

1975

7/13

UNITED STATES INTERNATIONAL TRADE COMMISSION

"

MANUFACTURED GRANITE:  
JOSÉPH WEISS & SONS, INC.,  
BROOKLYN, N. Y.

Report to the President  
on Investigation No. TEA-F-67  
Under Section 301(c)(1) of the Trade Expansion Act of 1962

ITC Publication 713  
Washington, D.C.  
February 1975

**UNITED STATES INTERNATIONAL TRADE COMMISSION**

---

**COMMISSIONERS**

**Catherine Bedell, Chairman**  
**Joseph O. Parker, Vice Chairman**  
**Will E. Leonard, Jr.**  
**George M. Moore**  
**Italo H. Ablondi**  
**Daniel Minchew**

---

**Kenneth R. Mason, Secretary to the Commission**

---

**Address all communications to**  
**United States International Trade Commission**  
**Washington, D. C. 20436**

C O N T E N T S

	<u>Page</u>
Report to the President-----	1
Finding of the Commission-----	2
Views of Chairman Bedell and Commissioner Moore-----	3
View of Commissioner Minchew-----	7
View of Commissioner Leonard-----	11
Views of Commissioner Ablondi-----	15
Information obtained in the investigation:	
Description and uses-----	A-1
Fabrication methods-----	A-2
U.S. tariff treatment-----	A-3
U.S. consumption-----	A-4
U.S. producers-----	A-5
U.S. shipments, inventories, and exports-----	A-6
U.S. imports-----	A-7
Prices-----	A-9
Joseph Weiss & Sons, Inc-----	* * *
Statistical appendix-----	A-21

Appendix Tables

1. Granite, manufactured, suitable for use as monumental, paving, or building stone: U.S. imports for consumption, by principal sources, and rates of duty, 1934-73, January-September 1973, and January-September 1974----- A-22
2. Manufactured granite, suitable for use as monumental, paving, or building stone (TSUS item 513.74): Shipments by U.S. producers, U.S. imports for consumption, and apparent consumption, 1969-73----- A-24
3. Facing and paving granite: Shipments by U.S. producers, U.S. imports for consumption, and apparent consumption, 1969-73----- A-25
4. Construction contracts for nonresidential buildings in the United States, specified years 1960 to 1973----- A-26
5. Shipments by U.S. manufacturers of selected construction materials, specified years 1960 to 1972----- A-27
6. Manufactured granite shipped or used by U.S. producers, by use, 1969-73----- A-28
7. Manufactured granite, suitable for use as monumental, paving, or building stone (TSUS item 513.74): U.S. imports for consumption, by principal sources, 1969-73, January-September 1973, and January-September 1974----- A-29
8. Unmanufactured granite, suitable for use as monumental, paving, or building stone (TSUS item 513.71): U.S. imports for consumption, by principal sources, 1969-73, January-September 1973, and January-September 1974----- A-30



REPORT TO THE PRESIDENT

U.S. International Trade Commission,  
January 21, 1975.

To the President:

In accordance with section 301(f)(1) of the Trade Expansion Act of 1962 (TEA) (19 U.S.C. 1901), the U.S. International Trade Commission herein reports the results of investigation No. TEA-F-67 made under section 301(c)(1) of the act to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with manufactured granite (of the types provided for in item 513.74 of the Tariff Schedules of the United States (TSUS)) produced by Joseph Weiss & Sons, Inc., are being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to such firm.

The investigation was instituted on December 3, 1974, on the basis of a petition for adjustment assistance filed under section 301(a)(2) of the act by Joseph Weiss & Sons, Inc. The petition was received on November 22, 1974.

Notice of the investigation and public hearing were published in the Federal Register (39 F.R. 42726) on December 6, 1974. The public hearing was held on December 19, 1974.

The information in this report was obtained principally from officials of Joseph Weiss & Sons, Inc., construction companies, contractors, questionnaires, and from the Commission's files.

### Finding of the Commission

On the basis of its investigation, the Commission finds (Commissioners Leonard and Ablondi dissenting) that articles like or directly competitive with manufactured granite (of the types provided for in item 513.74 of the Tariff Schedules of the United States) produced by the aforementioned firm are as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to threaten to cause serious injury to such firm.

Views of Chairman Bedell and Commissioner Moore 1/

This investigation relates to a petition filed on behalf of Joseph Weiss & Sons, Inc., Brooklyn, N.Y., under section 301(a)(2) of the Trade Expansion Act of 1962 (TEA) for a determination of its eligibility to apply for adjustment assistance. Joseph Weiss & Sons, Inc., cuts and finishes granite for use as facing and paving material for building and as cemetery monuments, quarries and fabricates marble, and installs or erects granite, marble, and limestone facing and paving.

In order to make an affirmative determination under section 301(c)(1) of the TEA, each of the following four criteria must be met:

1. Articles like or directly competitive with those produced by the petitioning firm are being imported in increased quantities;
2. The increased imports are in major part the result of concessions granted under trade agreements;
3. The petitioning firm is being seriously injured or threatened with serious injury; and
4. The increased imports, resulting in major part from trade-agreement concessions, are the major factor causing or threatening to cause the serious injury.

We find that each of these requirements has been met in the instant case; therefore we have made an affirmative determination.

---

1/ Vice Chairman Parker concurs in the result.

The rate of duty applicable to manufactured granite has been reduced from the statutory rate of 60 percent ad valorem to the current rate of 6 percent ad valorem as a result of trade-agreement concessions, the most recent being the Kennedy-round concessions, which occurred in 1968-72. Imports of manufactured granite have increased substantially over the years, particularly following the reductions negotiated during the Kennedy round. Such imports increased from 366,000 cubic feet in 1969 to 826,000 cubic feet in 1972. Although they declined to 566,000 cubic feet in 1973 (the most recent full year for which data are available), imports in that year were more than three times the volume of imports in 1967, the year before the Kennedy-round concessions.

