

UNITED STATES TARIFF COMMISSION

WATCH MOVEMENTS

**Report to the President (No. TEA-IR-4-63)
Under Section 351(d)(1) of the
Trade Expansion Act of 1962**



TC Publication 102

**Washington, D.C.
July 1963**

UNITED STATES TARIFF COMMISSION

Ben Dorfman, Chairman

Joseph E. Talbot

Walter R. Schreiber

Glenn W. Sutton

James W. Culliton

Donn N. Bent, Secretary

Address all communications to
United States Tariff Commission
Washington 25, D.C.

C O N T E N T S

	<u>Page</u>
Report to the President-----	1
Summary of major developments-----	2
U.S. tariff treatment resulting from Proclamation No. 3062-----	5
U.S. consumption-----	6
U.S. producers-----	7
U.S. production, sales, and inventories:	
Production-----	9
Producers' sales-----	11
Producers' inventories-----	12
Employment in U.S. establishments-----	12
U.S. imports-----	14
Shipments from the Virgin Islands-----	17
STATISTICAL APPENDIX -----	20
	(TC28087)

Tables

1.--Watch movements: U.S. rates of duty under the Tariff Act of 1930, and as modified-----	21
2.--Watch movements: U.S. rates of duty in 1930, 1936, and 1954 on selected movements (classified by jewel count) dutiable under par. 367(a) of the Tariff Act of 1930----	22
3.--Watch movements: Estimated apparent U.S. consumption, by type and origin, 1951-62, January-March 1962, and January-March 1963-----	23
4.--Watch movements: U.S. production, by type of movement, 1951-62, January-March 1962, and January-March 1963-----	24
5.--Sales of products by U.S. establishments in which watch movements are produced, 1951-62, January-March 1962, and January-March 1963-----	25
6.--Watch movements: Inventories of units produced in the United States, as of Dec. 31, 1952-62, and as of Mar. 31, 1962 and 1963-----	26
7.--Employment in U.S. establishments in which watch movements were produced, 1951-62, January-March 1962, and January-March 1963-----	27

CONTENTS

	<u>Page</u>
8.--Watch movements (including small-clock movements): U.S. imports for consumption, by jewel count, 1951-62, January-March 1962, and January-March 1963-----	28
9.--Watch movements: U.S. imports for consumption, total, estimated number entering commercial channels in clocks and watches, and the number exported with benefit of drawback, 1951-62, January-March 1962, and January-March 1963-----	29
10.--Watch movements: Shipments from the Virgin Islands of the United States into the customs territory of the United States, by jewel count, 1959-62, January-March 1962, and January-March 1963-----	30

REPORT TO THE PRESIDENT

U.S. Tariff Commission,
July 25, 1963

To the President:

Following an escape-clause investigation by the Tariff Commission under section 7 of the Trade Agreements Extension Act of 1951, the President, by proclamation dated July 27, 1954, increased the specific rates of duty on certain watch and other movements provided for in paragraph 367 of the Tariff Act of 1930. The increased duties became effective after the close of business on July 27, 1954. 1/

Section 351(d)(1) of the Trade Expansion Act of 1962 (76 Stat. 900), provides that--

So long as any increase in, or imposition of, any duty or other import restriction pursuant to this section or pursuant to section 7 of the Trade Agreements Extension Act of 1951 remains in effect, the Tariff Commission shall keep under review developments with respect to the industry concerned, and shall make annual reports to the President concerning such developments.

Although this is the first report made on watch movements under the aforementioned provision, it is similar to and supplements seven earlier reports on watch movements submitted to the President under Executive Order 10401, 2/ and focuses on developments that have occurred since those described in the Commission's report to the President in July 1962. 3/ Additional information relating to the major developments in the trade in

1/ Proclamation No. 3062; 3 CFR, 1954-1958 Comp., p. 15. Imports entered under par. 367 are referred to hereafter in the aggregate as "watch movements" except where otherwise noted, although they include a small quantity of movements that enter commercial channels in clocks.

2/ The first such report on watch movements was submitted to the President under Executive Order 10401 on July 25, 1956; subsequent reports to the President were made in July of each year 1957-62.

3/ U.S. Tariff Commission, Watch Movements: Report to the President (1962) Under Executive Order 10401, TC Publication 61, 1962 (processed).

watch movements that occurred after the Tariff Commission's 1954 report on its escape-clause investigation, 1/ is contained in those annual reports.

The Commission obtained the information used in this report from its files, through correspondence, through fieldwork by members of the Commission's staff, and from responses to questionnaires sent to U.S. producers.

As used in this report, the terms "U.S." and "domestic" refer to "the customs territory of the United States." This territory embraces the 50 States, the District of Columbia, and Puerto Rico, but does not include the Virgin Islands of the United States. However, the production of watch movements in the Virgin Islands, and shipments from those islands to the customs territory of the United States have been taken into account in the calculation of total U.S. consumption of watch movements.

Summary of Major Developments

Developments occurring in the watch trade since the Commission issued its last report on watch movements in July 1962 have not differed greatly from those that occurred in the immediately preceding years. Those developments are best understood in the light of the major changes that have occurred since the rates of duty were increased on most watch movements under Presidential Proclamation No. 3062 of July 27, 1954.

The aforementioned increase in duties occurred in conjunction with other developments that also had an important bearing on the competition between imported and domestic movements, such as technological develop-

1/ U.S. Tariff Commission, Watches, Movements, and Parts (1954): Report to the President on Escape-Clause Investigation No. 26 . . . , 1954 (processed).

ments, changes in fashion, marketing innovations (particularly with reference to pin-lever watches), rising costs of watch repairs, and changes in laws and interpretations thereof (particularly with regard to shipments from the Virgin Islands and to Treasury rulings on "upjeweling"). Because of the effects of these and other changes, isolation of the effect of the tariff changes is extremely difficult.

Following the 1954 tariff increases, the volume of imported jeweled-lever watch movements declined sharply and irregularly through 1958. Although the volume of such imports has risen irregularly since then, it has not attained a level nearly as high as that which existed in the period immediately preceding the increase in duties. The increase in the annual volume of such imports has been almost as pronounced since 1961 as it was from 1958 to 1959. In contrast, the long-term trend of U.S. annual production of jeweled-lever movements has continued downward, although production was slightly higher in 1962 than in 1961. 1/

Since 1959, an increasing share of U.S. consumption of jeweled-lever movements has been supplied by shipments from the Virgin Islands. Such movements are assembled there almost wholly from parts and subassemblies imported from foreign countries. Shipments from the Islands were two and one-half times as large in 1962 as in 1961. Ninety percent of the Virgin Island duty of 6 percent ad valorem assessed on the imported parts and subassemblies is remitted on shipment of the completed watch

1/ Throughout this report, unless otherwise indicated, the reference to jeweled-lever movements is to those of conventional construction and does not include the jeweled-lever movements recently made and marketed in the United States by the U.S. Time Corp. Those movements, although incorporating a jeweled lever, have most of the basic construction features generally associated with pin-lever movements. The shape and mounting of the pallet jewels and the contour of the teeth of the escape wheel in this newly introduced movement, however, differ from those found in either pin-lever or jeweled-lever watches of conventional construction.

movements to the United States, and no U.S. import duty is collected on those movements on entering the United States. Although virtually all of these movements are of conventional jeweled-lever construction, most of them are sold in the United States at much lower prices than the conventional jeweled-lever movements made in the United States or most of the higher quality imported jeweled-lever movements.

