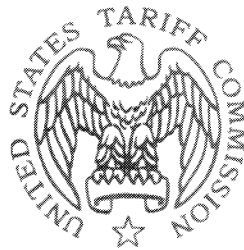


# 1972 Annual Report of the United States Tariff Commission

Fiscal Year Ended June 30





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Fiscal Year Ended June 30



U.S. GOVERNMENT PRINTING OFFICE  
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## Letter of Transmittal

UNITED STATES TARIFF COMMISSION,  
*Washington, December 29, 1972.*

SIR: I have the honor to transmit the 56th *Annual Report of the United States  
Tariff Commission.*

Respectfully,

CATHERINE BEDELL,  
*Chairman*

THE PRESIDENT OF THE SENATE,  
THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.





# contents

	<i>Page</i>
Summary of year's activities.....	1
Membership of the Commission.....	3
Executive staff of the Commission.....	3
1. Public investigations.....	5
Trade Expansion Act of 1962.....	5
Lawsuits arising from section 301 investigations.....	5
United Shoe Workers of America, AFL-CIO, et al. v. Catherine Bedell et al., D.D.C., C.A. 2197-71.....	5
International Union of Electrical, Radio and Machine Workers, AFL- CIO-CLC, v. U.S. Tariff Commission et al., D.D.C., C.A. 40-72.....	5
Section 301(b), industry investigations.....	6
Section 301(c)(1), "firm" investigations.....	7
Section 301(c)(2), "worker" investigations.....	9
Section 351(d)(1), annual reviews of industries.....	12
Section 351(d)(3), report on effect of termination of increased duty or other import restriction.....	13
Tariff Act of 1930, as amended.....	13
Section 332.....	13
Investigations completed.....	13
Investigations in progress.....	13
Section 337:	
Preliminary inquiries completed.....	14
Preliminary inquiries in progress.....	14
Full investigations completed.....	14
Lawsuit arising from section 337 investigation.....	15
Agricultural Adjustment Act, section 22: Certain cheeses.....	16
Antidumping Act, 1921, as amended.....	16
2. Other activities.....	19
Trade agreements program.....	19
Assistance to the executive branch.....	19
Report on the operation of the trade agreements program.....	20
Tariff nomenclature and statistical enumeration.....	21
Tariff Schedules of the United States Annotated.....	21
Comparability of statistical data on U.S. production and foreign trade.....	21
Reliability of U.S. import statistics.....	22
Customs Cooperation Council.....	22
Summaries of Trade and Tariff Information.....	22
Periodic reports on commodities:	
Synthetic organic chemicals.....	23
Annual reports.....	23
Monthly reports.....	23
Quantitative determinations.....	23
Watch movements.....	23
Brooms.....	24
Knives, forks, and spoons with stainless-steel handles.....	24
Assistance to the Congress.....	24
Assistance to executive agencies.....	24
Assistance to the public.....	25
3. Administration and finances:	
Organization of the Commission.....	27
Appropriations and employment.....	27
Appendix a. Summary of principal activities of the U.S. Tariff Commission, fiscal years 1968-72.....	29
Appendix b. Publications of the U.S. Tariff Commission, fiscal year 1972.....	31



# summary of year's activities

## Investigations, annual reviews, and preliminary inquiries completed

Trade Expansion Act of 1962 (escape-clause and adjustment-assistance cases):	
Sec. 301(b) industry cases.....	5
Sec. 301(c)(1) "firm" cases.....	17
Sec. 301(c)(2) "worker" cases.....	51
Sec. 301(d)(1) annual reviews of industries.....	2
Sec. 351(d)(3) reports on effects of termination of increased duties.....	1
Title II. Tariff Act of 1930:	
Sec. 332 investigations initiated by the Commission.....	3
Sec. 337 investigations of alleged unfair practices in importation and sale of imported products:	
1. Full investigations.....	5
2. Preliminary inquiries.....	4
Antidumping Act, 1921, as amended.....	18
Section 22 of the Agricultural Adjustment Act investigations requested by the President.....	1
<b>Total.....</b>	<b>107</b>

## Long-range economic studies underway in response to requests of the President and the Congress, pursuant to section 332, Tariff Act of 1930

Competitive position of U.S. industries;	
Tariff and nontariff barriers imposed by principal trading nations and disparities in tariff treatment;	
Nature and extent of tariff concessions granted in trade and other international agreements to which the United States is a party;	
Customs valuation standards of the United States and its major foreign trade partners, together with suggested valuation standards suitable for international use, and the effect of U.S. adoption of such standards; and	
Implications of multinational firms for world trade and investment and for U.S. trade and labor.	
<b>Total.....</b>	<b>5</b>

## Continuation of long-range research studies initiated on Tariff Commission's own motion, pursuant to section 332, Tariff Act of 1930

Temporary entry provisions of title 19 of the United States Code;	
Domestic and foreign policies affecting U.S. foreign trade in agricultural products.	
<b>Total.....</b>	<b>2</b>

## Other activities

Publications issued (in addition to reports on investigations):	
Summaries of Trade and Tariff Information.....	2 volumes
Reports on chemicals:	
Synthetic organic chemicals.....	2 annual reports
Synthetic organic chemicals.....	14 preliminary reports.
Synthetic organic chemicals.....	12 monthly reports
Benzenoid chemicals.....	1 annual report
Plastics and resin materials.....	9 monthly reports
Review of the operation of the trade agreements program.....	1 annual report
Tariff Schedules of the United States Annotated.....	1972 edition
Staff research studies.....	4 volumes
Responses to letters and telephone calls from—	
Members of Congress and congressional committees.....	600
Executive agencies of the Federal Government.....	550
General public.....	1,000
Import transactions analyzed by personnel in New York City and Suitland offices.....	121,000
Library transactions:	
Volumes circulated.....	47,000
Reference calls.....	7,700
Reports prepared on proposed legislation.....	17
Reports prepared on U.S. consumption of specified commodities.....	3

The relative importance of the principal activities of the Tariff Commission in fiscal years 1968-72 is shown in the graph in appendix a to this report.



Members of the Commission, left to right: Commissioners Young and Leonard, Vice Chairman Parker, Chairman Bedell, and Commissioners Ablondi and Moore.

# membership of the commission

As provided in the Tariff Act of 1930, the U.S. Tariff Commission consists of six Presidential appointees who are confirmed by the Senate to fill 6-year terms, one term expiring each year. Not more than three commissioners may belong to the same political party. The statute provides that the President shall annually designate one commissioner as chairman and one as vice chairman.

On June 12, 1972, President Nixon designated *Catherine Bedell* as Chairman and *Joseph O. Parker* as Vice Chairman of the Commission.<sup>1</sup>

The following Commissioners served during fiscal year 1972:<sup>2</sup>

*Commissioner Glenn W. Sutton*, Democrat of Georgia. A member of the Commission since 1954, Mr. Sutton had served as Chairman and Vice Chairman. His third term expired June 16, 1972.

*Commissioner Will E. Leonard, Jr.*, Democrat of Louisiana. Mr. Leonard's term expires June 16, 1975.

*Commissioner George M. Moore*, Republican of Maryland. Mr. Moore's term expires June 16, 1973.

*Commissioner J. Banks Young*, Democrat of Virginia. Mr. Young's term expires June 16, 1976.

<sup>1</sup> Mrs. Bedell, a Republican from Washington, was designated as Chairman following Senate confirmation on June 24, 1971, of her appointment to the Commission; she assumed office on July 12, 1971, filling an unexpired term ending June 16, 1974. Mr. Parker, a Republican from Virginia, was designated as Vice Chairman following confirmation on June 24, 1971, of his appointment to the Commission; he assumed office on Aug. 9, 1971, filling a term ending June 16, 1977.

<sup>2</sup> Commissioner Italo H. Ablondi, Democrat of New York, was nominated by the President on June 1, 1972, to fill the term ending June 16, 1978. He was confirmed by the Senate on June 29, 1972, and assumed office on July 25, 1972.

## Executive Staff of the Commission

### OFFICE OF ECONOMIC RESEARCH

George N. Ecklund, *Director*  
Robert A. Cornell, *Deputy Director*

### OFFICE OF THE GENERAL COUNSEL

Russell N. Shewmaker, *General Counsel*  
Vacant, *Assistant General Counsel*

### OFFICE OF INVESTIGATION

G. Patrick Henry, *Director*  
Louise M. Rovner, *Deputy Director*

### OFFICE OF TRADE AND INDUSTRY

Albert F. Parks, *Director*  
Edward E. Martin, *Deputy Director*

#### SUPPORT DIVISION

Joseph L. Williams, *Chief*

#### ACCOUNTING DIVISION

Victor R. Christensen, *Chief*

#### COMMODITY DIVISIONS

##### AGRICULTURE

Hyman Leikind, *Chief*

##### CERAMICS

William E. Wright, *Chief*

##### CHEMICALS

Frank Gonet, *Chief*

##### LUMBER AND PAPER

Edward P. Furlow, *Chief*

##### METALS

Charles W. Daiker, *Chief*

##### SUNDRIES

Vacant, *Chief*

##### TEXTILES

Francis M. Shore, Jr., *Chief*

### OFFICE OF THE SECRETARY

Kenneth R. Mason, *Secretary*

#### FINANCIAL MANAGEMENT

Edward C. Wallington, Jr., *Chief*

#### PERSONNEL

Robert A. Kliefoth, *Director*

#### SERVICES

Herbert E. Leonard, *Chief*

### SPECIAL ADVISER FOR TRADE AGREEMENTS

William T. Hart, *Special Adviser*

### OFFICE OF AUTOMATIC DATA PROCESSING

Leon Gilford, *Director*



# 1. public investigations

The U.S. Tariff Commission is authorized by law to investigate all aspects of international trade, including the impact of imports on U.S. industries, firms, and workers. During fiscal 1972, the Commission conducted investigations under provisions of the Trade Expansion Act of 1962; the Tariff Act of 1930; the Anti-dumping Act, 1921, as amended; and section 22 of the Agricultural Adjustment Act.

## Trade Expansion Act of 1962

The Trade Expansion Act of 1962 (TEA) provides means whereby industries or firms that are seriously injured or threatened with serious injury and groups of workers that are unemployed or underemployed because of increased imports resulting in major part from trade-agreement concessions may seek relief. Following an investigation and affirmative finding by the Tariff Commission, the President may, under specified circumstances, increase rates of duty or impose other restrictions on imports which are causing or threatening to cause serious injury to a domestic industry, negotiate orderly marketing agreements with foreign countries, or certify adversely affected firms or groups of workers as eligible to apply for adjustment assistance. The adjustment assistance may take several forms—loans, technical assistance, and tax benefits to firms, and unemployment compensation, retraining, and relocation allowances to workers.

The number of investigations conducted by the Tariff Commission during fiscal 1972 under section 301 of the TEA was as follows:

Type of investigation	In progress on 7-1-71	Instituted in fiscal 1972	Completed in fiscal 1972	In progress on 6-30-72
Industry .....	3	2	5	0
Firm .....	3	16	17	2
Worker .....	5	50	151	4
Total .....	11	68	73	6

<sup>1</sup> Includes 1 investigation which was discontinued.

In addition to the reports on the 73 investigations completed under section 301 of the TEA, the Commission also submitted to the President, as required by section 351 of the act, reports on three industries for which tariff rates on imports had previously been adjusted.

### Lawsuits arising from section 301 investigations

In fiscal 1972 the Commission was involved in two lawsuits arising from decisions made in three investigations conducted under section 301 of the TEA.

*United Shoe Workers of America, AFL-CIO, et al. v. Catherine Bedell et al., D.D.C., C.A. 2197-71.*—On November 2, 1971, the United Shoe Workers of America, AFL-CIO, and others instituted an action against the U.S. Tariff Commission in the District Court of the United States for the District of Columbia seeking, inter alia, a determination that the Commission had incorrectly interpreted the language “like or directly competitive” as found in section 301(c)(2) of the Trade Expansion Act of 1962 (19 U.S.C. 1901(c)(2)) so as to deny eligibility for adjustment assistance for a domestic manufacturer engaged in the production of component parts (shoe counters) where imports were of a larger, separately marketed item (women’s footwear).

In a memorandum opinion filed on May 9, 1972, Judge John H. Pratt rejected the plaintiffs’ contentions and affirmed the Commission’s construction of the statutory language. This case is significant in that it marks the first time that a U.S. district court has assumed jurisdiction to review Tariff Commission interpretations pursuant to the adjustment assistance provisions of the Trade Expansion Act of 1962. The appeal of this decision was filed on May 19, 1972, in the U.S. Court of Appeals for the District of Columbia.

*International Union of Electrical, Radio and Machine Workers, AFL-CIO-CLC, v. U.S. Tariff Commission et al., D.D.C., C.A. 40-72.*—On January 7, 1972, the International Union of Electrical, Radio and Machine Workers, AFL-CIO-CLC, filed a complaint for declaratory judgment and injunctive relief in the District Court of the United States for the District of Columbia seeking (1) a judgment declaring invalid a



construction and application of the Trade Expansion Act of 1962, (2) a judgment declaring a determination by the Commission that certain workers were ineligible for adjustment assistance benefits to have been inconsistent and arbitrary, and (3) an order directing the Commission to reconsider the determinations in these proceedings.

