UNITED STATES INTERNATIONAL TRADE COMMISSION

BIRCH THREE-PLY DOOR SKINS FROM JAPAN

Information Obtained
in Investigation No. AA1921-150 Under the
Antidumping Act, 1921, As Amended

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UNITED STATES INTERNATIONAL TRADE COMMISSION

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Commission (now the United States International Trade Commission) conducted an investigation under section 301 of the Trade Expansion Act of 1962 (TEA) in response to a petition filed by the General Plywood Corp., Louisville, Ky., for a determination of eligibility to apply for adjustment assistance (TEA-F-6, TC Publication 162, October 29, 1965). The Commission, being equally divided, made no affirmative finding on whether, as a result in major part of concessions granted under trade agreements, birch and lauan plywood door skins were being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to that firm.

In February 1975 the Commission concluded an investigation undertaken in accordance with section 301 of the TEA in response to a workers' petition for the determination of eligibility to apply for adjustment assistance (TEA-W-259, ITC Publication 719). The Commission found unanimously that articles like or directly competitive with birch plywood door skins and birch veneer panels produced by Allen Quimby Veneer Co., Bingham, Maine, Division of Columbia Plywood Corp., a wholly owned subsidiary of Columbia Corp., Portland, Oreg., were 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, the unemployment or underemployment of a significant number or proportion of the workers of such firm or an appropriate subdivision thereof.

In April 1975 the U.S. Department of Labor instituted an investigation in response to a petition filed on behalf of workers formerly engaged in the production of birch plywood door skins at the Allen Quimby Veneer Co., regarding certification of eligibility to apply for worker adjustment assistance as prescribed in section 222 of the Trade Act of 1974. In May the Department of Labor found that increases of imports like and directly competitive with the birch plywood door skins produced at the Quimby company contributed importantly to the total or partial separation of the workers of that firm, and certified all hourly and salaried workers of the firm who became totally or partially separated from employment on or after October 7, 1974, 1/ eligible to apply for adjustment assistance under title II, chapter 2, of the Trade Act of 1974.

In October 1975 the Commission concluded an investigation undertaken in accordance with section 201(a)(1) of the Trade Act of 1974 in response to a petition filed by Columbia Plywood Corp., a wholly owned subsidiary of Columbia Corp., Portland, Oreg. (TA-201-1, ITC Publication 743). The Commission (by a 5-to-1 vote) found that birch plywood door skins are not being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.

1/ The Allen Quimby Veneer Co., ceased operation October 10, 1974. Since that time, a small staff has maintained the facilities.

The information contained in this report was obtained from a variety of sources: domestic manufacturers, importers, and purchasers of door skins; trade associations; the U.S. Customs Service; and the Commission's files.

DESCRIPTION AND USES

General

A door skin is a thin sheet of material used as the outer surface cover of a door. Door skins are manufactured from a variety of materials, including hardwood and softwood plywood, hardboard, and particle board.

Virtually the only use for door skins is in the manufacture of hollow-core flush doors. Two door skins, supported from within by a variety of frame types, make up a hollow-core flush door. Such doors are used predominantly in housing (single-family and multiple dwellings), but they are used in office and institutional buildings and industrial plants as well.

Description of Birch Plywood Door Skins

A birch plywood door skin is normally made of three plies of birch veneer glued together into a sheet which is about 1/8 inch thick and not more than 47 inches in width by 85 inches in length. Door skins for oversize doors exceed these dimensions, but such sizes constitute a small share of the total. The grain of the outer veneer plies (face and back) is generally oriented lengthwise in the panel, while the grain of the center ply (core) is at a right angle to that of the outer plies, or crosswise to the length of the panel. The face ply determines the wood species designation of the door skin. The core and back plies may be of different species than the face ply and are usually of lesser quality.

Birch plywood door skins are made in various types and grades and are constructed to meet the requirements of the door manufacturers.

Method of Manufacture

The basic processes of plywood-door-skin manufacture consist of (1) cutting and drying the veneers, (2) matching the veneers, (3) applying adhesives, (4) pressure treatment, and (5) finishing. Skilled workmanship and the use of precision machinery are vital. The raw materials, both wood and adhesive, require special handling during the several stages of manufacturing.

The first step, cutting and drying the veneers, is done in a veneer mill, which may or may not be located with or as a part of a plywood-door-skin mill. The Allen Quimby Veneer Co. has veneering facilities in its mill, as do a few other producers of plywood door skins; plywood-door-skin producers without veneering facilities must purchase their requirements of veneer. The second step, matching the veneers, is normally done in the veneer mill, but may also be done in the plywood operation. Steps three, four, and five, applying adhesives, pressure treatment, and finishing, are common to all plywood-door-skin plants.

The major byproduct of the veneering-plywood-door-skin process is waste veneer. The veneer pieces unusable for door skins can be cut to smaller sizes and shapes as required for making such articles as furniture or cabinet parts. Veneer waste may also be chipped for

making paper or board products or may be burned as a fuel in the plant or elsewhere. For Quimby, waste birch veneer was utilized in the manufacture of cabinet parts, an important part of its overall operations. For plywood-door-skin plants without veneering operations, there is no waste veneer.

Materials Competing With Birch Door Skins

The U.S. International Trade Commission's survey of known domestic plywood-door-skin producers showed birch to be the species used most commonly in the domestic production of door skins prior to 1975. Oak was the second most commonly used species, with walnut and other specialty woods being less commonly used. At present, because of the recent closing of the company that had produced the largest volume of birch door skins, the production of oak door skins is greater than that of birch. Imported plywood door skins are primarily of lauan and birch, but door skins of sen, shina, beech, oak, African mahogany, walnut, rosewood, and teak are also imported. Hardboard door skins, both domestic and imported, have come into increasing use in the last decade.

In low-cost housing, multifamily dwellings, and low-cost building construction, lauan and hardboard door skins now dominate the market once held by lauan plywood door skins. Depending on the consumers' preferences and cost requirements, lauan and hardboard door skins also compete, in varying degrees, with the other plywood

door skins in higher cost building structures. The same equipment can be used by the manufacturer to produce plywood door skins of almost any species. Therefore, substitution among various species of wood can readily occur, providing the wood resources are available and consumers' tastes so dictate.

There is a wide range of prices for the various kinds of door skins. Species such as African mahogany, rosewood, teak, and walnut are highly prized and command the highest prices. Oak, birch, maple, sen, beech, and shina are found in the middle range of door-skin prices, with lauan on the low end of the range. Hardboard door skins also are on the low end of the price range.

The Columbia Plywood Corp. states that birch door skins have a market distinct from that of other door skins. They assert that "a birch doorskin is unique in that it has the desirable characteristics of a hardwood, namely, durability, attractive grain pattern, and ability to take a stain, while being less expensive than other hardwoods in common use. Because it is of much greater quality than lauan and other inexpensive materials it is not directly competitive with them."

Birch Resources

In addition to being utilized for door skins, birch--primarily yellow birch--has long been in demand in the United States for other types of plywood, furniture, lumber, and miscellaneous wares of wood,

such as shoe heels, toothpicks, and tongue depressors. This demand has resulted in widespread cutting of birch (in the continental United States), without regard to perpetuating the species. 1/ Such cutting, which has frequently exceeded growth, not only results in leaving the smaller and poorer quality trees in the forest, but also tends to reduce forest acreage containing birch of sawtimber size. As estimated by the U.S. Forest Service, the volume of yellow birch sawtimber, 2/ the principal birch species used for door skins in the United States, decreased from 11.6 billion board feet in 1963 to 7.3 billion board feet in 1970.

Competition for birch logs among the various types of manufacturers of forest products is keen. The price level for standing birch timber or for birch logs results, in part at least, from the market price of products manufactured from birch. The price levels of such products are affected, of course, by a variety of elements. Among the elements is the effect of imported birch and lauan plywood door skins or hardboard door skins on the market price of birch door skins. Manufacturers of other products of birch are frequently able to outbid the manufacturers of door skins for the better birch trees or logs. A log study by the Columbia Plywood Corp. indicates that about 30 percent of the harvest of birch logs in the northeastern United States

1/ Birch Symposium Proceedings, Northeastern Forest Experiment Station, U.S. Forest Service, 1969.