We find that there is an upward trend in imports of manufactured granite and that the increased imports have resulted in major part from trade-agreement concessions. The majority of the Commission made a similar finding with respect to manufactured granite in August 1974. 1/

Joseph Weiss & Sons, Inc., made significant capital investments in 1971 and 1972 in order to improve the efficiency and increase the capacity of its granite-fabricating operations. The capacity to fabricate facing and paving granite was increased by one-third, from \* \* \* cubic feet in 1969 to \* \* \* cubic feet in 1972. Sales of such granite, a principal granite product of Joseph Weiss & Sons, Inc., declined from \* \* \* cubic feet in 1970 to \* \* \* cubic feet in 1973. The decline in

---

1/ Manufactured Granite: The John Swenson Granite Co., Inc., Concord, N.H., Report to the President on Investigation No. TEA-F-63 . . . , TC Publication 684, 1974.



sales reduced the utilization of its fabricating capacity from \* \* \* percent in 1970-71 to \* \* \* percent in 1973. The profit-and-loss experience of the company followed the same downward trend, the ratio of net profit to net sales dropping from \* \* \* percent in 1970 to \* \* \* percent in 1973. Employment in the fabrication of granite likewise declined, from \* \* \* employees in 1970 to \* \* \* in 1973.

It is evident to us that Joseph Weiss & Sons, Inc., is being threatened with serious injury despite its significant investments in the early 1970's to improve its competitive position.

The decline in sales and the deteriorating financial position of Joseph Weiss & Sons, Inc., beginning in 1971, coincided with the substantial increased quantities of imports of like or directly competitive manufactured facing and paving granite.

Imports of fabricated granite entered through the port of New York in recent years have been consumed mainly in metropolitan New York City--the major market served by Joseph Weiss & Sons, Inc. Such imports increased from 38,000 cubic feet in 1969 to 80,000 cubic feet in 1972. Imports of fabricated Canadian granite entered through New England and upstate New York ports, a considerable part of which have been marketed in metropolitan New York City in recent years, increased from 77,000 cubic feet in 1969 to 92,000 cubic feet in 1972. These substantial imports into metropolitan New York City had a depressing effect on the volume of Weiss' sales many months after such imports entered the United States by reason of the fact that bids and contracts for facing and paving granite are made well in advance of the actual use of the stone.



## View of Commissioner Minchew

In response to the petition filed on behalf of Joseph Weiss & Sons, Inc., Brooklyn, N.Y., for a determination of its eligibility to apply for adjustment assistance under sections 301(c)(1) and (3) of the Trade Expansion Act of 1962 (TEA), I have concluded that the statutory requirements set forth in sections 301(c)(1) and (3) of that act are met and, accordingly, I have made an affirmative determination.

Sections 301(c)(1) and (3) of the TEA state that--

(1) In the case of a petition by a firm for a determination of eligibility to apply for adjustment assistance under chapter 2, the Tariff Commission shall promptly make an investigation to determine whether, as a result in major part of concessions granted under trade agreements, an article like or directly competitive with an article produced by a firm is being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to such firm. In making its determination under this paragraph, the Tariff Commission shall take into account all economic factors which it considers relevant, including idling of productive facilities of the firm, inability of the firm to operate at a level of reasonable profit, and unemployment or underemployment in the firm.

(3) For purposes of paragraphs (1) . . . , increased imports shall be considered to cause, or threaten to cause, serious injury to a firm or unemployment or underemployment, as the case may be, when the Tariff Commission finds that such increased imports have been the major factor in causing, or threatening to cause, such injury or unemployment or underemployment.

The relevant facts are as follows:

- (1) A petition was received by the Commission on November 22, 1974.
- (2) The Commission instituted an investigation on December 3, 1974, and as a part of its investigation conducted a public hearing on December 19, 1974.

- (3) The investigation revealed that the imported articles most nearly like those produced by the petitioning firm (i.e., manufactured granite facing) are entered under TSUS item 513.74, and statistics further reveal that imports of TSUS item 513.74 have increased from 366,000 cubic feet in 1969 to 566,000 cubic feet in 1973 (with a high point of imports being reached at a level of 826,000 cubic feet in 1972). Statistics for the first 9 months of 1974 (186,000 cubic feet) indicate a decline in imports for that year.
- (4) The rate of duty on manufactured granite (TSUS item 513.74) was reduced from 11 percent ad valorem in 1968 to 6 percent ad valorem effective January 1, 1972, as a result of the five-stage concession granted in the sixth (Kennedy) Round of trade negotiations under the General Agreement on Tariffs and Trade.
- (5) The investigation established that in the 10-year period prior to 1963, the domestic and imported shipments of manufactured granite were in a relatively stable ratio, with the domestic industry supplying approximately 96 percent and the importing industry supplying approximately 4 percent.
- (6) The investigation indicated that beginning in 1964 practically all the growth in the domestic market was taken by imports.
- (7) The investigation elicited from the petitioner the statistic that its sales of items similar to those imported under TSUS item 531.74 decreased from \* \* \* cubic feet in 1970 to \* \* \* cubic feet in 1974.
- (8) The investigation verified that a number of bids the petitioning firm lost went to installers using imported manufactured granite.

Every investigation presents two types of facts, which I will term the "straightforward" and the "inferential." The straightforward facts directly meet the requirements of the statute, while the inferential facts satisfy statutory language through their interrelationships within the facts and circumstances of the case. In order that a reliable standard for predictability be maintained, an inferential fact should be more than merely coincident.

Applying this approach to the present case, I feel that the requirements of the statute are met by straightforward facts for all but two requirements. Clearly, the requirements of a qualified petition being filed and investigation being conducted are met. It is also quite evident that an impact of trade agreement tariff concessions was increased imports, because after each concession imports increased. Further, in spite of efforts of the management to change the firm's direction, its losses in the manufactured granite area were of such magnitude as to threaten the continued existence of the business, which surely constitutes at least a threat of injury.

By my inferential test, I conclude that the other requirements of the statute are met because they are supported by facts more than merely coincident. The "must be imported in increased quantities" section of the statute is met. The decline of imports in 1973 was to a level still well above the level of earlier years, and the 1974 decline can be attributed, I believe, to present distortions in world trade which have only temporarily broken a trend of increasing imports. The "that increased imports have been a major factor" condition is met by the fact that the company lost contract bids to installers using less expensive imported manufactured granite. As this trend continued, the firm was forced to bid at lower and lower levels to continue in operation, finally reaching a point of profit-losing underbidding. The continued presence of this lower-priced foreign granite means the threat of injury to the firm in terms of competitive underbidding is likely to continue.

