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UNITED STATES TARIFF COMMISSION

ARTIFICIAL PLASTIC CHRISTMAS TREES, GARLANDS, AND WREATHS:  
STANDARD CELLULOSE AND NOVELTY CO., INC.,  
OZONE PARK, N. Y.

Report to the President  
on Firm Investigation No. TEA-F-54  
Under Section 301(c)(1) of the Trade Expansion Act of 1962



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UNITED STATES TARIFF COMMISSION

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## C O N T E N T S

|  | <u>Page</u> |
|--|-------------|
| Report to the President-----                             | 1           |
| Finding of the Commission-----                           | 2           |
| Considerations supporting the Commission finding-----    | 3           |
| Information obtained in the investigation:               |             |
| Description of articles under investigation-----         | A-1         |
| Christmas trees-----                                     | A-1         |
| Wreaths and garlands-----                                | A-4         |
| U.S. tariff treatment-----                               | A-6         |
| U.S. producers-----                                      | A-9         |
| U.S. consumption, production, and imports-----           | A-10        |
| Christmas trees-----                                     | A-13        |
| Christmas wreaths and garlands-----                      | A-15        |
| Data relating to Standard Cellulose & Novelty Co., Inc.: |             |

\*            \*            \*            \*            \*            \*            \*

|  |     |
|--|-----|
| Appendix A. Statistical tables-----  | *** |
| Appendix B. Standard Cellulose & Novelty Co., Inc.--State-<br>ment of income, outlay, and profit, January-June 1973----- | *** |

### Appendix Tables

|   |     |
|---|-----|
| 1. Standard Cellulose & Novelty Co., Inc. and Standard<br>Cellulose & Novelty Co., Inc. consolidated with<br>affiliates: Profit-and-loss statements for the<br>calendar years 1968 to 1972-----       | *** |
| 2. Standard Cellulose & Novelty Co., Inc. and Standard<br>Cellulose & Novelty Co., Inc. consolidated with<br>affiliates: Statements of financial position for<br>the calendar years 1968 to 1972----- | *** |
| 3. Standard Cellulose & Novelty Co., Inc. and Standard<br>Cellulose & Novelty Co., Inc. consolidated with<br>affiliates: Ratio's of financial data, calendar<br>years 1968 to 1972-----               | *** |

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,  
September 21, 1973.

To the President:

In accordance with section 301(f)(1) and section 301(f)(3) of the Trade Expansion Act of 1962 (TEA) (76 Stat. 885), the U.S. Tariff Commission herein reports the results of an investigation made under section 301(c)(1) of that act.

On July 24, 1973, the Commission received a petition filed on behalf of Standard Cellulose & Novelty Co., Inc., Ozone Park, N.Y., for a determination of the firm's eligibility to apply for adjustment assistance under the said act. On July 27, 1973, the Commission instituted investigation No. TEA-F-54 to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with artificial plastic Christmas trees, garlands, and wreaths (of the types provided for in item 772.97 of the Tariff Schedules of the United States (TSUS)) produced by the aforementioned firm are being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to such firm.

Public notice of the investigation was given in the Federal Register (38 F.R. 20957) on August 3, 1973. No public hearing was requested and none was held.

The information in this report was obtained from officials and customers of Standard Cellulose & Novelty Co., Inc., other U.S. producers, importers, the U.S. Department of Agriculture, and the U.S. Department of Justice, and from the Commission's files.

## Finding of the Commission

Based on its investigation, the Commission finds unanimously 1/ that articles like or directly competitive with artificial plastic Christmas trees, garlands, and wreaths (of the types provided for in item 772.97 of the Tariff Schedules of the United States) produced by Standard Cellulose and Novelty Co., Inc., 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, serious injury to such firm.

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1/ Commissioners Leonard and Moore did not participate in the decision.

### Considerations Supporting the Commission's Finding

This investigation relates to a petition filed by the Standard Cellulose & Novelty Co., Inc., Ozone Park, N.Y.-- a producer of artificial plastic Christmas trees, wreaths, and garlands--under section 301(a)(2) of the Trade Expansion Act of 1962 for a determination of its eligibility to apply for adjustment assistance. For the reasons set out below, we have made a negative determination.