The complaint arose out of two determinations made by the Commission, one on July 30, 1971, and the other on November 19, 1971. The first determination involved certain workers of Warwick Electronics, Inc., of Zion, Ill. (TC Publication 409 on investigation No. TEA-W-96). The Commission found (Commissioner Moore dissenting and Chairman Bedell not participating) that articles like or directly competitive with phonographs and radio-phonograph and radio-phonograph-tape player combinations produced by the Zion, Ill., manufacturing plant of Warwick Electronics, Inc., were not, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to cause, or threaten to cause, unemployment or underemployment of a significant number or proportion of the workers of such plant.

The second determination involved an investigation of injury to a domestic industry (television receiver producers). In its report to the President (TC Publication 436 on investigation No. TEA-I-21), the Commission found (Commissioner Moore dissenting) that television receivers and parts thereof provided for in item 685.20 of the Tariff Schedules of the United States (TSUS) were not, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to the domestic industry producing like or directly competitive products.

The Civil Division of the Department of Justice, which is representing the Commission in this litigation, responded with a brief on May 17, 1972.<sup>1</sup>

### **Section 301(b), *industry investigations***

The Commission completed five investigations but had none in progress at the end of fiscal 1972 concerning injury to domestic industries. Such investigations fall under section 301(b) of the Trade Expansion Act.<sup>2</sup> In two of the completed cases (television receivers

<sup>1</sup> Plaintiffs filed a response to the Justice Department brief in late July 1972.

<sup>2</sup> 19 U.S.C. 1901(b).

and electron microscopes), the Commission made negative decisions, and in one case (marble and travertine products), the Commissioners were equally divided in their determination. The Commission determined in the other two cases that the products under investigation were produced by two or more separate industries—thus requiring more than one finding in each investigation. In the case of “ceramic articles, including dinnerware,” the Commission unanimously made a negative determination on “fine china,” but a majority of the Commission made an affirmative determination on “earthenware.” In its determination in the investigation of “flat glass,” the Commission was equally divided in its finding on “sheet glass,” but was unanimous in its negative finding on “all other flat glass.”

In such an investigation the Commission determines whether, as a result in major part of concessions granted under trade agreements, an article is being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to the domestic industry producing an article like or directly competitive with the imported article.

These investigations are instituted on request of the President; resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives; the Commission’s own motion; or petition by a trade association, firm, certified or recognized union, or other representative of an industry. The Commission is required, after reasonable notice, to hold a public hearing and to report the results of the investigation to the President within 6 months after receipt of the request, resolution, or petition.

If the Commission’s finding is affirmative, the President may provide tariff adjustment or impose other import restrictions; authorize firms and/or workers involved to request certification of eligibility for adjustment assistance; take any combination of such actions; or enter into orderly marketing agreements to limit U.S. imports of the article causing or threatening to cause serious injury. If the Commissioners voting are equally divided with respect to their findings, the President may consider the finding of either group to be the finding of the Commission.

On January 28, 1972, the President announced his decision to accept the affirmative finding on “marble and travertine products” as the finding of the Commission, thus providing for adjustment assistance to firms and groups of workers; however, the President announced his intention not to proclaim the tariff in-

creases contained in the affirmative finding but to recommend to Congress the elimination of duties on the rough and certain semifinished forms of the stone. By Proclamation 4125, dated April 22, 1972, the President increased rates of duty, effective May 1, 1972, on certain ceramic tableware and provided for adjustment

assistance for firms and workers producing earthen tableware. The decision of the President to take no action on the Commission's equally divided determination in the "sheet glass" case was announced on May 1, 1972. Data respecting the completed industry investigations are summarized in the following table.

*Summary of industry investigations completed under section 301(b) of the Trade Expansion Act of 1962*

Investigation No.	Industry concerned	Petition filed	Public hearing	Finding of Commission	Commissioners' votes		Commission's report	
					Affirmative	Negative	To President	TC Publication No.
TEA-I-20	Marble and travertine products	<sup>1</sup> 3-11-71	6-15-71	Equally divided <sup>2</sup>	Bedell Moore	Leonard Young	9-13-71	420
TEA-I-21	Television receivers	<sup>3</sup> 5-20-71	10- 6-71	Negative	Moore	Bedell Parker Sutton Leonard Young	11-19-71	436
TEA-I-22	Ceramic table and kitchen articles, including dinnerware.	<sup>4</sup> 8-19-71	11-30-71	Affirmative: Earthenware.  Negative: Fine china.	Bedell Parker Moore Young	Sutton Leonard  Bedell Parker Sutton Leonard Moore Young	2-22-72	466
TEA-I-23	Flat glass and tempered glass	<sup>5</sup> 7-30-71	11- 9-71	Equally divided: <sup>6</sup> Sheet glass.  Negative: All other.	Bedell Sutton Moore	Parker Leonard Young Bedell Parker Sutton Leonard Moore Young	1-31-72	459
TEA-I-24	Electron microscopes, apparatus, and parts.	<sup>7</sup> 11-18-71	2- 8-72	Negative	Leonard <sup>8</sup>	Bedell Parker Moore Young	5-18-72	487

<sup>1</sup> By National Association of Marble Producers.

<sup>2</sup> On Jan. 28, 1972, the President accepted the affirmative finding as the finding of the Commission for adjustment assistance to firms and groups of workers; however, the President decided not to proclaim the tariff increases contained in the affirmative finding but to recommend to Congress the elimination of duties on the rough and certain semifinished forms of the stone.

<sup>3</sup> By International Union of Electrical, Radio and Machine Workers, et al.

<sup>4</sup> By the American Dinnerware Emergency Committee and the American Fine China Guild.

<sup>5</sup> By 4 U.S. producers.

<sup>6</sup> The decision of the President to take no action on the Commission's report was announced May 1, 1972.

<sup>7</sup> By 2 U.S. producers.

<sup>8</sup> Commissioner Leonard voted in the affirmative with respect to electron microscopes and certain parts thereof; he voted in the negative with respect to the other products covered by the investigation.

### Section 301(c)(1), "firm" investigations

In fiscal year 1972, the Commission completed 17 investigations concerning import injury to firms, under section 301(c)(1) of the Trade Expansion Act.<sup>3</sup> Two investigations were in progress at the close of fiscal 1972.

In such an investigation the Commission determines whether, as a result in major part of concessions granted under trade agreements, an article like or directly competitive with an article produced by a

firm is being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to that firm. The Commission must complete these investigations and report its findings to the President within 60 days after petitions are filed by firms or their representatives. A public hearing is required only if requested by the petitioner or other interested party. If the Commission's finding is affirmative, the Secretary of Commerce may certify the firm as eligible to apply for adjustment assistance.<sup>4</sup>

<sup>4</sup> Executive Order 11075, dated Jan. 16, 1963, delegated the President's authority to certify firms to the Secretary of Commerce.

<sup>3</sup> 19 U.S.C. 1901(c)(1).

In the completed investigations, the Commission's finding was affirmative in five cases and negative in 11; the Commissioners were equally divided in one case. The firms involved in the five cases in which the

finding was affirmative and in the case in which the Commissioners were equally divided were subsequently certified as eligible to apply for adjustment assistance. A tabular summary of these cases follows.

*Summary of "firm" investigations completed under section 301(c)(1) of the Trade Expansion Act of 1962*

Investigation No.	Firm and articles concerned	Petition filed	Finding of Commission	Commissioners' votes		Commission's report	
				Affirmative	Negative	To Secretary of Commerce	TC Publication No.
TEA-F-23.....	Pla-Moc, Inc.; women's casual shoes .....	5-19-71	Negative.....	Moore.....	Sutton.....	7-16-71	405
TEA-F-24.....	Seymour Shoes, Inc.; women's dress shoes ....	6- 4-71	do.....		Leonard Sutton..... Leonard Moore	7-30-71	411
TEA-F-25.....	Utica Cutlery Co.; stainless-steel table flatware..	6-18-71	Affirmative.....	Sutton..... Leonard Moore Young		8-17-71	414
TEA-F-26.....	Johnson, Stephens & Shinkle Shoe Co.; women's dress shoes.	6-18-71	Negative.....	Moore.....	Sutton..... Leonard Young	8-24-71	416
TEA-F-27.....	Bangor Shoe Manufacturing Co., Inc.; men's and women's footwear.	7- 8-71	do.....	Moore.....	Bedell..... Leonard Young	9- 3-71	419
TEA-F-28 <sup>1</sup> .....	French Shriner & Urner Manufacturing Co.; men's dress shoes.	7-29-71	do.....		Sutton..... Leonard Moore Young	9-24-71	421
TEA-F-29 <sup>2</sup> .....	Whittier Mills Co.; cotton osnaburgs and sheetings.	8-12-71	Affirmative.....	Bedell..... Parker Sutton Moore	Leonard..... Young	10-12-71	426
TEA-F-30.....	Wollensak, Inc.; optical elements.....	8-11-71	Negative.....		Bedell..... Parker Sutton Leonard Young	10-12-71	425
TEA-F-31 <sup>3</sup> .....	Bibb Manufacturing Co.; certain yarns, fabrics, and other textile products.	8-30-71	Affirmative.....	Bedell..... Parker Sutton Moore	Young <sup>4</sup> .....	11- 9-71	432
TEA-F-32.....	All Star Products, Inc.; variable electrical capacitors.	8- 4-71	Negative.....		Sutton..... Leonard Young	10- 4-71	423
TEA-F-33.....	Wisconsin Shoe Co.; men's footwear.....	8-27-71	do.....		Leonard..... Moore Young	10-22-71	427
TEA-F-34.....	Rex Tanning Corp.; certain bovine leather ....	9-10-71	do.....		Bedell..... Parker Sutton Leonard Moore Young	11- 9-71	433
TEA-F-35.....	J. H. Bonck Co., Inc.; men's and boys' shirts...	9-27-71	Equally divided <sup>5</sup> ...	Bedell..... Sutton Moore	Parker..... Leonard Young	11-26-71	439
TEA-F-36 <sup>6</sup> .....	Dave Aronoff Shoes, Inc.; women's vinyl sandals.	9-23-71	Negative.....	Moore.....	Sutton..... Leonard Young	11-22-71	437
TEA-F-37.....	Otto Goedecke, Inc.; cotton yarns and fabrics..	3-14-72	Affirmative.....	Bedell..... Sutton Moore	Leonard.....	5-12-72	486
TEA-F-38.....	G & H Decoy Manufacturing Co.; plastic duck decoys.	3-20-72	Negative.....		Bedell..... Parker Leonard Moore Young	5-19-72	488
TEA-F-39 <sup>7</sup> .....	Dutchess Footwear Corp.; footwear for women and misses.	4- 3-72	Affirmative.....	Bedell..... Parker Moore	Leonard..... Young	6- 2-72	491

<sup>1</sup> Investigation conducted jointly with TEA-W-101.  
<sup>2</sup> Investigation conducted jointly with TEA-W-103.  
<sup>3</sup> Investigation conducted jointly with TEA-W-112.  
<sup>4</sup> Commissioner Leonard on Nov. 8, 1971, filed an opinion and statement with the Secretary of Commerce which coincided with Commissioner

Young's opinion.  
<sup>5</sup> The President accepted the affirmative finding as the finding of the Commission.  
<sup>6</sup> Investigation conducted jointly with TEA-W-119.  
<sup>7</sup> Investigation conducted jointly with TEA-W-139.

A public hearing was held in connection with five of the investigations: TEA-F-29, on September 27, 1971; TEA-F-31, on September 20, 1971; TEA-F-37, on April 11, 1972; TEA-F-38, on April 25, 1972; and TEA-F-39, on May 9, 1972.

The two "firm" investigations in progress under section 301(c)(1) of the TEA on June 30, 1972, are listed in the following tabulation:

Investigation No.	Firms and articles concerned	Petition filed
TEA-F-40-----	V-M Corp.; record changers, phonographs, radio-phonograph combinations, and tape recorders, players, and decks.	5-18-72
TEA-F-41-----	J. Rudolph, Inc.; ladies' vinyl handbags.	6- 8-72

### Section 301(c)(2), "worker" investigations

During fiscal year 1972, the Commission completed 50 investigations instituted upon petition of groups of workers under section 301(c)(2) of the TEA.<sup>5</sup> One was discontinued during fiscal year 1972 and four others were in progress at the close of the year.