On the basis of the foregoing considerations, I have concluded that the statutory requirements are met for an affirmative determination in this case.

## View of Commissioner Leonard

In order to make an affirmative determination under section 301(c) (1) of the Trade Expansion Act of 1962 (TEA), each of the following four statutory criteria must be met:

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

In a recent firm case (Swenson)<sup>1/</sup> before the Commission involving the same product under consideration in this case, that is, manufactured granite, I joined in the majority's affirmative determination. In the present case, however, I find distinguishing factors which lead me to a negative determination. In the Swenson case, it was asserted with respect to manufactured granite that there was "a definite upward trend in imports, sufficient to satisfy the statutory requirement." However, since that finding information has been developed showing a decline in manufactured granite imports over the last two years. The precise nature of this downward trend is not as yet clear; nevertheless,

---

<sup>1/</sup> Manufactured Granite: the John Swenson Granite Co., Inc., . . . , Report to the President on Investigation No. TEA-F-63. . . . , TC Publication 684, 1974.

the downward trend makes it less clear that the first statutory criterion enumerated above is satisfied.

This recent downward trend in manufactured granite imports also leads me to reconsider my conclusion in the Swenson case on the second criterion, that is, that increased imports are in major part the result of concessions granted under trade agreements. If imports are decreasing at a point in time when concession rates are at their lowest level, there is some question as to whether the import increases of earlier years were the result in major part of trade agreement concessions or of other factors. Therefore, doubt is also cast on the second statutory criterion.

Further, it is unclear whether the third criterion is satisfied in this investigation, that is, whether there is serious injury or threat thereof to Joseph Weiss & Sons, Inc. (hereinafter referred to as Weiss). Serious injury to the firm or the threat thereof is to be determined in the light of the overall operations of the firm.<sup>2/</sup> In this case that means considering not only the granite operations of Weiss, but also its operations in marble and limestone, which operations evolved from the firm's efforts to adjust to the difficulties it perceived with respect to marketing manufactured granite. It is of significance that the new activities of the firm proved quite profitable.

---

<sup>2/</sup> "In the case of investigations of individual firms, the Tariff Commission will inquire into the effect of the imports in question on the overall operations of the firm." Report of the Committee on Ways and Means, House of Representatives, to accompany H.R. 11970 (Trade Expansion Act of 1962), p. 23.



Section 301(c)(1) of the TEA provides that in considering serious injury or threat of serious injury to a firm, the Commission should, among other things, consider (a) the idling of productive facilities, (b) unemployment or underemployment, and (c) the inability to operate at a level of reasonable profit. With regard to the idling of productive facilities, although the percentage of utilization of manufactured granite facilities has been declining, the importance of this decline is unclear because of Weiss' expansion of production facilities at a time of decreasing production. At the same time, marble production appears to have been increasing, and to what extent this increase ameliorates decreasing granite production is uncertain. With regard to unemployment or underemployment, there was increased unemployment in the manufactured granite operations; but, looking at the firm as a whole, employment has increased. As for the inability to operate at a reasonable level of profit, Weiss shows insignificant profits for the three years prior to 1974 and a significant loss in 1974. In light of the above considerations, evidence supporting the third criterion necessary for an affirmative determination is less than conclusive.

Even given the uncertainty of the fulfillment of the first three criteria, a negative determination in this case is required because any increased imports of manufactured granite are not the major factor causing or threatening to cause any serious injury to Weiss. Factors other than imports more directly suggest themselves as causes of the firm's difficulties. For example, the firm's substantial loss in 1974 appears to be attributable to a significant underbidding on one

manufactured granite production and installation contract. The under-bidding was not the result of competitive pressure from imported manufactured granite. The investigation showed that domestic producers of manufactured granite supply 90 percent or more of apparent domestic consumption and, in fact, the firm's primary competition on the contract in question came from domestic producers. A further example of the lack of the necessary causal link between imports and injury is illustrated by the condition that during 1973-74 imports were decreasing, while manufactured granite as a percentage of total apparent consumption of building facings in New York held constant or increased. Despite these conditions, Weiss' share of the market declined.

For these reasons I have determined that any increase in imports of articles like or directly competitive with manufactured granite of the types produced by Joseph Weiss & Sons, Inc., is not the major factor causing, or threatening to cause, serious injury to the firm.

## Views of Commissioner Ablondi.

My determination in the instant case is in the negative for the reason that increased imports are not the major factor causing or threatening to cause serious injury to Joseph Weiss & Sons, Inc.

During the period 1969-72, imports of manufactured granite increased. Despite the increased competition from imports during the period, Joseph Weiss & Sons, Inc., was consistently profitable through 1973. The gross sales of the company increased considerably over the period, and although the quantity of manufactured granite sales declined, the value of those sales remained relatively constant. Furthermore, total employment for the firm has risen continuously, as have man-hours worked. Beginning in 1973 and for the first nine months of 1974 (the full year data are not yet available), imports of manufactured granite decreased considerably. Despite the relaxation of competitive pressure from foreign imports, Joseph Weiss & Sons, Inc., reported a loss in its fiscal year ending September 30, 1974, and estimates a loss in the first quarter of fiscal year 1975. Given these facts, I question the serious injury to the firm resulting in major part from concession-generated imports.

The firm itself imports a significant portion of its rough granite, thus availing itself of a duty-free rate which resulted from tariff concessions. The firm's last major contract was for a building constructed entirely with imported granite. The six percent differential in duty between rough and manufactured granite, taken together with the lower shipping costs of rough -- as opposed to manufactured -- granite and the advantage of Joseph Weiss & Sons, Inc., in being close to the point of consumption (which lowers the cost of and facilitates damage replacement), puts the firm in a position of reasonable competitiveness

with importers of manufactured granite. As the president of the firm stated at the public hearing when discussing imported rough granite, ". . . [t]here is no duty on that [rough granite] so that does not hurt us any. And we manufacture that material. And therefore, it puts us in the position where we can compete with anybody on granite."

On the basis of the above considerations, I reach a negative determination in this case.

INFORMATION OBTAINED IN THE INVESTIGATION

Description and Uses

Joseph Weiss & Sons, Inc., is engaged in the fabrication and sale of monumental granite, granite facing stone, marble facing stone, and in the sale of limestone facing.