Under section 301(c)(1) of the Trade Expansion Act, the following four requirements must be met in order for the Commission to make an affirmative determination:

- (1) Imports of articles like or directly competitive with those produced by the petitioning firm must be increasing;
- (2) The increased imports must be a result in major part of concessions granted under trade agreements;
- (3) The petitioning firm must be seriously injured, or threatened with serious injury; and,
- (4) The increased imports, resulting in major part from trade-agreement concessions must be the major factor causing or threatening to cause the serious injury to the firm.

If any of these four requirements is not met, then a negative determination is necessary. In this case we have determined that the fourth requirement has not been met. Although increased imports of articles like or directly competitive with the

artificial Christmas trees, wreaths, and garlands produced by Standard Cellulose & Novelty Co., Inc., have undoubtedly affected the operations of that firm, we are unable to conclude from the information available that increased imports of such articles are the major factor causing or threatening to cause serious injury to the firm. 1/ Our reasoning in support of this conclusion is set forth below.

Standard Cellulose & Novelty Co., Inc., is an average size producer of artificial Christmas trees, wreaths, and garlands. Some 25 to 30 other firms produce such articles in the United States. Five of these, with plants and warehouses dispersed throughout the United States, accounted for the great bulk of U.S. production and sales of Christmas trees, the major product of Standard Cellulose. During 1968-72 sales of artificial Christmas trees, wreaths and garlands by U.S. producers almost doubled. In contrast, sales by Standard Cellulose \* \* \* declined \* \* \* . In fact, such decline in sales commenced in \* \* \* when imports supplied a small share of the U.S. market and some \* \* \* years prior to any significant increase in that share. Despite declining sales, the operations of Standard Cellulose & Novelty--except in 1 year--remained profitable. In 1972, when imports rose to their highest level, the firm's profit, although admittedly small relative to sales, was the largest profit realized during the last 5 years. The firm has operated \* \* \*

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1/ Commissioner Young finds that, in accordance with the definition of the word "firm" set forth in sec. 405(3) of the Trade Expansion Act, for purposes of this investigation the firm includes the consolidated operations of Standard Cellulose & Novelty Co., Inc., Standard Thermo Cup Corp., and Stuall Realty Co., Inc. The stock of all three corporate entities is owned by two individuals. The realty company simply owned the building where manufacturing took place. The separate corporate entities were established for tax purposes and the protection of assets.



\* \* \* \* \*

The evidence developed in this investigation indicates that many of the customers and much of the sales lost by Standard Cellulose & Novelty went to other U.S. producers of artificial Christmas trees, wreaths, and garlands. Some sales were lost to imports of artificial Christmas trees of the molded plastic type, which is very natural looking and for which the demand is growing. Such imported trees generally were found to be priced higher than the trees produced by the complainant in the United States

On the basis of the foregoing facts, we have determined that increased imports were not the major factor causing, or threatening to cause, the difficulties experienced by the petitioning firm, and we have therefore made a negative determination.



## INFORMATION OBTAINED IN THE INVESTIGATION

## Description of Articles Under Investigation

Standard Cellulose & Novelty Co., Inc., Ozone Park, N.Y., which is still in operation, manufactures plastic Christmas trees, wreaths, and garlands, as well as other plastic novelty items. The plastic novelty items that are unrelated to Christmas, which include articles such as Valentine decorations and St. Patrick's Day specialties, constituted 30 percent of the firm's output in 1972. In recent years the bulk of the plastic Christmas trees produced by this firm sold at retail at prices ranging from \$22.00 to \$30.00 each, the wreaths sold from \$1.00 to \$3.00 each, and the garlands, from \$0.80 to \$2.00 each.

Christmas trees

Artificial Christmas trees that are less than 2 feet tall are frequently called table ornaments by the trade. Trees that are 6 to 7 feet tall are the most popular sizes used in homes during the Christmas season; most are green. Flocking, a snowlike coating of soft material, is sometimes used on natural as well as synthetic trees to simulate snow.

Artificial Christmas trees invariably simulate evergreens; the most popular types are Scotch pine, balsam, and Douglas fir. Although sales of artificial Christmas trees have been climbing and those of natural trees have remained relatively constant or have been dropping in recent years according to trade sources, artificial trees supplied only about one-fifth of the market in the 1972 season.

