UNITED STATES TARIFF COMMISSION

VISCOSE RAYON YARNS WHOLLY OF CONTINUOUS FIBERS: WORKERS OF CHILDERSBURG PLANT OF BEAUNIT CORPORATION

Report to the President on Investigation No. TEA-W-115 Under Section 301(c)(2) of the Trade Expansion Act of 1962



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Note.—The whole of the Commission's report to the President may not be made public since it contains certain information that would result in the disclosure of the operations of an individual concern. This published report is the same as the report to the President, except that the above-mentioned information has been omitted. Such omissions are indicated by asterisks.

REPORT TO THE PRESIDENT

U.S. Tariff Commission, November 19, 1971

To the President:

In accordance with section 301(f)(1) of the Trade Expansion Act of 1962 (76 Stat. 885), the U.S. Tariff Commission herein reports the results of an investigation made under section 301(c)(2) of that act in response to a workers' petition.

On September 20, 1971, a petition was received from the United Textile Workers of America (AFL-CIO) for determination of eligibility to apply for adjustment assistance on behalf of workers formerly employed by the Childersburg, Ala. Plant of Beaunit Fibers, Division of Beaunit Corp. (a subsidiary of El Paso Natural Gas Co.), New York, N.Y.

On September 30, 1971, the Tariff Commission instituted an investigation (TEA-W-115) to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with viscose rayon yarns wholly of continuous fibers produced at the Childersburg Plant of Beaunit Fibers, are being imported into the United States in such increased quantities as to cause, or threaten to cause, the unemployment or underemployment of a significant number or proportion of the workers of the plant.

Public notice of the receipt of the petition and the institution of the investigation was given by publication in the <u>Federal Register</u> on October 6, 1971 (36 F.R. 19460). No hearing was requested, and none was held.

The information in this report was obtained principally from the petitioners, from the officials of the firm, and from the Commission's files.

Finding of the Commission

On the basis of its investigation, the Commission finds unanimously that articles like or directly competitive with viscose rayon yarns wholly of continuous fibers produced by the Childersburg, Ala., Plant of Beaunit Fibers, Division of Beaunit Corp., are 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.

Considerations Supporting the Commission's Finding

Section 301(c)(2) of the Trade Expansion Act of 1962 has established four conditions, each of which must be satisfied if an affirmative determination is to be made by the Commission. These conditions are:

- 1. Articles like or directly competitive with the viscose rayon yarns wholly of continuous fibers produced by the workers concerned are being imported in increased quantities.
- 2. The increased imports are in major part the result of concessions granted under trade agreements.
- 3. A significant number or proportion of the workers concerned are unemployed or underemployed, or threatened with unemployment or underemployment.
- 4. The increased imports resulting in major part from trade-agreement concessions are the major factor causing or threatening to cause the unemployment or underemployment.

In the case at hand, we have concluded that the fourth condition has not been met. The evidence developed in the instant investigation does not show that increased imports have been the "major" factor causing unemployment or underemployment at the Childersburg Plant of the Beaunit Corporation.

In recent years, the U.S. market for continuous filament rayon yarns, such as produced at the Childersburg Plant, has been adversely affected by the expanded production and use (in apparel, tires, and household and industrial goods) of other manmade fibers, particularly the noncellulosics (such as polyester). While the annual U.S. production of continuous

filament rayon yarns declined from 393 million pounds in 1961 to 268 million pounds in 1970, the domestic output of continuous filament yarns of other manmade fibers (except glass) increased from 746 million pounds to 2,252 million pounds over the same period. The use in the United States of continuous filament rayon yarns in both woven fabrics and in tires has declined in recent years. In fact, woven rayon fabrics wholly of filament yarns have come to comprise a small portion of the domestic production of broadwoven manmade fiber fabrics.

Data on U.S. imports of continuous filament rayon yarns are not separately reported from imports of acetate yarns. However, imports of nontextured rayon and acetate yarns wholly of continuous fibers have been small compared with the domestic production and consumption of such yarns in recent years. Imports of such yarns, moreover, declined—from 14.5 million pounds in 1968 to 3.6 million pounds in 1970; imports of continuous filament rayon yarns—the type produced at the Childersburg Plant—are believed to have followed a comparable pattern.

In the Commission's view, the closing of the Childersburg Plant resulted primarily from the declining U.S. demand for rayon yarns of the types produced there, and the resultant poor prospects for profitable operations at the plant. The Commission has no evidence that the impact of imports of like or directly competitive yarns has been such as to be the major factor causing the closing of the plant; indeed, as indicated above, imports of yarns similar to those produced at Childersburg in recent years undoubtedly have been small and have declined. * * *

In the face of stagnant or contracting markets, however, the Corporation decided to consolidate its production of continuous filament rayon yarns in one plant. In announcing the closing of the Childersburg Plant, a representative of the company indicated that the consolidation of rayon manufacturing operations was part of the company's previously announced realignment to strengthen Beaunit's position in the textile and fiber industries.

In light of the foregoing, the Commission has made a negative determination.

INFORMATION OBTAINED IN THE INVESTIGATION Description of Articles Under Investigation

From 1966 until its closing in August 1971, the Childersburg
Plant of the Beaunit Corp. produced viscose rayon yarns wholly
of continuous fibers. These fibers were in the form of filaments of
indefinite or extreme length, usually over 300 yards. Two or more
monofilaments are necessary to form a multifilament yarn and these
are assembled or held together by twist or otherwise. The filaments
are formed by forcing or extruding a chemical substance through tiny
holes of a perforated device known as a spinneret. The filaments
emerging from the holes are then solidified either in a chemical bath
or upon exposure to the air, depending upon the method used. The
material forced through the spinneret may be (1) a solution derived
from a fibrous material found in nature, such as cellulose (rayon or
acetate), or (2) a solution of a fiber-forming substance which has
been produced by chemical processes called polymerization (nylon,
polyester, acrylic, etc.).