Granite is a crystalline igneous rock of such durability when exposed to the elements that it is desired by many for monumental, paving, and building purposes. In general, it is a mixture of quartz, feldspar, and mica or hornblende, without any regular arrangement of crystals and with a grain size varying from coarse to fine. The colors vary from almost white to black, according to the color of the contained feldspar and/or mica. The principal commercial colors are light gray, dark gray, pink, red, and olive green.

Granite is processed into blocks, slabs, or pieces individually cut to size and/or shape. The term "manufactured granite," as used in this report, applies to granite that has been processed beyond its rough quarried condition and is suitable for use as monumental, paving, or building stone.

Manufactured granite is used primarily in the following ways:

(1) As an exterior facing material, usually with a thickness of 3 inches or less; (2) as paving, which consists usually of slabs up to 3 inches in thickness used for sidewalks and patios; (3) for the manufacture of monuments, i.e., headstones, grave markers, mausoleums, and

statuary articles; (4) as curbing, used along streets, highways, and bridges to maintain the integrity of sidewalks or borders; and (5) as a heavy construction, load-bearing material for walls, foundations, bridges, and so forth. Facing and paving granite is selected for its color and texture, as specified by the architect. Granite quarried for monumental purposes must be of superior quality--free from blemishes and having uniform color and texture. Appearance is less important for granite selected as curbing; such stone is usually gray in color and of a quality that will allow proper splitting to form the desired product. Durability is the essential characteristic of granite selected as construction material.

The chief alternatives to manufactured granite include all stone (marble, limestone, and sandstone) capable of being used for the same purposes. Other materials which are substitutable for granite in certain uses are concrete, concrete articles, brick, metal and ceramic veneers, and glass.

#### Fabrication Methods

After being quarried, 1/ most rough granite blocks are transported to fabricating mills specifically designed to produce manufactured granite. In the mills, wire saws made of hard steel wires about one-fourth inch in diameter are passed over the rough granite blocks carrying a silicon carbide abrasive. The stone is cut by the wire using the abrasive as the cutting agent. Gang saws, which are a group

---

1/ Joseph Weiss & Sons, Inc., does not quarry granite.

of steel blades set in a frame and having a backward and forward motion, are also used. After the block of granite is placed beneath the frame, water and certain types of abrasives are fed to the blades, imparting numerous parallel cuts. The slabs of various thicknesses are then further processed according to end use. Those that will be used as facing are finished and polished on one side and cut to dimension by diamond saws. Stone for monumental use is of various thicknesses and is cut and fabricated according to specific design.

#### U.S. Tariff Treatment

The Tariff Act of 1930 established under paragraph 234(a) an import duty of 60 percent ad valorem on manufactured granite suitable for use as monumental, paving, or building stone. Pursuant to successive trade-agreement concessions beginning in 1935, the applicable rates of duty have been reduced substantially. The column 1 rate of duty currently (1975) in effect on granite suitable for use as monumental, paving, or building stone, item 513.74 of the TSUS, is 6 percent ad valorem, reflecting the final stage, effective January 1, 1972, of the five-stage concession granted in the sixth (Kennedy) round of trade negotiations under the General Agreement on Tariffs and Trade (GATT).

The effective dates of the column 1 rates of duty applicable to the aforementioned articles under the Tariff Act of 1930, as modified in the trade-agreement concessions, are shown in table 1 in the appendix.

Under the Tariff Act of 1930, imports of unmanufactured granite suitable for use as monumental, paving, or building stone were dutiable at a rate of 25 cents per cubic foot. Pursuant to successive trade-

agreement concessions beginning in 1935, the applicable rates of duty have been reduced, and the duty-free status of unmanufactured granite under the column 1 rate of duty was provided for in the first stage, effective January 1, 1968, of the Kennedy Round (TSUS item 513.71).

#### U.S. Consumption 1/

During the period 1954-63, annual U.S. consumption of manufactured granite remained about the same in quantity. Imports and domestic shipments accounted for about the same relative proportions. Annual consumption during the period 1964-73 increased substantially, with imports accounting for nearly all of the increase through 1972; domestic production accounted for most of the increase in 1973.

Apparent U.S. consumption of manufactured granite decreased from 7.9 million cubic feet in 1969 to 7.3 million cubic feet in 1970, then steadily increased to 8.4 million cubic feet in 1973. The share of U.S. consumption supplied by imports rose steadily from about 5 percent in 1969 to nearly 11 percent in 1972, but then declined to about 7 percent in 1973 (table 2).

During the period 1969-73, estimated apparent consumption of facing and paving granite, the principal products of Joseph Weiss & Sons, Inc., accounted for about a quarter of apparent consumption of manufactured granite. The U.S. annual consumption of these products increased from 1.4 million cubic feet in 1969 to 2 million cubic feet

---

1/ Official statistics are not available on exports of manufactured granite; however, such exports are believed to be small. No estimates of exports have been used in calculating apparent consumption.



in 1971 but then decreased to 1.8 million cubic feet in 1973. Imports of facing and paving granite 1/ expressed as a share of apparent consumption increased from 23 percent in 1969 to 38 percent in 1972 but then declined to 28 percent in 1973 (table 3).

U.S. consumption of facing and other building granite is dependent primarily on the construction of nonresidential buildings. Construction contracts for nonresidential buildings increased about 160 percent during the 1960-73 period, with contracts for commercial and hospital construction accounting for the greatest growth (table 4). Table 5, which shows U.S. producers' shipments of selected construction materials, indicates that consumption of all cut stone and stone products has shown considerably less growth than that of various types of competitive construction materials. Although granite accounted for the greatest percentage of total cut stone and stone products consumed, its percentage of total consumption decreased from 47 percent in 1960 to 44 percent in 1972.

#### U.S. Producers

The products involved in this investigation are manufactured by two categories of domestic granite producers--quarrier-fabricators and independent fabricators. Quarrier-fabricators extract the stone from the quarry and perform various fabricating operations necessary to prepare the stone for its ultimate use. The independent fabricators do not operate quarries but fabricate purchased materials.

---

1/ Import statistics for facing and paving granite were determined by an invoice analysis detailed in the U.S. imports section of this report.