Artificial Christmas trees have been marketed in the United States since the early 1930's. Aluminum trees gained some prominence after World War II, but beginning about 1960 domestically produced trees with monofilament polyvinyl chloride (PVC) needles began to supplant aluminum trees, and now aluminum trees are no longer marketed in significant quantities.

In the United States, most artificial trees are produced by one of two methods. Some producers utilize hard round needles which are extruded from PVC; the needles are cut to length and placed between two wires which are twisted to form branches. In this method, much of the manufacturing process is performed by machines of the type used to manufacture bottle brushes. In the second method of production--the one utilized by Standard Cellulose--PVC sheeting is cut into webbing from which soft, flat needles are formed by means of a "fringing" process. The fringed plastic is twisted between two wires to make a branch. Branches are cut to different lengths by cutting machines. Stitching machines are used to add side branches to make lower branches more full, and the wires and poles are wrapped with green plastic tape to simulate live branches and tree trunks.

Imported plastic Christmas trees are ordinarily of two types. The fringed, flat-needle type of tree imported from Japan, Italy, and Germany, apparently is losing ground to a second type--the molded plastic Christmas tree imported from Taiwan and to a lesser extent from Hong Kong, which has a more plush, sophisticated, natural look. In the manufacturing process used for the second or molded type, needles are injection-molded in clusters which are pulled apart and

reassembled into branches by hand. Such work is performed as a cottage industry in Taiwan. Production of injection-molded Christmas trees was formerly centered in Hong Kong, but has moved to Taiwan because of lower wage rates. Injection-molded Christmas trees are not produced in the United States.

Although most imports enter as complete Christmas trees, assembled or unassembled, a few domestic producers import components and finish the trees in their facilities in the United States. Some domestic producers also import unfinished materials for the production of such trees. These materials include plastic sheets, wire, wooden dowels, plastic tape, and dyes.

Almost all imported Christmas trees are made from polyethylene which is not a flame-retardant substance. An additive can be used to make the article flame-retardant, but this increases the cost of the item. Frequently department stores and other retail outlets indicate a preference for flame-retardant imported Christmas trees; but both polyethylene trees of the flame-retardant and the non-flame-retardant types are imported in some quantity.

Plastic Christmas trees are sold at retail in various stages of assemblage. The most common type comes unassembled with color coded branches that fit into a color-coded pole or trunk. This type can be assembled or disassembled in 5 minutes and stored for the next season. The smaller sizes usually come completely assembled; a two-piece, snap-together tree is gaining in popularity. Some trees are made in sections and constructed with branch panels hung from the center pole; this type is more expensive than other types.

Until recent years, natural Christmas trees were for the most part not commercially grown as such, but were cut in the "wild." More recently, however, the bulk of natural trees have been plantation grown, i.e., raised by growers on commercial tree farms. Such trees are usually pruned and sheared to provide a conical shape and may be sprayed (or dipped) to make them less vulnerable to insect pests, to enhance their fire resistance, and sometimes to improve their appearance.

Generally, a natural tree retails for about a third of the price of an artificial tree of comparable size.

#### Wreaths and garlands

Wreaths, usually circular in shape, are generally made from intertwined foliage, including flowers, berries, red bows, and so forth. Generally, they range in size from 4 inches to 72 inches in diameter, the most popular size being 16 inches. In some wreaths the foliage is fastened to a frame or base; in others the foliage itself forms the wreath. Artificial wreaths are made principally of plastics. In some wreaths the plastic foliage is glued to a polystyrene frame, and the foliage overlaps but is not actually entwined. Artificial wreaths are made in several colors--green, gold, silver, and so forth, and some contain electric lights. Wreaths are also sold in kit form; such kits appeal to housewives who want to use their imagination in decorating.

Garlands of the types produced by Standard Cellulose are made in a variety of sizes, types, and styles. Most artificial garlands are made from plastic film of from one to six-ply and usually range from

1/2 inch to 8 inches in diameter and from 9 to 50 feet in length.