In such an investigation the Commission determines whether, as a result in major part of concessions granted under trade agreements, an article like or directly competitive with an article produced by the workers' firm,

or an appropriate subdivision thereof, is being imported into the United States in such increased quantities as to cause, or threaten to cause, unemployment or underemployment of a significant number or proportion of the workers of such firm or subdivision. The Commission must complete these investigations and report its findings to the President within 60 days after petitions are filed. A public hearing is required only if requested by the petitioner or other interested party. If the Commission's finding is affirmative, the Secretary of Labor may certify the group of workers involved as eligible to apply for adjustment assistance.<sup>6</sup>

Of the completed investigations, the Commission's findings were in the affirmative in nine cases and in the negative in 41 cases; the Commissioners voting were equally divided in one case.

In all cases in which the Commission made an affirmative decision or was equally divided, the petitioning workers were certified as eligible to apply for adjustment assistance. A tabular summary of these cases follows. A public hearing was held in connection with only four of the investigations: TEA-W-96, on July 7, 1971; TEA-W-103, on September 27, 1971; TEA-W-113, on November 9, 1971; and TEA-W-139, on May 9, 1972.

<sup>5</sup> 19 U.S.C. 1901(c)(2).

<sup>6</sup> Executive Order 11075, dated Jan. 16, 1963, delegated the President's authority to certify workers to the Secretary of Labor.

### Summary of "worker" investigations under section 301(c)(2) of the Trade Expansion Act of 1962

Investigation No.	Firm and articles concerned	Petition filed	Finding of Commission	Commissioners' votes		Commission's report	
				Affirmative	Negative	To Secretary of Labor	TC Publication No.
TEA-W-92-----	D'Antonio Shoe Corp.; women's dress shoes...	5- 7-71	Negative.....		Sutton..... Leonard Moore	7- 6-71	402
TEA-W-93-----	Knapp King-Size Corp.; men's dress shoes....	5- 7-71	do.....		Sutton..... Leonard Moore	7- 6-71	403
TEA-W-94-----	Bernardo Sandals, Inc.; women's leather sandals.	5- 7-71	do.....		Sutton..... Leonard Moore	7- 6-71	404
TEA-W-95-----	Commonwealth Shoe & Leather Co., Inc.; men's dress shoes.	5- 7-71	do.....		Sutton..... Leonard Moore	7- 6-71	403
TEA-W-96-----	Warwick Electronics, Inc.; phonographs and radio-phonograph and other combinations.	6- 1-71	do.....	Moore.....	Sutton..... Leonard Young	7-30-71	409
TEA-W-97-----	Stacy-Adams Co.; men's dress shoes.....	6-25-71	do.....		Sutton..... Leonard Moore	8-24-71	417
TEA-W-98-----	Copley Shoe Co., Inc.; women's dress shoes...	6-23-71	do.....		Sutton..... Leonard Moore Young	8-20-71	415

Summary of "worker" investigations under section 301(c)(2) of the Trade Expansion Act of 1962—Continued

Investigation No.	Firm and articles concerned	Petition filed	Finding of Commission	Commissioners' votes		Commission's report	
				Affirmative	Negative	To Secretary of Labor	TC Publication No.
TEA-W-99.....	Pappagallo, Inc.; women's dress shoes.....	6-23-71	Negative.....		Sutton Leonard Moore Young	8-20-71	415
TEA-W-100.....	Detroit Steel Corp., Portsmouth plant; steel wire rod, wire, and mesh made of such wire.	6-30-71	.....do.....		Bedell Moore Young	8-27-71	418
TEA-W-101 <sup>1</sup> .....	French Shriner & Urner Manufacturing Co.; men's dress shoes.	7-29-71	.....do.....		Sutton Leonard Moore Young	9-24-71	421
TEA-W-102.....	H. K. Porter Co., Inc.; electrical conduit and fittings of iron or steel.	8- 9-71	.....do.....		Bedell Parker Sutton Leonard Young	10- 8-71	424
TEA-W-103 <sup>2</sup> .....	Whittier Mills Co.; cotton osnaburgs and sheetings.	8-12-71	Affirmative.....	Bedell Parker Sutton Moore	Leonard Young	10-12-71	426
TEA-W-104.....	P.M. Footwear Corp.; women's, misses', men's, youths', and boys' footwear.	8-25-71	Negative.....		Parker Leonard Moore Young	10-26-71	428
TEA-W-105.....	Moca Shoes; women's, misses', men's, youths', and boys' footwear.	8-25-71	.....do.....		Parker Leonard Moore Young	10-26-71	428
TEA-W-106.....	B. E. Cole Co.; women's, misses', men's, youths', and boys' footwear.	8-26-71	.....do.....	Moore.....	Sutton Leonard Young	10-26-71	428
TEA-W-107.....	Francine Shoe Co.; women's, misses', men's, youths', and boys' footwear.	8-27-71	.....do.....	Moore.....	Sutton Leonard Young	10-26-71	428
TEA-W-108.....	Yabucoa Shoe Corp.; women's, misses', men's, youths', and boys' footwear.	8-30-71	.....do.....		Parker Leonard Moore Young	10-26-71	428
TEA-W-109.....	Las Piedras Shoe Corp.; women's, misses', men's, youths', and boys' footwear.	8-30-71	.....do.....		Parker Leonard Moore Young	10-26-71	428
TEA-W-110.....	Sun Manufacturing Co.; footwear uppers.....	8-25-71	.....do.....	Moore.....	Sutton Leonard Young	10-26-71	429
TEA-W-111.....	American Zinc Co.; unwrought zinc.....	9- 1-71	.....do.....		Bedell Parker Sutton Leonard Moore Young	11-1-71	430
TEA-W-112 <sup>3</sup> .....	Bibb Manufacturing Co.; certain yarns, fabrics, and other textile products.	9- 9-71	Affirmative.....	Bedell Parker Sutton Moore	Young <sup>4</sup> .....	11-9-71	432
TEA-W-113.....	Armstrong Glass Co.; rolled glass.....	9- 7-71	Negative.....		Bedell Parker Moore Young	1-28-72	458
TEA-W-114.....	Seymour Shoes, Inc.; women's dress shoes....	9-24-71	.....do.....		Sutton Leonard Moore Young	11-23-71	438
TEA-W-115.....	Beaunit Corp., Childersburg, Ala., plant; viscose rayon yarns.	9-20-71	.....do.....		Bedell Parker Sutton Leonard Moore Young	11-19-71	435

See footnotes at end of table.

Summary of "worker" investigations under section 301(c)(2) of the Trade Expansion Act of 1962—Continued

Investigation No.	Firm and articles concerned	Petition filed	Finding of Commission	Commissioners' votes		Commission's report	
				Affirmative	Negative	To Secretary of Labor	TC Publication No.
TEA-W-116.....	Avondale Mills; broadwoven polyester-cotton fabrics.	9-16-71	Affirmative.....	Bedell..... Sutton Moore	Leonard.....	11-15-71	434
TEA-W-117.....	Goodyear Tire and Rubber Co.; heels, soles, and soling sheets.	10- 4-71	Negative.....		Parker..... Leonard Moore Young	12- 3-71	441
TEA-W-118.....	Vulcan Corp.; heels for women's footwear.....	9-30-71	.....do.....	Moore.....	Parker..... Leonard Young	11-29-71	440
TEA-W-119 <sup>5</sup> .....	Dave Aronoff Shoes, Inc.; women's vinyl sandals.	10-19-71	.....do.....	Moore.....	Sutton..... Leonard Young	11-22-71	437
TEA-W-120.....	Utica Cutlery Co.; stainless-steel table flatware.	10-18-71	Affirmative.....	Sutton..... Leonard Moore Young		12-17-71	442
TEA-W-121.....	Grenet Footwear, Inc.; women's vinyl sandals and slippers.	11- 3-71	Negative.....		Bedell..... Sutton Leonard	12-23-71	448
TEA-W-122.....	U.S. Fiberglass Division, Gladding Corp.; fiberglass fishing rods.	11-12-71	.....do.....		Bedell..... Parker Sutton Leonard	1-11-72	450
TEA-W-123.....	General Instrument Corp.; diodes.....	11-19-71	Discontinued 12-20-71. <sup>6</sup>				
TEA-W-124.....	Owensville Shoe Manufacturing Co.; women's and misses' dress shoes.	11-22-71	Negative.....		Sutton..... Leonard Moore Young	1-21-72	454
TEA-W-125.....	Brown Shoe Co., Vincennes plant; men's, youths', and boys' leather footwear.	11-22-71	.....do.....		Sutton..... Leonard Moore	1-21-72	455
TEA-W-126.....	Morgantown Glassware Guild, Inc.; household glassware.	11-24-71	.....do.....		Bedell..... Parker Leonard Moore Young	1-24-72	456
TEA-W-127.....	Service Heel Co.; heels for women's shoes.....	12-13-71	.....do.....	Moore.....	Parker..... Sutton Leonard Young	2-11-72	461
TEA-W-128.....	Bates Manufacturing Co., Inc.; broadwoven fabrics of cotton or manmade fiber and cotton blends.	12-20-71	.....do.....	Sutton..... Moore	Bedell..... Parker Leonard Young	2-18-72	465
TEA-W-129.....	C. P. Clare & Co.; mercury-wetted contact relays.	1-24-72	.....do.....		Bedell..... Parker Sutton Moore Young	3-23-72	469
TEA-W-130.....	Pittsfield Shoe Corp.; women's dress shoes.....	2-28-72	.....do.....	Moore.....	Sutton..... Leonard Young	4-25-72	478
TEA-W-131.....	Baldwin-Lima-Hamilton Corp.; hydraulic turbines, hydraulic forging and extrusion presses, and ship-driving propellers.	2-15-72	.....do.....		Bedell..... Parker Sutton Leonard Moore Young	4-17-72	474
TEA-W-132.....	General Instrument Corp., Joliet, Ill., plant; automotive radio tuners.	2-18-72	Affirmative.....	Bedell..... Leonard Moore Young	Sutton.....	4-18-72	475
TEA-W-133.....	C. G. Conn, Ltd.; brass wind musical instruments.	2-29-72	.....do.....		Bedell..... Parker Leonard Moore Young	4-28-72	480

See footnotes at end of table.

*Summary of "worker" investigations under section 301(c)(2) of the Trade Expansion Act of 1962—Continued*

Investigation No.	Firm and articles concerned	Petition filed	Finding of Commission	Commissioners' votes		Commission's report	
				Affirmative	Negative	To Secretary of Labor	TC Publication No.
TEA-W-134.....	Cambridge Tile Mfg. Co.; glazed ceramic tile..	3- 2-72	Negative.....	Moore.....	Parker..... Sutton Leonard	5- 1-72	481
TEA-W-135.....	B. F. Goodrich Co., General Products Division; rubber catheters and syringes.	3- 2-72	do.....		Parker..... Sutton Leonard Moore	5- 1-72	482
TEA-W-136.....	RCA Corp.; television picture tubes.....	3-13-72	do.....		Bedell..... Parker Leonard Moore Young	5-12-72	485
TEA-W-137.....	Kayser-Roth Corp.; panty hose.....	3-24-72	do.....		Bedell..... Leonard Moore Young	5-23-72	489
TEA-W-138.....	Ohio Leather Co.; calf and kip upper leathers..	3-28-72	do.....		Bedell..... Parker Leonard Moore Young	5-26-72	490
TEA-W-139 <sup>1</sup> .....	Duchess Footwear Corp.; women's dress and casual shoes.	4- 3-72	Affirmative.....	Bedell..... Parker Moore	Leonard..... Young	6- 2-72	491
TEA-W-140.....	Remington Rand Division, Sperry Rand Corp.; electronic calculators, typewriters, and typewriter parts.	4-20-72	Negative.....		Bedell..... Parker Leonard Moore Young	6-19-72	492
TEA-W-141.....	Wilson Shoe Corp.; women's casual shoes.....	4-21-72	Affirmative.....	Bedell..... Parker Moore	Leonard..... Young	6-20-72	493
TEA-W-142.....	General Electric Co.; radio receivers, phonographs, and tape recorders.	4-24-72	Affirmative: Radio receivers.  Negative: Phonographs and tape recorders.	Bedell..... Parker Moore	Leonard.....  Bedell..... Parker Leonard Moore	6-23-72	495

<sup>1</sup> Investigation conducted jointly with TEA-F-28.

<sup>2</sup> Investigation conducted jointly with TEA-F-29.

<sup>3</sup> Investigation conducted jointly with TEA-F-31.

<sup>4</sup> Commissioner Leonard on Nov. 8, 1971, filed an opinion and statement with the Secretary of Labor which coincided with Commissioner Young's opinion.

<sup>5</sup> Investigation conducted jointly with TEA-F-36.

<sup>6</sup> The institution of the investigation was incorrect in terms of the identification of the product produced by the plant in question; termination was made without prejudice to the petitioner.

<sup>7</sup> Investigation conducted jointly with TEA-F-39.