During the period 1969-73, manufactured granite was produced by approximately 130 quarrier-fabricators and independent fabricators. Five of them, i.e., those belonging to the National Building Granite Quarries Association, Inc., accounted for about 75 percent of total U.S. production of facing granite. Twenty-four producers accounted for the bulk of the production of monumental granite.

#### U.S. Shipments, Inventories, and Exports

Annual U.S. shipments of manufactured granite decreased from 7.5 million cubic feet in 1969 to 6.8 million cubic feet annually in 1970-72, then increased to 7.8 million cubic feet in 1973 (table 6).

Throughout the period 1969-73, shipments of facing and paving granite were almost constant, rising from 1.1 million cubic feet in 1969 to 1.3 million cubic feet in 1973. In each of the years 1969-72, shipments of such granite accounted for 15 to 20 percent of the total shipments of all types of manufactured granite.

U.S. shipments of monumental granite during 1969-73 increased from 2.9 million cubic feet in 1969 to 3.3 million cubic feet in 1972 and then declined to 3.2 million cubic feet in 1973. In the 1969-73 period, such granite accounted for about 40 percent of total U.S. shipments of manufactured granite.

Annual shipments of granite curbing decreased from 2 million cubic feet in 1969 to 1.5 million cubic feet in 1972, then increased to 1.6 million cubic feet in 1973.

Data on yearend inventories of manufactured granite for the years 1969-73 are not available, but such stocks are known to be nominal.

Granite is usually quarried and fabricated to meet the requirements of specific orders.

Official statistics are not available on exports of manufactured granite; however, such exports are believed to be small.

#### U.S. Imports

Annual U.S. imports of manufactured granite (TSUS item 513.74) increased from 366,000 cubic feet, valued at \$4 million, in 1969 to 826,000 cubic feet, valued at \$7.6 million, in 1972, representing increases of 126 percent in quantity and 89 percent in value. However, imports of such stone decreased in 1973 to 566,000 cubic feet, valued at \$6.2 million, representing decreases of 31 and 18 percent, respectively (table 2). Imports of manufactured granite for January-September 1974 were 186,000 cubic feet, valued at \$3.1 million. For the same period in 1973, such imports were 453,000 cubic feet, valued at \$4.5 million. The indication is that imports of such stone for all of 1974 will be substantially lower than those for 1973.

Imports of manufactured granite declined in 1973 and 1974 compared with those in the 3 earlier years, for a variety of reasons: (1) Ocean freight rates have increased appreciably in recent years (more than 100 percent since 1972 from Italy--the principal foreign supplier of such stone to the United States); (2) average unit values of manufactured granite from Italy increased 146 percent from 1971 to 1974, an increase which reflects a price which is still 36 percent below comparable U.S. unit values; (3) builders are turning to facing material less expensive than manufactured granite, such as concrete block and brick and precast concrete products.

During the period 1969-73, the quantity of manufactured granite imported, expressed as a percent of apparent consumption, rose from 4.6 percent in 1969 to a high of 10.8 percent in 1972 and then declined to 6.7 percent in 1973.

During 1969-73 Italy was by far the largest supplier of imported manufactured granite, accounting for 44 to 75 percent of the total quantity. Canada accounted for 50 to 75 percent of the remainder (table 7). U.S. imports from Italy increased from 161,000 cubic feet, valued at \$1.8 million, in 1969 to 583,000 cubic feet, valued at \$4.7 million, in 1972, then decreased to 418,000 cubic feet, valued at \$4.0 million, in 1973. For January-September 1974, imports from Italy were 118,000 cubic feet, valued at \$1.9 million. During the period 1969-73, imports from Canada increased to a high of 150,000 cubic feet, valued at \$2.9 million, in 1970, then decreased to 106,000 cubic feet, valued at \$1.3 million, in 1973. Imports of manufactured granite from Canada for January-September 1974 were 40,000 cubic feet, valued at \$603,000.

During the period 1972 through July 1974, an average of 7 percent of all manufactured granite imported from Italy, based on quantity, entered the port of New York, N.Y. The largest amounts entered the ports of Baltimore, Md. (22 percent), and Los Angeles, Calif. (32 percent).

It has been reported to the Commission by various domestic producers and fabricators that most of the manufactured granite imported under TSUS item 513.74 has consisted of facing material fully fabricated and ready for installation at the job site. An invoice analysis of consumption entry papers representing 80 percent both of the

quantity and of the value of total imports of manufactured granite for 1973 disclosed that facing granite accounted for 91 percent of the quantity and 87 percent of the value of all granite imported under TSUS item 513.74; the great bulk of the remaining stone was monumental granite.

As revealed by these data, estimated annual U.S. imports of facing and paving granite increased continuously, from 333,000 cubic feet in 1969 to 752,000 cubic feet in 1972, or by 126 percent during the 3-year period. However, such imports decreased to 515,000 cubic feet in 1973, or by 32 percent. During the period January-September 1974, imports of facing and paving granite were 169,000 cubic feet, compared to 412,000 cubic feet for the same period in 1973.

Annual imports of unmanufactured granite (TSUS item 513.71) in the period 1969-73 increased from 178,000 cubic feet, valued at \$1.1 million, in 1969 to 498,000 cubic feet, valued at \$1.6 million, in 1972 and then decreased to 345,000 cubic feet, valued at \$2.2 million, in 1973. U.S. imports of unmanufactured granite in January-September 1974 were 138,000 cubic feet, valued at \$1.3 million, compared with 263,000 cubic feet, valued at \$1.7 million, for the corresponding period in 1973 (table 8).

#### Prices

Typically, granite dimension stone--facing, monumental, and curbing--is not sold on a cubic-foot basis. Sales of facing are made by bidding to supply the stone needed for a given project. The bids are dependent on--among other factors--the color, texture, finished form, and volume of stone to be supplied; some bids provide for delivery to the site, and other include delivery and installation.

Rough monumental granite is usually sold by the cubic foot; dressed monumental granite is sold by the individual piece. Granite curbing is produced in several standard sizes and types and sold by the linear foot. Average unit values, as reported by producers to the U.S. Bureau of Mines, for shipments of monumental granite and granite curbing, are shown in the following table.