Following the 1954 tariff increase, both the U.S. production and the imports of pin-lever watches rose sharply though irregularly. Two watch manufacturers increased their production of pin-lever watches, another went out of business, and a fourth concern severely restricted its production of such movements. In 1959 the Eastern Watch Company, an affiliate of the largest U.S. producer (U.S. Time Corp.), began the production of pin-lever watches in Puerto Rico and the Precision Time Corp. began the production of jeweled-lever movements in Pennsylvania. Moreover, U.S. Time recently began large-scale production of watch movements incorporating typically pin-lever features in conjunction with jeweled pins, 1/ rather than metal pins, in the escapement.

The adjustment of the U.S. producers to increased competition from imports and to other factors since 1954 has taken place in a variety of ways. The Waltham Watch Company no longer manufactures watch movements in the United States; all of the Waltham watches presently marketed in the United States incorporate imported movements. The Elgin National Watch Company--a producer of jeweled-lever watches--is in the process of changing the location of its watchmaking facilities from Elgin, Illinois to Elgin, South Carolina, in the expectation of lower

1/ These jeweled pins (which are vertically mounted) have a cross section that is "D" shaped (much like a conventional roller jewel), whereas the metal pins have a circular cross section.

labor costs. The New Haven Clock & Watch Company, formerly a producer of pin-lever watches, went out of business in 1959; and The Ingraham Company ceased the production of pin-lever wristwatches in 1959 but has continued to produce pin-lever pocket watches and clocks. ^{1/} Since 1954 the established U.S. producers of jeweled-lever watches, in the aggregate, have turned increasingly to imports. Five of the seven existing U.S. producers of watches have purchased or expanded their production facilities located in foreign countries.

While adjustments have been made by management and stockholders to increased import competition felt by some companies, few of the displaced watch workers have been continued in employment with the same companies in making other products and very little of the displaced watchmaking machinery, most of which is highly specialized, has been adapted to the production of other articles.

U.S. Tariff Treatment Resulting from
Proclamation No. 3062

Presidential Proclamation No. 3062 increased the rates of duty imposed on movements dutiable under paragraph 367(a), except as follows: the rate on movements having more than 17 jewels; the rate on movements having no jewels or only 1 jewel and measuring over 1.5 inches in width; and the additional rate for each adjustment.^{2/} The rates of duty that were in effect immediately preceding the proclamation as well as the increased

^{1/} In addition, the General-Gilbert Corp. terminated its production in 1955 of small clocks of the kinds directly competitive with the small clocks incorporating pin-lever movements imported under par. 367.

^{2/} The duty applicable to imported movements having more than 17 jewels (\$10.75), and the duty applicable to movements having 1 or no jewels and measuring over 1.5 inches in width (75¢), are the rates provided in the Tariff Act of 1930 (statutory rate); the rate on adjustments (50¢ per adjustment), applicable only to movements having 17 or fewer jewels is a trade-agreement rate (table 1).

rates of duty that came into effect under that proclamation, are shown below (all of the rates of duty applicable to watch movements are described in table 1):

	<u>Rates immediately preceding Proclamation 3062</u>	<u>Rates resulting from Proclamation 3062</u>
Watch movements--		
Having more than 1 and not more than 17 jewels, and measuring in inches in width:		
Over 1.5-----	\$.90	\$1.25
Over 1.2 but not over 1.5-----	.90	1.35
Over 1.0 but not over 1.2-----	.90	1.35
Over 0.9 but not over 1-----	1.20	1.75
Over 0.8 but not over 0.9-----	1.35	2.00
Over 0.6 but not over 0.8-----	1.35	2.02-1/2
Not over 0.6-----	1.80	2.50
Having no jewels or only 1 jewel, and measuring in inches in width:		
Over 1.5-----	.75	.75
Over 1.2 but not over 1.5-----	.75	.84
Over 1.0 but not over 1.2-----	.75	.93
Over 0.9 but not over 1-----	.75	1.05
Over 0.8 but not over 0.9-----	.75	1.12-1/2
Over 0.6 but not over 0.8-----	.75	1.12-1/2
Not over 0.6-----	.90	1.35
Additional duty on the foregoing:		
For each jewel in excess of 7-----	.09	.13-1/2
If constructed or designed to operate for a period in excess of 47 hours without rewinding, or if self- winding, or if a self-winding device may be incorporated therein-----	.50	.75

U.S. Consumption

The U.S. consumption of all types of watch movements in 1962--
26 million units--was greater than in any earlier year; it was about
16 percent greater than in 1961. ^{1/} In the period 1951-61, consumption

^{1/} Data on consumption of watch movements have been computed by adding (1) the watch movements produced in the customs territory of the United States, (2) the U.S. imports of watch movements, and (3) the shipments of watch movements from the Virgin Islands of the United States into the U.S. customs territory, and subtracting from the total the U.S. exports of watch movements. (A more complete description is given in the note on table 3 of this report.)

ranged irregularly between a high of 24.8 million units in 1959 and a low of 16.2 million units in 1954 (table 3). Consumption of all types of watch movements in the first quarter of 1963--5.3 million units--was slightly greater than the 5.1 million units in the first quarter of 1962.

Between the early 1950's and 1963 the share of consumption supplied by jeweled-lever watch movements (imported and domestic) declined from slightly over half to about a third of the total. This decline is attributable to the increased consumer acceptance of pin-lever wristwatches and the availability of women's pin-lever wristwatches in smaller sizes. The increased acceptability of pin-lever wristwatches however, is attributable to the comparatively low prices of such watches, to a marked increase in the variety of sizes, shapes, and styles in which they are offered, and to many improvements in their quality. Another factor of considerable importance in furthering the sale of pin-lever watches has been the increasing cost of repairs to jeweled-lever watches; more pin-lever watches are discarded than are repaired.

