters from China	(2)	(2)	(2)	(2)	(2)	(a) 12-13-94 (b) 3-21-95 (c) 6-12-95	Rohr Newquist	Watson Nuzum Crawford Bragg	(2)	2896
731-TA-701 Disposable Lighters from Thailand	(2)	(2)	(2)	(2)	(2)	(a) 10-24-94 (b) 3-21-95 (c) 4-21-95	Rohr Newquist	Watson Nuzum Crawford Bragg	(2)	2876
731-TA-702 Ferrovaniadium and Nitride Vanadium from Russia	(2)	(2)	(2)	(2)	(2)	(a) 12-30-94 (b) 5-23-95 (c) 6-30-95	Watson Nuzum Rohr Newquist Bragg	Crawford	(2)	2904
731-TA-703-704 Furfuryl Alcohol from China and South Africa	(2)	(2)	(2)	(2)	(2)	(a) 12-16-94 (b) 5-3-95 (c) 6-14-95	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	(2)	2897
731-TA-705 Furfuryl Alcohol from Thailand	(2)	(2)	(2)	(2)	(2)	(a) 5-5-95 (b) (17) (c) 7-18-95	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	(2)	2909

**Table 7—Continued**  
**Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	Preliminary investigation			Final investigation			USITC publication No.
	(a) Request received (b) Conference Report to Secretary of Commerce	Affirmative	Negative/negligibility <sup>1</sup>	(a) Advice received from Commerce (b) Hearing Report to Secretary of Commerce	Affirmative	Negative	
<b>731-TA-706</b> Canned Pineapple Fruit from Thailand	(2)	(2)	(2)	(2)	(2)	(2)	2907
				(a) 1-9-95 (b) 6-1-95 (c) 7-10-95	Watson Nuzum Rohr Newquist Crawford Bragg		
<b>731-TA-707-709</b> Certain Seamless Carbon and Alloy Standard, Line, and Pressure Steel Pipe from Argentina, Brazil, and Germany	(2)	(2)	(2)	(2)	(2)	(2)	2910
				(a) 1-27-95 (b) 6-20-95 (c) 7-26-95	Watson Nuzum Rohr Newquist Crawford Bragg		
<b>731-TA-710</b> Certain Seamless Carbon and Alloy Standard, Line, and Pressure Steel Pipe from Italy	(2)	(2)	(2)	(2)	(2)	(2)	2910
				(a) 6-14-95 (b) (18) (c) 7-26-95	Watson Nuzum Rohr Newquist Crawford Bragg		
<b>731-TA-711-715</b> Oil Country Tubular Goods from Argentina, Austria, Italy, Japan, and Korea	(2)	(2)	(2)	(2)	(2)	(2)	2911
				(a) 2-2-95 (b) 6-27-95 (c) 8-2-95	Watson <sup>19</sup> Nuzum <sup>20</sup> Rohr <sup>21</sup> Newquist <sup>22</sup> Crawford <sup>23</sup> Bragg <sup>24</sup>	Watson <sup>25</sup> Nuzum <sup>26</sup> Rohr <sup>27</sup> Newquist <sup>28</sup> Crawford <sup>29</sup> Bragg <sup>28</sup>	
<b>731-TA-716-717</b> Oil Country Tubular Goods from Mexico and Spain	(2)	(2)	(2)	(2)	(2)	(2)	2911
				(a) 6-20-95 (b) 6-27-95 (c) 8-2-95	Watson <sup>19</sup> Nuzum <sup>20</sup> Rohr <sup>21</sup> Newquist <sup>22</sup> Crawford <sup>23</sup> Bragg <sup>24</sup>	Watson <sup>25</sup> Nuzum <sup>26</sup> Rohr <sup>27</sup> Newquist <sup>28</sup> Crawford <sup>29</sup> Bragg <sup>28</sup>	
<b>731-TA-718</b> Glycine from China	(2)	(2)	(2)	(2)	(2)	(2)	2863
				(a) 11-15-94 (b) 2-9-95 (c) 3-14-95	Watson Nuzum Rohr Newquist Crawford Bragg		

**Table 7—Continued**  
**Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	Preliminary Investigation			Final Investigation					
	(a) Request received (b) Conference Report to Secretary of Commerce	Affirmative	Negative/negligibility <sup>1</sup>	(a) Advice received from Commerce	(b) Hearing Report to Secretary of Commerce	Affirmative	Negative	Not participating	USITC publication No.
731-TA-719 Carbon Steel Pipe Nipples from Mexico	(a) 8-31-94 (b) 9-21-94 (c) 10-17-94	Newquist	Watson Nuzum Rohr Crawford Bragg	(2)	2819	(2)	(2)	(2)	(2)
731-TA-720 Wheel Inserts from China (withdrawn 10-5-94)	(a) 9-15-94	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
731-TA-721 Wheel Inserts from Taiwan	(a) 9-15-94 (b) 10-6-94 (c) 10-31-94	Newquist	Watson Nuzum Rohr Crawford Bragg	(2)	2824	(2)	(2)	(2)	(2)
731-TA-722 Honey from China	(a) 10-3-94 (b) 10-24-94 (c) 11-17-94	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	(2)	2832	(2)	(2)	(2)	(2)
731-TA-723 Certain Drawer Slides from China	(a) 10-31-94 (b) 11-22-94 (c) 12-15-94	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	(2)	2840	(2)	(2)	(2)	(2)
731-TA-724 Manganese Metal from China	(a) 11-8-94 (b) 11-29-94 (c) 12-23-94	Watson Nuzum Rohr Newquist Bragg	Crawford	(2)	2844	(2)	(2)	(2)	(2)
731-TA-725 Manganese Sulfate from China	(a) 11-30-94 (b) 12-21-94 (c) 1-17-95	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	(2)	2848	(2)	(2)	(2)	(2)

**Table 7—Continued**  
**Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1995**

Investigation No. and title	Preliminary investigation			Final investigation						
	(a) Request received (b) Conference Report to Secretary of Commerce	Affirmative	Negative/negligibility <sup>1</sup>	Not participating	USITC publication No.	(a) Advice received from Commerce (b) Hearing Report to Secretary of Commerce	Affirmative	Negative	Not participating	USITC publication No.
731-TA-726-729 Polyvinyl Alcohol from China, Japan, Korea, and Taiwan	(a) 3-9-95	Watson <sup>30</sup>	Watson <sup>31</sup>	( <sup>2</sup> )	2883	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
	(b) 3-30-95	Nuzum <sup>30</sup>	Nuzum <sup>31</sup>							
	(c) 5-1-95	Rohr <sup>30</sup> Newquist <sup>30</sup> Crawford <sup>30</sup> Bragg <sup>30</sup>	Rohr <sup>31</sup> Newquist <sup>32</sup> Crawford <sup>32</sup> Bragg <sup>32</sup>							
731-TA-730 Certain Lighthwalled Rectangular Pipe and Tube from Mexico	(a) 3-31-95	( <sup>2</sup> )	Watson	( <sup>2</sup> )	2892	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
	(b) 4-21-95	Nuzum	Nuzum							
	(c) 5-22-95	Rohr Newquist Crawford	Rohr Newquist Crawford Bragg							
731-TA-731 Bicycles from China	(a) 4-5-95	Watson	( <sup>2</sup> )	( <sup>2</sup> )	2893	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
	(b) 4-26-95	Nuzum								
	(c) 5-30-95	Rohr Newquist Crawford								
731-TA-732-733 Circular Welded Non-Alloy Steel Pipe from Romania and South Africa	(a) 4-26-95	Nuzum	Watson	( <sup>2</sup> )	2899	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
	(b) 5-17-95	Rohr	Crawford							
	(c) 6-19-95	Newquist Bragg								
731-TA-734-735 Certain Pasta from Italy and Turkey	(a) 5-12-95	Watson <sup>33</sup>	Watson <sup>35</sup>	( <sup>2</sup> )	2905	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
	(b) 6-2-95	Nuzum <sup>34</sup>	Nuzum <sup>35</sup>							
	(c) 7-3-95	Rohr <sup>33</sup> Newquist <sup>33</sup> Crawford <sup>33</sup> Bragg <sup>34</sup>	Rohr <sup>35</sup> Newquist <sup>35</sup> Crawford <sup>35</sup> Bragg <sup>35</sup>							



**Table 7—Continued**  
**Antidumping duty investigations completed under sec. 731 of the Tariff Act of 1930, fiscal year 1995**