2/ Saw logs suitable for the manufacture of plywood compose an unknown portion of total sawtimber volumes.

within procurement range of, and suitable for use in, Columbia's plants is consumed in the manufacture of other products of birch where lower quality logs would have sufficed. It is believed that the figure of 30 percent represents a sizable increase in the last decade or so.

In contrast to the declining volume of birch in the United States, birch resources in Canada increased from 1963 to 1973 and are estimated to be about four times those in the United States. The supply of birch on the island of Hokkaido in Japan is reported to be about 20 percent of the U.S. supply. Birch resources in Finland are believed to be about 75 percent of the U.S. supply. The supply of birch in the U.S.S.R. is unknown but is believed to be much larger than that in the United States. None of these countries can be regarded as an unrestricted source of birch logs. Of the countries mentioned above, only Canada and Japan can be considered to be reliable and continuing sources of birch door skins in quantity.

U.S. TARIFF TREATMENT

Birch plywood door skins are dutiable under the provisions of the Tariff Schedules of the United States Annotated (TSUSA) item 240.1420 for plywood with a face ply of birch, not face finished, or face finished with a clear or transparent material which does not obscure the grain, texture, or markings of the face ply, and not exceeding in any dimension 5/32 inch in thickness, 47 inches in width, and 85 inches in length.

The rate of duty for TSUSA item 240.1420 was 15 percent ad valorem in 1967, and was reduced in stages, as a result of concessions in the Kennedy Round, to the current rate of 7.5 percent ad valorem. Birch door skins are eligible for the Generalized System of Preferences (GSP) effective January 1, 1976. 1/

1/ Section V (Generalized System of Preferences) of the Trade Act of 1974 authorizes the President to provide duty-free treatment for any eligible article from any beneficiary developing country. Japan is not designated as a beneficiary developing country.

NATURE AND EXTENT OF SALES AT LESS THAN FAIR VALUE

The Department of the Treasury determined, as a result of its investigation of sales of birch three-ply door skins by Japan's four largest exporters (Sattsuru Veneer Co., Ltd., Mitsui Lumber Co., Ltd., Teshiogawa Lumber Co., Ltd., and Marutama Lumber Co., Ltd.), 1/ that birch three-ply door skins from Japan are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)).

The Department of the Treasury examined sales made by the four companies (which are believed to account for 82 percent of the exports of birch three-ply door skins from Japan to the United States) during the 7-month period August 1974 through February 1975. The sales totaled $3,800,000, and are thought to represent 100 percent of sales made by all four manufacturers in the United States during that period. In arriving at its determination of LTFV sales, Treasury considered that the proper basis of comparison for fair value was between purchase price or exporter's sales price (ESP), as appropriate, and the constructed value of the imported merchandise. Purchase price was calculated on the basis of the f.o.b. Japanese port price including necessary packing, with deductions for inland freight and shipping charges. Exporter's sales price was calculated

1/ In Treasury memoranda, these firms are referred to as Sattsuru, Mitsui Lumber, Teshio, and Maru, respectively.

on the basis of ex-dock, duty-paid, U.S. port of entry price with deductions for inland freight (Japan), shipping charges (Japan), ocean freight, marine insurance, brokerage (United States), U.S. duty, and importer's sales expenses. Constructed value of imported merchandise was calculated on the basis of the cost of materials and of fabrication of the merchandise, plus an amount for general expenses and profit, and the cost of all containers and coverings used to pack the merchandise for shipment to the United States. A comparison between purchase price or ESP and foreign market value was ruled out because home market or third country sales of such or similar merchandise at prices above the cost of production were deemed so small as to provide an inadequate basis of comparison. It was determined that shina door skins constituted "such or similar merchandise" within the meaning of section 212(3)(c) of the Antidumping Act, 1921, as amended, and that shina door skins were sold in sufficient quantities to justify their use for purposes of determining fair value. Most of the home market sales of shina door skins during the investigatory period August 1974-February 1975 by the three firms having such sales, however, were found to be at prices less than the cost of production. Therefore, in accordance with section 205(b) of the Antidumping Act, 1921, as amended, these sales were disregarded in the determination of foreign market value.

For the period under consideration, Treasury found dumping margins on 82 percent of the sales by the four companies. The margins 1/ ranged from less than 1 to more than 50 percent; the weighted average margin was 22 percent. * * * This is the first case in which the Trade Act amendments dealing with sales at less than the cost or production (as used in the determination of foreign market value) have come into play. Without those amendments, margins would be substantially reduced, if not eliminated, for three of the four manufacturers.

A summary of the information from the Treasury file (except as noted in footnote 1) of birch three-ply door skins from Japan at less than fair value is given in the following table.

1/ As calculated by the U.S. International Trade Commission (dollar margin divided by constructed value of net exports).

Birch door skins from Japan: Net export sales, constructed value, dollar margin, and weighted average margin, August 1974-February 1975

Period	Net export sales of four companies under consideration	Constructed value of net exports of four companies under consideration	Dollar margin or estimated aggregate dumping duties	USITC weighted average margin 1/
				Percent
1974:				
August	$419,859	$500,436	$80,577	16.1
September	263,370	315,198	51,828	16.4
October	350,943	470,770	119,827	25.5
November	823,595	1,195,538	371,943	31.1
December	751,675	1,132,191	380,516	33.6
1975:				
January	500,243	555,632	55,389	10.0
February	693,223	702,143	8,920	1.3
Total or average	2/ 3,802,908	4,871,908	1,069,000	21.9

1/ Dollar margin divided by constructed value of net exports. Treasury calculates margins in a different manner (dollar margin divided by net export sales) which yields higher percentages.

2/ Total Japanese export sales are estimated to be $4,638,000.

Source: U.S. Department of Treasury investigation.

A copy of the Treasury Department's background memorandum of October 2, 1975, with attachment summarizing the issues involved in its investigation and a Treasury memorandum dated October 9, 1975, regarding the effects of the Trade Act amendments are reproduced in appendix C. Also included in that appendix is a copy of the letter of October 10, 1975, from the Department of the Treasury advising the Commission that birch three-ply door skins from Japan are being, or are likely to be,

sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended. A brief chronology of events at Treasury follows:

December 12, 1974 - Petition received from Columbia Plywood Corp. alleging LTFV sales of birch three-ply door skins from Japan

July 14, 1975 - Withholding of Appraisement Notice published

August 14, 1975 - Confrontation conference held with interested parties

October 10, 1975 - Dumping finding transmitted to U.S. International Trade Commission

U.S. PRODUCERS

Producers of All Door Skins

Door skins of wood are made primarily of hardwood plywood or hardboard.

Of the 180 establishments that produce hardwood plywood, 12 reported producing door skins in 1974 There are seven plants in Wisconsin, two in California, and one each in Maine, Virginia, and Georgia. Total employment is about 2,600. Seven plants are operated by single-establishment firms; the remainder belong to large, multi-establishment firms. Four plants produced door skins only for internal consumption. None of the independent firms have sales exceeding * * * million, and most have sales of less than $2 million.

In 1973 these plants (including the Quimby plant that closed in 1974) had an annual capacity of about 70 million square feet of plywood (1/8-inch basis). According to industry representatives, the domestic producers operated at about 80 percent of capacity during the peak year of production, 1973.

Of the 31 establishments that produce hardboard, four reported producing door skins in 1974. The producers of hardboard door skins are not readily differentiated from other hardboard manufacturers. The same presses are used to produce door skins as to produce many other types of hardboard, and it is possible to switch production from one product line to another with a minimum of difficulty.

One firm controls three of the four domestic plants that produce hardboard door skins, and those three are located in California,

Pennsylvania, and Mississippi. The fourth plant is in Oregon. Hardboard door skins accounted for about 9 percent of total hardboard production in these plants in 1973 and 1974. Total employment in the plants is about 1,250, but only a small proportion of this number are involved directly with the manufacture of door skins.

Producers of Birch Door Skins

A plant capable of producing plywood door skins can manufacture door skins of virtually any species. Of the plants reporting birch-door-skin production in 1970-74 and January-September 1975, none reported producing birch door skins exclusively.