The four "worker" investigations in progress under section 301(c)(2) of the TEA on June 30, 1972, are listed in the following tabulation:

Investigation No.	Firm and articles concerned	Petition filed
TEA-W-143.....	Plymouth Cordage Co., Division of Columbian Rope Co.; cordage of manmade fibers and cordage of abaca.	5-22-72
TEA-W-144.....	RCA Corp.; television yokes, tuners, and horizontal output transformers and magnetic tape.	5-31-72
TEA-W-145.....	Hosiery Division of Chad- bourn, Inc.; women's and girls' hosiery and panty hose.	6- 1-72
TEA-W-146.....	U.S. Shoe Corp.; women's dress shoes.	6-19-72

**Section 351(d)(1), annual reviews of industries <sup>7</sup>**

Under section 351(d)(1) of the TEA, the Commission conducted annual reviews of two industries—those of Wilton and velvet carpets and rugs, and pianos (except grands)—and reported to the President on their developments.

Section 351(d)(1) directs the Commission to report to the President on annual developments in an industry as long as any import restrictions imposed under section 7 of the Trade Agreements Extension Act of 1951 or section 351(a) of the TEA to prevent or remedy serious injury to such industry as a result in major part of trade-agreement concessions remain in effect.

The two annual reviews were as follows:

<sup>7</sup> 19 U.S.C. 1981(d)(1).

Investigation No.	Products involved	Date of report
TEA-IR-5-71	Wilton, Brussels, velvet, and tapestry carpets and rugs.	12-27-71
TEA-IR-9-72	Pianos (except grands)	2-15-72

### Section 351(d)(3), report on effect of termination of increased duty or other import restriction<sup>8</sup>

The Commission completed one investigation under section 351(d)(3) of the TEA during fiscal year 1972.

Section 351(d)(3) directs the Commission, upon petition on behalf of the industry concerned, to advise the President of the Commission's judgment as to the probable economic effect on that industry of the scheduled termination (pursuant to section 351(c)) of an increase in import restrictions.

For an extension of increased import restrictions, a petition on behalf of the industry must be filed with the Commission not earlier than 9 months nor later than 6 months before the increased import restrictions would otherwise terminate. The President is authorized to extend the restrictions for such periods (not in excess of 4 years at any one time) as he may designate.

In the investigation completed, TEA-I-EX-7, on sheet glass, the Commission reported to the President on December 30, 1971, that in its opinion the termination of the first stage of the current modified escape-action rates of duty on imported window glass would impair the efforts of the domestic industry producing sheet glass to achieve viable operations. Following receipt of the Commission's report, the President extended the effective period for the increased rates of duty to April 30, 1972 (Presidential Proclamation 4102, Jan. 29, 1972, 37 F.R. 2417).

## Tariff Act of 1930, as Amended

The Tariff Act of 1930 empowers the Commission to investigate and report on many aspects of U.S. foreign trade. Studies made under section 332 of that act are usually broader in scope and focus than the investigations conducted by the Commission under the Trade Expansion Act of 1962. Investigations under section 337 of the 1930 act concern unfair methods of com-

<sup>8</sup> U.S.C. 1981(d)(3).

petition and unfair acts in the importation of articles into the United States, or in the sale of imported articles.

### Section 332

Section 332<sup>9</sup> sets forth the Commission's authority to investigate the conditions, causes, and effects of competition between domestic and foreign industry and to make such reports as may be requested by the President, the House Committee on Ways and Means, the Senate Committee on Finance, or either House of Congress, concerning such matters. The Commission may also undertake investigations under section 332 on its own motion.

During fiscal year 1972, three studies undertaken in earlier years under section 332 were completed, and the results were published as staff research studies. At the close of the year the Commission was engaged in work on seven research projects initiated under that section.

*Investigations completed.*—The number and title of the reports completed and published as research studies were as follows:

Staff Research Study No.	Title
2-----	Probable Effects of Tariff Preferences for Developing Countries (2 volumes).
3-----	A Model for Estimating the Impact of Tariff Manipulation on the Volume of Imports.
4-----	United States-East European Trade.

The report above titled *Probable Effects of Tariff Preferences for Developing Countries* contains the results of the research done in an investigation initiated by the Commission on its own motion, announced on November 20, 1968, and terminated on April 3, 1972.

*Investigations in progress.*—On July 21, 1970, the President requested the Commission to examine and report on the competitive position of domestic industries in order to help determine future trade policies. Public hearings were held November 4-25, 1970. The Commission's first report on this subject, *Competitiveness of U.S. Industries*, was given the President on April 21, 1972, and released on May 15, 1972 (TC Publication 473). Further reports are contemplated.

In April 1971 the Commission initiated four studies at the request of the Senate Committee on Finance and its Subcommittee on International Trade. They involved—

Tariff and nontariff barriers imposed by principal trading nations and disparities in tariff treatment.

<sup>9</sup> 19 U.S.C. 1332.



Nature and extent of tariff concessions granted in trade and other international agreements to which the United States is a party.

Customs valuation standards of the United States and its major foreign trade partners, together with suggested valuation standards suitable for international use, and the effect of U.S. adoption of such standards.

Implications of multinational firms for world trade and investment and for U.S. trade and labor.

These studies were still in progress at the end of fiscal year 1972.

Two other long-range research studies, initiated in earlier years by the Commission on its own motion, were also in progress at the close of fiscal 1972:

Temporary entry provisions of title 19 of the United States Code.

Domestic and foreign policies affecting U.S. foreign trade in agricultural products.

### Section 337

*Preliminary inquiries completed.*—During fiscal year 1972, the Commission completed four preliminary inquiries under the provisions of section 337, dismissing

the inquiry in each instance. Two preliminary inquiries had been pending at the beginning of the fiscal year, and seven were initiated during the year, leaving five inquiries pending at yearend.

Section 337<sup>10</sup> declares unlawful, and authorizes the President to deal with, unfair methods of competition and unfair acts in the importation of articles into the United States. It authorizes the Commission to investigate alleged violations of this section of the act and to transmit its final findings to the President. On receipt of a properly filed complaint, the Commission makes a preliminary inquiry to determine whether a full investigation is needed, and whether it should recommend that the President temporarily ban entry of the articles concerned (if the complainant so requests). Under the statute, a rehearing may be granted by the Commission after a decision in a full investigation, and an appeal may be taken by importers to the Court of Customs and Patent Appeals. If violation has been established to the President's satisfaction, he may direct that articles concerned be excluded from entry.

The four preliminary inquiries that were completed during fiscal 1972 are listed in the following table.

<sup>10</sup> 19 U.S.C. 1337.

*Summary of preliminary inquiries completed under section 337 of the Tariff Act of 1930*

Investigation No.	Complainant and articles concerned	Complaint filed	Type of complaint	Action taken by the Commission
337-L-43.....	Robert T. Kaufman; certain paper stitchers.	12-16-70	Patent "infringement."	Public notice of dismissal of complaint (Commissioner Leonard dissenting) was issued on Feb. 10, 1972, on the basis that "there is no definable producing industry in existence nor is there an industry within the purview of the statute prevented from being established."
337-L-44.....	Nippert Co.; cold-formed mounts for semiconductors.	3-10-71	do.....	Public notice of dismissal of preliminary inquiry issued on Jan. 28, 1972; dismissal was made on the basis of submissions made to the Commission by interested parties.
337-L-45.....	Controls Co. of America; pressure switches.	6-17-71	do.....	Public notice of dismissal of the preliminary inquiry was issued on Sept. 9, 1971; attorneys for the complainant stated that the interested parties had settled the alleged violation.
337-L-48.....	Fredrick Manufacturing Co.; combination fish scaler, hook remover, and rule.	10-27-71	do.....	Public notice of dismissal of preliminary inquiry issued on Feb. 24, 1972; dismissal was made on the basis of submissions made to the Commission by interested parties.

*Preliminary inquiries in progress.*—The five preliminary inquiries under section 337 that were in progress at the end of the fiscal year are shown in the accompanying table.

*Full investigations completed.*—Although no full investigations were initiated under section 337 during fiscal 1972, six were in progress at the beginning of the year and one, which had been completed in fiscal 1971, was reopened in response to a request for a rehearing. In the latter case (No. 337-22), the complainant alleged unfair methods of competition and unfair acts in the importation of certain crawler tractor parts made by Bertoni & Cotti of Italy. After a pre-

*Summary of preliminary investigations under section 337 of the Tariff Act of 1930 pending at the close of fiscal year 1972*

Investigation No.	Complainant and articles concerned	Complaint filed	Type of complaint
337-L-46	Scott & Williams, Inc.; closed-toe circular hosiery knitting machines and devices.	10- 8-71	Patent "infringement."
337-L-47....	Venus Esterbrook Corp.; certain writing instruments and nibs therefor.	11-23-71	Do.
337-L-49....	Wurlitzer Co.; electronic pianos.....	3- 6-72	Do.
337-L-50....	The Stanley Works; combination measuring tools.	5- 1-72	Do.
337-L-51....	Rottler Boring Bar Co.; cylinder boring machines and boring bars.	5- 8-72	Do.

liminary inquiry into the matter, the Commission ordered a full investigation, and subsequently found that section 337 had been violated—the Italian producers and their U.S. distributors had boycotted the complainant from importing and selling tractor parts. By a 2-to-1 vote the Commissioners voting recommended that such tractor parts be barred from entry. The Commission's report containing its recommendation<sup>11</sup> was released on June 25, 1971. On August 2,

1971, in response to a duly filed request for a rehearing, the Commission reversed its recommendation for an exclusion order. Commissioners Sutton and Leonard reaffirmed their positions, and Commissioner Moore concurred with Commissioner Sutton's negative position.

The full investigations completed under section 337 in fiscal year 1972 are summarized in the following table.

*Summary of full investigations completed under section 337 of the Tariff Act of 1930*

Investigation No.	Date ordered	Complainant and articles concerned	Type of complaint	Commissioners' votes		Commission's report	
				Affirmative	Negative	To President	TC Publication No.
337-22	5-14-69	Albert Levine Associates; crawler tractor parts	Unfair methods of competition and unfair acts.	Leonard <sup>1</sup>	Sutton Moore	<sup>2</sup> 12-14-71	443
337-25	10-15-70	Tights, Inc.; panty hose	Patent "infringement"	Bedell <sup>3</sup> Sutton <sup>3</sup> Leonard <sup>3</sup> Moore <sup>3</sup>		6- 6-72	471
337-26	12- 7-70	W. A. Baum Co., Inc.; sphygmomanometers (blood pressure apparatus).	do		Sutton Leonard Moore Young	3-15-72	468
337-28	3-15-71	Atlantic Products Corp.; lightweight luggage	do	Sutton <sup>4</sup> Leonard <sup>4</sup> Moore <sup>4</sup> Young <sup>4</sup>		4-18-72	463
337-29	3-18-71	Ben Walters, Ben Walters, Inc., and Kage Co., Inc.; articles comprised of plastic sheets having an openwork structure (decorative wall plaques).	do	Bedell <sup>5</sup> Sutton <sup>5</sup> Moore <sup>5</sup>	Leonard Young	4- 5-72	444

<sup>1</sup> Recommended the permanent exclusion from entry of certain tractor parts manufactured by Bertoni & Cotti of Copparo, Ferrara, Italy.

<sup>2</sup> The Commission's earlier report and recommendation was released on June 25, 1971; by a 2-to-1 vote the Commissioners voting then recommended that such tractor parts be barred from entry. Commissioners Clubb and Leonard voted in the affirmative and Commissioner Sutton in the negative. However, on Aug. 2, 1971, in response to a motion for rehearing, the Commission reversed its earlier decision, voting as shown.

<sup>3</sup> Recommended the exclusion from entry of articles manufactured in accordance with the claim of complainant's patent until the expiration of such patent, except where the importation is made under license of the registered owner of the patent. In line with the recommendation made by the Tariff Commission upon conclusion of the preliminary inquiry, the President had issued a temporary exclusion order on Feb. 17, 1972.

<sup>4</sup> Recommended the exclusion from entry of articles manufactured in accordance with the claims of the complainant's patents until the expiration of such patents, except where the importation is made under license of the registered owner of the patents. In line with the recommendation made by the Tariff Commission upon conclusion of the preliminary inquiry, the President had issued a temporary exclusion order on Dec. 13, 1971.

<sup>5</sup> Recommended the exclusion from entry of articles manufactured in accordance with the process embraced within the claims of patent owned by complainant Ben Walters until expiration of such patent, except where the importation is made under license of the registered owner of the patent. At the end of fiscal 1972 the matter was still pending.

*Lawsuit arising from section 337 investigation.*—On April 28, 1972, the Commission was served with an order to show cause and a restraining order, involved in Ampicillin Antitrust Litigation, M.D.L. Docket No. 50 (Misc. 45-70) in the U.S. District Court for the District of Columbia, preventing the Commission from initiating any judicial proceeding looking toward enforcement of its subpoenas in the investigation (No. 337-24) the Commission was con-

ducting under section 337 of the Tariff Act of 1930 with respect to alleged unfair methods of competition and unfair acts in the importation and sale in the United States of ampicillin embraced in the claims of U.S. Patent No. 2,985,648.