Preliminary Investigation			Final Investigation							
Investigation No. and title	(a) Request received (b) Conference Report to Secretary of Commerce	Affirmative	Negative/negligibility <sup>1</sup>	Not participating	USITC publication No.	(a) Advice received from Commerce Hearing Report to Secretary of Commerce	Affirmative	Negative	Not participating	USITC publication No.
731-TA-736-737 Large Newspaper Printing Presses and Components Thereof, Whether Assembled or Unassembled, from Germany and Japan	(a) 6-30-95 (b) 7-21-95 (c) 8-21-95	Watson Nuzum Rohr Newquist Crawford Bragg	(2)	(2)	2916	(b) (c) Hearing Report to Secretary of Commerce	(2)	(2)	(2)	(2)
<p><sup>1</sup> For definition of negligibility, see page 69.  <sup>2</sup> Not applicable.  <sup>3</sup> With respect to imports from Brazil and China.  <sup>4</sup> With respect to imports from China and Ukraine.  <sup>5</sup> With respect to imports from China.  <sup>6</sup> With respect to imports from Ukraine and Venezuela.  <sup>7</sup> With respect to imports from Brazil and Venezuela.  <sup>8</sup> With respect to imports from Brazil, Ukraine, and Venezuela.  <sup>9</sup> With respect to imports of cold-finished products from Brazil, Japan, and Spain.  <sup>10</sup> With respect to imports of hot-formed products from all subject countries and cold-finished products from India.  <sup>11</sup> With respect to imports of fresh garlic.  <sup>12</sup> With respect to imports of garlic for dehydration and seed garlic.  <sup>13</sup> With respect to imports from India, Israel, Malaysia, Korea, Thailand, the United Kingdom, and Venezuela.  <sup>14</sup> Commissioner Newquist did not participate in the hearing on imports from France in order to avoid a conflict of interest or appearance of a conflict of interest.  <sup>15</sup> With respect to imports of pure magnesium.  <sup>16</sup> With respect to imports of alloy magnesium.  <sup>17</sup> Parties were given the opportunity to participate in the hearing held in connection with Inv. Nos. 731-TA-703 and 704.  <sup>18</sup> Parties were given the opportunity to participate in the hearing held in connection with Inv. Nos. 731-TA-707, 708, and 709.  <sup>19</sup> With respect to imports of drill pipe from Argentina, Japan, and Mexico.  <sup>20</sup> With respect to imports from Argentina, Japan, and Mexico and imports of OCTG other than drill pipe from Korea.  <sup>21</sup> With respect to imports from Argentina, Japan, and Mexico and imports of OCTG other than drill pipe from Italy and Korea.  <sup>22</sup> With respect to imports from Argentina, Japan, and Mexico and imports of OCTG other than drill pipe from Austria, Italy, Korea, and Spain.  <sup>23</sup> With respect to imports from Japan and imports of drill pipe from Argentina and Mexico.  <sup>24</sup> With respect to imports from Argentina and Japan, imports of OCTG other than drill pipe from Austria, Italy, Korea, and Spain, and imports of drill pipe from Mexico.  <sup>25</sup> With respect to imports from Austria, Italy, Korea, and Spain and imports of OCTG other than drill pipe from Argentina, Japan, and Mexico.  <sup>26</sup> With respect to imports from Austria, Italy, and Spain and imports of drill pipe from Korea.  <sup>27</sup> With respect to imports from Austria and Spain and imports of drill pipe from Italy and Korea.  <sup>28</sup> With respect to imports of drill pipe from Austria, Italy, Korea, and Spain.  <sup>29</sup> With respect to imports from Austria, Italy, Korea, and Spain and imports of OCTG other than drill pipe from Argentina and Mexico.  <sup>30</sup> With respect to imports from China, Japan, and Taiwan.  <sup>31</sup> Made a finding of negligibility with respect to imports from Korea.  <sup>32</sup> With respect to imports from Korea.  <sup>33</sup> With respect to imports of dry pasta.  <sup>34</sup> With respect to imports of dry nonneg pasta.  <sup>35</sup> Made a finding of negligibility with respect to imports of oriental-style noodles.</p>										

**Table 8**  
**Antidumping and countervailing duty investigations pending on Sept. 30, 1995**

Investigation No. and title	Effective date
731-TA-738 (preliminary) Foam Extruded PVC and Polystyrene Framing Stock from the United Kingdom	9-8-95
731-TA-374 (final) Potassium Chloride from Canada (suspended)	8-25-87
731-TA-519 (final) Gray Portland Cement and Cement Clinker from Venezuela (suspended)	11-4-91
731-TA-539 (A-C and F) (final) Uranium from Kazakhstan, Kyrgystan, Russia, and Uzbekistan (suspended)	10-21-92
731-TA-661-662 (final) Color Negative Photographic Paper and Certain Chemical Components from Japan and the Netherlands (suspended)	8-19-94
731-TA-722 (final) Honey from China (suspended)	8-2-95
731-TA-723 (final) Certain Drawer Slides from China	6-5-95
731-TA-724 (final) Manganese Metal from China	6-13-95
731-TA-725 (final) Manganese Sulfate from China	5-11-95
303-TA-21 (final) Gray Portland Cement and Cement Clinker from Venezuela (suspended)	3-18-94

**Table 9**  
**Investigations under sec. 22 of the Agricultural Adjustment Act pending on Sept. 30, 1995**

Investigation No. and title	Request received	Date Investigation instituted	Public hearing	Findings and recommendations	Date report was—		USITC publication No.
					Submitted to President	Released (public version)	
22-55 <i>Peanut Butter and Peanut Paste</i> (suspended 6-28-94)	11-17-93	1-18-94	(1)	(1)	(1)	(1)	(1)

<sup>1</sup> Not applicable.

**Table 10**  
**"Escape clause" investigations completed under sec. 201 of the Trade Act of 1974, fiscal year 1995**

Investigation No.	Article concerned	Petitioner or requester	Petition or request filed	Public hearing	Finding of Commission	Affirmative	Negative	Not participating	To the President	USITC publication No.
TA-201-64 (Provisional Relief) <sup>1</sup>	Fresh Winter Tomatoes	Florida Tomato Exchange	3-29-95	7-6-95	Negative	( <sup>2</sup> )	Watson Rohr Newquist Crawford Bragg	Nuzum <sup>3</sup>	7-27-95	2881

<sup>1</sup> The Commission's investigation on Fresh Winter Tomatoes ended with the provisional relief phase of the investigation. The petitioners withdrew the petition on 5-4-95, thus terminating the investigation.  
<sup>2</sup> Not applicable.  
<sup>3</sup> Vice Chairman Nuzum recused herself from Inv. No. TA-201-64 in order to avoid any dispute over the appearance of partiality.

**Table 11**  
**Review Investigations under sec. 751 of the Tariff Act of 1930 pending on Sept. 30, 1995**

<b>Investigation No. and title</b>	<b>Origin</b>
751-TA-15 <i>Stainless Steel Plate from Sweden</i> (suspended 8-16-93)	Instituted by the Commission on its own motion 6-30-93



# APPENDIX B

## REPORTS COMPLETED DURING FISCAL YEAR 1995

### AND PENDING ON SEPTEMBER 30, 1995

#### Section 332 Studies Completed During FY 1995

See also the Highlights section of this report for details on some of the more significant analytical section 332 studies completed during the year.

#### *President's List of Articles Which May Be Designated or Modified as Eligible Articles For Purposes of the U.S. Generalized System of Preferences (332-356)*

On August 16, 1994, the USTR requested that the ITC investigate whether any industry in the United States is likely to be adversely affected by a waiver of certain competitive needs limits with respect to certain articles from Thailand. In 1989, Thailand lost some benefits under the Generalized System of Preferences (GSP) after the President determined that Thailand does not provide adequate and effective intellectual property rights (IPR) protection. On August 12, 1994, the Trade Policy Staff Committee initiated a review process to consider whether any of the benefits lost by Thailand in 1989 should be restored because of Thai progress on IPR protection. In order to restore

certain of the lost GSP benefits to Thailand, the President would have to grant Thailand a waiver of the so-called competitive needs limits under the Trade Act of 1974. The President is required to obtain economic advice from the ITC prior to granting a waiver of competitive needs limits. The ITC report containing confidential information was submitted to the USTR in November 1994.

#### *Chemicals and Chemical Products: Probable Effect of Certain Modifications to North American Free Trade Agreement Rules of Origin Pertaining to Such Products (332-363)*

On May 5, 1995, the USTR requested that the ITC investigate the probable effect of proposed revised rules of origin covering goods described in Chapters 28 through 38 of the Harmonized Tariff Schedule of the United States. The NAFTA Implementation Act authorizes modifications to the rules of origin under the NAFTA which are agreed to by the NAFTA countries. The President is required by law to seek the ITC's advice concerning the probable effect of such modifications. In making the request, the

USTR noted that the governments of the United States, Canada, and Mexico have discussed the modifications to be made to the rules of origin for certain products of the chemical industry. The ITC report containing confidential information was submitted to the USTR in September 1995.

#### *Certain Miscellaneous Products: Probable Effect of Certain Modifications to the North American Free Trade Agreement Rules of Origin (332-364)*

On July 17, 1995, the USTR requested that the ITC investigate the probable effect of specified proposed modifications to the rules of origin for applications of the tariff provisions of the NAFTA to trade in goods. Section 202(q) of the NAFTA Implementation Act authorizes the President, subject to the consultation and layover requirements of section 103 of the Act, to proclaim such modifications to the rules as may from time to time be agreed to by the NAFTA countries. Section 103 requires the President to obtain advice regarding any proposed modifications in the rules contained in annex 401 of the Act from the ITC. On August 31, 1995, the USTR requested

similar advice on a second set of specified proposed modifications. The ITC report containing confidential information was submitted to the USTR in September 1995.

#### *Rum: Annual Report on Selected Economic Indicators (332-175)*

On January 13, 1984, the Senate Committee on Finance requested that the ITC gather and compile data on the rum industry from public sources and report such data to the Committee on an annual basis. On June 20, 1995, the ITC received a letter from the Committee requesting that the investigation be terminated. The ITC terminated the investigation on June 29, 1995.