U.S. Producers

There has been no change in the number of U.S. concerns producing watch movements since July 1962. Currently, 7 concerns produce them in 12 establishments located in the customs territory of the United States (including the Eastern Watch Co., an affiliate of U.S. Time Corp., located in Puerto Rico). Four of these concerns (Bulova Watch Co., Elgin National Watch Co., Hamilton Watch Co., and Precision Time Corp.) produce jeweled-lever watch movements;^{1/} the other three (General Time Corp.,

^{1/} Bulova, Elgin, and Hamilton also produce some watch movements that are powered by miniature electric cells. None of these movements have conventional escapements; the Elgin and Hamilton electric movements incorporate balance wheels, but the Bulova model does not.

U.S. Time Corp., and The Ingraham Co.) produce pin-lever watch movements.^{1/} Two of the three concerns producing pin-lever watch movements (General Time and Ingraham) also manufacture clock movements of the types dutiable under paragraph 367.^{2/} All of the 7 concerns manufacture articles other than watch and clock movements in the establishments in which these movements are produced.

All U.S. producers, except one which produced jeweled-lever movements (Precision), import watch movements.^{3/} Although all U.S. producers have imported at least some watch parts in recent years, the share of total U.S. production incorporating imported parts has been small. Moreover, all except one that produces pin-lever movements (Ingraham) and another that produces jeweled-lever movements (Precision), own or control watch-making establishments in foreign countries. Two of the producers of jeweled-lever movements (Hamilton and Elgin) own watch-making establishments in the Virgin Islands. In these respects, the overall situation is much the same as that which prevailed when the Commission made its last report to the President on watch movements.

^{1/} All of the movements produced by these 3 concerns are pin-lever movements, except for one type previously described in footnote 1 on page 3.

^{2/} One other concern (the Lux Time Division, Robertshaw Fulton Controls Co.) not included above, did not produce watch movements in 1962, but did produce some small clock movements. Although some of the movements entered under par. 367 are used in clocks (table 9), the great bulk of the imports of clock movements are entered under par. 368. A more detailed description of the types of movements produced in the United States is contained in the Tariff Commission's 1962 annual report on watch movements.

^{3/} In addition to Bulova, Elgin, and Hamilton, the two major U.S. producers of pin-lever watches (General Time and U.S. Time) import some conventional jeweled-lever watches, and U.S. time imports a watch powered by an electric cell.

U.S. Production, Sales, and Inventories

Production

The total U.S. production of all types of watch movements in 1962--11.9 million units--was greater than in any year since World War II (table 4). Although production was only slightly greater in 1962 than in 1959, when 11.3 million units were produced, it was more than 23 percent greater in 1962 than in either 1960 or 1961. Production of watch movements in the first quarter of 1963 was 2.8 million units, compared with 2.7 million units in the first quarter of 1962.

The share of production accounted for by jeweled-lever movements has declined almost steadily since 1951. Production of jeweled-lever movements in 1959 (1.6 million units) accounted for 14 percent of total production; the corresponding share was slightly greater in 1960, but was slightly smaller in both 1961 and 1962. Production of jeweled-lever movements was slightly greater in the first quarter of 1963 than in the first quarter of 1962. More than half of the jeweled-lever movements produced in the United States after 1952 contained more than 17 jewels.

The production of watch movements in pin-lever watch establishments ^{1/} was somewhat greater in 1962 than in any year as far back as 1951. ^{2/} Production of such movements in the first quarter of 1963 was about the same as in the first quarter of 1962.

^{1/} Inclusive of the recently introduced jeweled-lever movements made in such establishments. See footnote 1 on p. 3. Hereafter in this report, unless otherwise indicated, domestic production of pin-lever watches includes the above described jeweled-lever watches.

^{2/} Throughout this report the data beginning with 1960 on pin-lever watch movements have been combined with those on jeweled-lever watch movements whenever necessary, because publication of data on pin-lever watches separately would reveal the operations of some individual concerns.

Production of pin-lever wristwatch movements has greatly exceeded that of jeweled-lever wristwatch movements since 1950; and production of pin-lever wristwatch movements has exceeded that of pin-lever pocket watch movements since 1953. Pin-lever wristwatch movements accounted for about three-fourths of the total U.S. output of all pin-lever watch movements in 1962.

U.S. production of self-winding and electric watch movements during the last several years has accounted for a small but significant part of the total number of all watch movements produced by the jeweled-lever-watch manufacturers (14 percent in 1962).

U.S. production of all watch movements supplied a slightly larger share of the domestic consumption of all watch movements in 1962 (46 percent) than in either 1960 (42 percent) or 1961 (43 percent). The share of the U.S. market supplied by domestic production since 1950 has varied from a high of 51 percent in 1951 to a low of 39 percent in 1957. U.S. production of jeweled-lever movements supplied only a slightly smaller share of domestic consumption of all watch movements in 1962 than when it supplied 7 percent of the total in 1959. U.S. production of pin-lever movements supplied a slightly larger share of domestic consumption of all watch movements in 1962 than when it supplied 39 percent of the total in 1959.

Domestic production of small, spring-driven clocks ^{1/} supplied an estimated 56 percent of the domestic consumption of such clocks in 1959. The share was smaller in that year than in any other since World War II.

^{1/} Many domestic clocks are directly competitive with those incorporating imported movements that are entered under tariff par. 367.

Production was substantially greater in 1961 and 1962, as was the share of domestic consumption of such clocks supplied by U.S. production. 1/

Producers' sales

The aggregate sales in 1962 of watches and watch movements manufactured in U.S. establishments were greater in both quantity and value in 1962 (11.5 million units valued at \$90.7 million) than in any of the preceding 10 years. The value of such sales was about 5 percent greater in 1962 than in 1959--the earlier peak year for such sales--and about 23 percent greater than in 1961 (table 5). Sales of U.S. produced watches and watch movements were 35 percent greater in value and 11 percent greater in quantity in the first quarter of 1963 than in the first quarter of 1962. The shares of the total sales value of all U.S. produced watches and watch movements accounted for by jeweled-lever and by pin-lever movements have changed little since 1959, when they accounted for 33 percent and 67 percent of the total, respectively.

There has been no significant change during the 10 years 1953-62 in the respective shares of the total sales by U.S. producers accounted for by watches and watch movements they produce in the United States and those they import. In 1962 domestically produced watches and watch movements accounted for 78 percent of the quantity and 66 percent of the value of sales of all watches and watch movements (U.S. produced and imported) sold in the United States by domestic producers. The U.S. producers' sales in 1962 of all watches and watch movements (domestic and

1/ Since there was only one U.S. producer of these clocks in 1960 and only two producers in 1961 and 1962, no comparisons can be made for those years without revealing the operations of the individual concerns.

imported), amounted to 14.7 million units valued at \$136.8 million and were greater in both quantity and value than in any of the preceding 10 years; the sales were slightly greater (9 percent in quantity and 3 percent in value) in 1962 than in 1959--the earlier peak year--and about 22 percent greater (in both quantity and value) than in 1961.