Garlands are ordinarily flame and tarnish proof, and they are usually made in two general types--tinsel garland and other. Tinsel garland is made by passing the plastic through a vacuum chamber where metal particles adhere to the plastic web. This type is frequently used in connection with glass ornaments on a Christmas tree to produce a glittering and glowing effect associated with Christmas. The other type of garland, frequently found in the home or in commercial displays, is usually made of dyed plastic. Garlands are made in several different styles. They can be twisted or made in the form of a chain and decorated with a variety of foliage, berries, or other decorative plastic objects. Principal colors are green, silver, and gold, although they sometimes come in red, blue, two-tone combinations and other colors. Natural foliage is not generally used to make garlands of the types produced by Standard Cellulose.

## U.S. Tariff Treatment

Imports of artificial plastic Christmas trees, wreaths, and garlands are dutiable under item 772.9700 of the Tariff Schedules of the United States Annotated (TSUSA). The same item number also includes nativity scenes, crucifixes, miniature altars, shrines, holy-water fonts, religious figurines and statuettes, and other religious articles of rubber or plastics. The current rate of duty for item 772.9700 is 8.5 percent ad valorem, which became effective on January 1, 1972, and reflects the final stage of the concessions granted in the Kennedy Round of trade negotiations under the General Agreement on Tariffs and Trade (GATT). Prior to the effective date of the Kennedy Round (i.e., prior to January 1, 1968), the rate of duty was 17 percent ad valorem, which became effective on August 31, 1963, pursuant to the implementation of the TSUS.

Previous to the TSUS, the articles above designated were dutiable under various provisions of the Tariff Act of 1930. Where articles were not specially provided for under the tariff schedules in effect prior to August 31, 1963, and were of a plastic not having a synthetic resin as chief binding agent, they were classifiable by similitude as provided for under paragraph 1559(a) of the tariff schedules. Such plastic articles dutiable by similitude would have been classifiable under any one of a number of tariff paragraphs at varying rates, depending on whether the articles were dutiable by similitude to articles of metal, wood, rubber, and so forth. Otherwise, prior to the TSUS, the articles



of plastic or rubber noted in the preceding paragraph would probably have been dutiable under one of the following provisions:

| Applicable paragraph of the Tariff Act of 1930 | Article description   | June 18, 1930                    | Aug. 30, 1963                    |
|--|---|----------------------------------|----------------------------------|
|  | Manufactured articles not specifically provided for, in chief value of--  |                                  |                                  |
| 31 (a) (2)                                     | Cellulose acetate-----  | 80 percent ad val.               | 17 percent ad val.               |
| (b) (2)  | Cellulose compounds other than cellulose acetate.   | 60 percent                       | 25 1/2 percent ad val.           |
|  | Manufactured articles not specifically provided for, in chief value of--  |                                  |                                  |
| 1537 (b)                                       | Gutta-percha or india rubber.   | 25 percent ad val.               | 12 1/2 percent ad val.           |
|  | Hard rubber-----  | 35 percent ad val.               | 12 1/2 percent ad val.           |
| 1539 (b)                                       | Manufactured articles wholly or in chief value of any product of which any synthetic resin or resinlike substance is the chief binding agent. | 50¢ per lb. + 40 percent ad val. | 21¢ per lb. + 17 percent ad val. |

The rate of 17 percent ad valorem, which was established for item 772.97 in the TSUS on August 31, 1963, was the same rate applied to a substantial part of the imports under paragraph 31 (see rates for par. 31(a)(2) above) of the Tariff Act of 1930.

Under the TSUS, the U.S. Customs Service has classified plastic articles chiefly used as Christmas decorations as "Christmas ornaments" under item 772.97. Where it is determined that the decorations are not of a type chiefly used as Christmas decorations, they are most often classifiable under item 748.20 if they are artificial flowers, trees, foliage, fruits, vegetables, grasses or grains.

## U.S. Producers

Approximately 25 to 30 firms, most of which have between 50 and 300 employees each, produce artificial plastic Christmas decorations in the United States. The petitioning firm, Standard Cellulose & Novelty Co., Inc., is an average size producer, employing about \* \* \*. In the last 10 years a number of concerns in this industry have been absorbed by larger enterprises or have gone out of business because of increasing competition. Five domestic manufacturers of plastic Christmas trees sell nationwide. They have dispersed their manufacturing facilities and warehouses to limit freight costs and provide for efficient distribution. The major domestic producers often import to fill out their product lines.