The filaments used in making the rayon yarns at Childersburg are generally extruded as grouped filaments. After extrusion the grouped filaments are twisted (one-fifth of a turn or more per inch, referred to in the trade as producers' twist) and become singles yarns. After the producers' twist is inserted, the yarns are either (1) shipped directly to customers without further modification, (2) given additional twists by the producers and shipped, (3) plied by producers and shipped as plied yarns, or (4) subjected by the producers to a

U.S. rates of duty applicable to yarns wholly of continuous manmade fibers under the TSUS, as modified

(In percent ad valorem and cents per pound) :Current rate : Pre-Kennedy :pursuant to TSUS : :the fourth Round rate Statutory :stage of U.S. item (prior to Jan. 1, 1968):concessions rate granted in the: :Kennedy Round : :Glass yarns: 309.98: Not colored----: 21% : 12.5% : 50% 309.99: Colored----: 30% : 18% : 60% :Yarns wholly of continuous manmade fibers: Singles with twist but not over 20 turns per inch: 310.01: Valued not over \$1 : 25¢ per pound. 310.02: Valued over \$1 per : 22.5% : 17% : 50% pound. Singles with over 20 turns per inch: 310.05: Valued not over \$1 : 50¢ : 30¢ per pound. 310.06: Valued over \$1 per : 22.5 c + 25% : 13c + 15%: 45¢ + 50%pound. Plied with not over 20 turns per inch in the final twist: Valued not over \$1 310.10: : 32.5¢ : 65¢ per pound. 310.11: Valued over \$1 per : 27.5% : 16% : 55% pound. Plied with over 20 turns per inch in the final twist: 310.20: Valued not over \$1 : 50¢ : 30¢ per pound. 310.21: Valued over \$1 per : $22.5\phi + 27.5\%$: $13\phi + 16.5\%$: $45\phi + 55\%$ pound.

When imported, most of the types of rayon yarns similar to those produced at the Childersburg Plant are dutiable under item 310.01, which covers singles, with twist but not over 20 turns per inch, valued not over

\$1 per pound. The rate history pertaining to such yarns is shown in the table below.

Changes in the U.S. rates of duty applicable to yarns wholly of continuous manmade fibers, singles with twist but not over 20 turns per inch, valued not over \$1 per pound, 1930-72

Effective date	: Authority	:	Rate of duty		Average ad valorem equivalent based on imports in 1970
	:	:	Cents	:	
	•	:	per pound	:	Percent
	:	:		:	
June 18, 1930	: Tariff Act of 1930	:	50.0	:	59.4
Jan. 1, 1948	: GATT 1/	_:	32.5	:	38.6
June 6, 1951	:do	-:	27.5	:	32.7
June 30, 1956	:do	-:	26.0	:	30.9
June 30, 1957	:do	-:	25.0	:	29.7
Jan. 1, 1968	: Kennedy Round	_:	22.5	:	26.7
Jan. 1, 1969	:do	-:	20.0	:	23.8
Jan. 1, 1970	:do	-:	17.5	:	20.8
Jan. 1, 1971	:do	-:	15.0	:	17.8
Jan. 1, 1972	:do	-:	12.5	:	14.8
	:	:		:	

^{1/} General Agreement on Tariffs and Trade.

The rates of duty on other yarns of continuous manmade fibers (items 310.02 1/ through 310.21) and glass yarns (items 309.98 and 309.99) have also been reduced in trade agreements (appendix table 1). It is estimated that the various reductions in the rates that occurred prior to 1959 averaged about 50 percent in the aggregate. No reductions in the rates of duty occurred during 1959-67.

Pursuant to concessions granted in the Kennedy Round, the rates of duty are scheduled to be reduced by another 50 percent on all items except item 310.02 on which the reduction will equal 30 percent.

^{1/} Some of the yarns produced by the Childersburg plant would be dutiable under item 310.02 if imported.

The rate of duty on tire fabrics has also been reduced in trade agreements as indicated in the following table.

Changes in the U.S. rate of duty applicable to textile fabrics for use in pneumatic tires, 1930-72

Effective date	Authority	Rate of duty
Jan. 1, 1968 Jan. 1, 1969 Jan. 1, 1970 Jan. 1, 1971	Tariff Act of 1930: Kennedy Round:dodo	Percent ad valorem 25.0 22.0 20.0 17.0 15.0 12.5

The rates of duty on other manmade-fiber articles consisting broadly of other yarns, sewing thread, wastes, filaments (including staple fiber), fibers, and apparel have also been reduced through trade agreements. The rates on these yarns and articles are too numerous to be separately mentioned, but the average ad valorem

equivalents of the rates of duty on groups of these articles are shown in the following table.

Manmade-fiber textiles: Average ad valorem equivalents of duties, specified years, 1934 to 1970 $\underline{1}/$

	(In)	perc	entage	es)		_			
Description	1934	:	1952	:	1962	:	1969	:	1970
Manmade fibers and waste; other yarns, and thread—: Broadwoven fabrics of : manmade fibers—————: Knit and pile fabrics of		:	15.3 31.0	:	13.7 36.6	:	14.8 30.7	:	13.5 28.2
manmade fibers: Apparel of manmade fibers: Average:	85.2	:2/	28.2 38.4 17.6	:2/	32.2 37.2 28.8	:2/	31.8 38.5 34.4	:2/	30.0 38.3 33.4

 $[\]frac{1}{2}$ Based on imports and rates of duty in the years specified. $\frac{1}{2}$ Estimated.

On the above manmade-fiber articles the major reductions in the ad valorem equivalent took place from 1934 to 1952, and on two groups there was actually an increase from 1952 to 1962, reflecting both the absence of any general reduction in the rates and a change in the composition of imports which increased the average ad valorem equivalents of existing rates of duty. The Kennedy Round made reductions approximating 50 percent in the duties on most manmade-fiber articles other than apparel, but very few reductions in those on apparel; the effect of these reductions on the average ad valorem equivalents of the categories shown has not been substantial.

The rate of duty on pneumatic tires, which use substantial quantities of manmade yarns, was also reduced through trade

agreements. The rate of duty in the Tariff Act of 1930 was 10 percent ad valorem; this rate was reduced in 1958 to 8.5 percent ad valorem, pursuant to the General Agreement on Tariffs and Trade. It was again reduced in five annual stages as a result of the Kennedy Round negotiations with a final rate of 4 percent ad valorem scheduled to become effective on January 1, 1972 (table 2).