According to trade information, there were about 10 companies with 13 plants which produced about 120 million square feet (MMSF) of birch door skins in the United States in 1965. Seven plywood-door-skin producers manufactured birch door skins sometime during 1970-74 and January-September 1975. These producers operated seven domestic establishments in which birch door skins were produced--five in Wisconsin, one in Maine, and one in Georgia (app. B, fig. 1).

The characteristics of the producing plants vary greatly. Four are owned by single-establishment companies, and three are owned by larger, multiestablishment firms. Quimby's major product was birch door skins, but the plant also produced door skins of other species, as well as birch plywood cabinet parts. Patat Plywood Corp. produces door skins exclusively, mainly birch but some oak. Weber Veneer Co.

is a specialty plywood plant producing a limited amount of birch and oak door skins on a special-order basis. U.S. Plywood Corp. (Algoma), Weyerhaeuser Co., Paine Lumber Co., and Curtis Door Co. produce a limited amount of door skins for use only in their door manufacturing operations. They produce door skins of birch, oak, and other species.

In terms of production, plants manufacturing birch door skins in 1974 ranged in size from less than 0.2 MMSF to more than * * * MMSF. Quimby produced the major share of the birch door skins, while the average production of each of the other six plants for the year was about 1 MMSF. In 1974, birch door skins constituted the bulk of the plywood door skins produced by Quimby, the major producer, and three other producers; birch accounted for about one-third or less of the door skins produced by the remaining three producers.

U.S. SHIPMENTS, PRODUCTION, EXPORTS, AND INVENTORIES

Shipments of birch door skins increased each year from 18 MMSF in 1970 to a high of 39 MMSF in 1973, then decreased to 26 MMSF in 1974 (app. A, table 1). Shipments in 1974 decreased from 9 MMSF in January-March to 2 MMSF in October-December, the period during which Quimby went out of production. Quarterly shipments of birch door skins decreased to 1 MMSF in January-March 1975, but rose to 2 MMSF in April-June 1975. Shipments remained at 2 MMSF in July-September 1975. Birch constituted about 29 percent of total door-skin shipments in 1970, about 15 percent in 1974, but only about 4 percent in January-June 1975. The trend in production of birch door skins closely followed the trend in shipments (table 2).

Market shipments of birch door skins increased from 17 MMSF in 1970 to 36 MMSF in 1973 and then declined to 24 MMSF in 1974. Unit values rose steadily throughout the period from $116 per thousand square feet (MSF) in 1970 to $172 per MSF in 1974. For the first 9 months of 1975, market shipments totaled 3 MMSF with an average unit value of $185 per MSF (table 3).

Captive shipments of birch door skins rose during 1970-73 peaking at more than 2 MMSF in 1973; they decreased in 1974 and January-September 1975 (table 2). Whereas captive shipments accounted for only about 6 percent of total domestic shipments of birch door skins annually during 1970-74, in October-December 1974 they accounted for 13 percent and in January-September 1975, for about 25 percent.

There were no known exports of birch plywood door skins during the period January 1970 to September 1975.

Two producers reported carrying inventories of birch door skins during some portion of the period December 1969-June 1975. Yearend inventories peaked in 1970 at 4.6 MMSF and fluctuated thereafter between 1.3 MMSF and 2.0 MMSF (table 4).

U.S. IMPORTS

U.S. imports of birch door skins increased irregularly from an estimated 26 MMSF in 1950 to 122 MMSF in 1966, when they were first reported separately. They reached a high of 158 MMSF in 1968 and 1969, then declined irregularly to 126 MMSF in 1973 and 87 MMSF in 1974 (table 5). Imports in January-September 1975 totaled 89 MMSF, 15 percent greater than in the corresponding period of 1974 (table 6). The increase in imports of birch door skins during January-September 1975, which is accented by the decline in aggregate U.S. imports of all door skins during the same period, is probably largely the result of the cessation of production by Quimby, which was by far the largest domestic producer of birch door skins.

The ratio of imports of birch door skins to apparent consumption of such door skins declined gradually from 89 percent in 1970 to 77 percent in 1973 and 1974. It reached 95 percent in January-September 1975, when domestic production was sharply reduced and imports increased compared with those in the corresponding period of 1974 (table 7). The trend in imports of birch door skins relative to domestic production was more pronounced but similar to the ratio of imports to consumption. Imports were 7.8 times as large as domestic production in 1970, but by 1973 they were only 3.2 times as large. They subsequently increased (despite a decrease in actual imports) to 3.4 times domestic production in 1974, and jumped to 21.0 times domestic production during January-September 1975 (table 8).

For the past decade Japan has been the principal U.S. supplier of birch door skins, accounting for more than half the number imported each year since 1966 (table 9). Canada has generally been the second most important source, while Finland has supplied virtually all the remainder. U.S. imports of birch door skins from Finland, however, have declined greatly in the last 5 years.

Imports from Japan rose steadily from 46 MMSF in 1966 to 105 MMSF in 1970. In 1972, a boom year for housing, imports from Japan totaled 87 MMSF. By 1974, a depressed year for housing, imports amounted to 55 MMSF. Imports from Japan as a percent of total birch door skin imports increased, however, from 57.6 percent in 1972 to 63.2 percent in 1974. Imports for January-September 1975 amounted to 62 MMSF and 69.8 percent of total imports (table 10).

During the last several years, birch door skins from Japan have entered largely on the west coast and in the Gulf and South Atlantic States. Imports from Canada entered in the northeastern and Great Lakes States, while those from Finland have entered predominantly in the Atlantic and Gulf States (table 11).

The value of imported birch door skins ranged from $10 million to $15 million a year in 1966-72, totaled $18 million in 1973 and fell to less than $13 million in 1974 (table 9). Imports for January-September 1975 were valued at $10.8 million, 9 percent less than during January-September 1974. The decline in value during January-September 1975, despite an increase in quantity, resulted from

a decrease in the average unit value from $154 per MSF in January-September 1974 to $121 per MSF during January-September 1975 (table 6).

The value of imported birch door skins from Japan ranged from $4 to $8 million in 1966-72, totaled $11 million in 1973 and fell to less than $8 million in 1974. Imports from Japan for January-September 1975 were valued at $6.6 million compared with $6.9 million in January-September 1974. Imports from Canada have ranged from $2 to $6 million in 1966-74 and $4.0 million in January-September 1975. Imports from Finland ranged from less than $1 million to $2 million in 1966-74 and $0.1 million in January-September 1975 (tables 9, 10, 12, and 13).

Birch door skins imported from Japan had a unit value, before duty and other costs, of $74 to $97 per MSF in 1966-72, compared with $96 to $105 for the Canadian article. In 1973 the unit value of the Japanese articles increased by about half, to $147, and that of the Canadian article by about a third, to $138. In 1974 the unit value for the Japanese articles declined to $139, while that for the Canadian article rose to $160. The unit values of Japanese and Canadian birch door skins declined in January-September 1975 to $106 and $153, respectively (tables 9, 10, and 12).

Birch door skins imported from Japan are reported to be of a quality at least equal to, if not better than, that of the domestic

or the Canadian product. The Japanese door skins are graded and sold somewhat differently from the domestic product. Virtually all birch-door-skin imports from Japan consist of a 50-50 mixture or composite of AA grade (most comparable to U.S. premium grade) and AB grade (U.S. good grade). The door skins are sold at one price without a price differential according to grade. This differs from the common practice of domestic producers of selling each grade of door skin at a different price; however, domestic producers do also sell door skins on a composite basis. Birch door skins imported from Canada are reported by trade sources to be comparable to the domestic product in quality and grading standards.

The great bulk of the birch door skins imported from Japan are handled through perhaps a dozen large Japanese trading companies that deal in a great number of products other than door skins. The trading companies purchase the door skins from the Japanese producers and in turn sell them to U.S. consumers, i.e., the flush-door producers. The trading companies may either import the door skins into the United States for subsequent resale or sell the door skins f.o.b. Japan, leaving the U.S. purchaser to arrange and pay for delivery expenses to the United States. The larger domestic flush-door producers tend to import for their own consumption, while the smaller producers generally buy from an importer. Imports of birch door skins from Canada are customarily handled by direct contact between the U.S. producers of flush doors and the (two) Canadian

birch-door-skin producers. Purchases are generally made f.o.b. Canadian mill, with or without the duty paid. Shipment is then made by rail or truck, with the purchaser paying the delivery expenses from the Canadian mill to the United States.