U.S. produced watches and watch movements in 1962 accounted for 41 percent of the value of sales of all products by U.S. watchmaking establishments, and sales by these establishments of all watches and watch movements (domestic and imported) accounted for 61 percent of the value of their sales of all products. 1/

Producers' inventories

Inventories of domestic watch movements held by manufacturers were substantially greater at the end of 1962 (1.0 million units) than at the end of each of the 2 preceding years (table 6). Inventories on hand at the end of March 1963 (1.2 million units) were somewhat greater than at the end of March 1962 (1.0 million units).

Employment in U.S. Establishments

Data on employment in the 12 U.S. establishments in which watch movements are produced are shown in table 7. In terms of both the average number of workers employed and the man-hours worked, employment in the production of all types of watches and watch movements was greater in 1962 than in 1961 but was slightly less than the average for the preceding 10 years. During those years, the average number of

1/ Although their sales of watches containing imported movements have been included in the sales of all products by the establishments, imported movements obviously were not produced in the establishments; however, the value added in the establishments to the imported watch movements (dials, timing, cases, bands, and boxes, as well as merchandising costs) account for the major part of the sales value of many watches.

workers so employed ranged between a high of 9,069 (in 1952) and a low of 6,193 (in 1961), and the number of man-hours worked ranged between 17.2 million (in 1953) and 11.1 million (in 1961). The average number of workers employed in the production of watches was 10 percent greater in 1962 (6,815) than in 1961 and the number of man-hours worked (13.7 million) was 24 percent greater. Employment of such workers was somewhat greater in the first quarter of 1963 than in the first quarter of 1962.

Before 1958, the number of workers engaged in making jeweled-lever watches and watch movements was substantially greater than the number engaged in making pin-lever watches; beginning in 1958, more workers have been employed in making pin-lever watches than in making jeweled-lever watches. Fewer workers were employed in making jeweled-lever watches in 1962 than in any earlier year since World War II, except 1958.

Since 1956 the majority of the production and related workers employed, and most of the man-hours worked by them, in the 12 watchmaking establishments have been accounted for by the production of watches and watch movements. Annual employment at these establishments in the production of other products declined almost continuously from 1953 through 1960, but rose slightly in the following 2 years. In 1962 there was an average of 4,938 workers employed in the production of articles other than watches and watch movements in these establishments. Employment on other products was slightly smaller in the first quarter of 1963 than in the first quarter of 1962. About three-fourths of the total number of workers producing other products were employed in establishments in which pin-lever watches are made; the majority of such workers in the pin-lever establishments were, in the aggregate employed in making clocks.

U.S. Imports

The number of movements (of all types) imported under paragraph 367 in 1962 (15.2 million units) was greater than in any preceding year (table 9). 1/ This quantity is 5 percent greater than the number imported in 1959 (the preceding peak year) and 10 percent greater than in 1961. The foreign value of imports in 1962 (\$57.8 million) was greater than in any of the preceding 8 years; it was 2 percent greater than the value of such imports in 1959 and 15 percent greater than that in 1961. Imports in the first 3 months of 1963 amounted to 2.6 million units, valued at \$10.9 million; about the same number, valued at \$9.8 million, were imported in the first 3 months of 1962.

A small share of the movements entered under paragraph 367 are types and sizes generally used in small clocks rather than in watches; no separate statistics are available on the volume or value of such imports. It is estimated, however, that those imports totaled about 1,051,000 units in 1956, decreased to 788,000 units in 1958, and increased in each succeeding year, amounting to 1,241,000 units in 1962 (table 9). 2/ It is estimated that in the first 3 months of 1963 imports totaled 263,000 units, compared with 205,000 units in the first 3 months of 1962.

1/ Because of smuggling and the entry of watches by tourists returning from outside the customs territory of the United States, official U.S. import statistics understate the actual quantities of foreign watch movements that enter into domestic consumption. Virtually all smuggled watches enter into consumption, however, since the U.S. Treasury Department generally sells at public auction watches and watch movements that it confiscates from smugglers.

2/ Not all of the movements imported under par. 367 that are used in small clocks compete directly with the small, spring-driven, nonjeweled clocks produced by domestic manufacturers; some of the imported clocks compete more directly with the somewhat larger size, domestically produced clocks, and some have no domestic counterpart.

U.S. imports of watch movements supplied a slightly smaller share (53 percent) of U.S. consumption in 1962 than in either 1960 (58 percent) or 1961 (56 percent). Their share of the U.S. market since 1950 has ranged between a low of 49 percent in 1951 and a high of 61 percent in 1957. 1/

Before 1953, virtually all U.S. imports of movements came from Switzerland; since then the share from that country has declined somewhat. In 1952, movements from Switzerland accounted for 97 percent of the total imports; by 1962 its share had declined to 83 percent. Since 1952 the bulk of the imports from other countries have come from West Germany; the share of imported watch movements supplied by that country rose from 2.5 percent in 1951 to 11 percent in 1962. The major part of the imports from West Germany enter commercial channels in the United States as small clocks (primarily movements having pillar plates measuring between 1.5 and 1.7 inches in width). These movements from West Germany account for the major share of the total imports of clock movements from all countries.

Since 1953 there has been a general shift in the composition of imports. Formerly the preponderant share was accounted for by jeweled-

lever movements (those containing 7 or more jewels); more recently the

1/ On Dec. 20, 1962, the U.S. District Court for the Southern District of New York handed down an opinion in an antitrust case that certain defendants in the watch trade had combined and conspired to restrain interstate and foreign commerce of the United States. By July 1, 1963, the final decree had not been issued. Whatever effect this decision will have on the share of total consumption supplied by U.S. imports will depend upon the final outcome of this litigation. The defendants found by the court to have combined and conspired to restrain trade were Federation Suisse des Associations de Fabricants d'Horlogerie; Ebauches, S.A.; Wittnauer et Cie., S.A.; Longines-Wittnauer Watch Co.; Eterna, A.G. Uhrenfabrik; Gruen Watch Manufacturing Co., S.A.; Gruen Watch Co.; Bulova Watch Co., Inc.; and the Benrus Watch Co. Thirteen other initial defendants (principally U.S. sales agents of imported watches) had signed consent decrees, as a result of the original complaint, on Mar. 9, 1960.

major share has been accounted for by pin-lever movements (table 8). Movements having fewer than 7 jewels accounted for 21 percent of the total imports in 1953 and for 44 percent in 1962.