The Commission's request for representation by the Justice Department was denied, but the Commission was authorized to represent its own interests in the proceedings. The General Counsel, acting on behalf of the Commissioners, filed an application for a writ of prohibition and an appeal with the U.S. Court of Appeals for the District of Columbia. The General Counsel also represented the Commissioners at a hearing in the district court on June 12, 1972.

<sup>11</sup> *Tractor Parts: Investigation No. 337-22 Under the Provisions of Section 337 of Title III of the Tariff Act of 1930, as Amended*, TC Publication 401, 1971. Commissioners Clubb and Leonard voted in the affirmative and Commissioner Sutton in the negative.

At the close of that hearing, the judge signed an order denying the importers' motions for orders preventing enforcement of the Commission's subpoenas and vacating the temporary restraining order; thus, the appeal and the application for a writ of prohibition to the court of appeals became moot. These judicial proceedings mark the first time the Commissioners have been represented in litigation by their own counsel.

## Agricultural Adjustment Act, Section 22: Certain Cheeses

During fiscal 1972, the Commission completed an investigation of certain cheeses under section 22 of the Agricultural Adjustment Act.<sup>12</sup>

Section 22 directs the Secretary of Agriculture to advise the President whenever he believes any agricultural commodity or product thereof is being imported under such conditions and in such quantities as to interfere with price-support or other programs of the U.S. Department of Agriculture. The President may then direct the Commission to conduct an investigation and report to him its findings and recommendations. On the basis of such findings and recommendations the President may by proclamation impose fees (duties) or quantitative limitations, or suspend, terminate, or modify any existing import restrictions so imposed. (In cases of emergency, the President may take immediate action with respect to imports, such action to continue in effect pending the Commission's report and recommendations and any further action thereon.)

On March 17, 1971, the Commission instituted an investigation (No. 22-29) to determine the effect of imports of certain cheeses and cheese substitutes having a purchase price of 47 cents or more per pound on price-support programs of the U.S. Department of Agriculture for milk.

The Commissioners participating in the investigation found that virtually all of the articles considered were "being" or were "practically certain to be" imported so as to materially interfere with the said programs. They unanimously recommended that absolute quotas should be imposed on imports of the articles for which they voted in the affirmative and that the purchase price concept should be eliminated from the

<sup>12</sup> 7 U.S.C. 624.

quota provisions. They also recommended that the principles set forth in article XIII of the General Agreement on Tariffs and Trade (GATT) should be fully observed in the administration of the quotas. The President subsequently imposed quotas on imports of the articles subject to the investigation if they are priced per pound less than the Commodity Credit Corporation purchase price for Cheddar cheese, rounded to the nearest whole cent, plus 7 cents.<sup>13</sup>

*Date of President's request:* March 12, 1971.

*Articles concerned:* Swiss or Emmenthaler cheese with eye formation, Gruyere-process cheese, and cheese and substitutes for cheese containing, or processed from, such cheeses; and certain "other" cheeses, and substitutes for cheese; all the foregoing, if having a purchase price of 47 cents per pound or more.

*Public hearing:* April 20-22, 1971.

*Finding of the Commission:* Affirmative.<sup>14</sup>

*Vote of the Commission:* Unanimous on items 1 and 2 of the President's request; evenly divided on item 3. Unanimous on the related questions in the request and in the "representative period" for imports.

*Commission's report: Certain Cheeses and Substitutes for Cheese, 47 Cents Per Pound or More: Report to the President on Investigation No. 22-29 Under Section 22 of the Agricultural Adjustment Act, as Amended, TC Publication 406.*

*Date submitted to President:* July 28, 1971.

*Dated released:* Aug. 3, 1971.

## Antidumping Act, 1921, as Amended

During fiscal 1972, the Commission completed 18 investigations under section 201(a) of the Antidumping Act;<sup>15</sup> five others were in progress at the end of the year. The Commission's determinations were affirmative in 15 cases<sup>16</sup> and negative in two cases. With respect to fish nets and netting of manmade fiber from Japan (Investigation No. AA1921-85), the Commission's finding was affirmative on fish netting but negative on fish nets. Where the Commission made affirmative decisions, the Treasury Department issued formal

<sup>13</sup> Presidential Proclamation 4138.

<sup>14</sup> The differences between the findings of Commissioners Sutton and Moore and those of Commissioners Leonard and Young are explained in the report on the investigation.

<sup>15</sup> 19 U.S.C. 160 et seq.

<sup>16</sup> Under the Antidumping Act, decisions in which the Commissioners voting are evenly divided in their findings are deemed to be in the affirmative.

findings of dumping, and the described imports became subject to special dumping duties (see table below).

Section 201(a) of the Antidumping Act, 1921, provides that whenever the Secretary of the Treasury advises the Commission that a class or kind of foreign merchandise is being, or is likely to be, sold in the United States or elsewhere at less than its fair value, the Commission shall determine within 3 months whether an industry in the United States is being or is likely to be injured, or prevented from being estab-

lished, by reason of the importation of such merchandise. After such investigation as it deems necessary, the Commission notifies the Secretary of the Treasury of its determination. If the Commission determines in the affirmative, the Secretary of the Treasury issues a finding of dumping. (If the Commissioners voting are evenly divided as to the determination, the determination of the Commission is, by virtue of a provision in section 201(a), deemed to have been affirmative.)

*Summary of investigations completed under section 201(a) of the Antidumping Act, 1921, as amended*

Investigation No.	Articles concerned	Advice from Treasury received	Public hearing	Finding of Commission	Commissioners' votes		Commission's report	
					Affirmative	Negative	To Secretary of Treasury	TC Publication No.
AA1921-76.....	Clear sheet glass from Taiwan.....	4-21-71	6- 9-71	Affirmative.....	Sutton Moore	Leonard..... Young	7-21-71	407
AA1921-77.....	Tempered glass from Japan.....	5- 3-71	6-22-71	.....do.....	Sutton Moore	Leonard..... Young	8- 3-71	410
AA1921-78/79/80 <sup>1</sup> ..	Sheet glass from France, West Germany, and Italy.	8- 3-71	9-22-71	.....do.....	Bedell Sutton Moore	Parker..... Leonard Young	11- 3-71	431
AA1921-81.....	Bicycles from West Germany.....	9-28-71	11-16-71	Negative.....		Bedell..... Parker Sutton Leonard Moore	12-22-71	446
AA1921-82.....	Tubeless-tire valves from Canada...	9-28-71	11-22-71	.....do.....		Bedell..... Parker Sutton Moore	12-21-71	445
AA1921-83.....	Ice cream sandwich wafers from Canada.	11- 1-71	12-14-71	Affirmative.....	Bedell Parker Sutton Moore	Leonard..... Young	2- 1-72	460
AA1921-84.....	Diamond tips for phonograph needles from the United Kingdom.	11-18-71	1-11-72	.....do.....	Bedell Parker Sutton Leonard Moore Young		2-17-72	464
AA1921-85.....	Fish nets and netting of manmade fibers from Japan.	1-18-72	2-29-72	Affirmative: Fish netting.	Bedell..... Parker Sutton Moore	Leonard..... Young	4-18-72	477
				Negative: Fish nets.		Bedell..... Parker Sutton Leonard Moore Young		
AA1921-86/87/88/ 89/90. <sup>2</sup>	Large power transformers from France, Italy, Japan, Switzerland, and the United Kingdom.	1-20-72	3- 7-72	Affirmative.....	Bedell Parker Moore Young		4-20-72	476
AA1921-91.....	Asbestos cement pipe from Japan...	2- 2-72	3-21-72	.....do.....	Leonard..... Young	Bedell..... Moore	5- 2-72	483
AA1921-92.....	Elemental sulfur from Mexico.....	2- 4-72	3-28-72	.....do.....	Bedell Parker Sutton Leonard Moore Young		5- 4-72	484
AA1921-93.....	Cadmium from Japan.....	3-23-72	5-16-72	.....do.....	Bedell Parker Leonard Moore		6-23-72	494

<sup>1</sup> 3 investigations conducted jointly.

<sup>2</sup> 5 investigations conducted jointly.

The five antidumping investigations that were in progress at the close of the year are listed in the following tabulation:

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Investigation No.	Product concerned	Advice received from Treasury
AA1921-94-----	Welded-wire mesh from Belgium.	4-17-72
AA1921-95-----	Hand pallet trucks from France.	4-17-72
AA1921-96-----	Pentaerythritol from Japan.	6- 2-72
AA1921-97-----	Instant potato granules from Canada.	6- 7-72
AA1921-98-----	Bicycle speedometers from Japan.	6-23-72

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# 2. other activities

In addition to its statutory obligations to conduct public investigations, the Commission assists the legislative and executive branches of Government and also answers many inquiries from the public. It maintains a 64,000-volume library which receives about 1,200 periodicals annually. This newly modernized facility houses not only publications on international trade and U.S. tariff and commercial policy but also many business and technical journals. In addition, the Commission's Office of the General Counsel maintains a law library and a comprehensive file of documents on legislation affecting U.S. trade.

## Trade Agreements Program

The Commission regularly assists the executive branch of Government in work connected with the trade agreements program. Primarily, assistance is provided to the President through the office of the President's Special Representative for Trade Negotiations (STR),<sup>1</sup> the center for most trade agreements activities. Substantial Commission assistance is also given directly to particular executive departments, such as the Departments of State, Commerce, and Agriculture, which have responsibilities in the program, and to other White House offices, such as the Council on International Economic Policy.

### Assistance to the executive branch

The Commission's involvement in the trade agreements program during fiscal 1972 consisted mainly of assembling tariff, commodity, and other statistical information needed to prepare for new multilateral

<sup>1</sup> The Special Trade Representative is the chief representative of the United States at trade-agreement negotiations, to whom the President has delegated many of his functions under the Trade Expansion Act of 1962 (Executive Order 11075, Jan. 15, 1963, as amended). A member of his staff serves as chairman of the Trade Staff Committee, which obtains information and advice from Government agencies and other sources and recommends policies and actions to the Special Representative. The Tariff Commission is represented on the Trade Staff Committee but has no vote and does not participate in decisions on policy matters.

negotiations proposed to begin in 1973 or for the program's daily operation.

In February 1972 the United States, in a joint declaration with the European Communities and a similar declaration with Japan, agreed to undertake to initiate and actively support multilateral and comprehensive negotiations in the framework of GATT beginning in 1973: The President directed that preparatory work for the negotiations be started promptly and that specific responsibilities be assigned to various agencies. In March an initial work program calling for extensive Tariff Commission participation was inaugurated by the Council on International Economic Policy.

In an effort to remedy a deterioration in the U.S. balance of trade and international payments, the President, on August 16, 1971, imposed an additional duty of 10 percent ad valorem on all articles not free of duty and on which tariff concessions had been granted by the United States. For almost every dutiable product, this action imposed a rate higher than the concession rate to which the United States had agreed. The special import surcharge, which remained in effect through December 19, necessitated extensive international discussions. During the period the surcharge was in effect the Commission prepared voluminous computer tabulations of trade and tariff data and other analytical information, principally to assist the executive branch in international discussions of the surcharge.

Trade agreements escape-clause reports made by the Commission are transmitted to the President through the Special Representative for Trade Negotiations, who coordinates the preparation of executive agency policy advice on the report to the President. Other Commission reports to the President, such as those under section 337 dealing with unfair competition in imports and special reports on trade matters requested by the President under section 332, are referred by the President to the Special Trade Representative for the same purpose. The Commission is usually called upon to provide supplemental information and technical assistance to the STR for this executive branch review. In fiscal 1972 the Commission provided such assistance in connection with escape-

clause reports to the President on marble and travertine products, ceramic dinnerware, and sheet glass, and on reports dealing with unfair competition in importation of panty hose, lightweight luggage, and plastic sheets having an openwork structure. To supplement the report submitted to the President in 1970 on trade under TSUS items 807.00 and 806.30, the Commission supplied the STR with updated statistical and trade information on imports using these items.

Most of the recent Commission reports on unfair competition in imports have dealt with patent infringement. In February 1972 the President requested the STR to undertake a special study of legal, definitional, and policy issues in cases involving patent infringement or misuse. A Commission staff member served as technical adviser on the interagency group preparing this report.

In January 1972 the United Kingdom, Denmark, Norway, and Ireland signed a treaty of accession to join the European Community (EC).<sup>2</sup> Entry of these countries into the EC necessitates a reconciliation of differences between the rates of duty previously agreed upon under the GATT by the acceding countries and the new rates incurred by their adoption of the European Community's tariff. In preparation for GATT negotiations for this purpose, the Commission continued work through fiscal 1972 on computer tabulations that would identify rate changes which will occur in tariffs of acceding nations and quantify U.S. trade interest in the changes. Such tabulations will provide basic statistical and tariff data for the negotiations scheduled to begin in the fall of 1972 with the new entrants into the European Community.