Yearend inventories of birch door skins, expressed as a percentage of the importers' annual shipments of such door skins, fell from 8 percent in 1970 to 2 percent in 1971 and 1972, but increased to 5 percent by the end of 1973 and jumped to 13 percent by the end of 1974. Yearend inventories of all door skins held during 1970-73 by importers averaged about 5 percent of their annual shipments of door skins in this period. However, inventories held by importers at the end of 1974 increased to 11 percent of their shipments of door skins during 1974.

U.S. CONSUMPTION AND RELATION TO HOUSING STARTS

Consumption

Consumption of birch door skins peaked at 189 MMSF in 1972, rising from 162 MMSF in 1971, but then decreased to about 113 MMSF in 1974. During the last quarter of 1974, in which period Quimby ceased production, consumption of birch door skins totaled only about 12 MMSF. Consumption rose in January-September 1975 to 94 MMSF, about 6 percent less than during the corresponding period of 1974. The ratio of imports of birch door skins to consumption of such door skins declined gradually from 89 percent in 1970 to 77 percent in 1973 and 1974, but increased to 95 percent in January-September 1975 (tables 1 and 7).

The Trend in Consumption Versus the Trend in Housing

According to industry sources, an average of 34 square feet of door skins is used in the production of a flush door. The number of flush doors required per private housing start varies considerably, ranging from about 10 to 20. Therefore, in new housing, requiring 15 flush doors, about 510 square feet of door skins would be used. It should be noted, however, that flush doors are also used in remodeling older housing and in mobile homes. The following table compares housing starts with the consumption of door skins of all materials and of birch during January 1970-September 1975. As indicated in the table, on the average, 540 square feet of door skins of all types and 88 square feet of birch door skins were used annually per housing start during the period.

New private housing starts in the United States and consumption therein of all door skins and of birch door skins, total and per housing start, 1970-74 and January-September 1975

Period	New private housing starts 1/	Consumption of door skins			
		Total		Per housing start	
		All door skins	Birch door skins	All door skins	Birch door skins
	Thousands	Million sq. ft.	Million sq. ft.	Sq. ft.	Sq. ft.
1970	1,434	833	171	581	119
1971	2,052	1,050	162	512	79
1972	2,357	1,236	189	524	80
1973	2,045	1,050	165	513	81
1974	1,338	757	113	566	84
Jan.-June 1975	515	332	62	645	120
Jan.-Sept. 1975	861	2/	94	2/	109
Total or average, Jan. 1970-June 1975	9,741	5,258	862	540	88

1/ Public housing starts are small in relation to private housing starts.

2/ Not available.

Source: New private housing starts, from official statistics of the U.S. Department of Commerce; consumption, from table 1 in this report.

It is interesting to note from the table above that the quantity of birch door skins per housing start dropped from 119 square feet in 1970 to 84 square feet in 1974; the quantity of all door skins per housing start decreased from 581 to 566 over the same period.

MARKET PENETRATION AND LOST SALES

From January 1970 through June 1974, United States and Canadian birch-door-skin producers were steadily increasing their respective shares of the United States birch-door-skin market at the expense of Japanese and Finnish imports (fig. 2). Nevertheless, Japan maintained the major portion of the United States market, averaging, for example, 44 percent in 1973 compared to 23 percent for the United States, 26 percent for Canada, and 6 percent for Finland (table 7). Between the second and fourth quarters of 1974, however, there were substantial changes in the market shares held by United States, Japanese, and Canadian producers. During that time, the United States producers' market share dropped from 27 percent to 15 percent while the Japanese share rose from 37 percent to 65 percent. While Quimby's closing in October 1974 partially explains the proportions of market shares during and past the fourth quarter of 1974, not all of Japan's increased market share was at the expense of United States producers. Canadian producers also experienced a large loss in the United States birch door-skin market during the last half of 1974. In the first three quarters of 1975 Canada recovered its 1974 share of the United States market, Japan increased its share, and the United States producers' share deteriorated to less than one-fourth of its 1974 share. Canada's share for January-September 1975 remained about the same as for 1974 at 28 percent, Japan's share increased to 66 percent and the United States producers' share dropped to 5 percent.

Examination of the unit values of Japanese imports and selling price data gathered from U.S. importers reveals a sharp drop in these values and prices, which corresponds very closely with the rise in the Japanese share of U.S. domestic consumption (table 7; figs. 3 and 4).

Domestic producers were able to provide little evidence of specific instances of lost sales.

U.S. PURCHASERS

Flush-door manufacturers, which are virtually the only market for door skins, operate about 74 establishments in the United States; 45 plants are operated by single-establishment firms, and 29, by multiestablishment firms. Primary concentrations are around the Great Lakes, along the west coast, and in the timber-producing areas of the southeast and northeast (fig. 5). Total employment is about 9,500, approximately 130 per plant.

The industry is a relatively new one with the newest firms being the smallest. Of the 13 firms established since 1970, none employ more than 200 people, and the average number employed is about 70. The average age of single-establishment firms is 14 years, and that of multiestablishment firms, 25 years. Of 34 firms reporting net worth, the median is $500,000, and of 52 firms reporting sales, the median is $5 million. For the larger companies, flush-door sales account for only a very small part of total sales.

The value of flush-door shipments was $369 million in 1972, up from $202 million in 1967 (table 14). The number of doors produced increased from about 28 million to about 39 million in the same period. Roughly 80 percent of the hollow-core doors are produced with a face of hardwood plywood, of which about 24 percent is birch, 3 percent, oak, and 73 percent, lauan. The industry depends on imports for more than 90 percent of its hardwood plywood door skins.

Shipments of flush doors with hardwood faces increased from $176 million in 1967 to $280 million in 1972, but their share of shipments

of all types of flush doors fell from about 87 percent to 76 percent for the years indicated. On the basis of fragmentary data, it is believed that flush doors with hardboard faces may have increased their share (based on value) of all types of flush doors from about 5 percent in 1967 to about 15 percent in 1972.

U.S. EMPLOYMENT

The number of production and related workers engaged in the production of birch door skins during 1970-74 is estimated to have ranged between 300 and 400. No discernible trend in such employment was evident until late 1974, when the number employed dropped abruptly to fewer than 100. The cause of the abrupt decrease at that time was, of course, the cessation of production by the Quimby plant, which alone employed close to 300 persons just prior to closing. Man-hours worked by production and related workers on birch door skins generally followed the trend in production of such door skins, rising from 1970 to 1972, peaking in 1973 (at an estimated 800,000), but then declining sharply in 1974 (to an estimated 550,000). Wages paid to such employees totaled about $2 million in 1974.

Complete data on employment of workers engaged in the production of birch door skins during 1975, along with man-hours worked by and wages paid to such employees, are not available, but there can be no doubt that all have declined greatly inasmuch as domestic production of birch door skins in January-June 1975 was only about one-eighth of the amount in the corresponding period of 1974.

PRICES

The average lowest prices paid for domestically produced and imported Canadian and Japanese birch door skins, as reported by United States flush-door producers, domestic door-skin producers, and door-skin importers, are shown in table 15. The figures in the table, which cover the period Janaury 1970-September 1975, represent the lowest prices paid for such door skins each month; the quarterly and annual data are unweighted averages of such monthly prices. Separate columns listing the prices of the two major domestic door skin producers are provided because the product manufactured by these concerns is believed to differ significantly in quality. The Japanese product is most comparable to the Quimby and Canadian "combined" grades, 1/ while the composite grade sold by Patat is believed to be of a lesser quality, but still competitive with Japanese, Canadian, and Quimby-made birch door skins.

In 1970 the average lowest price for birch door skins imported from Japan was about $90 per MSF, some $25 per MSF or 22 percent less than the average domestic price. Both domestic and imported prices generally rose from 1970 through 1972. During 1973, prices of birch plywood door skins imported from Japan were consistently higher than domestic prices. In the last quarter of 1973, the average lowest price for birch door skins imported from Japan was $198.34 per MSF, the highest figure shown in table 15, whereas the lowest domestic price was * * * per MSF.

1/ An average of premium and good grades.