Although imports of movements having more than 17 jewels have increased during the last several years, they continue to account for only an insignificant share of total imports. In 1962 only 33,463 of the imported movements contained more than 17 jewels.

During the last 10 years (1953-62) the number of imported watch movements subject to an additional duty because they incorporated a self-winding device 1/ has been small. Since 1950, annual imports of such movements have ranged between a high of 1.5 million (in 1951) and a low of 1.1 million (in 1961); 1.4 million were imported in 1962 (about 9 percent of total imports).

The ratio of the number of adjustments to the number of imported movements on which adjustment duties were assessed was substantially higher in each of the years 1959-62 than in any earlier year. Such duties were assessed on movements incorporating an aggregate of 362,000 adjustments in 1962. These movements, however, accounted for less than one-half of 1 percent of the total number of movements imported.

Some of the movements imported under paragraph 367, after being cased in the United States in domestic cases, are exported with benefit of drawback. The volume of such trade, however, continues to be small. The total of these shipments and other exports of movements under benefit of drawback in 1962 amounted to 194,000 units, a quantity greater than in any of the 5 immediately preceding years (table 9).

1/ Or for movements designed to operate without rewinding for a period in excess of 47 hours.

Shipments from the Virgin Islands

Shipments into the customs territory of the United States of watch movements produced in the Virgin Islands (of the United States) began in November 1959. By May 1963 at least eight concerns were producing watch movements in the Virgin Islands and shipping them to the United States. One of these concerns is owned by Elgin, another is owned by Hamilton, and at least one other is owned by a long-established U.S. importer (Benrus Watch Co.). These movements are produced mostly from foreign parts, including assemblies and subassemblies, imported into the islands principally from West Germany, France, Japan, and Switzerland; some parts, however, are of U.S. origin. 1/

Watch parts, including assemblies and subassemblies, on entering the Virgin Islands from foreign countries are dutiable at 6 percent ad valorem. Watch movements incorporating such parts may enter the customs territory of the United States free of duty (pursuant to sec. 301 of the Tariff Act of 1930, as amended), provided that they do not contain foreign materials having a landed cost in the Virgin Islands in excess of 50 percent of the appraised value of the movements when they

1/ Data concerning these movements have not been included in the sections of this report concerning U.S. production, U.S. producers' inventories and sales, U.S. imports, and employment in U.S. establishments. However, shipments of these movements into the customs territory of the United States are taken into account in the section of this report on U.S. consumption.

enter the United States 1/ and that their entry is in compliance with the regulations prescribed by the Secretary of the Treasury. Imports into the Virgin Islands are dutiable at the same rate irrespective of their country of origin. All shipments of products of the Virgin Islands into the United States likewise enter free of duty without regard to the country of origin of the materials contained therein.

Shipments of watch movements to the United States from the Virgin Islands have increased substantially since 1959 (table 10). They rose from 4,900 units in that year to 419,722 units in 1962. Almost all of the shipments have consisted of jeweled-lever movements. Shipments in the first quarter of 1963 totaled 195,342 units, compared with 61,591 units in the first quarter of 1962.

The number of jeweled-lever watch movements shipped from the Virgin Islands to the United States in 1962 was equal to about one-fourth the total number of jeweled-lever movements produced in the United States in that year (exclusive of those manufactured by U.S. Time). The number

1/ With respect to the determination of their value, sec. 7.8(d), Customs Regulations, U.S. Treasury Department, Bureau of Customs (19 CFR 7.8(d)), provides:

In determining whether an article produced or manufactured in any such insular possession contains foreign materials to the value of more than 50 per centum, a comparison shall be made between the actual purchase price of the foreign materials (excluding any material which at the time such article is entered, or withdrawn from warehouse, for consumption in the United States, may be imported into the United States from a foreign country, other than Cuba or the Philippine Republic, free of duty), plus the cost of transportation to such insular possession (but excluding duties and taxes, if any, assessed by the insular possession and any charges which may accrue after landing), and the final appraised value in the United States determined in accordance with section 402, Tariff Act of 1930, as amended, of the article brought into the United States.

of all watch movements shipped from the Virgin Islands to the United States in 1962 was equal to about 4 percent of the total number of all watches produced in the United States.

More than 140,000 movements (one-third of the total) shipped from the Virgin Islands to the United States in 1962 consisted of movements having more than 17 jewels. In no year since World War II have imports into the United States of movements having more than 17 jewels exceeded 33,000 units.

STATISTICAL APPENDIX

Table 1.--Watch movements: U.S. rates of duty under the Tariff Act of 1930, and as modified

(Dollars and cents each)

Item	1930 ^{1/}	1936 ^{2/}	1954 ^{3/}
Par. 367(a):			
Watch movements, and time-keeping, time-measuring, or time-indicating mechanisms, devices, and instruments, whether or not designed to be worn or carried on or about the person, all the foregoing, if less than 1.77 inches wide, whether or not in cases, containers, or housings:			
Having more than 17 jewels-----	\$10.75	\$10.75 ^{4/}	\$10.75
Having more than 1 but not more than 17 jewels:			
Over 1.5 inches wide-----	\$1.25	90¢	\$1.25
Over 1.2 but not over 1.5 inches wide-----	\$1.40	90¢	\$1.35
Over 1 but not over 1.2 inches wide-----	\$1.55	90¢	\$1.35
Over 0.9 but not over 1 inch wide-----	\$1.75	\$1.20	\$1.75
Over 0.8 but not over 0.9 inch wide-----	\$2.00	\$1.35	\$2.00
Over 0.6 but not over 0.8 inch wide-----	\$2.25	\$1.35	\$2.02-1/2
Not over 0.6 inches wide-----	\$2.50	\$1.80	\$2.50
Having no jewels or only 1 jewel:			
Over 1.5 inches wide-----	75¢	75¢ ^{4/}	75¢
Over 1.2 but not over 1.5 inches wide-----	84¢	75¢	84¢
Over 1 but not over 1.2 inches wide-----	93¢	75¢	93¢
Over 0.9 but not over 1 inch wide-----	\$1.05	75¢	\$1.05
Over 0.8 but not over 0.9 inch wide-----	\$1.20	75¢	\$1.12-1/2
Over 0.6 but not over 0.8 inch wide-----	\$1.35	75¢	\$1.12-1/2
Not over 0.6 inches wide-----	\$1.50	90¢	\$1.35
Additional duties on the foregoing having not more than 17 jewels:			
For each jewel in excess of 7-----	15¢	9¢	13-1/2¢
For each adjustment ^{5/} -----	\$1.00	50¢	50¢
If constructed or designed to operate for a period in excess of 47 hours without re-winding, or if self-winding, or if a self-winding device may be incorporated therein:	\$1.00	50¢	75¢
Any of the foregoing, if containing less than 7 jewels and containing a bushing or its equivalent (other than a substitute for a jewel) in any position customarily occupied by a jewel.	(Not specified in act of 1930.)	The 1930 rates specified for articles containing less than 7 jewels	The 1930 rates specified for articles containing less than 7 jewels

^{1/} Statutory rates of duty under the Tariff Act of 1930 effective June 18, 1930.

