

UNITED STATES TARIFF COMMISSION

**GERMANIUM POINT CONTACT DIODES
FROM JAPAN**

**Determination of No Injury or Likelihood Thereof in
Investigation No. AA1921-125
Under the Antidumping Act, 1921,
as amended**



**TC Publication 611
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UNITED STATES TARIFF COMMISSION

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UNITED STATES TARIFF COMMISSION
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September 26, 1973

[AA1921-125]

GERMANIUM POINT CONTACT DIODES FROM JAPAN

Determination of No Injury or Likelihood Thereof

On June 26, 1973, the Tariff Commission received advice from the Treasury Department that germanium point contact diodes from Japan are being, or are likely to be, sold at less than fair value within the meaning of the Antidumping Act of 1921, as amended (19 U.S.C. 160(a)). Accordingly, the Commission, on July 10, 1973, instituted investigation No. AA1921-125 under section 201(a) of that act, 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 diodes into the United States.

A public hearing was held on August 27, 1973. Notice of the investigation and hearing was published originally in the Federal Register of July 11, 1973 (38 F.R. 18500). Notice of the rescheduling of the hearing date from August 14, 1973, to August 27, 1973, was published in the Federal Register of August 10, 1973 (38 F.R. 21694).

In arriving at its determination, 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 responses to questionnaires, personal interviews, and other sources.

On the basis of the investigation, the Commission 1/ 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 germanium point contact diodes from Japan sold, or likely to be sold, at less than fair value within the meaning of the Antidumping Act, 1921, as amended.

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

Statement of Reasons 1/

This investigation relates to sales of germanium point contact diodes from Japan, which the Treasury has found to have been sold at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended. Such diodes are semiconductor devices used largely in video detector circuits of television receivers and audio detector circuits of FM radio receivers. Imported germanium point contact diodes, including those found to have been sold at LTFV, are provided to the specifications of the consumer, and therefore do not differ from those of the sole domestic producer if made to the same specifications.

The Treasury Department found that LTFV sales accounted for the great bulk of total imports of germanium point contact diodes from Japan during the period of its investigation. The margin by which such diodes were sold below fair value, however, was not large. All those found to have been sold at LTFV were the product of one Japanese firm.

Germanium point contact diodes are currently produced in the United States by one firm (the complainant), although they have been manufactured by several firms in the past. The present manufacturer began to produce such diodes in 1971--a time when the U.S. market was being supplied entirely by imports and when imports from Japan peaked. Since then, the company has expanded its production of them, and it has acquired a growing share of the U.S. market while the share accounted for by both its Japanese and European competitors has diminished. The firm's share of U.S. consumption of the specific types of diodes sold at LTFV is even larger than its share of consumption of other types. It appears to have overcome startup difficulties and has increased its output and sales substantially.

1/ Commissioner Ablondi concurs in the result.

Germanium point contact diodes imported from Europe have accounted for the predominant part of U.S. consumption during 1968-72 and January-June 1973. Annual U.S. imports of such diodes from Japan rose sharply in 1971, being nearly triple its average annual imports during 1968-70. However, imports of such diodes from Japan declined in 1972. In part of that year and in the first half of 1973, a period which encompassed the period of Treasury's investigation, the imports from Japan supplied a smaller share of U.S. consumption than in 1971.

Although there is evidence of substantial price competition in the U.S. market for germanium point contact diodes, any depression of the prices of domestic articles cannot be related specifically to the sales at LTFV of the Japanese product. Generally, the Japanese articles, whether at fair value or LTFV, have greatly undersold both domestic and European diodes. Moreover, the relatively small LTFV margin did not contribute materially to the price differences and, consequently, was not a significant factor in any price depression that occurred.

On the basis of the foregoing, the Commission concludes that a domestic industry is not being or is not likely to be injured, nor is prevented from being established, by reason of the importation of germanium point contact diodes into the United States from Japan at less than fair value.