Monumental granite and granite curbing: Average unit values, 1969-73

(Per ton)			
Year	Monumental granite		Curbing
	Rough	Dressed	
1969-----	\$61.36	\$204.09	\$29.83
1970-----	85.80	292.68	36.24
1971-----	57.05	255.03	36.95
1972-----	39.25	306.82	47.82
1973-----	39.29	317.50	56.53

Source: U.S. Bureau of Mines.

A-11 through A-20

Joseph Weiss & Sons, Inc.

\*

\*

\*

\*

\*

\*

\*





STATISTICAL APPENDIX

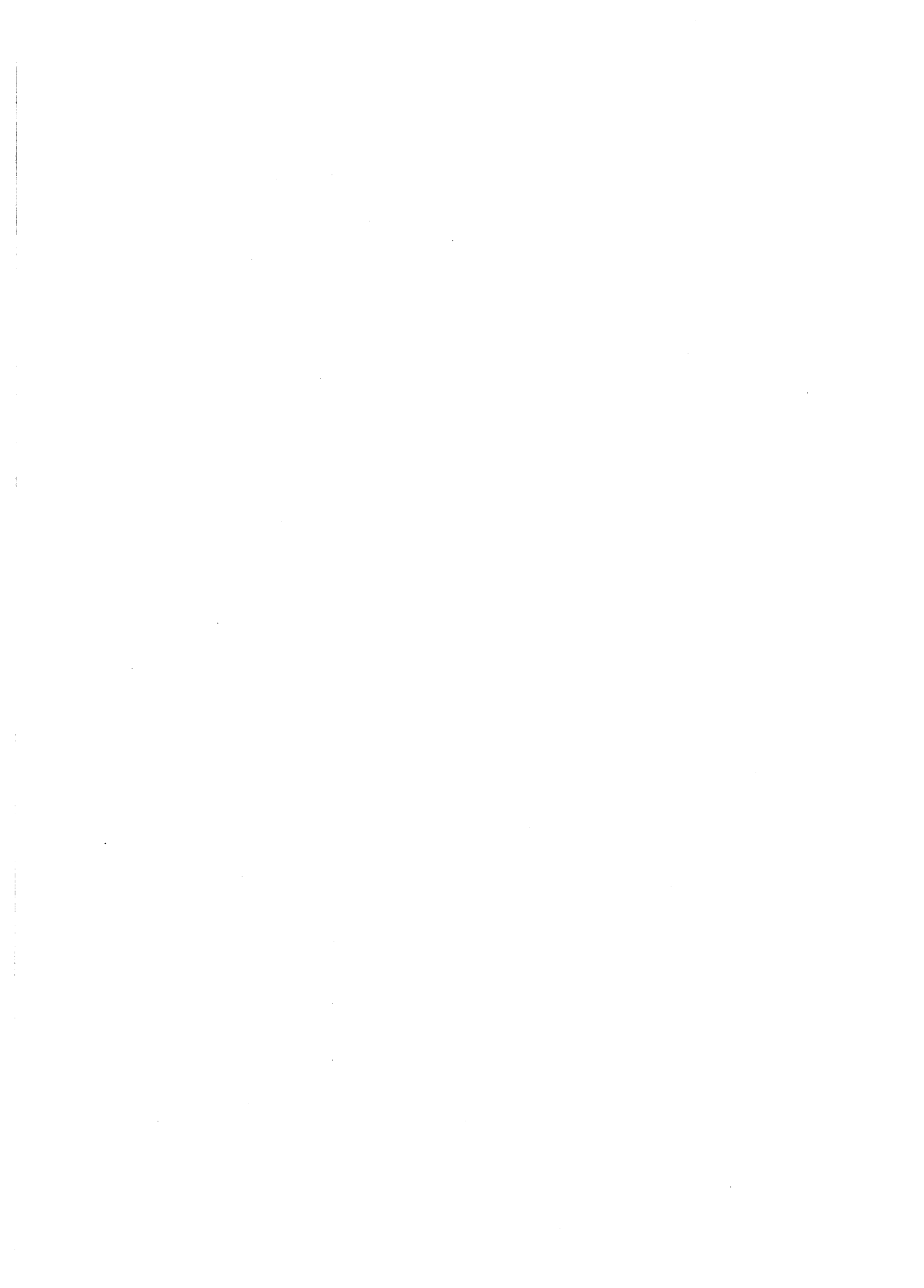


Table 1.--Granite, manufactured, suitable for use as monumental, paving, or building stone: U.S. imports for consumption, by principal sources, and rates of duty, 1934-73, January-September 1973, and January-September 1974

(Quantity in thousands of cubic feet; value in thousands of dollars)							
Period	Italy	Canada	Sweden	Finland	All other	Total, all countries	Rate of duty (percent ad valorem)
	Quantity						
1934-----	-	-	1	8	1	10	60
1935-----	-	1/	1/	13	2	15	60, 2/ 40
1936 3/-----	-	1/	1	14	-	15	4/ 30
1937-----	-	1/	1	35	1	37	30
1938-----	1/	-	1	40	-	41	30
1939 3/-----	1/	1	1	24	-	26	30
1940-----	1/	1/	1/	4	-	4	30
1941-----	-	-	-	1/	1	1	30
1942-----	-	1	-	-	-	1	30
1943-----	-	1	-	-	-	1	30
1944-----	-	1	-	-	-	1	30
1945-----	-	1	-	1/	-	1	30
1946 3/-----	-	1/	1	13	3	17	30
1947 3/-----	1/	1	1	48	1	51	30
1948 3/-----	1/	1/	2	13	9	24	30
1949-----	1/	1/	2	12	5	19	30
1950 3/-----	1/	1/	1	3	30	34	5/ 20
1951 3/-----	-	1/	3	5	69	77	6/ 15
1952 3/-----	2	1/	3	8	27	40	15
1953 3/-----	3	1	4	18	80	106	15
1954 3/-----	1/	1/	3	14	69	86	15
1955 3/-----	6	10	1	19	77	113	15
1956 3/-----	5	63	1	19	82	170	7/ 14
1957 3/-----	8	11	2	19	62	102	8/ 13.5
1958 3/-----	5	1	3	23	31	63	9/ 12.5
1959 3/-----	12	4	3	20	45	84	12.5
1960 3/-----	16	6	3	22	47	94	12.5
1961 3/-----	8	4	1	13	34	60	12.5
1962 3/-----	3	2	1	8	20	34	12.5
1963 3/-----	7	19	1	3	6	36	12.5
1964-----	72	45	3	18	17	155	12.5
1965-----	36	41	3	7	14	101	12.5
1966-----	56	58	2	5	13	134	12.5
1967-----	64	85	4	12	8	173	12.5
1968-----	272	100	8	10	16	406	10/ 11
1969-----	161	138	14	32	21	366	10/ 10
1970-----	250	150	7	13	23	443	10/ 8.5
1971-----	394	141	6	16	189	746	10/ 7
1972-----	583	146	16	13	68	826	10/ 6
1973-----	418	106	4	5	33	566	6
January-September--							
1973-----	339	81	2	3	28	453	6
1974-----	118	40	2	7	19	186	6

See footnotes at end of table.