Pursuant to Presidential Proclamation No. 4074, effective
August 16, 1971, the rates of duty on most imported products,
including viscose rayon yarns wholly of continuous fibers, were
increased by the temporary imposition of an additional duty of 10 percent ad valorem or less, as provided for in new subpart C of part 2
of the appendix to the TSUSA. There have been recent press reports
that the surcharge on most wool and manmade-fiber textiles, except
raw materials, will be removed in the near future after formal agreements have been signed between the United States and Japan, the
Republic of Korea, Taiwan, and Hong Kong which will impose quantitative limitations on imports of specified wool and manmade-fiber textile categories.

U.S. Consumption

Data on the domestic consumption of viscose rayon yarns wholly of continuous fibers are not available. It is estimated, however, that such consumption declined from 1965 to 1970.

The consumption of all yarns wholly of continuous manmade fibers, however, increased from 1.1 billion pounds in 1961 to 2.6 billion

pounds in 1968, then declined to 2.4 billion pounds in 1969 and to 2.3 billion pounds in 1970 (table 3). Approximately 45 percent of the quantity consumed in 1970 consisted of nylon; 20 percent, of acetate; 15 percent, of rayon; and 10 percent, of glass. In 1969 the largest amount of continuous rayon filament yarn was consumed in tires; that of acetate, in dresses and apparel linings; that of nylon, in tires and carpets; and that of glass, in the reinforcement of plastics.

Data on the consumption of tire yarns are not available; it is estimated, however, that such consumption rose steadily from 1961 to 1966, declined in 1967, increased each year in 1968 and 1969, then declined in 1970.

The consumption of all broadwoven fabrics of manmade fibers (except glass) increased from 2.9 billion square yards, valued at \$0.8 billion, in 1961 to 7.1 billion square yards, valued at \$1.8 billion, in 1969 (table 4). Consumption declined in 1970 to 6.6 billion square yards, valued at \$1.6 billion, and is believed to have continued to decline in 1971. During the 1961-70 period, the ratio of imports to consumption was less than 5 percent and reached its maximum of 4.9 percent in 1966.

The U.S. consumption of all manmade-fiber textile materials increased without interruption from 1961 to 1969; in 1970, however, it declined slightly (table 5). As compared with 1,846 million pounds in 1961, the consumption amounted to 3,946 million pounds in 1966, 5,660 million pounds in 1969, and 5,552 million pounds in 1970.

The share of the consumption furnished by imports increased from 4.4 percent in 1961 to 11.1 percent in 1970.

U.S. mill consumption of all major textile fibers (including manmade and natural) in the 1961-70 period increased from 6,561 million pounds in 1961 to 9,805 million pounds in 1969; in 1970, however, it declined to 9,558 million pounds (table 6). During this period a marked change occurred in the relative importance of individual fibers. The use of cotton, wool, flax, and silk declined while the use of manmade fibers increased. Manmade fibers have accounted for more than half of the annual consumption of all textile fibers in recent years. In 1970, consumption of manmade fibers was over 2-1/2 times greater than in 1961. Virtually all of the increase was accounted for by noncellulosic (nylon, polyester, acrylic, and so forth) fibers.

U.S. consumption of pneumatic tires increased steadily from 1961 to 1966; it declined substantially in 1967, rose above the 1966 level in both 1968 and 1969, then declined again in 1970. In 1969, when consumption attained its highest level in recent years (about 230 million tires), it was almost three-fourths larger than in 1961, and the share of consumption supplied by imports was about 8 percent, compared with about 3 percent in 1961.

U.S. Production

Annual U.S. production of continuous filament rayon yarns 1/fluctuated in the early and mid-1960's, ranging from 393 million pounds in 1961 to 434 million pounds in 1965; it declined irregularly after 1965 to 268 million pounds in 1970 (table 7). * * *

Domestic production of continuous filament acetate and noncellulosic yarns 1/ increased greatly from 1961 to 1970 and far surpassed the production of rayon yarns. Acetate yarn (including some grouped filaments) production increased from 249 million pounds in 1961 to 463 million pounds in 1970, and noncellulosic yarn 1/ production increased from 497 million pounds in 1961 to 1,788 million pounds in 1970. By 1970 the U.S. output of acetate yarns was almost threefourths greater, and noncellulosic yarn production more than six times greater, than that of rayon (table 7).

J.S. production of tire yarns and tire fabrics in the 1961-70 period rose irregularly from a low of 399 million pounds in 1961 to a high of 607 million pounds in 1969 but declined to 540 million

^{1/} Including monofilaments and some grouped filaments.

pounds in 1970 (table 8). The production of rayon tire yarns and tire fabrics was generally close to 200 million pounds annually from 1961 to 1965, but then declined irregularly to less than 100 million pounds in 1970. Nylon tire yarn and tire fabric production increased steadily from 1961 to 1967; it then began to decline in 1968 and continued to decline until 1970. Data on polyester tire yarn and tire fabric production has been reported separately only from July 1968; 1/ it amounted to 160 million pounds in 1969 and to 139 million pounds in 1970. Glass tire yarn and tire fabric production has been increasing since its introduction in the late 1960's. In 1970, nylon tire yarn and tire fabric accounted for almost half of total domestic production; polyester, about a fourth; rayon, less than one-fifth; and glass, about one-twentieth.

U.S. production of all broadwoven fabrics of manmade fibers (except glass) increased from 3.0 billion square yards, valued at \$0.9 billion, in 1961 to 7.0 billion square yards, valued at \$1.8 billion, in 1969 (table 4). It declined to 6.5 billion square yards, valued at \$1.6 billion, in 1970, and is expected to decline further in 1971.

In 1970, the largest declines in production were in those fabrics containing rayon and nylon fibers. The great bulk of domestically produced broadwoven fabrics of manmade fibers are shipped to other domestic companies which use the fabrics for manufacture into apparel, household articles, and industrial applications.

^{1/} Previously, data on polyester production was included with data on nylon.

U.S. production of pneumatic tires increased steadily from 1961 to 1966; it declined in 1967, rose in 1968 and 1969, but declined again in 1970. In 1969, when production attained its highest level during the period, it amounted to about 215 million tires—two—thirds higher than in 1961.

U.S. Imports

Data on imports of viscose rayon yarns wholly of continuous fibers are not reported separately from imports of other rayon (cuprammonium) and acetate yarns. Such yarns, however, would be imported under items 310.01 through 310.21 of the TSUS. Most of the yarns produced by the workers of the Childersburg Plant would, if imported, be classified under item 310.0125 of the TSUSA. The remainder would fall principally in TSUSA item 310.0225. U.S. imports since 1966 under these two classes are shown in the following table.