^{2/} Rates of duty effective Feb. 15, 1936, as a result of concessions granted in the trade agreement with Switzerland (T.D. 48093).

^{3/} Rates effective July 27, 1954, as a result of Presidential Proclamation No. 3062, following the escape-clause investigation by the U.S. Tariff Commission.

^{4/} The 1930 rate, although not reduced, was bound against increase by a concession granted in the Swiss trade agreement.

^{5/} Par. 367(a)(4) provides that an adjustment to compensate for changes in temperature shall be treated as two adjustments.

Table 2.---Watch movements: U.S. rates of duty in 1930, 1936, and 1954 on selected movements (classified by jewel count) dutiable under par. 367(a) of the Tariff Act of 1930

Articles	1930			1936 ^{1/}			1954 ^{2/}			
	0-1 : jewel	2-7 : jewels	15 : jewels ^{3/}	0-1 : jewel	2-7 : jewels	15 : jewels ^{3/}	0-1 : jewel	2-7 : jewels	15 : jewels ^{3/}	Over 17 : jewels
Watch movements:										
More than 1.5 inches wide	\$0.75	\$1.25	\$2.45	\$0.75	\$0.90	\$1.62	\$0.75	\$1.25	\$2.33	\$2.60
More than 1.2 inches but not more than 1.5 inches wide	.84	1.40	2.60	.75	.90	1.62	.84	1.35	2.43	2.70
More than 1 inch but not more than 1.2 inches wide	.93	1.55	2.75	.75	.90	1.62	.93	1.35	2.43	2.70
More than 0.9 inch but not more than 1 inch wide	1.05	1.75	2.95	.75	1.20	1.92	1.05	1.75	2.83	3.10
More than 0.8 inch but not more than 0.9 inch wide	1.20	2.00	3.20	.75	1.35	2.07	1.12 ^{1/2}	2.00	3.08	3.35
More than 0.6 inch but not more than 0.8 inch wide	1.35	2.25	3.45	.75	1.35	2.07	1.12 ^{1/2}	2.02 ^{1/2}	3.10 ^{1/2}	3.37 ^{1/2}
Not over 0.6 inches wide	1.50	2.50	3.70	.90	1.80	2.52	1.35	2.50	3.58	3.85
All the foregoing (except movements containing over 17 jewels):										
If adjusted		\$1.00 extra for each adjustment			\$0.50 extra for each adjustment			\$0.50 extra for each adjustment		
If self-winding or if designed to operate in excess of 47 hours without rewinding		\$1.00 extra			\$0.50 extra			\$0.75 extra		

^{1/} Rates placed in effect as a result of the 1936 trade agreement with Switzerland.

^{2/} Rates placed in effect on July 27, 1954, as a result of escape-clause action.

^{3/} Rates applicable to movements containing 8-17 jewels are the sums of the rates applicable to movements with 2-7 jewels plus an additional duty for each jewel in excess of 7. That additional duty under the original Tariff Act of 1930 was 15 cents per jewel, the duty under the trade agreement with Switzerland was 9 cents per jewel, and the corresponding duty since mid-1954 has been 13-1/2 cents per jewel.

^{4/} Not applicable.

Table 3.--Watch movements: Estimated apparent U.S. consumption, by type and origin, 1951-62, January-March 1962, and January-March 1963

Period	(In thousands of units)										All watch movements
	Domestic watch movements					Imported watch movements ^{1/}					
	Jeweled-lever		Pin-lever			Total	Containing 2 or more jewels		Containing 0-1 jewel		
(1)	(2)	(3)	Wrist	Total	(4)		(5)	(6)	(7)	(8)	
1951	3,093	5,099	3,230	8,329	11,422	8,759	2,248	11,007	2,248	11,007	22,429
1952	2,312	3,320	2,729	6,049	8,361	8,607	2,270	10,877	2,270	10,877	19,238
1953	2,301	2,744	3,292	6,036	8,337	9,613	2,262	11,875	2,262	11,875	20,212
1954	1,670	2,611	2,902	5,513	7,183	7,045	1,972	9,017	1,972	9,017	16,200
1955	1,871	2,852	3,635	6,487	8,358	6,062	3,293	9,355	3,293	9,355	17,713
1956	1,996	3,592	3,698	7,290	9,286	6,904	5,358	12,262	5,358	12,262	21,548
1957	1,453	1,663	4,666	6,329	7,782	6,910	5,333	12,243	5,333	12,243	20,025
1958	917	2,528	6,003	8,531	9,448	5,581	4,806	10,387	4,806	10,387	19,835
1959	1,574	2/	2/	9,708	11,282	7,068	6,404	13,472	6,404	13,472	24,759
1960	2/	2/	2/	2/	9,475	6,846	6,312	13,158	6,312	13,158	22,677
1961	2/	2/	2/	2/	9,668	3/ 6,928	3/ 5,699	12,627	3/ 5,699	12,627	22,468
1962	2/	2/	2/	2/	11,919	3/ 8,083	3/ 5,715	13,798	3/ 5,715	13,798	26,137
January-March--	2/	2/	2/	2/	2,714	3/ 1,387	3/ 976	2,363	3/ 976	2,363	5,139
1962	2/	2/	2/	2/	2,798	3/ 1,529	3/ 749	2,278	3/ 749	2,278	5,271
1963	2/	2/	2/	2/							

^{1/} Virtually all of the movements containing 2 or more jewels are jeweled-lever movements (col. 6); all of those containing 0-1 jewels are pin-lever movements (col. 7).

^{2/} Data are not shown because publication would reveal the operations of individual companies.

^{3/} Preliminary.

Source: Compiled from data in tables 4, 9, and 10.

Note.--Apparent consumption of "Domestic watch movements" has been calculated by subtracting from watch movements produced in the customs territory of the United States the estimated U.S. exports of watches containing such movements; the apparent consumption of "Imported watch movements" has been calculated by subtracting from imports of all watch movements the estimated number of imported movements entering commercial channels as small clocks and the number of watches containing imported movements that have been exported with benefit of drawback; and apparent consumption of "All watch movements" has been calculated by adding "Domestic watch movements" (col. 5), "Imported watch movements" (col. 8), and shipments of watch movements from the Virgin Islands of the United States into the customs territory of the United States.