#### *Steel Semiannual Monitoring Report (332-327)*

On June 11, 1992, the House Committee on Ways and Means requested that the ITC issue six semiannual reports on steel trade and steel industry issues. The reports in this series, based on surveys of steel producers and processors, examined conditions in the U.S. steel industry, including developments in steel capacity, production, capital expenditures, environmental expenditures,

spending on research and development, employment, and financial performance. The reports provided detailed breakdowns on U.S. shipments and U.S. trade for 20 major groups of steel mill products and certain fabricated steel products, and information on other recent developments in the U.S. steel industry. During FY 1995, the ITC concluded the series, publishing the fifth and sixth semiannual reports in November 1994 and June 1995.

### **Recurring Industry Surveys Under Section 332**

*Synthetic Organic Chemicals, United States Production and Sales, 1993 (332-135)*

The ITC reports annually on U.S. production and sales of synthetic organic chemicals. These chemicals are the raw material for many consumer and industrial products. The annual investigation, requested by the House Committee on Ways and Means, results in one of the few publicly available sources of such comprehensive information and is widely used by industry. The report covers about 6,000 individual chemicals and chemical products and presents statistics in as great detail as possible without revealing the operations of individual producers. The report is prepared from data supplied by about 600 primary manufacturers and includes a list of manufacturers of each item for which production and/or sales were reported.

The report presents data aggregated in the format of the Harmonized Tariff Schedule of the United States on an 8-digit basis. The ITC published its 77th report in this series containing data from 1993 in January 1995. The ITC also publishes quarterly reports on domestic production of an abbreviated list of synthetic organic chemicals, also prepared from data supplied by primary manufacturers. The ITC published four such reports in FY 1995, in November 1994, February 1995, May 1995, and August 1995.

*Nonrubber Footwear Quarterly Statistical Report (332-191)*

On August 10, 1984, the Senate Committee on Finance requested that the ITC investigate and publish quarterly reports on nonrubber footwear. The quarterly reports include data on production and/or shipments, imports, exports, apparent consumption, market share, employment, and unemployment. The Committee also requested annual information on plant closings in the nonrubber footwear industry. During FY 1995, the ITC published quarterly reports in December 1994, March 1995, June 1995, and September 1995.

*The U.S. Automobile Industry Monthly Report on Selected Economic Indicators (332-207)*

In December 1980, the House Committee on Ways and Means

requested that the ITC provide it with monthly data on U.S. automobile imports, sales, production, and prices. The resulting ITC investigation was begun in 1981. The Committee renewed its request four times between 1981 and 1985, with the most recent request in 1985 having no fixed date for termination. The ITC report uses trade data compiled from official statistics of the U.S. Department of Commerce. Sales, production, and certain price data are derived from *Automotive News*, an auto industry publication. The U.S. Department of Labor provides employment and consumer and producer price data, while quarterly financial results for U.S.-owned automakers are from various public sources. During FY 1995, the ITC published 12 monthly reports, dated October 1994 through September 1995.

*Impact of the Caribbean Basin Economic Recovery Act on U.S. Industries and Consumers, Tenth Report (332-227)*

Section 215 of the Caribbean Basin Economic Recovery Act (CBERA) requires the ITC to annually report on the operation of the program. The CBERA, which became effective January 1, 1984, affords preferential tariff treatment to most products of 24 designated Caribbean, Central American, and South American countries. The ITC annual report assessed the actual and probable effects of CBERA

on the U.S. economy generally, on U.S. industries producing products like or directly competitive with those imported from beneficiary countries, and on U.S. consumers.

The ITC report, submitted in September 1995, found that the overall effect of CBERA imports on the U.S. economy and consumers continued to be negligible in 1994, although a few U.S. industries were measurably affected; that CBERA tariff reductions produced net welfare gains for consumers, with gains from lower prices more than offsetting lost tariff revenue; and that the data available suggest that CBERA tariff preferences continue to act as an incentive for direct investment flows to the region.

*Production Sharing: Use of U.S. Components and Materials in Foreign Assembly Operations, 1990-1993 (332-237)*

On September 4, 1986, the Commission instituted on its own motion an annual investigation that assesses by industry sector the products and countries which make use of the production sharing provisions of the HTS. These provisions provide reduced tariff treatment for eligible goods that are processed in foreign locations but contain components which are U.S.-made. HTS subheading 9802.00.60 involves tariff treatment for metal of U.S. origin processed in a foreign location and returned to the United States for further processing;



subheading 9802.00.80 involves tariff treatment for imported goods that contain U.S.-made components. The ITC annual report containing data for the years 1990-93, published in June 1995, found that U.S. imports from Mexico and Caribbean Basin countries under the production sharing provisions of the HTS showed a marked increase in 1993. The report also compared production sharing in the Caribbean with assembly operations in Mexico and in selected East Asian countries.

*Ethyl Alcohol for Fuel Use: Determination of the Base Quantity of Imports (332-288)*

Section VII of the 1989 Steel Trade Liberalization Program Implementation Act requires the ITC to determine annually the U.S. domestic market for fuel ethyl alcohol during the 12-month period ending on the preceding September 30. Section VII of the Act concerns local feedstock requirements for fuel ethyl alcohol imported by the United States from Caribbean Basin Initiative (CBI) beneficiary countries. The ITC's domestic market estimate is used to establish the "base quantity" of imports that can be imported with a zero percent local feedstock requirement. Beyond the base quantity of imports, progressively higher local feedstock requirements are placed on imports of fuel ethyl alcohol and mixtures from the CBI beneficiary countries. The ITC uses official statistics of the U.S. Department of

Energy to make its determinations. For the 12-month period ending September 30, 1994, the ITC determined that the base quantity for 1995 was 80.8 million gallons. The ITC announced this determination in December 1994.

*U.S. Imports of Textiles and Apparel Under the Multifiber Arrangement, Annual Report for 1994 (332-343)*

On June 15, 1993, the Commission instituted on its own motion an investigation on U.S. imports of textiles and apparel under the Multifiber Arrangement. The annual reports in this investigation provide statistics on U.S. textile and apparel imports for the most recent year and at least three preceding years, broken down by fibers, broad product groups, regional country groups, and individual countries. Data are presented for each of the top 35 supplying countries in terms of the nearly 150 product categories used to administer the U.S. textile and apparel trade agreements program. The ITC has published similar data on an annual basis since 1981; the annual report containing 1994 data was published in May 1995.

*Monitoring of U.S. Imports of Tomatoes (332-350) and Monitoring of U.S. Imports of Peppers (332-351)*

Section 316 of the NAFTA Implementation Act requires the ITC to monitor U.S. imports of "fresh or

chilled tomatoes" and "fresh or chilled peppers, other than chili peppers" until January 1, 2009. The ITC reports were submitted in July 1995 to the House Committee on Ways and Means; the Senate Committee on Finance; the Senate Committee on Agriculture, Nutrition and Forestry; the House Committee on Agriculture; and the USTR. Each contained statistical information for the respective industry gathered by the ITC in the course of its monitoring. The reports include current conditions in the U.S. industry in such areas as production, imports, exports, and prices.

*Andean Trade Preference Act: Effect on the U.S. Economy and on Andean Drug Crop Eradication (332-352)*

Section 206 of the Andean Trade Preference Act (ATPA) requires the ITC to submit annual reports to the Congress and the President on the economic impact of the ATPA on U.S. industries and consumers. The ITC second annual report, submitted in September 1995, also discussed the ATPA's effectiveness in promoting drug-related crop eradication and crop substitution in the four Andean beneficiary countries — Bolivia, Colombia, Ecuador, and Peru. The ITC found that the overall effect of ATPA imports on the U.S. economy and consumers continued to be small in 1994, although a few industries were measurably affected. As a group, the four ATPA coun-

tries supplied less than 1 percent of total U.S. imports in 1994. The ITC found that ATPA tariff reductions produced net welfare gains for U.S. consumers, as the gains from lower prices more than offset lost tariff revenue.

*U.S. Schedule of Services Commitments (332-354)*

On April 18, 1994, the USTR requested that the ITC initiate an ongoing program to compile and maintain the United States Schedule of Services Commitments. The establishment of such a schedule was required by the General Agreement on Trade in Services (GATS), which was negotiated as part of the GATT Uruguay Round of multilateral trade negotiations. The GATS provides for the establishment of national schedules of commitments by countries setting forth their national commitments pertaining to specific service sectors. These schedules bind countries to maintain a minimum level of market access and bind them to a national treatment obligation. The GATS also provides for a broad most-favored-nation (MFN) obligation, unless nations provide a list of exceptions for MFN treatment. The schedules and MFN exceptions will provide the basis for efforts to further liberalize international trade in services. The USTR requested that the ITC compile an initial U.S. Schedule reflecting the final services commitments made in the Uruguay Round and work with the USTR to update the U.S. Schedule, as necessary, to reflect all future commit-

ments resulting from the post-Uruguay Round negotiations on financial, telecommunications, and maritime services, and future bilateral and multilateral services negotiations undertaken by the USTR. The ITC compiled an initial U.S. Schedule and submitted it to the USTR in October 1994.

### **Section 332 Studies in Progress at the End of FY 1995**

#### *The Economic Effects of Significant U.S. Import Restraints: First Biannual Report (332-325)*

On May 15, 1992, the USTR requested that the ITC prepare biannual update reports on the economic effects of significant U.S. import restraints on U.S. consumers, the activities of U.S. firms, the income and employment of U.S. workers, and the net economic welfare of the United States. The update reports will continue the broad analytical frameworks used in the original reports, namely partial equilibrium frameworks for the analysis of liberalization in individual sectors and a general equilibrium framework for assessment of the economywide effects of the simultaneous liberalization of all sectors covered. The reports will consider the effects of all significant restraints on U.S. imports of goods and services whether they result from an act of Congress, an action taken under the fair trade laws of the United States (such as section 201 investigations), an

international agreement, or voluntary export restraints by foreign nations. The reports will not include import restraints resulting from final anti-dumping or countervailing duty investigations, section 337 or 406 investigations, or section 301 actions. The first ITC report was submitted to the USTR on November 15, 1993. Scheduled completion: November 15, 1995.