Certain continuous filament yarns of manmade fibers: U.S. imports by specified TSUSA items, 1966-70, January-June 1970, and January-June 1971

Period	: Period :-).(0125 <u>1</u> /	:	: Item 310.0225 <u>2</u> /		
101104	Quantity	:	Value	-: :	Quantity	Va]	ue	
	:	1,000	:	1,000	:	1,000	1,0	
•	:	pounds	:	dollars	:	pounds	doll	<u>ars</u>
1966	:	2,642	:	1,987	:	869	: 1.	054
1967	:	6,145		3,885	:	1,002		,161
1968	:	11,620		8,475		2,662		,072
1969	:	3,120		2,478		860		,007
1970	:	2,373	:	2,078	:	1,188	: 1,	,378
January-June	:		:		:		:	
1970	:	1,308		1,141		404		491
1971	:	1,510	:	1,096	:	750	;	872
	:		:		:			

^{1/} Yarns wholly of continuous manmade fibers, singles with twist but not over 20 turns per inch, valued not over \$1 per pound, wholly cellulosic, and not textured.

Total imports of yarns wholly of continuous manmade fibers are shown in table 3. They increased dramatically from 5.2 million pounds, valued at \$4.9 million, in 1961 to 57.1 million pounds, valued at \$63.3 million, in 1968; then declined to 38.9 million pounds, valued at \$49.4 million, in 1969; and then increased to an all-time high of 133.4 million pounds, valued at \$165.8 million, in 1970. A new record is being established in 1971, since the 6-month total of 134.9 million pounds, valued at \$162.3 million, already exceeds imports for all of 1970 (table 9). All of the large increase occurred in yarns other than rayon; the largest increase occurred in textured

^{2/} Yarns wholly of continuous manmade fibers, singles with twist but not over 20 turns per inch, valued over \$1 per pound, wholly cellulosic, and not textured.

yarns, 1/ which increased from about 4 million pounds in 1967 to about 76 million pounds in 1970 and to 82 million pounds during the first 6 months of 1971.

Data on tire yarn are not separately classified in import statistics. Such imports, however, are almost always valued under \$1 per pound. Imports of cellulosic and noncellulosic (except glass) tire yarns would therefore probably be included in the data shown in columns entitled "Specified singles" in table 9. The total imports shown in these two columns increased rapidly from 3.8 million pounds, valued at \$2.7 million, in 1964 to 29.0 million pounds, valued at \$24.4 million, in 1970; for the first 6 months of 1971, they amounted to 29.9 million pounds, valued at \$24.9 million, and already exceeded the total for all of 1970. The great bulk of the increase was accounted for by yarns other than rayon. The imports listed in the columns specified above are believed to consist largely of continuous filament yarn used in tires. Imports of continuous filament glass yarns used in tires are not separately classified; however, they are estimated to be very small at the present time.

Imports of textile fabrics for use in pneumatic tires are shown in table 10. Such imports increased from 100,000 pounds in 1964 to 5.2 million pounds in 1968, and then declined to 2.1 million pounds in 1970. Imports in the first 6 months of 1971, however, amounted to 2.9 million pounds, and exceeded the imports in every year of the 1964-70 period except for 1968 and 1969.

^{1/} Including small amounts of rayon yarns.

Imports of broadwoven fabrics of manmade fibers (except glass) increased from 40.1 million square yards, valued at \$12.8 million, in 1961 to 255.3 million square yards, valued at \$66.2 million, in 1966, and then declined to 177.7 million square yards, valued at \$59.0 million, in 1967. Thereafter, they increased regularly to 234.9 million square yards, valued at \$129.0 million in 1970 (table 4). Almost all of the imports are similar in type and quality to like domestic fabrics; their prices, however, are usually lower.

Total imports of all manmade-fiber textiles (including fibers and the fiber equivalent of yarns, fabrics, and finished articles) increased almost without interruption in each year from 1961 to 1970 (table 5). From 81 million pounds in 1961, when they amounted to 4.4 percent of consumption, imports rose to an annual rate of nearly 500 million pounds in 1968-69, when they averaged about 9 percent of consumption. Imports in 1970 were 614 million pounds and accounted for over 11 percent of consumption. By far the greater part of the increase in imports from 1965 to 1970 occurred in continuous filament yarn and in apparel (table 11).

The imports of pneumatic tires other than airplane and tractor steadily increased from about 3.6 million in 1961 to about 20 million in 1970. The imports for all of 1971 are expected to exceed those for 1970.

U.S. Exports

Domestic exports in 1965-70 of certain yarns wholly of continuous rayon fibers, as reported in official statistics, are shown in the following table.

Certain yarns wholly of continuous rayon fibers: U.S. exports, by types, 1965-70

<pre>: Regular- and : High- : intermediate-: tenacity : Total : tenacity : yarn 2/</pre>
Quantity (1,000 pounds)
: : : : : : : : : : : : : : : : : : :
: : : : : : : : : : : : : : : : : : :

^{1/} Used generally in apparel not demanding exceptional breaking resistance, in certain home furnishings, and in other consumer-type products.

Types of yarn made by the petitioning workers' plant, if exported, would be included in the table above. Exports of all yarns wholly of continuous manmade fibers are shown in table 3; the types of yarn made

^{2/} Used mainly in articles requiring great breaking strength and abrasion resistance, such as tires, certain home furnishings, industrial hose, and luggage.

by the plant probably accounted for about 10 percent of the total exports.

Exports of tire yarns and tire fabrics, as reported in official statistics, are shown in the table below.

Tire yarns and tire fabrics of manmade fibers: U.S. exports, by types, 1965-70

Year	Cellulosic : Non	ncellulosic	Total
:	Quantity	y (1,000 pounds)	
: 1965: 1966: 1967: 1968: 1969:	4,702 : 3,851 : 3,589 :	: 17,883 : 16,862 : 11,454 : 5,243 : 5,907 : 4,855 :	25,368 27,155 16,713 9,945 9,758 8,444
:	Value	(1,000 dollars)	
1965: 1966: 1967: 1968: 1969:	; 5,925 : 8,498 : 4,725 : 4,277 : 2,650 : 2,989 :	: 22,792 : 20,227 : 12,780 : 5,901 : 6,225 : 5,486 :	28,717 28,725 17,505 10,178 8,875 8,475

The column labeled "cellulosic" in the table above would include the types of tire yarn produced by the petitioning workers' plant.