The Commission continued to supply the GATT Secretariat in Geneva with compilations of data on U.S. tariffs, imports, and trade-agreement obligations. Most of this was part of a continuing compilation of trade and tariff information which will provide the basic data for the proposed new trade negotiations. Since virtually all international tariff and trade work is conducted in terms of the classifications of the Brussels Tariff Nomenclature (BTN), the Commission regularly provides the GATT Secretariat with information updating the concordance between the TSUS and the BTN.

The bilateral trade agreement with Venezuela was substantially modified on June 26, 1972, by an ex-

<sup>2</sup> In a national referendum in September 1972 the voters of Norway elected not to accede to the Treaty of Rome.

change of notes concluding with that country a long series of discussions for which the Tariff Commission provided technical assistance.

The Third United Nations Conference on Trade and Development was held at Santiago, Chile, in April and May 1972. The Commission assisted the Department of State in preparing for the Conference.

As part of the interagency computer data bank operation directed by the STR, Commission staff supervised the preparation of numerous computer tabulations of U.S. import and tariff data needed during the year for the trade agreements program.

Effective October 1, 1971, a tariff quota on imports of stainless-steel flatware was instituted in conformance with the modification of the tariff concession negotiated earlier in the year. The Commission assisted in preparing the Presidential proclamation of the tariff quota and regularly supplied the STR with statistics and other data required for monitoring trade in flatware under the tariff quota arrangement.

#### **Report on the operation of the trade agreements program**

Under section 402(b) of the Trade Expansion Act, the Commission must submit a yearly report to Congress on the operation of the trade agreements program. The 21st report (TC Publication 470), covering the calendar year 1969, was issued on April 3, 1972. The report describes developments relating to or affecting the trade agreements program during the year 1969. It discusses U.S. actions under the Long-Term Arrangement Regarding International Trade in Cotton Textiles and U.S. trade developments under the Automotive Products Trade Act of 1965. It also presents a summary of investigations by the Tariff Commission under the adjustment assistance provisions of the trade agreements legislation, and those by the Office of Emergency Planning under the national security provisions of that legislation. The report includes an account of the activities of the Contracting Parties to the General Agreement on Tariffs and Trade and briefly describes the major commercial policy developments that occurred in 1969 in the leading regional trading arrangements, such as the European Economic Community and the European Free Trade Association. Most of the major trading countries with which the United States has trade agreements were members of such arrangements.

# Tariff Nomenclature and Statistical Enumeration

During the fiscal year, the Tariff Commission was engaged in a variety of programs designed to improve production and trade statistics published by the Federal Government. Activities in this area clearly indicate the need for further efforts on a long-term basis toward improving the quality of such data, which are used in analyzing the international trade problems that come before the Commission.

## Tariff Schedules of the United States Annotated

The *Tariff Schedules of the United States Annotated* (TSUSA), which show the classification used for reporting import data by commodity and by supplying countries, are published periodically by the Commission for the purpose of maintaining current information respecting the customs treatment of products imported into the United States. The schedules identify some 11,000 commodity classifications for which trade statistics are collected regularly.

Changes in this publication primarily reflect congressional legislation, Presidential proclamations carrying out trade-agreement concessions, and statistical modifications adopted by the Interagency Committee for Statistical Annotation of Tariff Schedules. The activities of this Committee are conducted pursuant to section 484(e) of the Tariff Act of 1930, which directs the Secretary of the Treasury, the Secretary of Commerce, and the Chairman of the Tariff Commission to enumerate the statistical classifications used for reporting data on all commodities imported into the United States from foreign countries. The Committee, composed of representatives of the Bureau of Customs, the Bureau of the Census, and the Tariff Commission, is under the chairmanship of the Tariff Commission representative.

In fiscal year 1972 this Committee met at frequent intervals to consider requests of private industry and the Federal Government for more detailed statistical classes in the tariff schedules in order to develop more meaningful and precise information on the commodity composition of U.S. import trade. As a result, numerous changes were adopted in the statistical annotations of the tariff schedules for the purpose of both clarification and the improvement of trade data for analytical purposes.

In November 1970 the Commission had published the sixth edition (1971) of the *Tariff Schedules of the United States Annotated*. During fiscal year 1972 it issued the second, third, fourth, and fifth supplements to that edition.

In January 1972 the Commission published the seventh edition (1972) of the *TSUSA*, in which the rates of duty at the fifth (and final) stage of the Kennedy Round were incorporated. These rates were effective January 1, 1972, and were implemented as a result of the Kennedy Round tariff concessions negotiated under the GATT. By the end of fiscal year 1972, two supplements to the 1972 edition of this publication had been prepared which reflected statistical annotations essential in the administration of the international textile arrangements, escape-clause action relative to sheet glass, import restrictions on certain dairy products, increased duty on certain ceramic tableware, and various changes in foreign country designations and classification of U.S. customs districts and ports.

## Comparability of statistical data on U.S. production and foreign trade

In their reports on the proposed Trade Act of 1970 (H.R. 18970 and H.R. 17550) both the Committee on Ways and Means, U.S. House of Representatives, and the Committee on Finance, U.S. Senate, expressed concern at the lack of comparability between data on U.S. imports, production, and exports, and stated that official data collected and published in this connection are "not adequate to meet the current and expanding needs of U.S. foreign trade policy." The committees urged responsible Federal agencies to undertake a review of their statistical programs, under the coordination and guidance of the Office of Management and Budget, with a view toward establishing compatible classification systems for U.S. imports, production, and exports.

In reflecting the above concern, the Tariff Commission staff, in cooperation with the Office of Management and Budget, the Bureau of the Census, and other interested agencies, continued its review of each item listed in the *Tariff Schedules of the United States Annotated* and in the schedules for reporting exports (schedule B) with a view toward improving the comparability between these two classification systems.

Concurrently, the Commission also initiated a review of the proposed reporting schedules for the 1972 Census of Manufactures for the purpose of developing greater comparability between these schedules and



those used for reporting imports and exports. At the end of the fiscal year, the suggestions developed during the course of this review were under consideration by the Bureau of the Census. In those instances in which the volume and conditions of trade justified the added expense, action was taken to implement suggestions by making the necessary modifications in the appropriate reporting schedules.

A closely related activity involved participation by the Commission's staff in a complete revision of the *Standard Industrial Classification Manual*. The revised 1972 edition of the manual was released in April 1972. This revision, which was undertaken by the Technical Committee on Industrial Classification under the sponsorship and general supervision of the Statistical Policy Division of the Office of Management and Budget, involved a detailed study of both the structure and the classification system used in the manual. The recommendations of the Tariff Commission were designed to improve the quality of the statistics collected and to achieve greater comparability between data on U.S. production, imports, and exports.

#### Reliability of U.S. import statistics

The Tariff Commission cooperated with other Government agencies in conducting a study of the reliability of import statistics. The ultimate aim of this study is quality control. Through identifying and categorizing the kinds of errors in import statistics, methods of reducing or eliminating such errors may be prescribed.

Beginning in fiscal 1970, the Commission has collected a sample of about 1 percent of the entry documents filed with the Bureau of Customs. This sample has been the major tool in making this study. At the close of fiscal 1972, a 12-month benchmark study was nearing completion.

An important byproduct of the study mentioned above was the extraction of detailed information from the entry documents relative to problems in statistical classification and reporting of data, that is, more exact descriptions of imported commodities including compositions of "basket" categories,<sup>3</sup> identification of transportation and related costs which accrue to imported products, and other vital information. Such information is highly useful in Commission investigations, in planning collections of import data on a c.i.f. basis, in making revisions in the *TSUSA*, in studies of

<sup>3</sup> A basket category is a statistical class containing a heterogeneous group of articles.

various commodity classification systems, and in collection of basic data.

#### Customs Cooperation Council

Problems respecting the adequacy and comparability of U.S. statistics on production and foreign trade are also closely related to similar problems of other countries engaged in foreign trade. On November 5, 1970, the United States joined the Customs Cooperation Council,<sup>4</sup> an international technical organization whose function is the improvement and coordination of international customs operations and practices. Upon accession to the convention, a Federal interagency committee was established, consisting of the Departments of Treasury, State, Transportation, Commerce, and the Tariff Commission, to participate in the formulation of U.S. policy positions presented before the Council. This committee is chaired by the Commissioner of Customs.

The Tariff Commission's interest in Council activities, particularly its study of the Council's employment of the Brussels system of classification and valuation of goods, was reflected in the attendance by staff members at several Council sessions. Further, a staff liaison officer was designated to coordinate Tariff Commission participation in the activities of the Interagency Advisory Committee and the Customs Cooperation Council.

During fiscal 1972 the Commission continued to participate in a program initiated by the Department of Transportation to establish a universal system for the description of goods moving in domestic and international trade. This group, consisting of Federal agencies and private organizations, is coordinating its work with other countries through the Permanent Technical Committee and the Nomenclature Committee of the Customs Cooperation Council.

## Summaries of Trade and Tariff Information

The Commission published two volumes in its continuing series of *Summaries of Trade and Tariff Information*:

<sup>4</sup> Pursuant to Senate Resolution of Oct. 4, 1968, giving advice and consent to U.S. accession to the Convention Establishing the Customs Cooperation Council, together with its protocol concerning the European Customs Union Study Group.

*Drugs, Synthetic Plastics Materials, and Rubber*  
(TC Publication 408, 1971)

*Refractories; Ceramic Construction, Household,  
and Industrial Articles* (TC Publication 453,  
1971)

The release of these volumes brought the number of volumes published in this series to 53, totaling over 12,300 pages.<sup>5</sup>

These summaries of commodity information, organized by TSUS item numbers, are designed to meet the needs of many and varied interests such as Congress, the courts, Government agencies, foreign governments, educational institutions, research organizations, trade associations, and business firms or individuals concerned with manufacturing or foreign trade. These publications discuss the description and uses and tariff treatment of the commodities included and summarize statistical data relating to production and trade and information on recent technological developments in the industries under review. The supply of a number of the volumes has been exhausted.

## Periodic Reports on Commodities

### Synthetic organic chemicals

The Commission regularly prepares annual and monthly reports on U.S. production, sales, and imports of synthetic organic chemicals. The annual reports have been published since 1918; the monthly production reports evolved from studies of 250 industrial organic chemicals and 75 medicinal chemicals begun during World War II. Monthly reports on production and sales of plastics and resin materials began in 1948. These reports assist the Commission in its work, as well as other Government agencies, and the business community.

*Annual reports.*—On September 8, 1971, the Commission released its 53d and on May 8, 1972, its 54th annual reports on U.S. production of synthetic organic chemicals whose volume of production exceeds 1,000 pounds, or whose value of sales exceeds \$1,000.<sup>6</sup> Fourteen groups of chemicals were involved:

<sup>5</sup> For references to previously published volumes in the series, see the annual reports of the U.S. Tariff Commission for fiscal years 1967 through 1971 (TC Publications 227, 273, 301, 356, and 467).

<sup>6</sup> *Synthetic Organic Chemicals, United States Production and Sales, 1969*, TC Publication 412, 1971, and *Synthetic Organic Chemicals, United States Production and Sales, 1970*, TC Publication 479, 1972.

Tar and tar crudes  
Crude products from petroleum and natural gas  
for chemical conversion  
Cyclic intermediates  
Dyes  
Organic pigments  
Medicinal chemicals  
Flavor and perfume materials  
Plastics and resin materials  
Rubber-processing chemicals  
Elastomers (synthetic rubbers)  
Plasticizers  
Surface-active agents  
Pesticides and related products  
Miscellaneous cyclic and acyclic organic chemicals.

Statistics used in the overall reports were based on 1969 and 1970 data from more than 800 manufacturers, covering some 8,000 individual chemicals and chemical products. Also included were a directory of manufacturers and a summary of imports of related products in 1968–70 (i.e., benzenoid intermediates, dyes, medicinal chemicals, and other finished coal-tar products).

Another annual report, issued in August 1971, gave data on imports of benzenoid intermediates, dyes, organic pigments, medicinals and pharmaceuticals, flavor and perfume materials, and other benzenoid products, entered under schedule 4, parts 1B and 1C, of the TSUS.<sup>7</sup> The data were obtained by analyzing invoices covering most of the general imports of benzenoid chemicals and products entered during 1970.

*Monthly reports.*—During the year two series of reports were issued by the Commission on the monthly production and sales of certain chemical products.<sup>8</sup> One series (Series C) summarized data on U.S. production of certain synthetic organic chemicals, and the other (Series P), on U.S. production and sales of plastics and resin materials. In January 1972 the two monthly reports were combined into one report (Series C/P), summarizing data on production of a selected number of synthetic organic chemicals and synthetic plastics and resin materials.

### Quantitative determinations

As required by law, the Commission submitted annual reports on U.S. consumption of watch movements and brooms.

<sup>7</sup> *Imports of Benzenoid Chemicals and Products, 1970*, TC Publication 413, 1971.

<sup>8</sup> S.O.C. Series C; S.O.C. Series P.