Table 4.-- Watch movements: U.S. production, by type of movement, 1951-62, January-March 1962, and January-March 1963 ^{1/}

Period	Jeweled-lever movements ^{2/}				Pin-lever movements			All movements
	8-15 jewels	16-17 jewels	More than 17 jewels	Total	Wrist	Pocket	Total ^{3/}	
1951	37	1,839	1,286	3,162	3,242	5,084	8,397	11,559
1952	31	1,523	879	2,433	2,758	3,295	6,121	8,554
1953	39	1,110	1,216	2,365	3,314	2,709	6,076	8,441
1954	^{4/}	846	870	1,716	3,000	2,596	5,680	7,396
1955	^{4/}	701	1,225	1,926	3,680	2,874	6,566	8,492
1956	^{4/}	714	1,352	2,066	3,745	3,606	7,383	9,449
1957	^{4/}	460	1,073	1,533	4,683	1,681	6,373	7,906
1958	^{4/}	116	831	947	6,026	2,498	8,556	9,503
1959	^{4/}	263	1,351	1,614	^{5/}	^{5/}	9,720	11,334
1960	^{4/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	9,555
1961	^{4/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	9,712
1962	^{4/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	11,939
January-March--								
1962	^{4/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	2,722
1963	^{4/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	^{5/}	2,808

^{1/} Data do not include watch movements produced in the Virgin Islands of the United States.
^{2/} There was no production of jeweled-lever movements containing 7 or fewer jewels in the periods covered by this table.

^{3/} The small differences between the totals shown and the sums of the production of pocket watches and wristwatches are accounted for by the inclusion in the totals of a small production of watch movements sold as such, and of watches other than wristwatches and pocket watches, in some years.

^{4/} These movements, if any, included with movements containing 16-17 jewels.
^{5/} Data are not shown because publication would reveal the operations of individual companies.

Source: Compiled from data submitted to the U.S. Tariff Commission by U.S. producers.

Table 5.--Sales of products by U.S. establishments in which watch movements are produced, 1951-62, January-March 1962, and January-March 1963

Period	Watches and watch movements					
	All products		Products other than watches and watch movements		Total	
	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 units	1,000 dollars
					U.S. produced	Imported
					Quantity	Value
					1,000 units	1,000 dollars
1951	181,829	62,594	1/	1/	1,000	88,862
1952	215,862	98,136	1/	1/	1,000	84,829
1953	287,298	162,829	10,695	8,769	1,925	86,746
1954	264,495	159,556	9,444	7,532	1,911	66,066
1955	231,552	119,296	10,502	8,600	1,903	76,425
1956	212,682	96,300	10,965	8,895	2,070	80,084
1957	184,972	72,884	10,590	8,343	2,246	76,916
1958	167,018	61,297	11,355	9,379	1,976	72,984
1959	195,696	62,278	13,514	10,776	2,738	86,260
1960	201,162	74,476	12,534	9,730	2,804	84,470
1961	200,310	88,600	12,004	9,546	2,458	73,471
1962	222,637	85,861	14,742	11,511	3,231	90,667
January-March 1962	49,912	24,558	3,025	2,378	647	16,550
1963	50,073	19,104	3,272	2,651	621	22,421

1/ Not available.

Source: Compiled from data submitted to the U.S. Tariff Commission by U.S. producers.

Table 6.--Watch movements: Inventories of units produced in the United States, as of Dec. 31, 1952-62, and as of Mar. 31, 1962 and 1963 ^{1/}

(In thousands of units)

Date	Jeweled-lever movements	Pin-lever movements			All movements
		Pocket	Wrist	Total	
Dec. 31--					
1952-----	361	761	275	1,036	1,397
1953-----	562	426	300	726	1,288
1954-----	477	288	229	517	994
1955-----	425	59	319	378	803
1956-----	452	437	332	769	1,221
1957-----	331	120	235	355	686
1958-----	125	244	336	580	705
1959-----	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	1,035
1960-----	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	768
1961-----	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	589
1962-----	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	1,006
Mar. 31--					
1962-----	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	1,037
1963-----	<u>2/</u>	<u>2/</u>	<u>2/</u>	<u>2/</u>	1,211

^{1/} Data do not include inventories of watch movements produced in the Virgin Islands of the United States.

^{2/} Data are not shown because publication would reveal the operations of individual companies.

Source: Data compiled from reports submitted to the U.S. Tariff Commission by U.S. producers.

Table 7.--Employment in U.S. establishments in which movements were produced, 1951-62, January-March 1962, and January-March 1963

Period	Production and related workers					
	Average number of all employees	Average number of workers producing--		Man-hours worked on--		Watches and watch movements ^{1/}
		All products	Watches and watch movements ^{1/}	All products	Watches and watch movements ^{1/}	
1951	2/	19,060	11,623	38,298	2/	
1952	2/	20,691	9,069	40,395	2/	
1953	2/	23,663	8,300	48,306	17,223	
1954	23,464	20,169	6,858	38,973	13,299	
1955	22,687	17,036	6,914	33,262	13,594	
1956	19,828	14,800	6,854	28,562	12,960	
1957	15,872	12,401	6,381	23,170	11,933	
1958	14,115	11,901	6,608	23,637	13,140	
1959	16,434	14,128	8,124	28,727	16,524	
1960	14,764	12,133	7,398	24,020	14,429	
1961	13,744	11,015	6,193	20,739	11,082	
1962	14,897	11,753	6,815	24,061	13,719	
January-March--						
1962	14,918	11,999	6,915	5,680	3,065	
1963	14,763	11,606	6,981	5,722	3,453	

^{1/} Data include employment in the production of watch parts sold as such and in the factory servicing of returned watches.

^{2/} Not available.

Source: Compiled from data submitted to the U.S. Tariff Commission by U.S. producers.