During 1961-70, U.S. exports of broadwoven fabrics of manmade fibers (except glass) ranged between 137 million square yards, valued at \$72 million, in 1961 and 181 million square yards, valued at \$101 million, in 1964 (table 4). They declined from the 1964 high to 147

million square yards, valued at \$95 million, in 1968, then increased to 174 million square yards, valued at \$108 million, in 1970.

Exports of all manmade fibers and manufactures, as shown in table 6, have increased irregularly from 231 million pounds in 1961 to 487 million pounds in 1970; they have been equivalent to 7 to 10 percent of the production of manmade fibers. The exports consist in large part of grouped filaments, yarn, staple (noncellulosic), and waste.

Beaunit Fibers Division of Beaunit Corp.

Beaunit Corp. is a wholly owned subsidiary of El Paso Natural Gas Co. Beaunit has annual sales of about \$200 million and includes two major divisions—Beaunit Fibers and Beaunit Textiles. 1/ The firm has its headquarters in Research Triangle Park, N.C., and maintains several sales offices throughout the United States. The Beaunit Fibers Division, from which this workers' petition originated, presently operates three plants located in Etowah and Elizabethton, Tenn. The Etowah plant manufactures nylon 66 fibers, and the two plants in Elizabethton produce rayon, polyester, and nylon 6 fibers. 2/

Closing announcement

The public release announcing the closing of the Childersburg Plant is reproduced in appendix B to this report.

^{1/} Recently the two divisions were consolidated and now operate under the company name of Beaunit Corp.

^{2/} Nylon 66 is made from hexamethylene diamine and adipic acid; nylon 6, from caprolactam.

APPENDIX A
Statistical Tables

Table 1.--Yarns wholly of continuous manmade fibers and yarns of glass: U.S. imports for consumption and rates of duty, 1947-70 and January-June 1971

Year	: Rates of luty	Quantity	. Value
1947	: 509 03 3	: Pounds	:
	: 50% ad val.; 60% ad val.; 50¢ lb.; \$1 : lb.; 45¢ lb. + 50% ad val.; 65¢ lb.; : 55% ad val.; 45¢ lb. + 55% ad val.	: : 312,370	: : \$260,357
1948	: 50% ad val.; 40% ad val.; 22.5% ad val.; 22.5¢ lb.; 27.5% ad val.; 32.5¢ lb.; 25% ad val.; 27.5¢ lb.; 30% ad val.; 37.5¢ lb.; 22.5¢ lb. + 22.5% ad val.; 22.5¢ lb. + 27.5% ad val.; 22.5¢ lb. + 27.5% ad val.; 22.5¢ lb. +	: · · · · · · · · · · · · · · · · · · ·	: : : : :
ם ולס ב	25% ad val.; 22.5¢ lb. + 30% ad val.	: 10,151,096 :	: 12,060,510
	: Rates of duty same as 1948	: 346,386	353,940
	: Rates of duty same as 1948	6,357,445	4,942,248
1951 	: 50% ad val.; 25% ad val.; 22.5¢ lb.; : 27.5¢ lb.; 25¢ lb.; 27.5% ad val.; : 32.5¢ lb.; 22.5¢ lb. + 22.5% ad val.; : 22.5¢ lb. + 25% ad val.; 22.5¢ lb. + : 27.5% ad val.; 22.5% ad val.		
1952 	: -: Rates of duty same as 1951	5,080,867 :	. ,
	: -: Rates of duty same as 1951	285,773 :	410,896
		806,984 :	1,049,569
	-: Rates of duty same as 1951 :	2,346,134	1,743,837
	-: 30% ad val.; 25% ad val.; 22.5% ad val.; 22.5¢ lb.; 27.5¢ lb.; 25¢ lb.; 27.5% ad val.; 32.5¢ lb.; 22.5¢ lb. + 22.5% ad val.; 22.5¢ lb. + 25% ad val.; 22.5¢ lb. + 27.5% ad val. 30% ad val.; 23.5% ad val.; 22.5% ad val.; 22.5¢ lb.; 26¢ lb.; 25% ad val.; 25¢ lb.; 27.5% ad val.; 32.5¢ lb.;	2,276,679 : : :	1,811,566
957	22.5¢ 1b. + 22.5% ad val.; 22.5¢ lb. + : 25% ad val.; 22.5¢ lb. + 27.5% ad val. : : 30% ad val.; 22.5% ad val.; 22.5¢ lb.; : 25¢ lb.; 25% ad val.; 27.5% ad val.	1,345,067:	1,118,094
958	22.5¢ lb.; 22.5¢ lb. + 22.5% ad val.; 22.5¢ lb. + 25% ad val.; 22.5¢ lb. + 27.5% ad val.; 22.5¢ lb. + 27.5% ad val.; 21% ad val.; 22.5% ad val.; 25% ad val.; 27.5% : ad val.; 25.5¢ lb.; 25.5¢ lb.; 25.5¢ lb. + 22.5% : ad val.; 22.5¢ lb. + 25% ad val.; 22.5¢ lb. + 22.5% ad val.; 22.	1,275,808 : : : : : : : : : : : : : : : : : :	2,109,515
	: 22.5¢ lb. + 27.5% ad val. :	2,087,207	3,796.929
	Rates of duty same as 1958	4,416,150:	7,044,944
60	Rates of duty same as 1958	3,625,818 :	2,958,109
61	Rates of duty same as 1958	5,206,147:	4,925,457
	Rates of duty same as 1958	:	
:	Rates of duty same as 1958	7,415,156 :	7,522,410
•	tudy same as 1950	6,544,837:	7,821,488

Table 1.--Yarns wholly of continuous manmade fibers and yarns of glass: U.S. imports for consumption and rates of duty, 1947-70 and January-June 1971--Continued