All domestic producers of plastic Christmas decorations, particularly those that manufacture trees, are faced with problems resulting from rising costs and required attention to safety standards. Earlier this year, the U.S. Department of Justice commenced an antitrust action 1/ against American Technical Industries, the corporate parent of American Tree and Wreath Co., the largest domestic producer of plastic Christmas trees.

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1/ On May 7, 1973, the U.S. Department of Justice filed suit alleging that the acquisition of Masterpiece, Inc., by American Technical Industries, Inc., may substantially lessen competition in the manufacture and sale of artificial Christmas trees in violation of sec. 7 of the Clayton Act. (Civil Action No. 73-246, U.S. District Court, Middle District of Pennsylvania.)

## U.S. Consumption, Production, and Imports

Because data on U.S. consumption, production, and imports of articles like or directly competitive with those produced by the petitioning firms are not available from any source, it was necessary for the Commission to estimate these data.

The data that follows on U.S. production were estimated from information supplied by U.S. producers in response to questionnaires mailed to them by the Commission. Questionnaires were sent to all known producers. Based on general estimates of the sales of Christmas trees by individual firms--estimates made by knowledgeable persons within the industry--and a detailed estimated of such sales prepared by the leading U.S. producer, it is believed that data shown in this report for U.S. production of artificial trees tend to understate actual production by approximately 20 percent. The data with respect to U.S. production of wreaths and garlands were derived from information supplied by little more than half of the known producers and, accordingly, tend to understate actual production to an unknown extent.

Questionnaires were mailed to all known importers in order to determine the volume and trend of imports of the articles in question. Only about half of the questionnaires were returned with useable information. Accordingly, the data on imports presented in this report understate actual imports to an unknown extent. Moreover, the value reported for imports is foreign value and does not

include shipping costs, insurance, duties, brokerage fees, and importer's markup; hence, to that extent the data are not comparable with those reported for U.S. producers' sales.

The plastic Christmas decoration industry is highly seasonal; the retail season is only 1 month long, and the shipping season is concentrated in the months of June-October. As a general rule, domestic manufacturers produce artificial Christmas decorations to order; thus annual production approximates sales. According to all trade information available to the Commission the consumption of artificial Christmas trees and garlands has expanded sharply in recent years, with both domestic production and imports showing growth. Consumption of wreaths, however, did drop to a degree. Shipments of domestically produced articles declined, but imports increased. These developments are borne out by the data reported to the Commission by domestic producers and importers. Based on these data (see table on p. A-12), apparent consumption of artificial plastic Christmas trees, wreaths, and garlands rose from \$25 million in 1968 to \$50 million in 1972. Shipments of domestically produced articles were valued at \$24 million in 1968 and \$44 million in 1972. Exports were negligible. Imports grew at a much faster rate than domestic shipments, enlarging their share of the market. In 1968, imports of artificial plastic Christmas trees, wreaths, and garlands totaled less than \$1.1 million; by 1972 the value of such imports had quintupled, reaching \$5.6 million. Based on value, imports share of the market multiplied almost three times from 1968 to 1972.

Artificial plastic Christmas trees, wreaths, and garlands: Reported value of U.S. shipments of domestically produced articles, imports for consumption, and apparent consumption, 1968-72

| Year      | Shipments of:<br>domestically<br>produced<br>articles | Imports <sup>1/</sup>          | Apparent<br>consumption        | Ratio of<br>imports to<br>apparent<br>consumption |
|-----------|---|--------------------------------|--------------------------------|---|
|           | <u>1,000</u><br><u>dollars</u>                        | <u>1,000</u><br><u>dollars</u> | <u>1,000</u><br><u>dollars</u> | <u>Percent</u>                                    |
| 1968----- | 23,894  | 1,051                          | 24,945                         | 4   |
| 1969----- | 30,751  | 1,531                          | 32,282                         | 5   |
| 1970----- | 35,650  | 1,973                          | 37,623                         | 5   |
| 1971----- | 39,375  | 3,133                          | 42,508                         | 7   |
| 1972----- | 44,019  | 5,559                          | 49,578                         | 11  |

<sup>1/</sup> The value shown is foreign value and does not include shipping costs, insurance, duties, brokerage fees, and importer's markup.