Table 15 shows that Quimby's average lowest prices went up the first two quarters of 1974 to * * * per MSF, an increase of about $18 per MSF from the previous two quarters. In July 1974 Quimby again raised its lowest price to * * * per MSF and retained that price for the rest of the year. Patat raised its average lowest price $7 per MSF during the second quarter to * * * per MSF, but dropped it in the third quarter to * * * per MSF and again in the fourth quarter to * * * per MSF. Similarly, the average lowest price for birch doors skins imported from Canada rose about $6 per MSF in the second quarter to $178.09 per MSF and then declined throughout the rest of the year to a December average lowest price of $149.75 per MSF. The average lowest price for birch door skins imported from Japan declined throughout 1974 from $187.65 per MSF in January-March to $116.19 per MSF in December. There were drops of about $11, $12, $27, and $26 per MSF for the four quarters, respectively. In July 1974 the price of birch door skins imported from Japan dropped about $12 per MSF to $163.06 from the second quarter average lowest price of $175.38 per MSF. August and September showed monthly decreases of about $6 and $11 per MSF, respectively. In October 1974 the average lowest price for Japanese birch door skins dropped to $131.09 per MSF, a decrease of about $15 per MSF from September. Another sharp price decrease followed in November, with the average lowest price for birch door skins imported from Japan falling to $116.51 per MSF. In December, the Japanese price dropped very slightly to $116.19 per MSF. On an

average-lowest-price basis for the last quarter of 1974, prices of birch door skins imported from Japan were * * * percent lower than Quimby's, * * * percent lower than Patat's, and 22 percent lower than the Canadian birch door skins.

In the first 5 months of 1975, Quimby's average lowest price was * * * per MSF, down about $14 per MSF from the previous two quarters. (At this point Quimby may have been attempting to liquidate its inventory following the plant's closing in October.) For the same period, Patat and Canadian average lowest prices both remained constant at * * * per MSF and $156.50 per MSF, respectively. Average lowest prices of birch door skins imported from Japan rose steadily during the first 7 months of 1975, reaching $163.03 per MSF in July. In June 1975 Patat's lowest price rose to * * * per MSF and remained at that level through September. The average lowest price for birch door skins imported from Canada dropped in June 1975, but remained constant at about $163 per MSF through September. After the price of birch door skins imported from Japan rose in July 1975 to approximate parity with domestic and Canadian prices, there were small decreases in August and September.

Table 16 shows an index of Japanese export prices for birch plywood, a large percentage of which is believed to consist of door skins, for January 1970-June 1975. The table indicates that Japanese export prices for birch plywood in 1974 declined by almost 50 percent between February and November. During January-September 1975,

however, Japanese prices increased substantially, although they were still below the levels reached in each of the corresponding months of 1973 and 1974.

PRICE COMPARISONS

Figures 4-15 show relationships that exist between the selling price of door skins imported from Japan and various other factors. The relationship between selling prices and the dumping margins found by Treasury is shown in figure 6.

Figure 4 shows that the prices of birch door skins imported from Japan were lower than the prices of domestic birch door skins in 1970 and 1971, comparable to them in 1972, and higher in 1973. In 1974 the prices of birch door skins imported from Japan declined steadily; by midyear, the birch door skins imported from Japan were priced lower than domestic door skins, and the margins widened throughout July-December (fig. 7). In 1975 the prices of birch door skins imported from Japan rose as rapidly as they had declined in 1974, and by the second quarter of 1975 the prices of the Japanese and domestic product were almost equal again. The turnaround point for prices coincides with the initiation of Treasury's dumping investigation.

The Allen Quimby Veneer Co. indicated in a brief submitted to the Commission that Quimby could have been competitive if Japanese prices had been within * * * per MSF of domestic prices. Figure 8 compares domestic prices with figures obtained by increasing Japanese prices by the dumping margin percentages found by Treasury.

Figures 9 through 13 show comparisons between the prices of Japanese birch door skins and a variety of economic factors, including imported quantities of Japanese birch door skins (fig. 9), shipments

of domestic producers (fig. 10), Japanese market share (fig. 11), domestic producers' market share (fig. 12), and domestic producers' net profits before taxes (fig. 13).

Figure 14 shows that there is a close relationship between the prices of birch door skins imported from Japan and U.S. housing starts. Figure 15 indicated a similar close relationship between quantities of birch door skins imported from Japan and U.S. housing starts during 1971-74; such imports on a monthly basis are normally irregular and thus cannot be used for similar comparative purposes. It is generally accepted that amounts of door skins sold vary with housing starts, indicating that the changes in annual imports as shown in figure 15 are typical. Of course, the closing of the Quimby plant in October 1974 enabled at least a portion of its former market to be taken over by Japanese door skins.

FINANCIAL EXPERIENCE OF U.S. PRODUCERS

The data reported in this section represent the profit-and-loss experience of two U.S. producers of birch door skins. These producers--Quimby and Patat--manufactured birch plywood door skins that accounted for over * * * percent of the total production of all birch plywood door skins during the period 1970-74. Quimby alone produced not less than * * * percent of total birch-door-skin production during this period. There were several producers of very small volumes of birch plywood door skins, but the great bulk of their output was not sold but was used in their own manufacturing operations.

* * * * * * *

The principal elements of the item "other income or expense, net," which makes up the difference between net operating profits or losses and net profits or losses before income taxes, were interest income and expense, the gain or loss on the sale of assets, and corporate charges levied as a percentage of capital investment (table 17).

* * * * * * *

APPENDIX A
STATISTICAL TABLES

Table 1.--Door skins: Estimated U.S. shipments, imports, exports, and apparent consumption, 1970-74 and, by quarters, 1974 and January-September 1975

(In millions of square feet)

Period	Shipments 1/				Imports					Exports 2/		Apparent consumption				
	Birch	Other plywood	Hard-board	Total	Birch	Lauan	Other plywood	Hard-board	Total	Hard-board	Total	Birch	Lauan	Other plywood	Hard-board	Total
1970	18	11	*	*	*153	*539	36	42	771	-	-	171	539	47	*	*
1971	30	17	*	*	*132	*685	60	81	959	-	-	162	685	78	*	*
1972	38	22	*	*	*151	*579	73	81	884	-	-	189	579	95	*	*
1973	39	23	*	*	*126	*469	62	121	777	-	-	165	469	85	*	*
1974	26	20	*	*	*87	*373	36	94	591	4	4	113	373	56	*	*
January-March	9	6	*	*	*25	*116	10	29	181	1	1	34	116	16	*	*
April-June	9	6	*	*	*23	*88	10	23	143	1	1	32	88	16	*	*
July-September	6	5	*	*	*28	*127	12	32	199	1	1	34	127	17	*	*
October-December	2	3	*	*	*10	*42	4	10	67	1	1	12	42	7	*	*
1975:																
January-March	1	4	*	*	*34	*47	8	7	96	-	-	35	47	12	*	*
April-June	2	5	*	*	*25	*125	6	19	174	1	1	27	125	10	*	*
July-September	2	3/	3/	3/	*30	*108	3/	3/	3/	3/	3/	32	108	3/	3/	3/

* Data reported in official statistics.

1/ Does not include lauan, shipments of which are known to be small.
2/ Exports, not separately reported, are known to be small.
3/ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce and from information supplied by producers.

Note.--Because of rounding, figures may not add to the totals shown.

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Table 2.--Birch door skins: Estimated U.S. production, market shipments, and captive shipments, 1970-74 and, by quarters, 1974 and January-September 1975

(In thousands of square feet)

	1970	1971	1972	1973	1974					1975		
					Total	January-March	April-June	July-September	October-December	January-March	April-June	July-September
Production	19,559	27,710	36,857	38,829	25,368	10,024	8,042	6,223	1,579	886	1,362	1,979
Market shipments	16,754	28,376	35,657	36,356	24,082	8,839	8,189	5,464	1,590	474	1,257	1,759
Captive shipments	1,345	1,872	1,941	2,258	1,875	598	601	430	246	448	421	274

Source: Compiled from information supplied by domestic producers of birch door skins.