Year	Rates of duty	Quantity	Value
		Pounds :	
1964	: Rates of duty same as 1958	8,224,451:	\$9,331,381
1965:	: Rates of duty same as 1958	13,830,530	13,523,188
1966	: Rates of duty same as 1958	14,995,842	14,492,124
1967	: Rates of duty same as 1958	27,262,256	28,245,209
1968	: 18.5% ad val.; 27% ad val.; 22.5¢ lb.; 21% ad val.; 45¢ lb.; 20¢ lb. + 22.5% ad val.; 29¢ lb.; 24.5% ad val.; 20¢ lb. + 24.5% ad val.	: 57,126,411 :	63,321,357
1969	: 16.5% ad val.; 24% ad val.; 20¢ lb.; : 19.5% ad val.; 40¢ lb.; 18¢ lb. + 20% : ad val.; 26¢ lb.; 22% ad val.; 18¢ lb. : + 22% ad val.; 26¢ lb.	: : 38,876,179	49,379,225
1970	: 14.5% ad val.; 21% ad val.; 17.5¢ lb.; : 18.5% ad val.: 35¢ lb.; 15¢ lb. + : 17.5% ad val.; 22.5¢ lb.; 19% ad val.; : 15.5¢ lb. + 19% ad val.	: : : 133,427,076	: : 165,771,156
1971 (Janu- ary-June).	: 12.5% ad val.; 18% ad val.; 15¢ lb.; 17% ad val.; 30¢ lb.; 13¢ lb. + 15% ad val.; 19¢ lb.; 16% ad val; 13¢ lb. + 16.5% ad val.	: : : 134,932,700	: : : 16 2,36 1,225

Source: Data on imports compiled from official statistics of the U.S. Department of Commerce.

Table 2.--Pneumatic tires other than airplane, bicycle, and tractor: Changes in rates of duty and U.S. imports for consumption, 1957-70 and January-June 1971 1/

	Changes in	Imports				
Period	rate of duty :	Quantity	Value			
:	Percent ad valorem	1,000 : units :	1,000 dollars			
1957	10.0 8.5	•	9,250 11,964 22,722 17,092 17,982			
1962		929: 1,153: 1,553: 2,672: 2,904:	30,899 34,255			
1967: 1968: 1969: 1970: 1971 (January-June):	7.5 6.5 5.5 5.0	; 7,924 ; ; 10,907 ;	107,659 130,396 185,386			

^{1/} Includes solid tires prior to 1964.

Source: Import data compiled from official statistics of the U.S. Department of Commerce.

Table 3.--Yarns wholly of continuous manmade fibers: U.S. production, imports for consumption, exports of domestic merchandise, and apparent consumption, 1961-70

Year	: Production 1/:	•	Exports :	Apparent consumption	Ratio (percent) of imports to consumption
		Quanti	ty (1,000	pounds)	
1961 1962 1963 1964 1965 1966 1968 1969	1,414,296 : 1,497,679 : 1,708,186 : 1,915,351 : 2,062,004 : 2,037,745 : 2,596,781 : 2,465,269 :	$\frac{3}{7}$, 415 : $\frac{1}{4}$	109,893 : 98,080 :	1,311,818 1,406,144 1,600,319 1,832.265 1,981,663 1,979,279 2,564,262	.5 .5 .8 .8 1.4
		Valu	e (1,000 d	ollars)	
1961	1,708,863 :3 1,856,870 :3 2,083,652 : 2,355,870 : 2,726,834 : 2,487,889 : 3,196,249 : 2,926,429 :	$7,522:\overline{4}/$	92,994 : 19,062 : 108,700 : 136,014 : 106,523 : 101,751 : 87,049 : 88,570 : 85,771 : 105,493 :	1,316,469 : 1,597,323 : 1,755,991 : 1,956,969 : 2,263,140 : 2,639,575 : 2,429,085 : 3,171,000 : 2,890,037 : 2,937,770 :	.5 .4 .5 .6 .5 1.2 2.0

<u>l</u>/ Production partly estimated from <u>Textile Organon</u> figures; value partly based on list prices published in <u>Modern Textile Magazine</u> for the yarns covered here.

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

 $[\]frac{2}{2}$ Includes neglible amounts of chopped glass strands.

^{3/} Prior to September 1963, glass-yarn imports were not separately reported in official statistics; however, such imports were estimated by the U.S. Tariff Commission staff and have been included in the table.

^{4/} Estimated. Data on exports of monofilaments and yarn were reported together. It was necessary to eliminate the estimated exports of monofilaments from the reported data in arriving at the amount indicated.

Table 4.--Woven fabrics of manmade fibers (except glass): U.S. production, imports for consumption, exports of domestic merchandise, and apparent consumption, 1961-70

(Quantity in	thousands of	square ya	ards; value	e in thousand	ds of dollars)
Year	: Produc- : tion <u>1</u> /	Imports	Exports	Apparent consumption	: Ratio :(percent) of : imports to : consumption
			Quantit	y	
1961 1962 1963 1964 1965 1966 1967 1968	: 3,423,550 : 3,886,456 : 4,375,123 : 4,892,109 : 5,092,945 : 5,416,657 : 6,925,176	: 40,177 : 64,049 : 75,909 : 87,261 : 161,069 : 255,279 : 177,724 : 195,935	: 136,851 : 137,468 : 153,205 : 181,454 : 145,514 : : 150,277 : 152,771 : 146,618	: 2,910,128 : 3,350,131 : 3,809,160 : 4,280,930 : 4,907,664 : : 5,197,947 : 5,441,610 : 6,974,493	: 1.4 : 1.9 : 2.0 : 2.0 : 3.3 : 4.9 : 3.3 : 2.8
1970:		218,702	: 163,299 : 173,806	: 7,082,398 : 6,567,885	: 3.1 : 3.6
•			Value		
1961	1,028,747 : 1,203,653 :	12,832 19,443 25,507 31,619 48,966	: 71,951 : 74,057 : 84,369 : 100,971 : 97,075	: 802,081 : 974,133 : 1,144,791 : 1,056,022 : 1,253,945	: 1.6 : 2.0 : 2.2 : 3.0 : 3.9
1966	1.869.121 :	66,241 59,038 75,889 95,426 129,016	: 100,859 : 101,342 : 95,030 : 104,281 : 108,062	: 1,265,195 : 1,182,909 : 1,849,980 : 1,765,283 : 1,602,095	5.2 5.0 4.1 5.4 8.0

l/ Square yards estimated from official statistics reported in linear yards by use of conversion factors shown by the U.S. Bureau of the Census in Current Industrial Reports, series MQ-22T.2 Supplement dated Dec. 5, 1968; value partly estimated from prices for manmade-fiber gray goods listed in Daily News Record, a Fairchild publication, an official statistics of the U.S. Department of Commerce.