#### *General Agreement on Trade in Services: Examination of Major Trading Partners' Schedules of Commitments (332-358)*

On January 4, 1994, the USTR requested that the ITC examine the content of foreign schedules of commitments under the General Agreement on Trade in Services, explaining the commitments in non-technical language, and identify the potential benefits (e.g., improved market access, national treatment, MFN treatment, greater regulatory transparency, etc.) and limitations of foreign commitments agreed upon in April 1994. The ITC, in its examination of foreign schedules, will focus on sector-specific commitments pertaining to the following service sectors of the European Union, Japan, Canada, and Mexico: distribution services (defined as wholesaling, retailing, and franchising services); education services; communications services (e.g., enhanced telecommunications services, courier services, and audiovisual services); health care

services; professional services (e.g., accounting, engineering, construction, architectural, and advertising services, and lawyers); transportation services (defined as rail and trucking services); and travel and tourism. Scheduled completion: December 15, 1995.

#### *International Harmonization of Customs Rules of Origin (332-360)*

On January 31, 1995, the USTR requested that the ITC investigate the international harmonization of customs rules of origin. The investigation will provide the basis for ITC participation in work related to the Uruguay Round Agreement on Rules of Origin, negotiated in the GATT Uruguay Round negotiations and adopted along with the Agreement Establishing the World Trade Organization.

The ITC investigation will include soliciting public input to ensure that U.S. business interests are recognized in the development of U.S. proposals, participating in the development and representation of U.S. proposals before the World Customs Organization and the WTO, and conducting other research as required. Scheduled completion: At the conclusion of its analysis, the ITC will prepare a final report to the President and the Congress.

#### *Global Competitiveness of U.S. Environmental Technology*

#### *Industries: Air Pollution Prevention and Control (332-361)*

On October 14, 1993, the Senate Committee on Finance requested that the ITC undertake a two-part investigation on the global competitiveness of U.S. environmental technology industries. The first of two competitiveness studies (Inv. No. 332-347, published in March 1995; see page 16) dealt with goods and services for municipal and industrial water supply and for municipal and industrial wastewater treatment and disposal. The second study will deal with air pollution prevention and control industries. The Committee requested that the ITC examine factors relevant to the global competitiveness of the environmental technology industry including government policies such as export promotion and market development, environmental regulation, technology transfer, technical development assistance, economic development or other financial assistance, and intellectual property protection. Scheduled completion: April 19, 1996.

#### *U.S.-Africa Trade Flows and Effects of the Uruguay Round Agreements and U.S. Trade and Development Policy (332-362)*

On March 31, 1995, the USTR requested that the ITC investigate the effects of U.S. trade and development policy and the Uruguay Round on U.S.-Africa trade flows. The investigation will include five annual reports to

the President under the Africa Policy Section of the Statements of Administrative Action that Congress approved with the Uruguay Round Agreements Act. As requested, the ITC will limit its study to countries in Sub-Saharan Africa. It will provide basic information on all countries in the investigation; in addition, the report will include more detailed trade data, assessment impacts, and country-specific information separately for Cote d'Ivoire, Gabon, Ghana, Uganda, and the member countries of the Southern African Development Community — Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia, Zimbabwe, and South Africa. The ITC study will provide a profile of the structure of U.S.-Africa trade flows over the 1990-1994 period in major sectors; a summary of U.S. government trade and development programs in Africa during 1990-1994; a summary of the literature and private sector views relevant to assessing the impact of the Uruguay Round Agreements on developing countries and Africa in particular; and an assessment of the effects of the Uruguay Round Agreements, and of U.S. trade and development policy for Africa, on such trade flows. Scheduled completion: November 15, 1995.

### **Other Publications Issued During FY 1995**

*Trade Between the United States and China, the Successor States to the Former Soviet Union, and Other Title IV Countries*

Title IV, section 410 of the Trade Act of 1974, requires the ITC to monitor imports into the United States from nonmarket economy countries and report at least once each calendar quarter on the effects of such imports on the production of like or directly competitive articles in the United States and on employment within the industry. The ITC issued four such reports during FY 1995, in October 1994, January 1995, April 1995, and July 1995.

### *Industry and Trade Summary Reports*

The ITC periodically issues a series of detailed reports on thousands of products imported into and exported from the United States. These reports include information on product uses, U.S. and foreign producers, and customs treatment of the products being studied; they also analyze the basic factors bearing on the competitiveness of the U.S. industry in domestic and foreign markets. Twenty-seven such summaries were published in FY 1995.



# APPENDIX C

## STATUTES INVOLVING

### THE U.S. INTERNATIONAL TRADE COMMISSION

#### Key Statutes

#### Section 201, Trade Act of 1974 (Escape Clause Investigations), Import Relief for Domestic Industries

Under section 201, domestic industries seriously injured or threatened with serious injury by increased imports may petition the ITC for import relief. The ITC determines whether an article is being imported in such increased quantities that it is a substantial cause of serious injury, or threat thereof, to the U.S. industry producing an article like or directly competitive with the imported article. If the Commission makes an affirmative determination, it recommends to the President relief that would remedy the injury and facilitate industry adjustment to import competition. The President makes the final decision whether to provide relief and the amount of relief.

Section 201 does not require a finding of an unfair trade practice, as do the antidumping and countervailing duty laws and section 337 of the Tariff Act of 1930. However, the injury test

under section 201 is considered to be more difficult than those of the unfair trade statutes. Section 201 requires that the injury or threatened injury be "serious" and that the increased imports must be a "substantial cause" (not less than any other cause) of the serious injury or threat of serious injury.

Criteria for import relief under section 201 are based on those in article XIX of the GATT. 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 particular product when increased imports of that product are causing or are threatening to cause serious injury to domestic producers. Section 201 provides the legal framework under U.S. law for the President to invoke U.S. rights under article XIX.

**When:** The ITC conducts an investigation under section 201 upon receipt of a petition from a trade association, firm, certified or recognized union, or group of workers which is representative of a domestic industry; upon receipt of a request from the

President or the USTR; upon receipt of a resolution of the House Committee on Ways and Means or Senate Committee on Finance; or upon its own motion.

**Duration:** The ITC generally must make its injury finding within 120 days (150 days in more complicated cases) of receipt of the petition, request, resolution, or institution on its own motion and must transmit its report to the President, together with any relief recommendations, within 180 days after receipt of the petition, request, resolution, or institution on its own motion.

**Finding:** If the ITC finding is affirmative, it must recommend a remedy to the President, who determines what relief, if any, will be imposed. Such relief may be in the form of a tariff increase, quantitative restrictions, or orderly marketing agreements.

**Followup:** If import relief is provided, the ITC periodically reports on developments within the industry during the period of relief. Upon request, the ITC advises the President

of the probable economic effect on the industry of the reduction, modification, or termination of the relief in effect. At the conclusion of any relief period, the ITC is required to report to the President and Congress on the effectiveness of the relief action in facilitating the positive adjustment of the domestic industry to import competition. (For further information, see section 201 of the Trade Act of 1974, 19 U.S.C. 2251.)

#### Section 337, Tariff Act of 1930, Investigations of Unfair Practices in Import Trade

Under section 337, the ITC determines whether, as defined by U.S. statutory and common law, there is unfair competition in the importation of products into, or their sale in, the United States. Section 337 declares unlawful unfair methods of competition and unfair acts in the import and sale of products in the United States, the threat or effect of which is to destroy or substantially injure a domestic industry, prevent the establishment of such an industry, or monopolize trade and commerce in the United States. Section 337 also

declares as unlawful *per se* infringement of a valid and enforceable U.S. patent, copyright, registered trademark, or mask work; no resulting injury need be found.

Section 337 investigations require formal evidentiary hearings in accordance with the Administrative Procedure Act (5 U.S.C. 551 et seq.). The hearings are held before an administrative law judge. Parties to these investigations include complainants, respondents, and the ITC attorney representing the public interest. Following a hearing, the ALJ issues an initial determination on all issues related to violations of section 337. The Commission may review and may modify the ALJ decision. If the Commission does not review the initial determination, it becomes the Commission's decision. In addition to the long-term relief requested, complainants also may request temporary relief pending final resolution of the case.

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

**Duration:** For investigations based on complaints filed prior to January 1, 1995, the ITC must make its determination not later than one year

(18 months in a more complicated case) from the date of publication in the *Federal Register* of notice of the investigation. For investigations based on complaints filed after January 1, 1995, the ITC is required to conclude its investigation at the earliest practicable time, and must, within 45 days after an investigation is instituted, establish a target date for issuing its final determination.

**Finding:** In general, if the ITC finds that the importation of such articles substantially injures or threatens to substantially injure an industry, prevents the establishment of such an industry, or restrains or monopolizes trade and commerce in the United States, it may issue orders excluding the products from entry, directing the violating parties to cease and desist from certain actions, or both. However, if the imports infringe a U.S. patent, copyright, registered trademark, or mask work, the ITC may issue an exclusion and/or cease and desist order without finding injury. ITC orders are effective when issued and become final 60 days after issuance unless disproved for policy reasons by the President of the United States within that 60-day period. Appeals of ITC determinations may be taken to the U.S. Court of Appeals for the Federal Circuit. Violators of ITC section 337 orders are liable for civil penalties of up to \$100,000 a day or twice the value

of the imported articles. (For further information, see section 357 of the Tariff Act of 1930, 19 U.S.C. 1337.)