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Table 3.--Birch door skins: U.S. market shipments, by domestic producers, 1970-74 and, by quarters, 1974 and January-September 1975

Firm	1970	1971	1972	1973	1974					1975		
					Total	January-March	April-June	July-September	October-December	January-March	April-June	July-September
	Quantity (1,000 square feet)											
Patat Plywood Corp.	*	*	*	*	*	*	*	*	*	*	*	*
Allen Quimby Veneer Co.	*	*	*	*	*	*	*	*	*	*	*	*
Weber Veneer Co.	*	*	*	*	*	*	*	*	*	*	*	*
Total	16,754	28,376	35,657	36,356	24,082	8,839	8,189	5,464	1,590	474	1,257	1,759
	Value											
Patat Plywood Corp.	*	*	*	*	*	*	*	*	*	*	*	*
Allen Quimby Veneer Co.	*	*	*	*	*	*	*	*	*	*	*	*
Weber Veneer Co.	*	*	*	*	*	*	*	*	*	*	*	*
Total	1,946,000	3,145,000	4,371,200	5,589,250	4,138,516	1,506,583	1,422,543	940,698	268,692	78,234	266,147	300,169
	Unit value (per 1,000 square feet)											
Patat Plywood Corp.	*	*	*	*	*	*	*	*	*	*	*	*
Allen Quimby Veneer Co.	*	*	*	*	*	*	*	*	*	*	*	*
Weber Veneer Co.	*	*	*	*	*	*	*	*	*	*	*	*
Total	116.15	110.83	122.59	153.74	171.85	170.45	173.71	172.16	168.99	165.05	211.73	170.65

Source: Responses to U.S. International Trade Commission questionnaires.

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Table 4.--Door skins: Estimated U.S. end-of-period inventories, by types, 1969-74 and, by quarters, 1974

(In thousands of square feet)

Type	1969	1970	1971	1972	1973	1974				
						Total	January-March	April-June	July-September	October-December
Birch door skins	3,121	4,581	2,043	1,302	1,517	1,428	2,104	1,356	1,685	1,428
Plywood door skins other than birch	760	451	726	759	852	652	835	960	926	652
Total door skins	3,881	5,032	2,769	2,061	2,369	2,080	2,939	2,316	2,611	2,080

Source: Compiled from information supplied by domestic producers.

Note.--There were no end-of-period inventories of hardboard door skins reported for 1969-74.

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Table 5.--Birch door skins: U.S. imports for consumption, 1950-74 1/

(In millions of square feet)

Year	U.S. imports
1950	26
1951	25
1952	31
1953	48
1954	58
1955	85
1956	74
1957	56
1958	44
1959	74
1960	67
1961	64
1962	76
1963	89
1964	99
1965	108
1966	122
1967	118
1968	158
1969	158
1970	153
1971	132
1972	151
1973	126
1974	87

1/ Data for 1950-65 estimated from imports of birch plywood.

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

Table 6.--Birch door skins: U.S. imports for consumption, by months, 1973, 1974, and January-September 1975

Month	Quantity			Value			Unit value		
	1973	1974	1975	1973	1974	1975	1973	1974	1975
	Million sq. ft.	Million sq. ft.	Million sq. ft.	1,000 dollars	1,000 dollars	1,000 dollars	Per 1,000 sq. ft.	Per 1,000 sq. ft.	Per 1,000 sq. ft.
January	14	6	10	1,468	1,036	896	$103.39	$159.68	$89.66
February	12	8	11	1,442	1,161	986	117.70	152.25	89.27
March	9	11	13	1,179	1,770	1,453	127.64	160.15	108.00
April	12	5	7	1,695	820	967	138.62	163.27	135.78
May	10	10	11	1,418	1,671	1,420	148.56	158.02	134.56
June	11	8	7	1,662	1,227	990	158.36	159.33	144.82
July	9	10	10	1,475	1,502	1,418	161.17	154.51	136.27
August	9	12	8	1,388	1,755	1,052	161.29	140.60	136.90
September	11	6	12	1,761	883	1,591	164.42	140.90	135.31
October	16	4	-	2,505	465	-	156.08	119.10	-
November	7	3	-	1,094	328	-	156.73	127.58	-
December	6	4	-	1,058	362	-	162.39	94.08	-
Total or average	126	87	89	18,146	12,981	10,773	144.05	148.76	121.24

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

Note.--Because of rounding, figures may not add to the totals shown.

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Table 7.--Birch door skins: Market shares as indicated, 1970-74 and, by quarters, 1974 and January-September 1975

(In percent)

Period	Ratio of--				
	Total imports to consumption	Imports from Japan to consumption	Imports from Canada to consumption	Imports from Finland to consumption	Domestic shipments to consumptio
1970	89	61	10	18	
1971	81	49	18	14	
1972	80	46	22	12	
1973	77	44	26	6	
1974	77	49	26	2	
Jan.-Mar	74	38	31	3	
Apr.-June	72	37	33	3	
July-Sept	82	64	17	2	
Oct.-Dec	83	65	19	1	
1975:					
Jan.-Mar	97	80	17	-	
Apr.-June	93	49	44	1	
July-Sept	94	66	27	1	

Source: Compiled from official statistics of the U.S. Department of Commerce and from information supplied by domestic producers.

Note.--All ratios presented here are based on estimated data.

Table 8.--Birch door skins: Ratios of imports as indicated to U.S. production, 1970-74 and, by quarters, 1974 and January-September 1975

Period	Total imports to production	Imports from Japan to production	Imports from Canada to production	Imports from Finland to production
1970	7.8:1	5.4:1	0.9:1	1.6:1
1971	4.8:1	2.9:1	1.1:1	0.8:1
1972	4.1:1	2.4:1	1.1:1	0.6:1
1973	3.2:1	1.9:1	1.1:1	0.3:1
1974	3.4:1	2.1:1	1.1:1	0.1:1
Jan.-Mar	2.5:1	1.3:1	1.1:1	0.1:1
Apr.-June	2.9:1	1.5:1	1.3:1	0.1:1
July-Sept	4.6:1	3.5:1	0.9:1	0.1:1
Oct.-Dec	6.5:1	5.0:1	1.5:1	0.1:1
1975:				
Jan.-Mar	38.9:1	32.0:1	6.9:1	0.1:1
Apr.-June	18.0:1	9.4:1	8.5:1	1.3:1
July-Sept	15.1:1	10.6:1	4.4:1	1.1:1

Source: Compiled from official statistics of the U.S. Department of Commerce and from information supplied by domestic producers.

Note.--All ratios presented here are based on estimated data.

Table 9.--Birch door skins: U.S. imports for consumption, by principal sources, 1966-74

Source	1966	1967	1968	1969	1970	1971	1972	1973	1974
	Quantity (million square feet)								
Japan	46	59	82	96	105	80	87	73	55
Canada	45	33	40	25	17	30	41	43	29
Finland	31	27	35	37	31	22	23	10	3
All other	1/	-	-	-	-	-	-	-	1/
Total	122	118	158	158	153	132	151	126	87
	Value (1,000 dollars)								
Japan	4,375	5,165	7,497	8,425	7,800	6,405	8,354	10,755	7,642
Canada	4,312	3,210	4,015	2,607	1,740	3,098	4,362	5,931	4,709
Finland	1,836	1,595	2,072	2,440	2,124	1,663	2,398	1,458	623
All other	32	-	5	4	1	4	-	2	7
Total	10,554	9,970	13,589	13,477	11,665	11,170	15,114	18,146	12,981
	Unit value (per 1,000 square feet) 2/								
Japan	$95.27	$87.82	$91.48	$87.51	$74.48	$80.36	$96.54	$147.33	$139.08
Canada	96.31	98.46	99.48	103.09	99.68	103.95	105.37	137.93	159.68
Finland	59.48	59.42	58.88	66.62	68.26	74.30	103.15	145.80	221.35
All other	124.90	-	56.64	40.97	112.25	79.73	-	-	709.70
Average	86.64	84.31	86.23	85.14	76.09	84.66	99.98	144.05	148.76

1/ Less than 500,000 square feet.
2/ Calculated from the unrounded figures.

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

Note.--Because of rounding, figures may not add to the totals shown.