Source: Compiled from data reported in Tariff Commission questionnaires completed and returned by domestic producers and importers.

Christmas trees

From the standpoint of the value of sales, plastic Christmas trees are the most important single item sold by the domestic plastic Christmas decoration industry. The table below, showing data reported to the Commission by domestic producers and importers, indicates that in the last 5 years the value of consumption of plastic Christmas trees increased from \$20.4 million in 1968 to \$41.7 million in 1972. The value of U.S. producers' shipments of such trees increased from \$20.2 million in 1968 to \$38.6 million in 1972, or nearly doubled. In contrast, the value of imports increased from \$181,000 in 1968 to \$3.2 million in 1972, multiplying nearly 18 times. The share of the market supplied by imports in 1972 was eight times as large as the share supplied in 1968.

Plastic Christmas trees: Reported value of U.S. shipments of domestically produced articles, imports for consumption and apparent consumption, 1968-72

| Year      | Shipments of :<br>domestically :<br>produced :<br>Christmas :<br>trees : | Imports <u>1/</u> :                | Apparent :<br>consumption :        | Ratio of :<br>imports to :<br>apparent :<br>consumption : |
|-----------|--|------------------------------------|------------------------------------|---|
|           | <u>1,000</u> :<br><u>dollars</u> :                                       | <u>1,000</u> :<br><u>dollars</u> : | <u>1,000</u> :<br><u>dollars</u> : | <u>Percent</u> :  |
| 1968----- | 20,189 :   | 181 :                              | 20,370 :                           | 1   |
| 1969----- | 25,397 :   | 311 :                              | 25,708 :                           | 1   |
| 1970----- | 30,024 :   | 793 :                              | 30,817 :                           | 3   |
| 1971----- | 35,092 :   | 1,602 :                            | 36,694 :                           | 4   |
| 1972----- | 38,580 :   | 3,167 :                            | 41,747 :                           | 8   |

1/ The value shown is foreign value and does not include shipping costs, insurance, duties, brokerage fees, and importer's markup.

Source: Compiled from Tariff Commission questionnaires completed and returned by domestic producers and importers.

In the early 1960's imported artificial Christmas trees, chiefly sold in the Midwest, apparently received little public acceptance. The volume of imports remained insignificant until about 1968 when shipments from abroad began to expand rapidly. Japan, Italy, and Germany were the principal foreign sources a few years back.. More recently, with molded plastic Christmas trees being imported in quantity, Taiwan and Hong Kong have become foremost.

Reliable data are not available on consumption of natural Christmas trees in the United States and although sources conflict, it is generally estimated that 22.5 million to 35 million natural Christmas trees (including approximately 4 million imported from Canada) were sold annually in recent years. Most trade sources conclude that sales of natural Christmas trees have been stable or have perhaps declined in the last few years but that the entire Christmas tree market has continued to expand.

The lack of growth in consumption of natural trees can be attributed to several factors. First, there has been an increasing tendency on the part of local jurisdictions to prohibit the use of Christmas trees and other decorations that are not fire resistant. Second, increasing concern for the ecology has affected the use of natural decorations. Finally, modern technology permits the manufacture of trees and other decorations that closely resemble the natural articles, are flame-retardant, do not lose needles or foliage, can be used for several seasons, and are easily assembled for use or disassembled for storage. Despite the initial high cost of artificial decorations, these factors have influenced many users to purchase artificial rather than natural decorations.



Christmas wreaths and garlands

Data are not available on U.S. consumption, production and imports of natural Christmas wreaths and garlands. Such articles are generally sold in small quantities in such diverse outlets that sales of domestic and imported articles cannot be quantified or reliably estimated by the trade. Although natural wreaths are believed to supply a large share of consumption of Christmas wreaths, natural garlands reportedly supply a negligible part of the market for garlands. There is no well-defined industry that produces natural wreaths and garlands; they are made to some extent by nurserymen, florists, farmers, housewives, and so forth. Because of their perishability, imports of natural decorations are limited to seasonal imports from Canada that have an annual value usually of less than \$1 million.