Source: Compiled from official statistics of the U.S. Department of Commerce, unless otherwise noted.

Table 5.--Manmade-fiber textile materials: U.S. production of fibers, imports for consumption and exports of fibers and manufactures thereof, and apparent consumption, 1961-70

Year	Produc- tion <u>1</u> /	Im- : : ports <u>2</u> /:	Ex- ports <u>2</u> /	Apparent consump- tion	Ratio imports to consumption
	Million pounds	Million : pounds :	Million pounds	: Million : pounds :	Percent
1961 1962 1963 1964 1965	2,435.3 2,696.7 3,078.0	124.1 : 186.3 : 208.4 :	• • •	: 2,290.0 : : 2,616.6 : : 2,978.5 :	5.4 7.1 7.0
1966: 1967: 1968: 1969:	4,050.2 5,226.4 5,605.5	340.1 : 497.1 : 477.3 :	326.4 324.5 366.0 422.4 487.4	4,065.8 : 5,357.5 : 5,660.4	8.4 9.3 8.4

^{1/} Consists of filaments, strips, and fibers (see schedule 3, pt. 1, subpt. E, headnote 2, TSUSA-1971).

Source: Production, Textile Organon; imports and exports, as noted.

^{2/} Includes manufactures of manmade fibers. Compiled partly from the <u>Cotton Situation</u>, U.S. Department of Agriculture, and partly from official statistics of the U.S. Department of Commerce.

Table 6.—Textile fibers: U.S. mill consumption, by kinds, 1961-70

******		(In m	illions of	f pounds)			
: :	:	•	Manmade	e fibers		: Flax :	:
Year : Cotton	: Wool	: Rayon	: Noncel-	: Manmade	:	: and	All
:	:		: ulosic	=	: Total	: silk :	fibers
	<u>:</u>	: acetate	: fibers	: waste	:		<u> </u>
	:	:	:	•	•	:	:
1961: 4,081.5	,: 412.1	: 1,128.0	: 861.4	: 65.2	: 2,054.6	: 12.7	: 6,560.9
1962: 4,188.0): 429.1	: 1,263.4	: 1,075.6	: 73.8	: 2,412.8	: 12.4	: 7,042.
1963: 4,040.2	: 411.7	: 1,440.2	: 1,257.5		: 2,775.0		
1964: 4,244.4	: 356.7	: 1,516.3	: 1,554.8	: 91.1	: 3,162.2		
1965: 4,477.5	: 387.0	: 1,550.4	: 1,961.5		: 3,614.1		
1966: 4,630.5	: 370.2	: 1,591.1	: 2,299.1	: 98.8	: 3,989.0		
1967: 4,423.0	: 312.5	: 1,500.2	: 2,620.1		: 4,244.3		
1968: 4,146.5					: 5,305.4		
1969: 3,932.7	: 312.8	: 1,614.9	: 3,798.0	_	: 5,549.3		
1970: 3,818.8	: 240.4	: 1,413.6	: 3,948.6	: 132.7	: 5,494.9	: 7.9	: 9,558.(
Courses Comm	:	:	:	:	:	: :	:
Source: Comp	lled irom	official s	statistics	of the U	.S. Departme	ent of A	Agricul-
oure.							

Table 7.--Manmade fibers: U.S. production, by types, 1961-70

(In millions of pounds)	. ₀	Rayon Acetate Noncel Total Rayon Acetate Noncel Total fiber fiber fiber	35.7 : 707.2 : 392.7 : 749.0 :	-: 500.0 : 46.0 : 345.5 : 891.5 : 420.4 : 305.7 : 627.4 : 1.353.5 : 190	: 579.1 : 60.0 : 443.2 : 1,082.3 : 400.2 : 309.5 : 712.8 : 1,422.5 : 191.9 : 2	: 594.3 : 60.0 : 559.1 : 1,213.4 : 411.6 : 365.9 : 847.6 : 1,625.1 : 239.5 : 3.	-: 648.0 : 54.0 : 782.4 : 1,484.4 : 433.8 : 391.2 : 997.7 : 1,822.7 : 282.3 : 3,58	: 659.2 : 60.0 : 918.1 : 1,637.3 : 405.5 : 394.3 : 1,164.7 : 1,964.5 : 332.4 : 3,9	-: 603.4 : 50.0 : 1,137.9 : 1,791.3 : 309.1 : 425.6 : 1,215.4 : 1,950.1 : 308.8 : 4,050.	-: 739.1 : 50.0 : 1,562.3 : 2,356.4 : 365.3 : 439.9 : 1,662.1 : 2,467.3 : 402.7 : 5,226.	: 758.8 : 43.0 : 1,761.0 : 2,562.8 : 319.2 : 455.2 : 1,766.9 : 2,541.3 : 501.0 : 5,605	0 : 1,796.8 : 2,439.2 : 267.6 : 463.2 : 1,788.4 : 2,519.2 : 466.8 : 5,		1/ Includes monofilaments and some grouped filaments.	3) 25) 10
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Source: Textile Organon.

Table 8.--Tire yarms and tire fabrics: U.S. production, by types, 1961-70 and January-June 1971

Period	Rayon	(In thousands Mann : : Nylon ::	Manmade fibers : Polyester :	: Chafer fabrics : and all others : including glass	: Cotton	Total
1961———————————————————————————————————	213,396 207,677 196,127 210,067 212,984 186,873 126,083 155,396 119,466 91,618 56,389	148,815 187,676 1/ 204,237 1/ 236,233 1/ 260,168 1/ 315,153 3/ 343,867 282,225 265,756 138,785	2/ 2/ 2/ 2/ 2/ 2/ 2/ 2/ 2/ 2/	1 4444	26,066 18,837 12,892 10,683 9,218 7,722 4,464 4,614 3,813 2,609	398,673 426,836 424,181 469,572 495,786 526,239 471,929 573,844 607,097 540,088 307,378

Overstated, includes polyester for January-June, July-December only. 1/ Overstated; includes polyester.
2/ Not available.
3/ Overstated; includes polyester f
4/ July-December only.