### Countervailing Duty and Antidumping Duty Laws Under the Tariff Act of 1930

Under the Tariff Act of 1930, U.S. industries may petition the government for relief from imports that are sold in the United States at less than fair value ("dumped") or which benefit from subsidies provided through foreign government programs. Under the law, the U.S. Department of Commerce determines whether the dumping or subsidizing exists and, if so, the margin of dumping or amount of the subsidy; the ITC determines whether the dumped or subsidized imports materially injure or threaten to materially injure the U.S. industry.

Countervailing duty and antidumping investigations are conducted under title VII of the law. The ITC conducts preliminary and final injury investigations. (For ease of reference, preliminary and final ITC countervailing duty investigations are referred to as "701" investigations, and preliminary and final ITC antidumping investigations are referred to as "731" investigations, after the respective initial sections in the Tariff Act of 1930 for the countervailing duty and antidumping laws.)

### Preliminary Countervailing Duty Investigations (Subsidized Imports) and Preliminary Antidumping Investigations (Imports Sold at Less Than Fair Value)

**When:** After the simultaneous filing of a petition with the ITC and the U.S. Department of Commerce, the ITC conducts a preliminary injury investigation.

**Duration:** The investigation usually must be completed within 45 days of the receipt of the petition. If Commerce has extended its deadline for initiating the investigation, the ITC must make its preliminary injury determination within 25 days after Commerce informs the ITC of the initiation of the investigation.

**Finding:** The ITC determines, on the basis of the best information available to it at the time of the determination, (1) whether there is a "reasonable indication" that an industry is materially injured or is threatened with material injury, or (2) whether the establishment of an industry is materially retarded, by reason of imports under investigation by the Department of Commerce that are allegedly subsidized or sold at less than fair value in the United States.

If the ITC determination is affirmative, Commerce continues its investigation. If the ITC determination

is negative, the investigation is terminated.

*Final Countervailing Duty Investigations (Subsidized Imports) and Final Antidumping Investigations (Imports Sold at Less Than Fair Value)*

**When:** After a preliminary affirmative determination by the Secretary of Commerce (or after a final affirmative determination if the preliminary determination was negative) that imported products are subsidized or are being, or are likely to be, sold at less than fair value, the ITC conducts a final injury investigation.

**Duration:** The ITC final injury investigation usually must be completed within 120 days after an affirmative preliminary determination by the Secretary of Commerce or within 45 days after an affirmative final determination by the Secretary of Commerce, whichever is later. However, in cases in which the Commerce preliminary determination is negative but the Commerce final determination is affirmative, then the ITC final injury determination must be made within 75 days.

**Finding:** The ITC determines (1) whether an industry in the United States is materially injured or threatened with material injury, or (2) whether the establishment of an industry in

the United States is materially retarded, by reason of imports that the Department of Commerce has determined to be subsidized or sold in the United States at less than fair value.

If the ITC determination is affirmative, the Secretary of Commerce issues a countervailing duty order (in a subsidy investigation) or an antidumping order (in a dumping investigation), which is enforced by the U.S. Customs Service. ITC determinations may be appealed to the U.S. Court of International Trade in New York City, or, in cases involving Canada and/or Mexico, to a binational panel under the auspices of the North American Free Trade Agreement. (For further information on countervailing duty investigations, see section 701 et seq. of the Tariff Act of 1930, 19 U.S.C. 1671 et seq. For further information on antidumping investigations, see section 731 et seq. of the Tariff Act of 1930, 19 U.S.C. 1673 et seq.)

*Section 753, Tariff Act of 1930 (Review Investigations)*

In the case of a countervailing duty order with respect to which an affirmative determination of material injury by the Commission was not required at the time the order was issued, interested parties may request that the Commission initiate an investigation to determine whether an industry in the United

States is likely to be materially injured by reason of imports of the subject merchandise if the order is revoked. Such requests must be filed with the Commission within six months of the date on which the country from which the subject merchandise originates becomes a signatory to the Agreement on Subsidies and Countervailing Measures. (For further information, see section 753, Tariff Act of 1930, 19 U.S.C. 1675b.)

**Section 332, Tariff Act of 1930, General Factfinding Investigations**

Under section 332, the ITC investigates a wide variety of trade matters.

**When:** Upon request from the President, the Senate Committee on Finance, the House Committee on Ways and Means, or the USTR, or upon its own motion, the ITC initiates a factfinding investigation on any matter involving tariffs or international trade, including conditions of competition between U.S. and foreign industries.

**Duration:** Unless otherwise directed, the ITC establishes an administrative deadline. Deadlines for investigations requested by the President, the USTR, or Congress are usually set by mutual agreement.

**Finding:** Unless the President or Congress directs otherwise, ITC final reports are made available to all interested parties, the general public, the President and executive departments, and Congress. Reports on matters relating to pending trade negotiations are often classified documents not subject to public view. (For further information, see section 332 of the Tariff Act of 1930, 19 U.S.C. 1332.)

**Section 22, Agricultural Adjustment Act, Import Interference With Agricultural Programs**

Under section 22, the ITC conducts investigations at the direction of the President to determine whether products are being (or are practically certain to be) imported into the United States under such conditions and in such quantities that they render or tend to render ineffective or materially interfere with any program of the Department of Agriculture.

The ITC makes findings and recommendations to the President. The President may impose a fee or quota on the imports in question. However, no fee or quota may be imposed on any article produced by a member of the World Trade Organization. (For further information, see section 22 of the Agricultural Adjustment Act, 7 U.S.C. 624.)

## **Section 406, Trade Act of 1974, Trade With Communist Countries**

Under section 406 of the Trade Act of 1974, the Commission determines whether imports from a Communist country are causing market disruption in the United States. Section 406 investigations are similar procedurally to Commission investigations under section 201 of the Trade Act of 1974. If the Commission finds market disruption, it then makes a remedy recommendation to the President. The President makes the final decision with respect to remedy. (For further information, see section 406, Trade Act of 1974, 19 U.S.C. 2436.)

## **Section 603, Trade Act of 1974 (Preliminary Investigations), Expedition of Preliminary Investigations**

Section 603 of the Trade Act of 1974 authorizes the ITC to conduct preliminary investigations in order to expedite the performance of its functions under the Act. In recent years, the ITC has used this provision on several occasions in conjunction with section 337 of the Tariff Act of 1930 (which was amended by the Trade Act of 1974) to investigate allegations that may, with the gathering of additional information, provide a basis for an investigation under section 337. (For

further information, see section 603, Trade Act of 1974, 19 U.S.C. 2482.)

## **Other Areas of Involvement Required by Statute**

### **Caribbean Basin Economic Recovery Act**

The ITC submits annual reports to Congress and the President on the economic impact on U.S. industries and consumers of the Caribbean Basin Economic Recovery Program. (For further information, see 19 U.S.C. 2704.)

### **Uniform Statistical Data**

The ITC, 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. (For further information, see section 484(e), Tariff Act of 1930, 19 U.S.C. 1484(e).)

### **Harmonized Tariff Schedule of the United States**

The ITC issues a publication containing the HTS and related material and considers questions

concerning the arrangement of the HTS and the classification of articles. (For further information, see section 1207 of the Omnibus Trade and Competitiveness Act of 1988, 19 U.S.C. 3007 and sections 332(A) and 484(e) of the Tariff Act of 1930, 19 U.S.C. 1484(e).)

### **Harmonized System Convention**

The ITC has responsibility, along with the Department of the Treasury and the Department of Commerce, to represent the U.S. Government concerning the activities of the Customs Cooperation Council relating to the Harmonized System Convention and to formulate U.S. Government positions on technical and procedural issues relating to the Convention. (For further information, see section 1210 of the Omnibus Trade and Competitiveness Act of 1988, 19 U.S.C. 3010.)

In addition, the ITC is responsible for reviewing the HTS and for recommending to the President such modifications as it considers necessary or appropriate to conform the HTS with amendments to the Harmonized System Convention, to ensure that the HTS is kept up to date, and to alleviate unnecessary administrative burdens. (For further information, see section 1205 of the Omnibus Trade and

Competitiveness Act of 1988, 19 U.S.C. 3005.)

### **Annual Report on the U.S. Trade Agreements Program**

The ITC annually prepares for Congress and the interested public a factual report on the operation of the trade agreements program. The report contains information on U.S. participation in multilateral and bilateral trade negotiations and agreements, as well as related material on foreign economic and trade developments and the administration of U.S. trade laws. (For further information, see section 163(b), Trade Act of 1974, 19 U.S.C. 2213.)

### **Advice Concerning Trade Negotiations**

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

### **Generalized System of Preferences**

With respect to articles that may be considered for duty-free treatment when imported from designated developing countries, the ITC advises



the President as to the probable economic effect on the domestic industry and on consumers of the removal of duty. (For further information, see sections 131 and 503, Trade Act of 1974, 19 U.S.C. 2151, 2163.)

### East-West Trade Monitoring System

The ITC monitors imports into the United States from nonmarket economy countries and prepares a report at least 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. (For further information, see section 410, Trade Act of 1974, 19 U.S.C. 2440.)