Table 1.--Granite, manufactured, suitable for use as monumental, paving, or building stone: U.S. imports for consumption, by principal sources, and rates of duty, 1934-73, January-September 1973, and January-September 1974--Continued

(Quantity in thousands of cubic feet; value in thousands of dollars)							
Period	Italy	Canada	Sweden	Finland	All other	Total, all countries	Rate of duty (percent ad valorem)
Value							
1934-----	-	-	4	35	7	46	60
1935-----	-	11/	2	54	6	62	60, 2/ 40
1936-----	-	1	5	56	-	62	4/ 30
1937-----	-	11/	6	162	11	179	30
1938-----	11/	-	4	194	2	200	30
1939-----	11/	2	6	115	4	127	30
1940-----	11/	11/	1	16	2	19	30
1941-----	-	-	-	11/	7	7	30
1942-----	-	4	-	-	-	4	30
1943-----	-	4	-	-	-	4	30
1944-----	-	5	-	-	-	5	30
1945-----	-	3	-	2	-	5	30
1946-----	11/	11/	15	113	11	139	30
1947-----	11/	5	26	449	5	485	30
1948-----	1	2	25	160	30	218	30
1949-----	2	2	23	22	18	67	30
1950-----	1	1	13	23	114	152	5/ 20
1951-----	-	1	34	41	167	243	6/ 15
1952-----	7	5	36	77	276	401	15
1953-----	13	11	36	156	449	665	15
1954-----	28	12	48	132	542	762	15
1955-----	34	41	27	180	581	863	15
1956-----	30	165	23	177	811	1,206	7/ 14
1957-----	69	30	22	212	792	1,125	8/ 13.5
1958-----	52	5	42	213	425	737	9/ 12.5
1959-----	119	52	39	184	584	978	12.5
1960-----	105	34	50	181	593	963	12.5
1961-----	76	70	28	154	480	808	12.5
1962-----	243	55	77	183	499	1,057	12.5
1963-----	275	430	52	158	614	1,529	12.5
1964-----	476	590	60	178	291	1,615	12.5
1965-----	462	442	65	108	188	1,265	12.5
1966-----	475	408	58	69	146	1,156	12.5
1967-----	444	938	74	102	104	1,662	12.5
1968-----	1,450	1,309	94	127	135	3,115	10/ 11
1969-----	1,763	1,767	122	160	213	4,025	10/ 10
1970-----	3,374	2,880	114	147	292	6,807	10/ 8.5
1971-----	2,638	2,656	131	189	497	6,111	10/ 7
1972-----	4,663	2,074	123	168	582	7,610	10/ 6
1973-----	4,047	1,324	100	84	659	6,214	6
January-September--							
1973-----	3,030	949	51	57	367	4,454	6
1974-----	1,936	603	37	97	425	3,098	6

1/ Less than 500 cubic feet.

2/ Rate of duty applicable to paving blocks was reduced to 40 percent Aug. 5, 1935.

3/ Paving blocks are not included in the quantities shown.

4/ Rate reduced Nov. 2, 1936.

5/ Rate reduced May 25, 1950.

6/ Rate reduced June 6, 1951.

7/ Rate reduced June 30, 1956.

8/ Rate reduced June 30, 1957.

9/ Rate reduced June 30, 1958.

10/ Rate reduced Jan. 1 of year shown.

11/ Less than \$500.

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

Table 2.--Manufactured granite, suitable for use as monumental, paving, or building stone (TSUS item 513.74): Shipments by U.S. producers, U.S. imports for consumption, and apparent consumption, 1969-73

(Quantity in thousands of cubic feet; value in thousands of dollars)

Year	Shipments	Imports	Apparent consumption	Ratio (percent) of imports to consumption
Quantity				
1969-----	7,510	366	7,876	4.6
1970-----	6,847	443	7,290	6.1
1971-----	6,764	746	7,510	10.0
1972-----	6,842	826	7,668	10.8
1973-----	7,834	566	8,400	6.7
Value				
1969-----	44,858	4,025	48,883	8.2
1970-----	45,517	6,807	52,324	13.0
1971-----	38,538	6,111	44,649	13.7
1972-----	42,641	7,610	50,251	15.1
1973-----	45,960	6,214	52,174	12.0

Source: Shipments compiled from official statistics of the U.S. Department of the Interior; imports compiled from official statistics of the U.S. Department of Commerce.

Note.--Data on exports are not available.

Table 3.--Facing and paving granite: Shipments by U.S. producers, U.S. imports for consumption, and apparent consumption, 1969-73

(Quantity in thousands of cubic feet; value in thousands of dollars)

Year	Shipments <u>1/</u>	Imports <u>2/</u>	Apparent consumption	Ratio (percent) of imports to consumption
Quantity				
1969-----	1,091	333	1,424	23.4
1970-----	1,313	403	1,716	23.5
1971-----	1,346	697	2,043	34.1
1972-----	1,225	752	1,977	38.0
1973-----	1,333	515	1,848	27.9
Value				
1969-----	<u>3/</u>	3,502	<u>3/</u>	<u>3/</u>
1970-----	<u>3/</u>	5,922	<u>3/</u>	<u>3/</u>
1971-----	<u>3/</u>	5,317	<u>3/</u>	<u>3/</u>
1972-----	<u>3/</u>	6,621	<u>3/</u>	<u>3/</u>
1973-----	<u>3/</u>	5,406	<u>3/</u>	<u>3/</u>

1/ Partly estimated.

2/ Based on invoice analysis of 1973 imports by the Commission.

