UNITED STATES TARIFF COMMISSION

BASE METAL PARTS FOR INCANDESCENT ILLUMINATING ARTICLES, SUITABLE FOR RESIDENTIAL USE, FROM CANADA

Determination of No Injury or Likelihood Thereof in Investigation No. AA1921-102 Under the Antidumping Act, 1921, as Amended



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UNITED STATES TARIFF COMMISSION

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[AA1921-102]

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Determination of No Injury or Likelihood Thereof

The Treasury Department advised the Tariff Commission on September 1, 1972, that base metal parts for incandescent illuminating articles, suitable for residential use, from Canada are being, or are likely to be, sold at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended. In accordance with the requirements of section 201(a) of the Antidumping Act (19 U.S.C. 160(a)), the Tariff Commission instituted investigation No. AA1921-102 to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Notice of the institution of the investigation and of a hearing to be held in connection therewith was published in the <u>Federal Register</u> of September 13, 1972 (37 F.R. 18589). A public hearing was held on October 17, 1972.

In arriving at a determination in this case, the Commission gave due consideration to all written submissions from interested parties, evidence adduced at the hearing, and all factual information obtained by the Commission's staff from questionnaires, personal interviews, and other sources.

On the basis of the investigation, the Commission has determined unanimously that an industry in the United States is not being or is not likely to be injured, or is not prevented from being established, by reason of the importation of base metal parts for incandescent illuminating articles, suitable for residential use, from Canada.

Statement of Reasons 1/

In the instant antidumping case, the Treasury Department advised the Commission that base metal parts for incandescent illuminating articles suitable for residential use from Canada (hereinafter referred to as base metal lamp parts) are being or are likely to be sold at less than fair value. These base metal parts include a wide variety of individual parts that are used to manufacture residential incandescent lighting fixtures and lamps; they are made principally of steel; they are both decorative and functional; they are made by several manufacturing processes, including stamping, spinning, and casting.

The Treasury's determination of sales at less than fair value covered all the base metal lamp parts described above, but the imported articles entering from Canada on which the Treasury made price comparisons to determine whether there were sales at less than fair value consisted of base metal parts produced by stamping. Consequently, in making its decision in this case, the Commission considered the possible effects of the LTFV sales on the facilities in the United States producing base metal lamp parts, but gave special attention to the possible effects of those sales on the facilities producing stamped and spun parts.

As set forth above, the Commission has made a negative determination in this case. We find that market penetration by the LTFV articles is

^{1/} Commissioner Ablondi concurs in the result.

negligible, adverse price effects from the sale of the LTFV parts are minimal at most, sales of base metal lamp parts by domestic concerns have increased in value, and domestic operations appear to have been profitable.

U.S. imports of stamped or spun base metal lamp parts from Canada in appreciable volume have been a recent development. They began in 1970 and then amounted to about \$200,000 in 1971 (the year that encompassed the period of Treasury's investigation). Although Treasury found that virtually all of the Canadian articles were sold at less than fair value, the volume that was sold to the United States has been very small in relation to shipments of base metal lamp parts by domestic producers. Indeed, sales in the United States of Canadian base metal lamp parts in 1971 (all stamped or spun) were equivalent to less than 1 percent of domestic producers' sales of stamped and spun parts and an even smaller percentage of the producers' sales of all base metal lamp parts.

The Canadian base metal lamp parts have been sold in the United States at prices generally somewhat below those of comparable domestic articles, but such sales appear to have had no adverse effect on the prices of such domestic articles in the U.S. market. The prices of domestic base metal lamp parts produced by stamping and spinning--i.e., those most comparable to the Canadian articles found by Treasury to have been sold at less than fair value--increased during 1970-72, when imports of the articles concerned from Canada have occurred. The price increases generally ranged from 5 to 10 percent of the 1970 price.

Shipments of base metal lamp parts by U.S. producers were significantly larger in 1971 than in any year during the period 1967-70 (before appreciable entries from Canada began). Based on data reported to the Commission by virtually all domestic producers, for example, domestic shipments of stamped and spun parts were 20 percent larger in value in 1971 than in 1970. Comparable data respecting shipments of all base metal lamp parts are not available, but domestic shipments of residential lighting fixtures (in which the parts were used) in 1971 were about 7 percent larger in value than in 1970.

Finally, the Commission was able to obtain data on the financial experience of only two domestic concerns producing base metal lamp parts--but both were substantial producers of the articles concerned. In 1971, the year for which Treasury found sales at less than fair value, sales and profits by both concerns were at a peak for the years 1967-71.

On the basis of the foregoing, the Commission has determined that an industry in the United States is not being or is not likely to be injured (or prevented from being established) by reason of the importation of base metal parts for incandescent illuminating articles, suitable for residential use, from Canada at less than fair value.