### Andean Trade Preference Act

The ITC submits annual reports to Congress and the President on the impact on U.S. industries and consumers of the Andean Trade Preference Act and Andean drug crop eradication and crop substitution. (For further information, see 19 U.S.C. 3204.)

### Uruguay Round Provisions Affecting the ITC

The Uruguay Round implementing legislation made a number of changes in laws under which the U.S. Interna-

tional Trade Commission takes action. The most important of these changes are discussed below. These descriptions are intended as a summary only; the reader should consult the text of the implementing legislation and its legislative history for more precise guidance.

#### I. Implications of the Uruguay Round Agreements on title VII Activity

The Uruguay Round Agreements made relatively few changes to the substantive standards regarding determinations under title VII of the Tariff Act of 1930 of material injury by reason of dumped or subsidized imports. Areas of change in title VII activity include the following:

*Requirement that parties receive opportunity to comment, prior to Commission's vote, on all information collected*

The new law requires that the Commission provide all parties to the proceeding with an opportunity to comment, prior to the Commission's vote, on all information collected in the investigation. While parties have long been able to comment on most information before the Commission in their post-hearing briefs, this new provision gives parties another opportunity to comment later in the process on late-arriving information. However,

only interested parties who have applied for access to business proprietary information under an administrative protective order will have access to that information. From an operating perspective, the provision means that time must be allocated in the investigation schedule for an earlier closing of the record, for an opportunity for parties to prepare comments, and for consideration of those comments prior to the vote. This means that such activities as mailing questionnaires and conducting a hearing may occur somewhat earlier in the process than in the past.

#### *Captive production*

A new provision, commonly known as the "captive production" provision, deals with investigations involving industries where domestic producers internally consume a significant portion of their production of the like product under investigation. The new provision requires the Commission, in making its material injury determination, to focus primarily (if certain specific tests are met) on open market sales in considering market share and the factors affecting financial performance. In the past, the Commission had no specific statutory direction on how to consider captive production, although it often considered the effects of the imports to have been most keenly felt in the open market seg-

ments of the market, where competition is most direct.

#### *Negligibility*

The new law contains a provision regarding "negligibility" that generally requires imports from a country subject to investigation to be deemed negligible if the imports amount to less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period preceding the filing of the petition for which data are available. If imports from a country are deemed negligible, then the investigation regarding those imports must be terminated. Note that the 3 percent figure is not 3 percent of U.S. consumption, but rather is 3 percent of total imports.

There are exceptions to this rule. Perhaps the most important exception is that when imports from more than one country are subject to investigations as a result of petitions filed on the same day, imports from one or more of those countries under investigation will not be deemed negligible if the sum of imports from countries subject to investigation whose imports are less than 3 percent on an individual basis collectively amounts to more than 7 percent of the volume of all such merchandise imported into the United States.

### *Cumulation of imports*

The new law changes the circumstances under which the Commission is to "cumulate" imports from two or more countries under investigation. Under the new law, the Commission is usually only required to consider cumulation of imports from two or more countries when the imports are subject to investigations as a result of petitions filed on the same day. In the past, the Commission cumulated imports from two or more countries when the imports were still "subject to investigation" on the date of the Commission's vote even though the investigations originated with petitions filed on different days. The new provision also requires the Commission to make any cumulative analysis on the basis of the same record, even if the simultaneously filed investigations end up with differing final deadlines at the ITC because of extensions of time granted by the Commerce Department in one investigation but not in others.

### *Requirement that Commission consider the magnitude of the dumping margin*

The new legislation requires the Commission to consider the magnitude of the dumping margin (although not the magnitude of the margin of subsidization) in making its material injury determination. The previous law neither prohibited nor required

consideration of the dumping or subsidy margin.

### *Sunset provision*

The most significant change affecting the Commission's workload is the new provision requiring the Commission to conduct a review no later than five years after an antidumping or countervailing duty order is issued to determine whether revoking the order would likely lead to continuation or recurrence of dumping or subsidies and material injury. Known as the "sunset provision," this new requirement will result in review of all existing antidumping and countervailing duty orders, currently numbering about 375, by 2001 and in review of subsequently issued orders five years after they become effective. Beginning in 1998, this requirement will nearly triple the Commission's historical title VII workload of about 75 cases per year and will have a significant effect on the ITC's operations budget.

## **II. Implications of the Uruguay Round Agreements on section 337 Activity**

The Uruguay Round implementing legislation makes significant amendments to section 337 of the Tariff Act of 1930, 19 U.S.C. 1337, and to title 28 of the U.S. Code, to preserve the benefits of section 337 while

addressing concerns that ITC procedures unlawfully discriminated against imported products. Significant changes include the following.

### *Time limits*

Instead of statutory time limits for conclusion of section 337 investigations, the statute is amended to require that the ITC make its determinations "at the earliest practicable time." Within 45 days after an investigation is initiated, the ITC is required to set a "target date" for completing its investigation.

### *Arbitration*

Section 337 investigations may be terminated upon the agreement of the parties to present the matter for arbitration.

### *Counterclaims*

Respondents can file counterclaims in section 337 investigations, but must then immediately remove such counterclaims to U.S. district court.

### *District court stays*

Title 28 of the U.S. Code is amended to require U.S. district courts handling actions involving defendants who are also respondents in a section 337 investigation to grant a stay of the district court proceeding on the same issues until the ITC investigation

is completed. When the district court dissolves its stay after the completion of the ITC investigation, the record of the ITC investigation may be offered as evidence in the district court proceeding.

### *Bonds*

Bonds posted by section 337 complainants and respondents, if forfeited, go to the opposing parties rather than to the U.S. Treasury, as was formerly the practice.

### *Terms of exclusion orders*

Because of an amendment to U.S. patent law, the terms of utility patents underlying ITC exclusion orders may be lengthened on June 8, 1995. Under this amendment, the term of a utility patent in force on June 8, 1995, will be the greater of 20 years from the filing of the patent application or 17 years from the issuance of the patent.

## **III. Implications of the Uruguay Round Agreements on section 201 Activity**

The Uruguay Round implementing legislation makes several amendments to sections 201-204 of the Trade Act of 1974 (19 U.S.C. 2251-2254) to bring these provisions into conformity with the Uruguay Round Agreement on Safeguards. Only minor statutory changes were necessary because U.S. law was already largely consistent with

the Agreement on Safeguards. Principal changes include the following.

#### *APO provision*

The legislation amends section 202 of the Trade Act to require the ITC to disclose confidential business information under administrative protective order to authorized representatives of interested parties who are parties to an investigation. As directed in both the legislation and in the accompanying Statement of Administrative Action, the ITC has issued interim regulations that provide for such disclosure in a manner similar to that provided for in the case of investigations under title VII of the Tariff Act of 1930 and the regulations issued thereunder.

#### *Critical circumstances*

The legislation also amends section 202 to provide for a new and faster critical circumstances investigation procedure. If a petitioner alleges critical circumstances in a petition, the ITC must, within 60 days of receipt of the petition, make a determination concerning the existence of such circumstances and report to the President its determination and any recommendation concerning provisional relief. Under prior law, the Commission did not make a determination concerning critical circumstances until the end of the 120-day injury phase of

an investigation. After receiving an affirmative Commission report, the President has 30 days in which to decide what, if any, action to take, with any such action generally to remain in effect until completion of the ITC investigation and consideration by the President of the ITC recommendation for longer term relief, but in no event longer than 200 days.

#### *New definitions*

The legislation amends section 202 of the Trade Act to clarify the meaning of the term "domestic industry" and to define the terms "serious injury" and "threat of serious injury," tracking definitions in the Safeguards Agreement. Because the definitions reflect prior law and ITC practice, the Statement of Administrative Action indicated that the incorporation of these definitions into U.S. law "should not affect the outcome of ITC decisions."

#### *Relief actions*

The legislation makes several technical changes in the relief provisions in section 203 of the Trade Act. Under the new law, relief may be provided for an initial period of up to four years, and may be extended one or more times, with the overall duration of relief not to exceed eight years. Under prior law, the overall limitation on relief actions was also eight years;

however, only one extension of a relief action was permitted, and there was no limitation (short of the full eight years) on the duration of the initial period of relief. Under the new law, relief actions that exceed one year must be "phased down at regular intervals" during the relief period; the law does not specify the degree of phase-down period or interval. Under prior law, phase down was required "to the extent feasible" after three years. The term "orderly marketing agreement" has been changed simply to "agreement" to avoid confusion with "orderly marketing arrangements," which are prohibited by the Safeguards Agreement.

#### *Investigations of extension of action*

The legislation amends section 204 of the Trade Act to provide for ITC investigations at the request of the President or on petition by industry concerning whether relief action continues to be necessary to prevent or remedy serious injury and whether there is evidence that the industry is making a positive adjustment to import competition. The ITC must transmit its report to the President no later than 60 days before the relief action terminates.



# APPENDIX D

## REPORTS SUBMITTED TO CONGRESS ON PROPOSED LEGISLATION, FISCAL YEAR 1995<sup>1</sup>

### Reports Submitted to the Senate on Proposed Legislation

**1. S. 529**

*Mr. Graham*

To provide, temporarily, tariff and quota treatment equivalent to that accorded to members of the North American Free Trade Agreement to Caribbean Basin beneficiary countries. August 10, 1995.

**2. S. 752**

*Mr. Simon*

To amend the Harmonized Tariff Schedule of the United States to restore the duty rate that prevailed under the Tariff Schedules of the United States for certain twine, cordage, ropes, and cables. July 7, 1995.