*Watch movements.*—In compliance with headnote 6(c) of schedule 7, part 2, subpart E, of the TSUS,<sup>9</sup> the Commission made its sixth annual determination of U.S. apparent consumption of watch movements and the number of watches and movements made in the Virgin Islands, Guam, and American Samoa which may enter duty free during calendar year 1972. The report was published in the *Federal Register* and duly sent to the Secretaries of the Treasury, Interior, and Commerce.

*Brooms.*—As required by Executive Order 11377<sup>10</sup> the Commission sent the President its determination of estimated U.S. consumption in 1971 of brooms made wholly or in part of broomcorn. This, the fifth yearly report, was submitted to assist the President to administer the tariff-rate quotas on broomcorn brooms under the Tariff Schedules Technical Amendments Act of 1965.<sup>11</sup>

*Knives, forks, and spoons with stainless-steel handles.*—Pursuant to Presidential Proclamation 4076<sup>12</sup> the Commission sent the President its determination of the apparent U.S. consumption of knives, forks, and spoons with stainless-steel handles during calendar years 1970 and 1971. This was the first annual report to assist the President in the administration of tariff-rate quotas on these articles.

## Assistance to the Congress

In fiscal year 1972 a substantial part of the Commission's activity continued to be involved in responses to requests from the Congress for information on tariff and trade matters.

In late fiscal 1971 the House Committee on Ways and Means renewed its request for technical information and research assistance on the more important commodities for consideration in proposals for trade legislation. In response to the committee's desire to obtain a reliable measure of market penetration of competing imports, the Commission in September 1971 supplied data on import categories totaling \$1 million or greater in 1970 and having a ratio of imports to consumption of 15 percent or more; such categories were further narrowed to those commodities for which

<sup>9</sup> Public Law 89-805 (80 Stat. 1521, 1522).

<sup>10</sup> Executive Order 11377 implements headnote 3 to schedule 7, pt. 8, subpt. A, of the TSUS.

<sup>11</sup> Public Law 89-241 (79 Stat. 948, 949).

<sup>12</sup> Presidential Proclamation 4076 implements headnote 2(c) to pt. 2, subpt. D of the appendix to the TSUS.

the import ratio increased 3 percentage points, 1970 over 1969, and 5 percentage points, 1970 over 1968.

The Commission also responded during 1971 to the request of the House Committee on Ways and Means to update a special report entitled *Background Material on Selected Trade Legislation Introduced in the U.S. House of Representatives*, published by that committee in June 1970. In December 1971 the committee published its report entitled *Tariff Treatment of and Trade in Selected Commodities*, containing pertinent data updated through June 1971 supplied by the Commission. A number of commodities in the previous report were dropped and new ones added to include sulfur, certain motor vehicles, aircraft and parts, scientific apparatus, and photographic goods. An appendix to the report discusses the supplemental duty on imports which became effective August 16, 1971 (Presidential Proclamation 4074). Tabular data in the report show the incidence of the supplemental duty on imports of those commodities appearing in the body of the document by five-digit tariff items.

During fiscal 1972 the Commission also submitted 17 formal reports on proposed legislation involving tariffs and international trade. Staff members furnished technical information at a number of congressional hearings, and they responded to more than 600 requests for information from individual Members of Congress. In the aggregate, such activities required many hours of research and considerable statistical compilations.

## Assistance to Executive Agencies

Section 334 of the Tariff Act of 1930 directs the Commission to cooperate with other Government agencies on matters of common interest concerning international trade and customs and tariff policy. During fiscal 1972 the Commission worked extensively with established committees in the Bureau of the Census and the Bureau of Customs. Commission staff members also served on the following permanent interdepartmental committees (in addition to other committees previously mentioned in this report):

Technical Committee on Standard Industrial Classification

Interagency Committee on Automatic Data Processing

Federal Committee on International Statistics

U.S. Metric Study Committee

Interagency Committee To Identify and Classify

Cheeses and Other Dairy Products Offered for Importation

Commodity Advisory Committees Under the Office of Emergency Preparedness.

The Bureau of Customs, the Special Representative for Trade Negotiations, congressional committees, and other interested parties were provided with a variety of information and overall analysis with respect to the application of the temporary import surcharge imposed by Presidential Proclamation 4074.<sup>13</sup> Compilations prepared included the applicable surcharge by individual commodities and estimates of the total volume of trade affected, by country of origin.

At the request of the State Department, the Commission furnished technical assistance in the conduct of discussions in Washington with representatives of the steel industries of Japan and the United Kingdom and in Paris with representatives of the European Coal and Steel Community. These meetings contributed to the eventual adoption by these major steel-producing areas of voluntary restraints on exports of steel to the United States.

The Commission also supplied the Bureau of Domestic Commerce and other Government agencies

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<sup>13</sup> In effect Aug. 16 through Dec. 19, 1971.

concerned with national defense with data on strategic and critical materials.

## Assistance to the Public

Industry, technical societies, businessmen, lawyers, students, and others consistently turn to the Commission for technical information and data on a broad range of subjects involving international trade. Fiscal year 1972 was no exception. The Commission's professional staff members—commodity analysts, lawyers, and international economists—replied to numerous requests. In some instances, Commissioners or staff members responded orally or informally to inquiries at meetings of trade associations and other professional groups. During fieldwork to gather data required for the work of the Commission, staff members often receive requests for information which they respond to orally or by mail after returning to Washington. For some commodity groups, trade data are periodically compiled by the Commission's staff and distributed to interested parties.



# 3. administration and finances

## Organization of the Commission

On June 30, 1972, the Tariff Commission was composed of five Commissioners and 271 staff members.<sup>1</sup> On the same date in 1971 the Commission was composed of four Commissioners and 244 staff members. The accompanying chart depicts the Commission's organization at the end of fiscal 1972.

The Secretary serves the Commission in the general conduct of its business, including relations with other Government agencies and the public. The Special Adviser for Trade Agreements acts as the Commission's liaison with the President's Special Representative for Trade Negotiations and advises the Commission on trade agreements. The General Counsel acts as the Commission's liaison officer with the Congress on legislative matters.

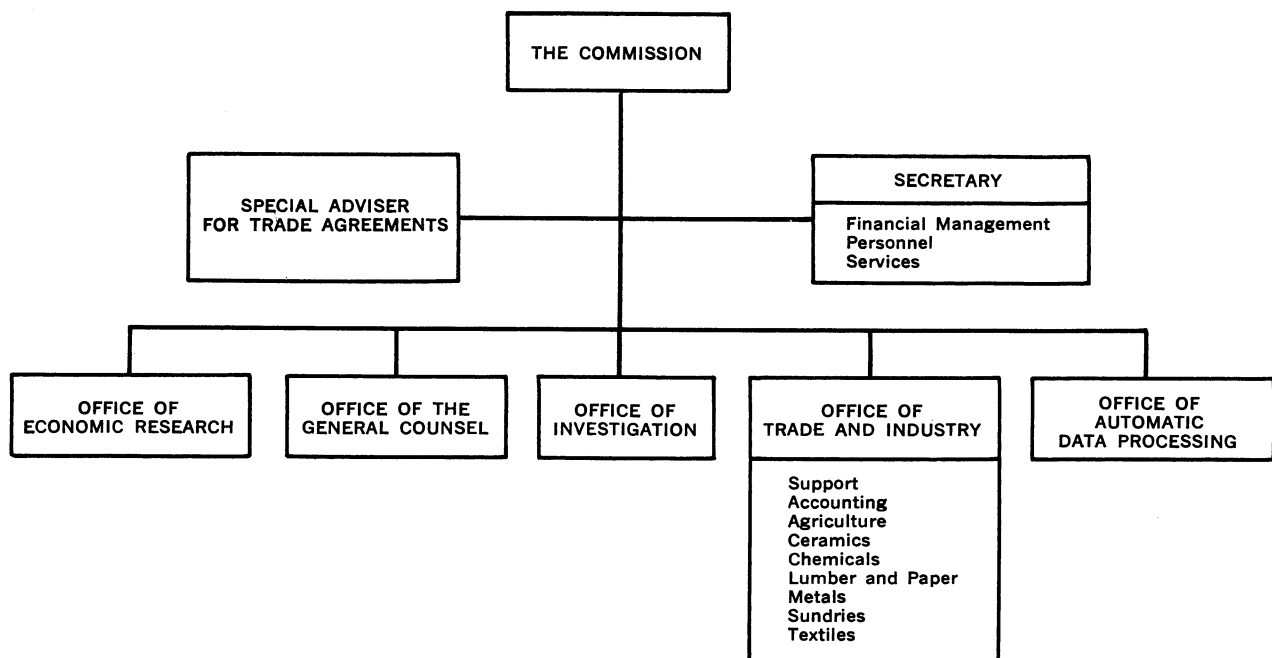
<sup>1</sup> Temporary employees not included.

The Director of Investigation, the General Counsel, and the Directors of the Office of Economic Research and the Office of Trade and Industry are responsible for the direction of the Commission's day-to-day activities involving legal, investigative, and general research duties. The Office of Automatic Data Processing was established during the latter part of fiscal 1971 in order to increase the utility of available data and thereby improve the Commission's analysis of problems relating to U.S. foreign trade.

## Appropriations and Employment

The appropriated funds available to the U.S. Tariff Commission during fiscal year 1972 amounted to \$5,299,000. Reimbursements received totaled \$10,224,

UNITED STATES TARIFF COMMISSION  
June 30, 1972



making available a grand total of \$5,309,224. Obligations for fiscal year 1972 were as follows:

Salaries .....	\$4,341,353
Personnel benefits.....	353,670
Travel and transportation.....	72,071
Rentals and communications service.....	93,703
Printing and reproduction.....	41,631
Contractual services.....	38,222
Services performed by other agencies.....	198,674
Supplies and materials.....	74,469
Equipment .....	69,251
<b>Total .....</b>	<b>5,283,044</b>

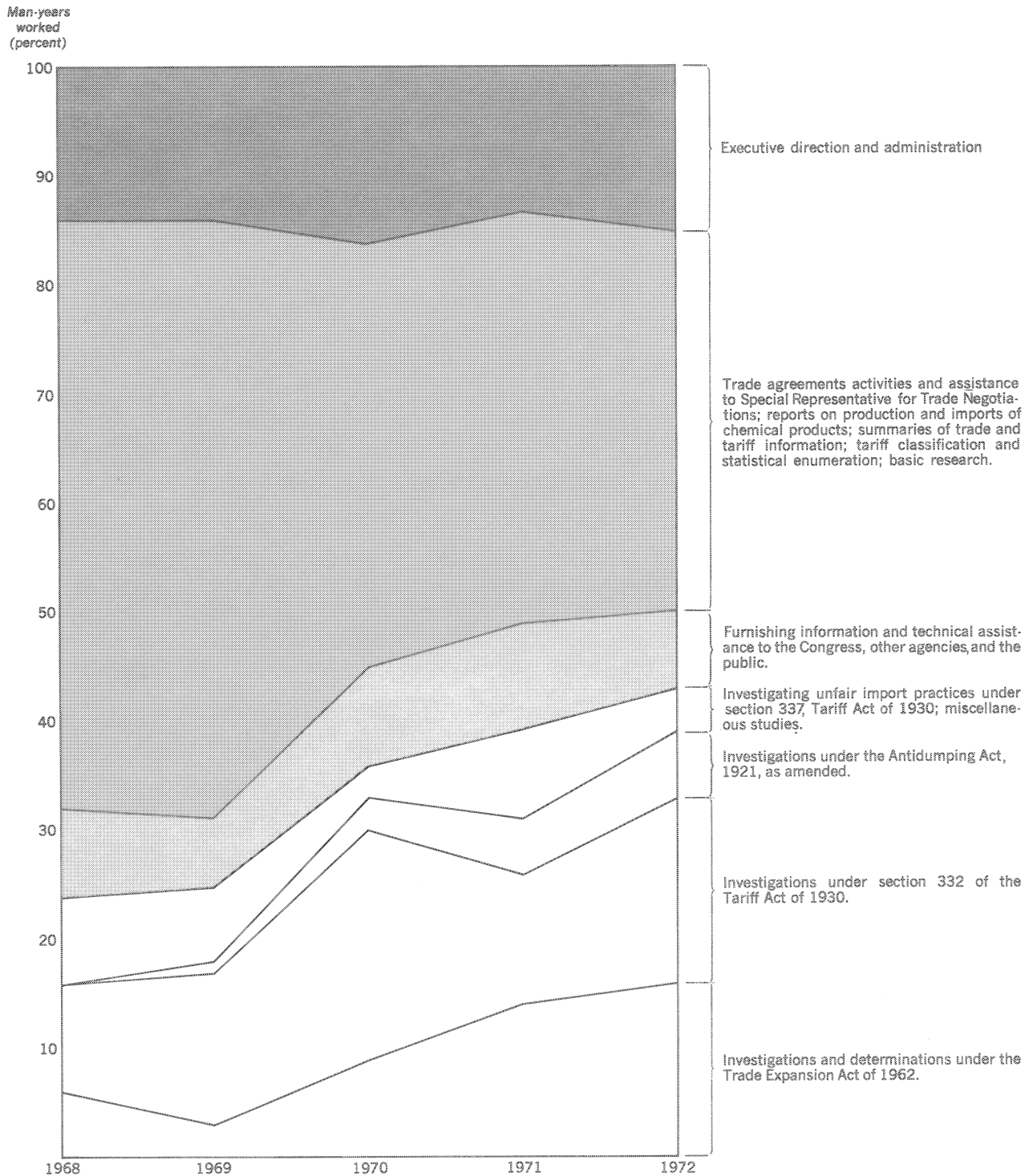
Average employment in fiscal year 1972 (in terms of man-years) was 266 persons.