Table 10.--Japanese birch door skins: U.S. imports for consumption, by months, 1973, 1974, and January-September 1975

Month	Quantity			Value			Unit value		
	1973	1974	1975	1973	1974	1975	1973	1974	1975
	Million sq. ft.	Million sq. ft.	Million sq. ft.	1,000 dollars	1,000 dollars	1,000 dollars	Per 1,000 sq. ft.	Per 1,000 sq. ft.	Per 1,000 sq. ft.
January	6	3	9	683	385	707	106.30	149.90	80.60
February	8	4	9	901	666	676	111.02	150.04	75.38
March	5	6	11	594	958	1,024	121.01	152.40	96.79
April	7	1	3	1,058	104	296	141.60	156.38	107.72
May	5	7	6	707	1,139	787	146.93	153.14	124.13
June	6	4	4	1,049	537	473	165.56	143.78	130.23
July	6	7	7	938	1,037	879	168.18	148.87	125.15
August	5	11	5	846	1,490	664	167.70	137.70	124.69
September	7	4	9	1,184	543	1,082	170.90	131.63	125.79
October	12	3	-	1,875	343	-	158.89	109.98	-
November	3	2	-	441	171	-	156.44	108.99	-
December	3	3	-	480	270	-	162.18	83.68	-
Total or average	73	55	62	10,756	7,642	6,589	146.95	139.08	106.27

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

Note.--Because of rounding, figures may not add to the totals shown.

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Table 11.--Birch door skins: U.S. imports for consumption from Japan, Canada, and Finland, by customs district of unlading, 1970, 1972-74, and January-September 1975

(In thousands of square feet)

Customs district of unlading	1970	1972	1973	1974	Jan.-Sept. 1975
	Imports from Japan				
New York, N.Y	1,975	1,832	419	249	-
Philadelphia, Pa	9,628	9,884	7,020	3,094	9,064
Baltimore, Md	6,892	750	219	-	-
Wilmington, N.C	5,868	1,006	-	-	-
Charleston, S.C	4,878	16,595	15,577	15,636	12,428
New Orleans, La	15,770	1,276	-	331	3,471
Galveston, Tex	38	5,472	3,619	5,619	6,332
Houston, Tex	6,352	4,303	5,322	2,332	3,467
Los Angeles, Calif	10,556	11,543	9,780	9,220	8,662
San Francisco, Calif	1,962	7,325	3,020	2,170	2,027
Portland, Oreg	22,765	19,898	20,861	15,294	16,491
Seattle, Wash	4,947	375	110	-	-
Detroit, Mich	2,642	4,129	5,136	-	-
All other	10,459	2,147	2,111	1,004	57
Total	104,732	86,535	73,194	54,949	61,999
	Imports from Canada				
St. Albans, Vt	671	11,176	19,778	13,465	2,841
Ogdensburg, N.Y	3,186	4,081	4,291	2,337	4,558
Buffalo, N.Y	7	3	1,615	-	-
Detroit, Mich	13,522	26,078	16,764	13,690	18,750
All other	69	59	234	-	245
Total	17,455	41,397	42,682	29,492	26,394
	Imports from Finland				
New York, N.Y	985	2,034	115	110	219
Baltimore, Md	7,654	4,849	2,212	670	171
Norfolk, Va	17,970	14,479	6,665	1,619	-
New Orleans, La	2,844	642	742	87	4
Houston, Tex	1,024	94	-	291	39
All other	643	1,146	350	36	30
Total	31,120	23,244	10,084	2,813	463

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

Table 12.--Canadian birch door skins: U.S. imports for consumption, by months, 1973, 1974, and January-September 1975

Month	Quantity			Value			Unit value		
	1973	1974	1975	1973	1974	1975	1973	1974	1975
	Million sq. ft.	Million sq. ft.	Million sq. ft.	1,000 dollars	1,000 dollars	1,000 dollars	Per 1,000 sq. ft.	Per 1,000 sq. ft.	Per 1,000 sq. ft.
January	6	4	1	569	579	185	95.25	154.60	153.01
February	3	3	2	360	490	303	126.53	154.81	148.83
March	4	4	3	521	623	427	131.89	160.95	149.33
April	4	4	4	557	671	665	137.69	159.72	152.82
May	4	3	4	556	498	625	153.26	162.62	149.35
June	3	3	3	521	566	463	153.97	167.69	151.05
July	4	3	3	532	423	495	150.13	164.14	153.81
August	3	1	2	394	217	388	155.22	160.51	164.43
September	4	2	3	525	292	492	149.15	159.36	158.30
October	3	1	-	490	114	-	154.96	151.75	-
November	3	1	-	498	148	-	149.11	154.12	-
December	3	1	-	408	88	-	148.45	147.29	-
Total or average	43	29	26	5,931	4,709	4,043	138.96	159.68	153.19

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

Note.--Because of rounding, figures may not add to the totals shown.

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Table 13.--Finnish birch door skins: U.S. imports for consumption, by months, 1973, 1974, and January-September 1975

Month	Quantity			Value			Unit value		
	1973	1974	1975	1973	1974	1975	1973	1974	1975
	Million sq. ft.	Million sq. ft.	Million sq. ft.	1,000 dollars	1,000 dollars	1,000 dollars	Per 1,000 sq. ft.	Per 1,000 sq. ft.	Per 1,000 sq. ft.
January	2	1/	1/	216	72	4	120.08	413.54	281.36
February	1	1/	1/	181	5	7	140.24	225.70	174.74
March	1/	1	1/	63	190	2	174.11	210.91	133.47
April	1	1/	1/	81	45	5	112.78	287.79	316.35
May	1	1/	1/	156	34	7	140.23	442.26	328.68
June	1	1	1/	92	125	55	118.73	209.20	381.57
July	1/	1/	1/	4	35	45	161.07	207.76	263.56
August	1	1/	1/	148	48	-	144.77	154.96	-
September	1/	1/	1/	52	48	16	198.16	155.28	371.20
October	1	1/	-	140	8	-	128.75	238.53	-
November	1	1/	-	155	9	-	188.67	209.67	-
December	1	1/	-	170	4	-	210.42	168.36	-
Total or average	10	3	1/	1,458	623	141	144.63	221.35	304.30

1/ Less than 500,000 square feet.

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

Note.--Because of rounding, figures may not add to the totals shown.

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Table 14.--Flush doors: U.S. shipments, by types, 1963, 1967, and 1972

Item	1963	1967	1972
	Quantity (thousands)		
Hollow core:			
Softwood faces	1/	2,491	2,722
Hardwood faces, including lauan	1/	20,445	26,488
Other faces, including hardboard	1/	1/	1/
Total, hollow core	27,000	1/	1/
Solid core:			
Hardwood faces, including lauan	1/	3,445	4,063
Softwood and other faces, including hardboard	1/	126	1/
Total, solid core	2,901	3,571	1/
Total, all flush doors	29,901	1/	1/
	Value (million dollars)		
Hollow core:			
Softwood faces	1/	15.0	37.2
Hardwood faces, including lauan	1/	111.0	197.1
Other faces, including hardboard	1/	8.1	37.3
Total, hollow core	146.1	134.1	271.6
Solid core:			
Hardwood faces, including lauan	1/	64.8	82.5
Softwood and other faces	1/	2.6	15.0
Total, solid core	44.8	67.4	97.5
Total, all flush doors	190.9	201.5	369.1

1/ Not available.

Source: U.S. Department of Commerce, Census of Manufactures, 1963, 1967 and 1972.