Table 8.--Watch movements (including small-clock movements): U.S. imports for consumption, by jewel count, 1951-62, January-March 1962, and January-March 1963 ^{1/}

Period	Movements containing ^{2/} --					All movements ^{3/}
	0-1 jewel	2-7 jewels	8-15 jewels	16-17 jewels	More than 17 jewels	
	Quantity (1,000 units)					
1951-----	2,448	1,707	660	6,757	4	11,576
1952-----	2,470	1,644	476	7,060	7	11,657
1953-----	2,752	1,845	329	8,432	9	13,367
1954-----	2,532	1,534	190	6,217	13	10,485
1955-----	3,866	1,250	122	5,599	17	10,853
1956-----	5,986	1,272	57	6,177	17	13,509
1957-----	5,805	1,161	38	6,222	20	13,246
1958-----	5,294	1,261	47	4,692	22	11,315
1959-----	6,990	1,368	63	6,082	20	14,524
1960-----	7,085	1,158	51	5,971	19	14,284
1961 ^{4/} -----	6,792	1,139	127	5,790	18	13,867
1962 ^{4/} -----	6,686	1,682	279	6,553	33	15,233
January-March--						
1962 ^{4/} -----	1,162	279	51	1,123	7	2,622
1963 ^{4/} -----	961	386	27	1,215	5	2,594
	Percent of total quantity					
1951-----	21.1	14.8	5.7	58.4	^{5/}	100.0
1952-----	21.2	14.1	4.0	60.6	0.1	100.0
1953-----	20.6	13.8	2.4	63.1	.1	100.0
1954-----	24.2	14.6	1.8	59.3	.1	100.0
1955-----	35.6	11.5	1.1	51.6	.2	100.0
1956-----	44.3	9.4	.4	45.8	.1	100.0
1957-----	43.8	8.8	.3	47.0	.1	100.0
1958-----	46.8	11.1	.4	41.5	.2	100.0
1959-----	48.2	9.4	.4	41.9	.1	100.0
1960-----	49.6	8.1	.4	41.8	.1	100.0
1961 ^{4/} -----	49.0	8.2	.9	41.8	.1	100.0
1962 ^{4/} -----	43.9	11.1	1.8	43.0	.2	100.0
January-March--						
1962 ^{4/} -----	44.3	10.6	1.9	42.9	.3	100.0
1963 ^{4/} -----	37.1	14.9	1.0	46.8	.2	100.0
	Average foreign unit value					
1951-----	\$1.31	\$3.05	\$5.45	\$6.21	\$54.75	\$4.68
1952-----	1.39	3.20	5.87	6.67	34.30	5.05
1953-----	1.67	3.08	5.51	6.91	38.36	5.29
1954-----	1.82	2.84	5.37	7.11	24.02	5.20
1955-----	1.70	2.71	6.90	7.01	26.27	4.65
1956-----	1.57	3.25	7.69	6.93	31.32	4.24
1957-----	1.65	3.35	10.84	6.83	27.87	4.30
1958-----	1.79	3.45	8.77	6.72	26.90	4.10
1959-----	1.89	3.51	8.18	6.16	35.93	3.91
1960-----	1.83	3.62	9.68	5.85	37.74	3.73
1961 ^{4/} -----	1.77	3.46	7.86	5.61	35.92	3.61
1962 ^{4/} -----	1.73	3.37	6.24	5.78	27.69	3.80
January-March--						
1962 ^{4/} -----	1.74	3.37	6.16	5.70	23.57	3.75
1963 ^{4/} -----	1.78	3.40	8.02	6.22	31.34	4.22

^{1/} Data do not include shipments from the Virgin Islands into the customs territory of the United States.

^{2/} All of the movements containing 0-1 jewel are pin-lever movements; virtually all of those containing 2 or more jewels are jeweled-lever movements.

^{3/} Because of rounding, figures may not add to the totals shown.

^{4/} Preliminary.

^{5/} Less than 0.05 percent.

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

Table 9.--Watch movements: U.S. imports for consumption, 1/ total, estimated number entering commercial channels in clocks and in watches, and the number exported with benefit of drawback, 1951-62, January-March 1962, and January-March 1963

Period	(Quantity in thousands of units)										
	Foreign value, total					Movements used in watches					Quantity
	1,000 dollars	Movements that enter commercial channels in clocks <u>2/</u>	Total	Imports <u>3/</u>	Exports with benefit of drawback	Imports minus exports with benefit of drawback	Containing 0-1 jewel	Containing 2 or more jewels	Imports with benefit of drawback	Exports with benefit of drawback	
1951	54,190	500	11,076	2,248	69	8,828				11,007	
1952	58,818	650	11,007	2,270	130	8,737				10,877	
1953	70,695	1,085	13,367	2,262	407	10,020				11,875	
1954	54,495	1,149	9,336	1,972	319	7,364				9,017	
1955	50,459	1,228	9,625	3,293	270	6,332				9,355	
1956	57,312	1,051	13,509	5,358	196	7,100				12,262	
1957	56,922	850	13,246	5,333	153	7,063				12,243	
1958	46,343	788	11,315	4,810	140	5,717				10,387	
1959	56,732	970	14,524	6,404	82	7,150				13,472	
1960	53,272	1,042	14,284	6,312	84	6,930				13,798	
1961 <u>4/</u>	50,104	1,108	13,867	5,726	132	7,033				12,627	
1962 <u>4/</u>	57,826	1,241	15,233	5,743	194	8,249				13,834	
January-March--											
1962 <u>4/</u>	9,844	205	2,417	987	54	1,430				2,363	
1963 <u>4/</u>	10,946	263	2,594	754	53	1,577				2,278	

1/ Data do not include shipments from the Virgin Islands into the customs territory of the United States.

2/ Allocations made on the basis of information obtained from importers, dealers, and others.

3/ All of the movements containing 0-1 jewel are pin-lever movements; virtually all of those containing 2 or more jewels are jeweled-lever movements.

4/ Preliminary.

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

Table 10.--Watch movements: Shipments from the Virgin Islands of the United States into the customs territory of the United States, by jewel count, 1959-62, January-March 1962, and January-March 1963

Period	Watch movements containing <u>1</u> /--				Total watch movements
	0-1 jewel	2-7 Jewels	16-17 jewels	More than 17 jewels	
Quantity					
1959-----	-	100	4,600	200	4,900
1960-----	1,600	-	37,630	4,715	43,945
1961 <u>2</u> /-----	1,100	150	127,787	43,768	172,805
1962 <u>2</u> /-----	992	500	278,162	140,068	419,722
January-March--					
1962 <u>2</u> /-----	-	500	40,614	20,477	61,591
1963 <u>2</u> /-----	-	-	141,142	54,200	195,342
Value					
1959-----	-	\$715	\$31,290	\$1,530	\$33,535
1960-----	\$11,230	-	241,744	33,969	286,943
1961 <u>2</u> /-----	7,425	1,065	778,919	299,477	1,086,886
1962 <u>2</u> /-----	2,143	2,900	1,638,058	907,498	2,550,599
January-March--					
1962 <u>2</u> /-----	-	2,960	237,599	138,562	379,121
1963 <u>2</u> /-----	-	-	778,610	362,207	1,140,817

1/ All of the movements containing 0-1 jewel are pin-lever movements; virtually all of those containing 2 or more jewels are jeweled-lever movements. There were no shipments of movements containing 8-15 jewels.

2/ Preliminary.

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