The following tabulation shows the number of permanent full-time employees of the Tariff Commission, by position description or activity, at the end of fiscal year 1972:

<i>Position description or activity</i>	<i>Number of employees</i>
Commodity-industry analysts.....	81
Economists .....	31
Attorneys .....	9
Accountants .....	6
Automatic data processing staff.....	6
Statistical assistants.....	30
Customs record analysts (New York Office).....	8
Clerical .....	91
Management and administrative.....	14
<b>Total .....</b>	<b>276</b>

# appendix a

## Summary of Principal Activities of the U.S. Tariff Commission, Fiscal Years 1968-72







# appendix b

## Publications of the U.S. Tariff Commission, Fiscal Year 1972

<i>TC Publication No. and short title</i>	<i>Date of publication</i>
402 Women's Dress Shoes (D'Antonio Shoe Corp.), TEA-W-92-----	July 6, 1971
403 Men's Dress Shoes (Knapp King-Size Corp. Plant and Commonwealth Shoe & Leather Co., Inc., Plant), TEA-W-93 and TEA-W-95----	July 6, 1971
404 Women's Leather Sandals (Bernardo Sandals, Inc.), TEA-W-94----	July 6, 1971
405 Women's Casual Shoes (Pla-Moc, Inc.), TEA-F-23-----	July 16, 1971
406 Certain Cheeses and Substitutes for Cheese, 47 Cents Per Pound or More (22-29)-----	July 28, 1971
407 Clear Sheet Glass from Taiwan, AA1921-76-----	July 21, 1971
408 Summaries, Schedule 4, Volume 7—Chemicals and Related Products: Drugs, Synthetic Plastics Materials, and Rubber-----	Aug. 18, 1971
409 Phonographs and Radio-Phonograph and Other Combinations (Warwick Electronics, Inc.), TEA-W-96-----	July 30, 1971
410 Tempered Glass From Japan, AA1921-77-----	Aug. 3, 1971
411 Women's Dress Shoes (Seymour Shoes, Inc.), TEA-F-24-----	July 30, 1971
412 Synthetic Organic Chemicals, United States Production and Sales, 1969-----	Sept. 8, 1971
413 Imports of Benzenoid Chemicals and Products, 1970-----	Aug. 12, 1971
414 Stainless-Steel Table Flatware (Utica Cutlery Co.), TEA-F-25----	Aug. 17, 1971
415 Women's Dress Shoes (Copley Shoe Co., Inc., and Pappagallo, Inc.), TEA-W-98 and TEA-W-99-----	Aug. 20, 1971
416 Women's Dress Shoes (Johnson, Stephens and Shinkle Shoe Co.), TEA-F-26-----	Aug. 24, 1971
417 Men's Dress Shoes (Stacy-Adams Co.), TEA-W-97-----	Aug. 24, 1971
418 Carbon Steel Wire Rod and Wire, and Building Mesh, Pipe Mesh, and Road Mesh Made of Such Wire (Detroit Steel Corp. Plant), TEA-W-100-----	Aug. 27, 1971
419 Men's and Women's Footwear (Bangor Shoe Manufacturing Co., Inc.), TEA-F-27-----	Sept. 3, 1971
420 Marble and Travertine Products, TEA-I-20-----	Sept. 13, 1971
421 Men's Dress Shoes (French Shriner & Urner Manufacturing Co.), TEA-F-28 and TEA-W-101-----	Sept. 24, 1971
422 Publications of the U.S. Tariff Commission: 1951 through May 1971-----	September 1971
423 Certain Variable Electrical Capacitors (All Star Products, Inc.), TEA-F-32-----	Oct. 4, 1971
424 Electrical Conduit and Fittings of Iron or Steel (H. K. Porter Co., Inc.), TEA-W-102-----	Oct. 8, 1971
425 Optical Elements (Wollensak, Inc.), TEA-F-30-----	Oct. 12, 1971
426 Cotton Osnaburgs and Sheetings (Whittier Mills Co.), TEA-F-29 and TEA-W-103-----	Oct. 12, 1971
427 Men's Footwear (Wisconsin Shoe Co.), TEA-F-33-----	Oct. 22, 1971
428 Women's, Misses', Men's, Youths', and Boys' Footwear (P. M. Footwear Corp., Moca Shoes, B. E. Cole Co., Francine Shoe Co., Yabucoa Shoe Corp., and Las Piedras Shoe Corp.), TEA-W-104 through TEA-W-109-----	Oct. 26, 1971
429 Footwear Uppers (Sun Manufacturing Co.), TEA-W-110-----	Oct. 26, 1971
430 Unwrought Zinc (American Zinc Co.), TEA-W-111-----	Nov. 1, 1971
431 Sheet Glass From France, Italy, and West Germany, AA1921-78 to 80-----	Nov. 3, 1971
432 Certain Yarns, Fabrics, and Other Textile Products (Bibb Manufacturing Co.), TEA-F-31 and TEA-W-112-----	Nov. 9, 1971
433 Certain Bovine Leather (Rex Tanning Corp.), TEA-F-34-----	Nov. 9, 1971
434 Broadwoven Polyester-Cotton Fabrics (Avondale Mills Plant), TEA-W-116-----	Nov. 15, 1971
435 Viscose Rayon Yarns Wholly of Continuous Fibers (Beaunit Corp.), TEA-W-115-----	Nov. 19, 1971
436 Television Receivers and Certain Parts Thereof (3 unions), TEA-I-21-----	Nov. 19, 1971

	<i>TC Publication No. and short title</i>	<i>Date of publication</i>
437	Women's Vinyl Sandals (Dave Aronoff Shoes, Inc.), TEA-F-36 and TEA-W-119	Nov. 22, 1971
438	Women's Dress Shoes (Seymour Shoes, Inc.), TEA-W-114	Nov. 23, 1971
439	Men's and Boys' Shirts, Not Knit (J. H. Bonck Co., Inc.), TEA-F-35	Nov. 26, 1971
440	Heels for Women's Footwear (Vulcan Corp. Plant), TEA-W-118	Nov. 29, 1971
441	Heels, Soles, and Soling Sheets (Goodyear Tire & Rubber Co.), TEA-W-117	Dec. 3, 1971
442	Stainless-Steel Table Flatware (Utica Cutlery Co.), TEA-W-120	Dec. 17, 1971
443	Tractor Parts (Albert Levine Associates) (337-22)	Dec. 14, 1971
444	Articles Comprised of Plastic Sheets Having an Openwork Structure (Ben Walters & Kage Co., Inc.) (337-29)	Dec. 21, 1971
445	Tubeless-Tire Valves From Canada, AA1921-82	Dec. 21, 1971
446	Bicycles From West Germany, AA1921-81	Dec. 22, 1971
447	Wilton, Brussels, Velvet, and Tapestry Carpets and Rugs, TEA-IR-5-71	Dec. 27, 1971
448	Women's Vinyl Sandals and Slippers (Grenet Footwear, Inc.), TEA-W-121	Dec. 23, 1971
449	Sheet Glass (Blown or Drawn Flat Glass), TEA-I-EX-7	Dec. 30, 1971
450	Fishing Rods (U.S. Fiberglass Division, Gladding Corp.), TEA-W-122	Jan. 11, 1972
451	Injury Determinations Under the Antidumping Act	December 1971
452	Tariff Schedules of the United States Annotated (1972)	Jan. 27, 1972
453	Summaries, Schedule 5, Volume 3—Nonmetallic Minerals and Products: Ceramic Construction, Household, and Industrial Articles	Jan. 25, 1972
454	Women's and Misses' Dress Shoes (Owensville Shoe Manufacturing Co.), TEA-W-124	Jan. 21, 1972
455	Men's, Youths', and Boys' Leather Footwear (Brown Shoe Co.), TEA-W-125	Jan. 21, 1972
456	Household Glassware (Morgantown Glassware Guild, Inc.), TEA-W-126	Jan. 24, 1972
457	Sphygmomanometers (W. A. Baum Co., Inc.) (337-26)	Jan. 25, 1972
458	Rolled Glass (Armstrong Glass Co.), TEA-W-113	Jan. 28, 1972
459	Flat Glass and Tempered Glass, TEA-I-23	Jan. 31, 1972
460	Ice Cream Sandwich Wafers From Canada, AA1921-83	Feb. 1, 1972
461	Heels for Women's Shoes (Service Heel Co.), TEA-W-127	Feb. 11, 1972
462	Pianos (Except Grands), TEA-IR-9-72	Feb. 15, 1972
463	Lightweight Luggage (Atlantic Products Corp.) (337-28)	Feb. 11, 1972
464	Diamond Tips From the United Kingdom, AA1921-84	Feb. 17, 1972
465	Broadwoven Fabrics of Manmade Fibers and of Cotton (Division of Bates Manufacturing Co., Inc.), TEA-W-128	Feb. 18, 1972
466	Ceramic Table and Kitchen Articles, Including Dinnerware, TEA-I-22	Feb. 22, 1972
467	1971 Annual Report of the United States Tariff Commission	Mar. 28, 1972
468	Sphygmomanometers (W. A. Baum Co., Inc.) (337-26)	Mar. 15, 1972
469	Mercury-Wetted Contact Relays (C. P. Clare & Co.), TEA-W-129	Mar. 23, 1972
470	Operation of the Trade Agreements Program, 21st Report	Apr. 3, 1972
471	Panty Hose (337-25)	Mar. 31, 1972
472	Investigations Under Section 301 of the Trade Expansion Act of 1962	Apr. 12, 1972
473	Competitiveness of U.S. Industries (332-65)	April 1972 (May 15, 1972)
474	Hydraulic Turbines, Hydraulic Forging and Extrusion Presses, and Ship-Driving Propellers (Baldwin-Lima-Hamilton Corp. Plant), TEA-W-131	Apr. 17, 1972
475	Automotive Radio Tuners (General Instrument Corp. Plant), TEA-W-132	Apr. 18, 1972
476	Large Power Transformers From France, Italy, Japan, Switzerland, and the United Kingdom, AA1921-86 to 90	Apr. 20, 1972
477	Fish Nets and Netting of Manmade Fibers From Japan, AA1921-85	Apr. 18, 1972
478	Women's Dress Shoes (Pittsfield Shoe Corp.), TEA-W-130	Apr. 25, 1972
479	Synthetic Organic Chemicals, United States Production and Sales, 1970	May 8, 1972
480	Brass Wind Musical Instruments (C. G. Conn, Ltd.), TEA-W-133	Apr. 28, 1972

<i>TC Publication No. and short title</i>		<i>Date of publication</i>
481	Ceramic Wall Tile (Cambridge Tile Mfg. Co.), TEA-W-134-----	May 1, 1972
482	Rubber Catheters and Syringes (B. F. Goodrich Co.), TEA-W-135--	May 1, 1972
483	Asbestos Cement Pipe From Japan, AA1921-91-----	May 2, 1972
484	Elemental Sulfur From Mexico, AA1921-92-----	May 4, 1972
485	Television Picture Tubes (RCA Corp.), TEA-W-136-----	May 12, 1972
486	Certain Cotton Yarns and Fabrics (Otto Goedecke, Inc.), TEA-F-37 -----	May 12, 1972
487	Electron, Proton, and Similar Microscopes and Diffraction Apparatus (Forgflo and Advanced Metals), TEA-I-24-----	May 18, 1972
488	Plastic Duck Decoys (G & H Decoy Manufacturing Co.), TEA-F-38--	May 19, 1972
489	Panty Hose (Kayser-Roth Corp.), TEA-W-137-----	May 23, 1972
490	Calf and Kip Upper Leathers (Ohio Leather Co.), TEA-W-138---	May 26, 1972
491	Women's Dress and Casual Shoes (Duchess Footwear Corp.), TEA-F-39 and TEA-W-139-----	June 2, 1972
492	Calculators, Typewriters, and Typewriter Parts (Sperry Rand Corp., Remington Rand Division), TEA-W-140-----	June 19, 1972
493	Women's Casual Shoes (Wilson Shoe Corp.), TEA-W-141-----	June 20, 1972
494	Cadmium From Japan, AA1921-93-----	June 23, 1972
495	Radio Receivers, Phonographs, and Tape Recorders (General Electric Co.'s Audio Electronics Products Department), TEA-W-142-----	June 23, 1972