As shown in the following table, apparent consumption of plastic Christmas wreaths decreased in value from \$2.9 million in 1968 to \$2.6 million in 1972. Shipments of domestically produced wreaths of this type amounted to \$2.6 million in 1968, peaked at \$2.8 million in 1969, and then declined irregularly to \$1.8 million in 1972. The value of imports of plastic wreaths advanced from \$324,000 in 1968 to \$822,000 in 1972. Based on value, the share of apparent annual U.S. consumption of plastic wreaths supplied by imports almost tripled during the 5-year span. Manufacturers in Hong Kong, the Republic of China (Taiwan), and Japan are the principal suppliers of foreign shipments of plastic Christmas wreaths to the U.S. market. According to several leading U.S. producers of Christmas decorations, the decline in domestic shipments of plastic

Christmas wreaths is due to the U.S. producers' inability to compete with the low-priced imports, particularly with those originating in the Orient. The decline in the domestic consumption of plastic Christmas wreaths also is believed to be due to the increasing use of other decorative articles now available to the consumer.

Plastic Christmas wreaths: Reported value of U.S. shipments of domestically produced articles, imports for consumption, and apparent consumption, 1968-72

| Year      | Shipments of :<br>domestically :<br>produced :<br>articles : | Imports <u>1/</u> :                | Apparent :<br>consumption :        | Ratios of :<br>imports to :<br>apparent :<br>consumption : |
|-----------|--|------------------------------------|------------------------------------|--|
|           | <u>1,000</u> :<br><u>dollars</u> :                           | <u>1,000</u> :<br><u>dollars</u> : | <u>1,000</u> :<br><u>dollars</u> : | <u>Percent</u> :   |
| 1968----- | 2,600 :  | 324 :                              | 2,924 :                            | 11   |
| 1969----- | 2,795 :  | 467 :                              | 3,262 :                            | 14   |
| 1970----- | 2,421 :  | 477 :                              | 2,898 :                            | 16   |
| 1971----- | 1,545 :  | 499 :                              | 2,044 :                            | 24   |
| 1972----- | 1,816 :  | 822 :                              | 2,638 :                            | 31   |

1/ The value shown is foreign value and does not include shipping costs, insurance, duties, brokerage fees, and importers markup.

Source: Compiled from Tariff Commission questionnaires completed and returned by domestic producers and importers.

As indicated in the following table, the value of apparent U.S. consumption of plastic Christmas garlands rose from \$2.5 million in 1968 to \$5.2 million in 1972. Shipments of domestically produced articles increased in value from \$1.9 million in 1968 to \$3.6 million in 1972, while the value of imports rose from \$546,000 to \$1.6 million in the same period. The share of total apparent consumption supplied by imports in 1972 was almost 1 1/2 times the share supplied in 1968.

Plastic Christmas garlands: Reported value of U.S. shipments of domestically produced articles, imports for consumption, and apparent consumption, 1968-72

| Year      | Shipments of<br>domestically<br>produced<br>articles | Imports <sup>1/</sup>          | Apparent<br>consumption        | Ratio of<br>imports to<br>apparent<br>consumption |
|-----------|--|--------------------------------|--------------------------------|---|
|           | <u>1,000</u><br><u>dollars</u>                       | <u>1,000</u><br><u>dollars</u> | <u>1,000</u><br><u>dollars</u> | <u>Percent</u>                                    |
| 1968----- | 1,905  | 546                            | 2,451                          | 22  |
| 1969----- | 2,558  | 752                            | 3,310                          | 23  |
| 1970----- | 3,205  | 703                            | 3,408                          | 18  |
| 1971----- | 2,738  | 1,033                          | 3,771                          | 27  |
| 1972----- | 3,621  | 1,569                          | 5,190                          | 30  |

<sup>1/</sup> The value shown is foreign value and does not include shipping costs, insurance, duties, brokerage fees, and importer's markup.

Source: Compiled from Tariff Commission questionnaires completed and returned by domestic producers and importers.

A-18 through A-38

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APPENDIX A  
STATISTICAL TABLES

A-40 through A-44

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APPENDIX B  
STANDARD CELLULOSE & NOVELTY CO., INC.:  
STATEMENT OF INCOME, OUTLAY AND  
PROFIT

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