3/ Not available.

Source: Shipments compiled and partly estimated from official statistics of the U.S. Department of the Interior; imports compiled and partly estimated from official statistics of the U.S. Department of Commerce.

Note.--Data on exports are not available.

Table 4.--Construction contracts for nonresidential buildings  
in the United States, specified years 1960 to 1973

Class of construction	1960	1965	1970
	<u>Million</u> <u>dollars</u>	<u>Million</u> <u>dollars</u>	<u>Million</u> <u>dollars</u>
Total-----	12,239	17,221	24,455
Commercial-----	3,725	5,457	9,056
Industrial-----	2,114	3,064	3,664
Educational and science-----	3,005	4,164	5,253
Hospital-----	832	1,515	2,811
Public buildings-----	679	842	1,007
Religious-----	789	783	575
Social and recreational-----	631	800	1,137
Miscellaneous-----	464	596	952
	1972	1973	Percentage change, 1973 over 1960
	<u>Million</u> <u>dollars</u>	<u>Million</u> <u>dollars</u>	
Total-----	27,020	31,761	+159
Commercial-----	11,369	13,040	+250
Industrial-----	3,005	4,775	+126
Educational and science-----	4,760	5,121	+70
Hospital-----	3,516	3,325	+300
Public buildings-----	1,490	2,025	+198
Religious-----	640	708	-10
Social and recreational-----	1,237	1,527	+142
Miscellaneous-----	1,003	1,240	+167

Source: Statistical Abstract of the United States, 1969 and 1974.



Table 5.--Shipments by U.S. manufacturers of selected construction materials, specified years 1960 to 1972

Product	1960	1963	1967
	<u>Million</u> <u>dollars</u>	<u>Million</u> <u>dollars</u>	<u>Million</u> <u>dollars</u>
Concrete block and brick-----	457	505	550
Precast concrete products			
except pipe-----	336	297	342
Ready-mixed concrete-----	1,869	2,293	2,684
Gypsum products-----	382	425	388
Brick and structural clay tile---	360	325	400
Cut stone and stone products <u>1/</u> --	216	217	236
	1969	1972	Percentage change, 1972 over 1960
	<u>Million</u> <u>dollars</u>	<u>Million</u> <u>dollars</u>	
Concrete block and brick-----	668	779	+70
Precast concrete products			
except pipe-----	<u>2/</u> 419	528	+57
Ready-mixed concrete-----	2,931	3,444	+84
Gypsum products-----	472	583	+53
Brick and structural clay tile---	401	480	+33
Cut stone and stone products <u>1/</u> --	244	280	+30

1/ Products of establishments engaged in cutting, shaping, and finishing marble, granite, slate, or other stone for building and miscellaneous purposes.

2/ Estimated.

Source: Census of Manufactures, 1967 and 1972, and Annual Survey of Manufactures, 1968 and 1969.

Table 6.--Manufactured granite shipped or used by U.S. producers,  
by use, 1969-73

(In thousands of cubic feet)

Use	1969	1970	1971	1972	1973
Facing and paving-----	1,091	1,313	1,346	1,225	1,333
Monumental-----	2,865	2,684	2,633	3,291	3,227
Curbing-----	1,973	1,870	1,818	1,537	1,610
Other-----	1,581	980	967	789	1,664
Total-----	7,510	6,847	6,764	6,842	7,834

Source: Compiled and partly estimated from official statistics of the U.S. Department of the Interior.

Note.--Value by use is not available, since value is dependent on the amount of fabrication completed on the stone. Total value for each of the years shown was as follows (in thousands of dollars):

<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
44,858	45,517	38,538	42,641	45,960

Table 7.--Manufactured granite, suitable for use as monumental, paving, or building stone (TSUS item 513.74): U.S. imports for consumption, by principal sources, 1969-73, January-September 1973, and January-September 1974

Period	Italy	Canada	Finland	Other	Total
Quantity (1,000 cubic feet)					
1969-----	161	138	32	35	366
1970-----	250	150	13	30	443
1971-----	394	141	16	195	746
1972-----	583	146	13	84	826
1973-----	418	106	5	37	566
January-September--					
1973-----	339	81	3	30	453
1974-----	118	40	7	21	186
Value (1,000 dollars)					
1969-----	1,763	1,767	160	335	4,025
1970-----	3,374	2,880	147	406	6,807
1971-----	2,638	2,656	189	628	6,111
1972-----	4,663	2,074	168	705	7,610
1973-----	4,047	1,324	84	759	6,214
January-September--					
1973-----	3,030	949	57	418	4,554
1974-----	1,936	603	97	462	3,098
Average unit value <sup>1/</sup> (per cubic foot)					
1969-----	\$10.95	\$12.82	\$4.93	\$9.57	\$10.99
1970-----	13.48	19.21	11.72	13.53	15.37
1971-----	6.70	18.78	12.14	3.22	8.20
1972-----	8.00	14.23	13.06	8.34	9.22
1973-----	9.69	12.49	17.55	20.51	10.98
January-September--					
1973-----	8.93	11.71	18.03	13.93	10.05
1974-----	16.48	15.17	13.85	22.00	16.65

<sup>1/</sup> Based on exact (i.e., unrounded) figures.

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

Table 8.--Unmanufactured granite, suitable for use as monumental, paving or building stone (TSUS item 513.71): U.S. imports for consumption, by principal sources, 1969-73, January-September 1973, and January-September 1974

Period	: Republic :					Total
	: Canada :	: of South Africa :	: Sweden :	: Other :		
	Quantity (1,000 cubic feet)					
1969-----	90	34	15	39	178	
1970-----	93	41	11	44	189	
1971-----	112	63	13	97	285	
1972-----	115	61	33	289	498	
1973-----	130	118	22	75	345	
January-September--						
1973-----	98	87	13	65	263	
1974-----	71	25	9	33	138	
	Value (1,000 dollars)					
1969-----	679	108	126	182	1,095	
1970-----	718	144	74	211	1,147	
1971-----	734	295	101	265	1,395	
1972-----	770	309	107	390	1,576	
1973-----	960	647	121	455	2,183	
January-September--						
1973-----	720	521	78	367	1,686	
1974-----	572	346	103	235	1,256	

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

\* \* \* \* \*