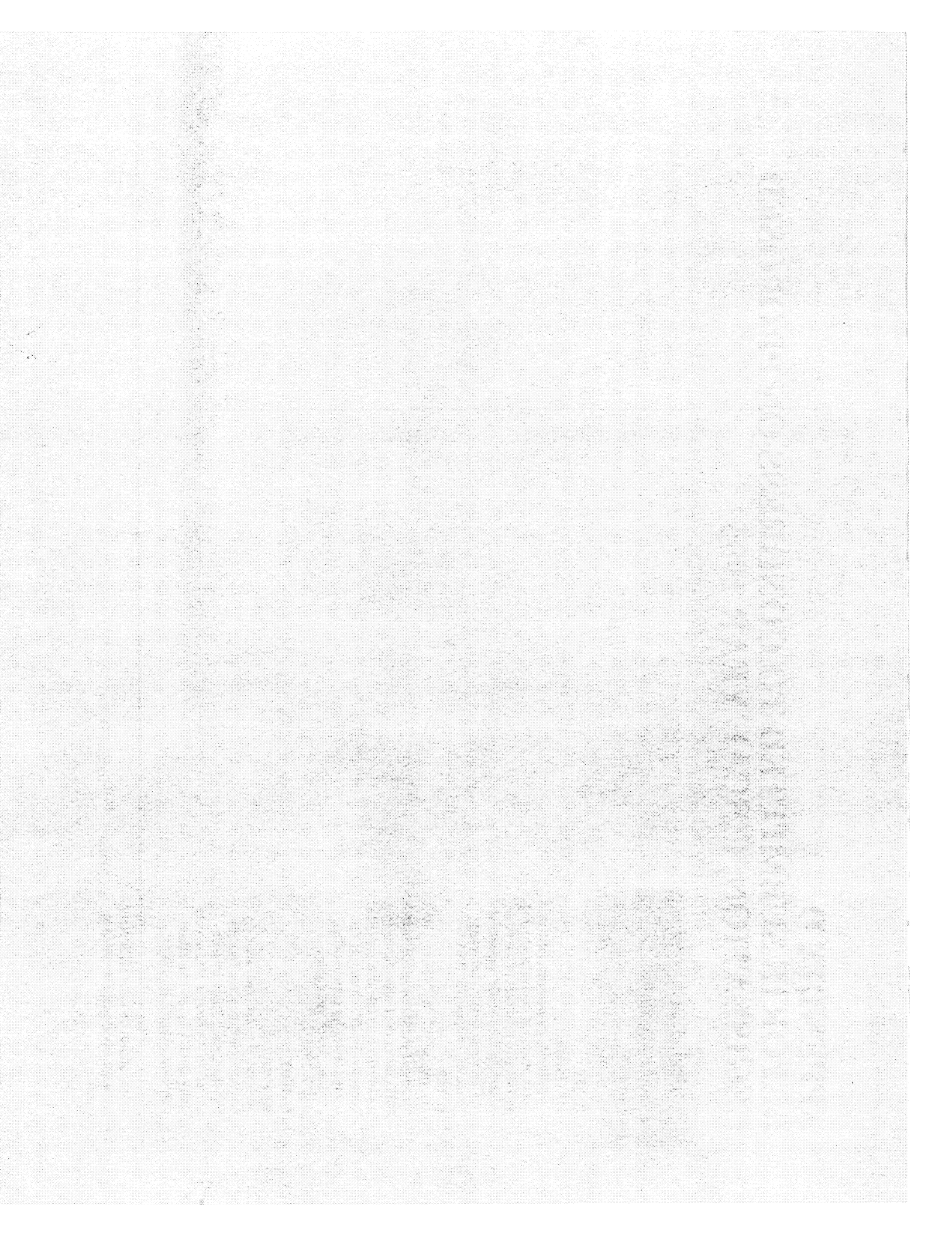
**3. S. 1003**

*Mr. Pressler*

To suspend temporarily the duty on certain motorcycles brought into the United States by participants in the Sturgis Motorcycle Rally and Races, and for other purposes. August 26, 1995.

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<sup>1</sup> Date shown for each bill is that on which the bill report was submitted to Congress.



# APPENDIX E LITIGATION IN FISCAL YEAR 1995

## Litigation Completed

### Appeals Arising From Anti-dumping and Countervailing Duty Investigations

*Acciai Speciali Terni, S.p.A. v. United States, Consol. Court No. 94-07-00398 (Court of International Trade)*

The Court of International Trade (CIT) affirmed the Commission's affirmative determinations in *Grain-Oriented Silicon Electrical Steel from Italy and Japan*, Inv. Nos. 701-TA-355 (final) and 731-TA-660 (final) [see USITC publication 2778 (May 1994)] and Inv. No. 731-TA-659 (final) [see USITC publication 2800 (August 1994)]. The CIT found that the Commission, having found substantial competition and substitutability between the subject imports and the domestic like product, need not adopt a market segment approach in its analysis of causation. The CIT also upheld the Commission's pricing analysis.

*Aramid Maatschappij V.O.F. and Akzo Fibers Inc. v. United States,*

*Court No. 94-07-00424S (Court of International Trade)*

The CIT affirmed the Commission's affirmative determination in *Aramid Fiber Formed of Poly Paraphenylene Terephthalamide from the Netherlands*, Inv. No. 731-TA-652 (final) [see USITC publication 2783 (June 1994)]. The CIT upheld as supported by substantial evidence the Commission's like product determination, finding no error in the Commission's reliance in part on limited interchangeability among aramid fiber forms to support its determination. The Court also found reasonable the Commission's conclusion that voluntary restraints on import volumes do not preclude a finding of material injury.

*In the Matter of Certain Corrosion Resistant Carbon Steel Flat Products from Canada, Case No. USA-93-1904-05 (U.S.-Canada Binational Panel)*

A panel convened under Chapter 19 of the U.S.-Canada Free Trade Agreement affirmed the Commission's majority affirmative determination in *Certain Flat-Rolled Carbon Steel Products from Canada*, Inv. Nos.

731-TA-575, 590, 602, and 614 (final) [see USITC publication 2664 (August 1993)]. The panel found that the Commission properly analyzed the effects of the subject imports on the domestic industry as a whole, rather than on different segments of the industry.

*Chr. Bjelland Seafoods A/S (now Norwegian Salmon A/S, et al. v. United States, Court No. 93-05-00364 (Court of International Trade)*

The CIT sustained the Commission's affirmative determination with further explanation after remand in *Fresh and Chilled Atlantic Salmon from Norway*, Inv. Nos. 701-TA-302 (final) and 731-TA-454 (final) [see USITC publication 2371 (April 1991)]. Although the Court disapproved of certain specific findings by the Commission, it upheld the Commission's determination based upon the significant volume of subject imports during the period of investigation and uncontroverted record evidence that the effects of past sales of Norwegian salmon continued to adversely impact the domestic industry.

*Kern-Liebers USA, Inc. v. United States, Consol. Court No. 93-09-00552-1NJ (Court of International Trade)*

This consolidated case included a challenge to the Commission's affirmative threat determination in *Cold-Rolled Carbon Steel Products from Korea*, Inv. Nos. 701-TA-342, 731-TA-607 (final) [see USITC publication 2664 (August 1993)]. With respect to that investigation, the CIT found that the Commission's determination was supported by substantial evidence and that the methodologies employed by individual Commissioners were reasonable. Appeals to the Court of Appeals for the Federal Circuit (Federal Circuit) are pending with respect to the remaining investigations subsumed in this consolidated case.

*Nippon Steel Corp.; Kawasaki Steel Corp.; Kobe Steel, Ltd.; Nisshin Steel Co., Ltd.; NKK Corp.; Sumitro Metal Industries, Ltd. et al. v. United States, Consol. Court No. 93-09-00555-1NJ (Court of International Trade)*

The CIT affirmed the Commission's affirmative determination in *Certain Flat-Rolled Carbon Steel*

*Products from Argentina, Australia, Austria, Belgium, Brazil, Canada, Finland, France, Germany, Italy, Japan, Korea, Mexico, the Netherlands, New Zealand, Poland, Romania, Spain, Sweden, and the United Kingdom*, Inv. Nos. 701-TA-319-332, 334, 336-342, 344 and 347-353 (final), and Inv. Nos. 731-TA-573-579, 581-592, 594-597, 599-609 and 612-619 (final) [see USITC publication 2664 (August 1993)] concerning corrosion-resistant flat-rolled carbon steel, with the exception of a limited remand respecting Chairman Watson's findings concerning negligibility. In this case, the CIT consolidated all appeals of the Commission's determinations respecting corrosion-resistant flat-rolled carbon steel. The Court sustained the Commission's evaluation of subject imports relative to total apparent consumption, market share, and other economic factors. Chairman Watson's negligibility findings on remand also subsequently were upheld.

*Texas Crushed Stone Company v. The United States*, Appeal No. 93-1481 (*Court of Appeals for the Federal Circuit*)

The Federal Circuit upheld the CIT's affirmance of the Commission's negative preliminary injury determination in *Crushed Limestone from Mexico*, Inv. No. 731-TA-562 (preliminary) [see USITC Publication 2533 (July 1992)]. The Federal Circuit ruled that it was appropriate for the CIT to

defer to the Commission's interpretation of the statutory concentration requirement which the Federal Circuit found to be reasonable and consistent with the Commission's prior practice.