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

Table 9.--Yarns wholly of continuous manmade fibers: U.S. imports for consumption, by types, 1964-70 and January-June 1971

	WF	Wholly cellulosic	v	Whol	Wholly noncellulosic	ပ	Combination		- Pusud
Period	Specified singles 1/	Other; except textured	Total	Specified (singles $1/$	Other, except textured $2/$	Total	cellulosic and noncellulosic	Yarns	total
			•	Qui	Quantity (pounds)				
1964	3,401,596	1,592,412	4,996, μ	362,321	2,165,830	2,528,151	702,292		8,224,451
1966:	2,642,245	946,601	3,588,846	5,238,581	4,529,135	9,767,716	1,433,369	205,911	14,995,842
1967	6,145,371	1,492,712	7,638,083	5,841,673:	7,483,113	13,324,786	2,075,420	: 4,223,967 :	27,262,256 57,36,411
1969:	3,120,017	949,268	4,069,285	11,541,506	8,741,811	20,283,317	3,973,432	10,550,145	38,876,179
1970	2,372,722	: 1,264,503 :	3,637,225	: 26,591,259 :	22,117,830	48,709,089	: 5,140,313	: (7,740,444) :	133,441,010
1911: January-June:	1,510,154	768,275	2,278,429	: 28,396,975	11,598,534	39,995,509	10,840,692	81,818,070	134,932,700
- •• ••				Δ	Value -		•		
(30)	100 001 04		4 E 18), 867	: • 480 TOF \$	\$ 3 129 213	\$ 3 430.501	. \$ 716,013	3/ ::	\$ 9,331,381
1965:	3,853,395	1,275,599	5,128,994	1,576,268:	5,414,548	6,990,816	1,403,378		13,523,188
1966:	1,986,830	: 1,127,894 :	3,114,724	1, 266,413 :	5,387,409	9,653,822	1,355,574		28,245,209
1968	3,004,540 8,474,773	3,435,967	11,910,740	7,553,010:	10,439,445	17,992,455	8,374,755	: 25,043,407	63,321,357
1969:	2,478,481	: 1,119,322 :	3,597,803	9,134,124 :	12,317,485	21,451,609	6,271,328		49,3(9,22)
1970	2,078,405	1,485,381	3,563,786	: 22,347,799 :	28,161,894	50,509,693		.	10/16-1-10/04
January-June:	1,096,138	892,842	1,988,980	23,824,073	14,702,678	38,526,751	10,351,633	958,864,111:	: 162,361,225

1/ With twist but not over 20 turns per inch and valued not over \$1 per pound. Does not include glass yarns.

2/ Includes glass yarns.

3/ Not separately classified.

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

Table 10.--Textile fabrics for use in pneumatic tires: U.S. imports for consumption, by fiber, 1964-70 and January-June 1971

Year	: Manmade : fibers	Cotton	Other	Total
		Quantity	(pounds)	
1964	560,259 1,713,432 975,563 5,218,283 3,367,916 2,089,683	: - : - : 925,279 : -	: - : 73,506	: ,040,092 : 6,176,566 : 3,367,916
	:	Va	alue	
1964	: 480,059 : 1,768,227 : 1,008,291 : 4,397,182 : 3,393,837 : 1,493,095	: -	: 20,462	: :\$.76,045 : 480,059 : 1,774,837 : 1,085,922 : 5,197,798 : 3,393,837 : 1,555,575 : 2,162,121

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

Table 11.--Manmade fiber textiles: U.S. imports for consumption, by kinds, 1965-70

(In millions of pounds) : : Yarn Other :Staple : Year .Woven Apparel textile: Total :Specified : :fiber Other Total articles. :singles $\frac{1}{\cdot}$: .fabric. 1965----: 15.4: 128.8: 26.1: 7.5: 7.9: 30.6: 37.6 : 238.5 1966----: 7.9: 11.9: 19.8: 176.6: 44.2: 38.4: 59.3 : 338.3 1967---: 12.0: 20.6: 32.6:148.7:32.7: 60.1 : 66.0 : 340.1 1968----21.0: 48.4 : 69.4 : 214.9 : 38.1 : 91.3: 83.4: 497.1 1969----: 14.7: 38.9: 53.6: 156.1: 48.3: 143.5: 75.8: 477.3 1970---: 29.0 : 119.8 : 148.8 : 135.5 : 54.9 : 187.9 : 87.2 : 614.3

Source: Compiled partly from the <u>Cotton Situation</u>, U.S. Department of Agriculture, and partly from official statistics of the U.S. Department of Commerce.

* * * * * *

^{1/} Wholly of continuous manmade fibers with twist but not over 20 turns per inch and valued not over \$1 per pound. Does not include glass yarns.

APPENDIX B

Announcement of the Closing of the Childersburg Plant

BEAUNIT CONSOLIDATING RAYON PRODUCTION IN TENNESSEE, STATED WILL CLOSE CHILDERSBURG, ALABAMA PLANT

New York, June 1, 1971.—Beaunit Corporation will consolidate rayon production at its Elizabethton, Tennessee facilities and close its rayon plant at Childersburg, Alabama, it was announced today by Paul Luckett, Executive Vice President, Operations.

Mr. Luckett said the decision to close the facility in late

August was made "after six years of unprofitable operations, with no
turn-around in sight."

A low volume of production, severe import competition and declining demand for rayon tire cord were strong factors in the consideration, he said.

The Childersburg plant, opened in 1950, was the last rayon production facility to be built in this country and is the third and final rayon production unit to be terminated by Beaunit.

The company's American Bemberg operation at Elizabethton was sold late last year and an older plant at Utica, New York ceased operations on May 30th. Mr. Luckett said the company is seeking buyers for both the Utica and Childersburg properties.

"The markets for rayon fibers today are no longer growth markets", Mr. Luckett said. "We feel the company can serve the market for tire cord and continuous filament yarns more effectively and

successfully from our Elizabethton operation. There is just not sufficient volume to justify the operation of both facilities".

Following the closing, Beaunit will no longer manufacture high wet modulus rayon staple, Mr. Luckett said.

The company said it will cooperate in all possible ways to help the operation's 836 workers find jobs. Beaunit will contact other companies in the general area to tell them that trained labor is becoming available and will set up interviews in the plant or at other locations with interested companies.

The consolidation of rayon manufacturing operations is part of the company's previously announced realignment to strengthen

Beaunit's position in the textile and fiber industries, in which it is a major supplier of polyester and nylon yarns and fibers, as well as a leader in all areas of knitting.