*Stalexport and Huta Czesochowa Rautawulki Oy; Metalexportimport S.A.; Fabrique De Fer De Charleroi, S.A.; U.S. Steel Group, A Unit of USX Corporation, Bethlehem Steel Corp., Geneva Steel, Gulf States Steel, Inc. of Alabama, Inland Steel Industries, Inc., Lukens Steel Company and Sharon Steel Corporation; AG Der Dillinger Huttenwerke v. United States*, *Consol. Court No. 93-09-00553-INJ (Court of International Trade)*

The CIT affirmed the Commission's affirmative determination in *Certain Flat-Rolled Carbon Steel Products from Argentina, Australia, Austria, Belgium, Brazil, Canada, Finland, France, Germany, Italy, Japan, Korea, Mexico, the Netherlands, New Zealand, Poland, Romania, Spain, Sweden, and the United Kingdom*, Inv. Nos. 701-TA-319-332, 334, 336-342, 344 and 347-353 (final), and Inv. Nos. 731-TA-573-579, 581-592, 594-597, 599-609 and 612-619 (final) [see USITC publication 2664 (August 1993)]. In this case, the CIT consolidated all appeals of the Commission's determinations respecting cut-to-length carbon steel plate. As in the appeal concerning corrosion-resistant flat-rolled carbon steel (see above), the CIT

sustained the Commission's application of the negligibility provision, finding that whether imports from a given country have a discernible adverse impact is not to be measured necessarily on their absolute volume or market share, but may be evaluated based on their relative importance in terms of volume and market share and other relevant criteria. In addition, the CIT re-affirmed its earlier holdings that while evidence of lost sales and revenue may be probative, the lack of such evidence will not vitiate a Commission determination.

*Suramerica de Aleaciones Laminadas, C.A., Conductores de Aluminio del Caroni, C.A., Industria de Conductores Electricos, C.A., and Corporacion Venezolana de Guayana v. The United States*, *USITC and US Department of Commerce, and Southwire Company*, Appeal Nos. 93-1579, 94-1021 (*Court of Appeals for the Federal Circuit*)

The Federal Circuit affirmed the decision of the CIT, which had overturned the Commission's original affirmative threat determination in *Certain Electrical Conductor Aluminum Redraw Rod from Venezuela*, Inv. Nos. 701-TA-287 and 731-TA-378 (final) [see USITC publication 2013 (August 1988)] and affirmed the Commission's negative determination on remand. Although the court of appeals held that the lower court erred

in holding that lack of industry support could only be overcome by compelling evidence, it held that the Commission should have considered that lack of support by the industry, as well as the views of consumers.

### **Appeals Arising From Investigations Under Section 337 of the Tariff Act of 1930**

*Checkpoint Systems, Inc. v. United States International Trade Commission*, Appeal No. 94-1295 (*Court of Appeals for the Federal Circuit*)

The Federal Circuit issued an opinion affirming the Commission's final determination in *Certain Anti-theft Deactivatable Resonant Tags and Components Thereof*, Inv. No. 337-TA-347 [see USITC publication 2811 (September 1994)]. Citing to the Commission's waiver rule (19 C.F.R. § 210.54 (a)) and to its case precedent on exhaustion of administrative remedies, the Federal Circuit held that claim interpretation issues may not be raised for the first time on appeal. The Federal Circuit upheld the Commission's finding that the invention in issue had not been abandoned. The Court also held that the Commission did not err in finding the asserted claims invalid, holding that the underlying facts formed an adequate predicate for the Commission's legal finding of invalidity.



## Litigation Terminated

In addition to the cases discussed above, a number of cases were terminated during FY 1995 without final substantive decisions on the merits, including by court dismissal, voluntary dismissal by the plaintiff, or failure by the plaintiff to file a complaint after the service of a summons. Those cases are listed below.

*Encon Industries Inc. v. United States*, Court No. 94-03-00189 (Court dismissal)

The Court dismissed Encon's attempt to challenge the final determination of material injury by reason of imports of LTFV in *Electric Ceiling Fans from the People's Republic of China*, Inv. No. 731-TA-473 (final) [see USITC publication 2461 (December 1991)].

*Holmes Products Corporation v. The United States and USITC*, Court No. 92-01-00013 (Court of International Trade) (voluntary dismissal)

Plaintiff Holmes filed a motion to dismiss the action contesting the Commission's affirmative injury determination in *Electric Fans From The People's Republic of China*, Inv. No. 731-TA-473 (final) [see USITC publication 2461 (December 1991)] in

view of the fact that a decision by the CIT in *Holmes Products Corp. v. United States*, 16 CIT 628, 795 F. Supp. 1205 (1992), reversed the Commerce Department's final affirmative determination of sales at less than fair value.

*Intel Corp. v. United States International Trade Commission*, Appeal No. 94-1501 (Court of Appeals for the Federal Circuit) (dismissal)

By this appeal from the Commission's final determination *In the Matter of Certain Personal Computers with Memory Management Information Stored in External Memory and Related Materials*, Inv. No. 337-TA-352, Intel preserved its right to challenge the Commission's termination of the investigation because of the collateral estoppel effect of the district court decision in *Cyrix Corp. v. Intel Corp. v. Texas Instruments*, No. 4:92cv52 (E.D. Texas, Sherman Division), which Intel also appealed. Following final affirmation of *Cyrix*, appellant Intel filed its unopposed motion for voluntary dismissal, which the Court granted.

*Prestini Musical Instruments Corp. v. United States, United States Department of Commerce and the United States International Trade Commission*, Court No. 93-11-00716 (Court of

*International Trade*) (voluntary dismissal)

Plaintiff voluntarily dismissed this appeal of the Commission's final negative determination in *Pads for Woodwind Instrument Keys from Italy*, Inv. No. 731-TA-627 (final) [see USITC publication 2679 (September 1993)].

*Seagate Technology, Inc. v. United States International Trade Commission*, Appeal No. 94-1348 (Court of Appeals for the Federal Circuit) (dismissal)

The Federal Circuit dismissed this second appeal of the Commission's determination in *Certain Sputtered Carbon Coated Computer Disks and Products Containing Same, Including Disk Drives*, Inv. No. 337-TA-350 [see USITC publication 2701 (November 1993)], on the ground that the Commission had not issued a final determination as defined by 19 U.S.C. § 1337(c).

*Slater Steels Corp. v. United States*, Court No. 95-06-00182 (Court of International Trade) (voluntary dismissal)

This suit appealed the Commission's final negative determination in *Stainless Steel Angle from Japan*, Inv. No. 731-TA-699 (final) [see USITC publication 2887 (May 1995)].

*In the Matter of Softwood Lumber from Canada, Secretariat File*

No. USA-92-1904-02 (U.S.-Canada Binational Panel) (panel dismissal).

The binational panel dismissed the appeal of the Commission's final affirmative material injury determination in *Softwood Lumber from Canada*, Inv. No. 701-TA-312 (final) [see USITC publication 2530 (July 1992)]. Although the panel had not ruled on the Commission's third remand determination, it dismissed the appeal based on the Commerce Department's revocation of the countervailing duty order in response to remands from the binational panel that reviewed its determination.

*Zaporozhye Ferroalloys Plant and Nikopol Ferroalloys Plant v. United States*, Court No. 95-01-00074, (Court of International Trade) (voluntary dismissal)

Although a summons was filed challenging the Commission's final affirmative determination in *Silicomangane from Brazil, The People's Republic of China, Ukraine, and Venezuela*, Inv. Nos. 731-TA-671-674 (final) [see USITC publication 2834 (December 1994)], plaintiff subsequently filed a notice of dismissal.

**Litigation Pending at the  
End of Fiscal Year 1995**

Cases arising from  
antidumping and  
countervailing duty  
investigations<sup>1</sup> 22

Cases arising from  
section 337  
determinations 7

Total 29

<sup>1</sup> All cases filed by different parties that have been consolidated by the court are counted only as a single piece of litigation. Thus, the actual number of complaints filed is greater than the number given above.

By comparison, at the end of FY 1994, there were 24 pending cases arising from antidumping and countervailing duty investigations, six arising from section 337 determinations, and one arising from other subjects, for a total of 31.

# Commission and Executive Staff as of September 30, 1995

## The Commission

Peter S. Watson, Chairman  
Janet A. Nuzum, Vice Chairman  
David B. Rohr  
Don E. Newquist  
Carol T. Crawford  
Lynn M. Bragg

## The Executive Staff

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<b>Office of Public Affairs</b> Director	Margaret M. O'Laughlin
<b>Office of the Administrative Law Judges</b> Chief Administrative Law Judge	vacant
<b>Office of Executive and International Liaison</b> Director	William T. Hart
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<b>Office of the General Counsel</b> General Counsel	Lyn M. Schlitt
<b>Office of Inspector General</b> Inspector General	Jane E. Allenhofen
<b>Office of Operations</b> Director	Robert A. Rogowsky
<b>Office of Economics</b> Acting Director	Robert A. Rogowsky
<b>Office of Industries</b> Director	Vern Simpson
<b>Office of Investigations</b> Director	Lynn Featherstone
<b>Office of Tariff Affairs and Trade Agreements</b> Director	Eugene A. Rosengarden
<b>Office of Unfair Import Investigations</b> Director	Lynn I. Levine
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<b>Library Services</b> Acting Chief	Anita M. Richman
<b>Office of Administration</b> Acting Director	Stephen A. McLaughlin
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<b>Office of Management Services</b> Director	David E. Spencer
<b>Office of Personnel</b> Director	Michael J. Hillier
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