Table 15.--Birch door skins: U.S. producers' lowest prices and average lowest (unweighted) prices at sellers' U.S. point of shipment, 1970-74 and, by quarters, 1972-74 and January-September 1975

(Per 1,000 square feet)

Period	Domestically produced			Imported	
	Quimby 1/	Patat 2/	Lowest	Canadian 1/	Japanese 3/
1970	4/	*	*	$99.00	$89.98
1971	4/	*	*	121.50	100.21
1972	*	*	*	112.00	119.88
January-March	*	*	*	123.67	113.74
April-June	*	*	*	129.92	115.80
July-September	*	*	*	143.00	128.97
October-December	*	*	*	150.50	133.12
1973	*	*	*	127.00	168.02
January-March	*	*	*	154.00	157.18
April-June	*	*	*	158.00	182.86
July-September	*	*	*	158.00	190.01
October-December	*	*	*	162.84	198.34
1974	*	*	*	159.33	127.54
January-March	*	*	*	171.84	187.65
April-June	*	*	*	178.09	175.38
July-September	*	*	*	169.33	148.29
July	*	*	*	172.17	163.06
August	*	*	*	165.25	156.74
September	*	*	*	161.00	145.96
October-December	*	*	*	156.50	122.10
October	*	*	*	161.00	131.09
November	*	*	*	156.34	116.51
December	*	*	*	149.75	116.19
1975:					
January-March	*	*	*	156.50	124.39
January	*	*	*	156.50	116.80
February	*	*	*	156.50	121.81
March	*	*	*	156.50	133.54
April-June	*	*	*	147.17	154.03
April	*	*	*	156.50	150.99
May	*	*	*	156.50	152.29
June	4/	*	*	148.84	156.78
July-September	-	*	*	163.17	157.35
July	-	*	*	163.17	163.03
August	-	*	*	163.17	161.04
September	-	*	*	163.17	157.27

1/ An average of lowest prices of premium and good grades. This combined price is comparable to the Japanese composite grade.

2/ Composite grade: 20% premium/60% good/20% sound.

3/ Composite grade: 50% premium/50% good.

4/ Not available.

Source: Compiled from information supplied by producers, purchasers, and importers of birch door skins.

Table 16.--Index of Japanese export prices for birch plywood, by months, 1970-74 and January-September 1975

(1970=100)

Month	1970	1971	1972	1973	1974	1975
January	93.0	103.3	109.3	135.2	169.4	121.0
February	95.7	107.3	111.0	140.2	181.7	139.1
March	102.7	115.7	112.0	165.8	175.2	143.3
April	106.1	116.7	114.2	170.3	163.1	146.5
May	107.4	116.1	116.6	169.2	158.9	146.3
June	107.5	116.5	117.2	162.1	156.2	143.4
July	106.3	115.8	117.5	152.8	155.1	143.6
August	103.4	113.8	119.6	151.3	157.1	139.3
September	97.1	106.5	120.8	153.5	139.3	125.0
October	90.5	104.1	123.8	152.2	101.5	-
November	94.3	105.0	130.7	155.2	93.9	-
December	96.0	104.5	132.5	161.9	96.2	-

Source: The Bank of Japan, Statistics Department, Price Indexes Annual, and Export and Import Price Indexes Monthly, various issues.

Table 17.--Profit-and-loss experience of 2 U.S. producers 1/ on their operations producing birch plywood door skins, by companies, 1970-75

Year and company	Net sales	Cost of goods sold	Gross profit or (loss)	General, selling, and administrative expenses	Net operating profit or (loss)	Other income or (expense) net	Net profit or (loss) before income taxes	Ratio of net operating profit or (loss) to net sales	Ratio of net profit or (loss) before income taxes to net sales
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	Percent	Percent
1970									
Allen Quimby Veneer Co	*	*	*	*	*	*	*	*	*
Patat Plywood Corp	*	*	*	*	*	*	*	*	*
Total	*	*	*	*	*	*	*	*	*
1971									
Allen Quimby Veneer Co	*	*	*	*	*	*	*	*	*
Patat Plywood Corp	*	*	*	*	*	*	*	*	*
Total	*	*	*	*	*	*	*	*	*
1972									
Allen Quimby Veneer Co	*	*	*	*	*	*	*	*	*
Patat Plywood Corp	*	*	*	*	*	*	*	*	*
Total	*	*	*	*	*	*	*	*	*
1973									
Allen Quimby Veneer Co	*	*	*	*	*	*	*	*	*
Patat Plywood Corp	*	*	*	*	*	*	*	*	*
Total	*	*	*	*	*	*	*	*	*
1974									
Allen Quimby Veneer Co. 2/	*	*	*	*	*	*	*	*	*
Patat Plywood Corp	*	*	*	*	*	*	*	*	*
Total	*	*	*	*	*	*	*	*	*
1975									
Patat Plywood Corp. 3/	*	*	*	*	*	*	*	*	*

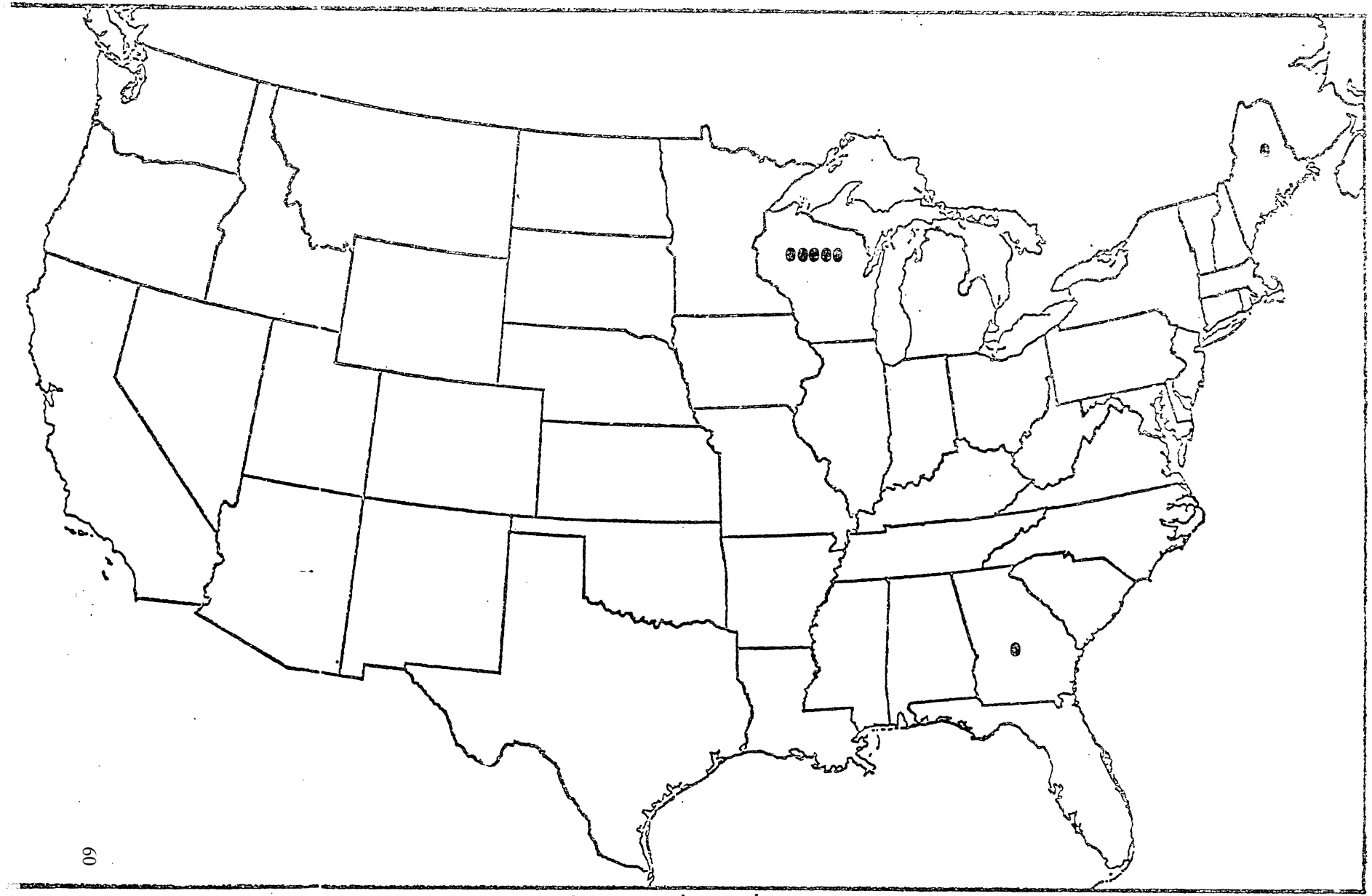
1/ Allen Quimby Veneer Co. and Patat Plywood Corp. are representative of the industry producing birch plywood doorskins. Together they produced 94 percent of the U.S. production of birch plywood doorskins for the years 1970-74.

2/ Ceased operations in October.

3/ Data for 1975 are for the 6-month period October-March.

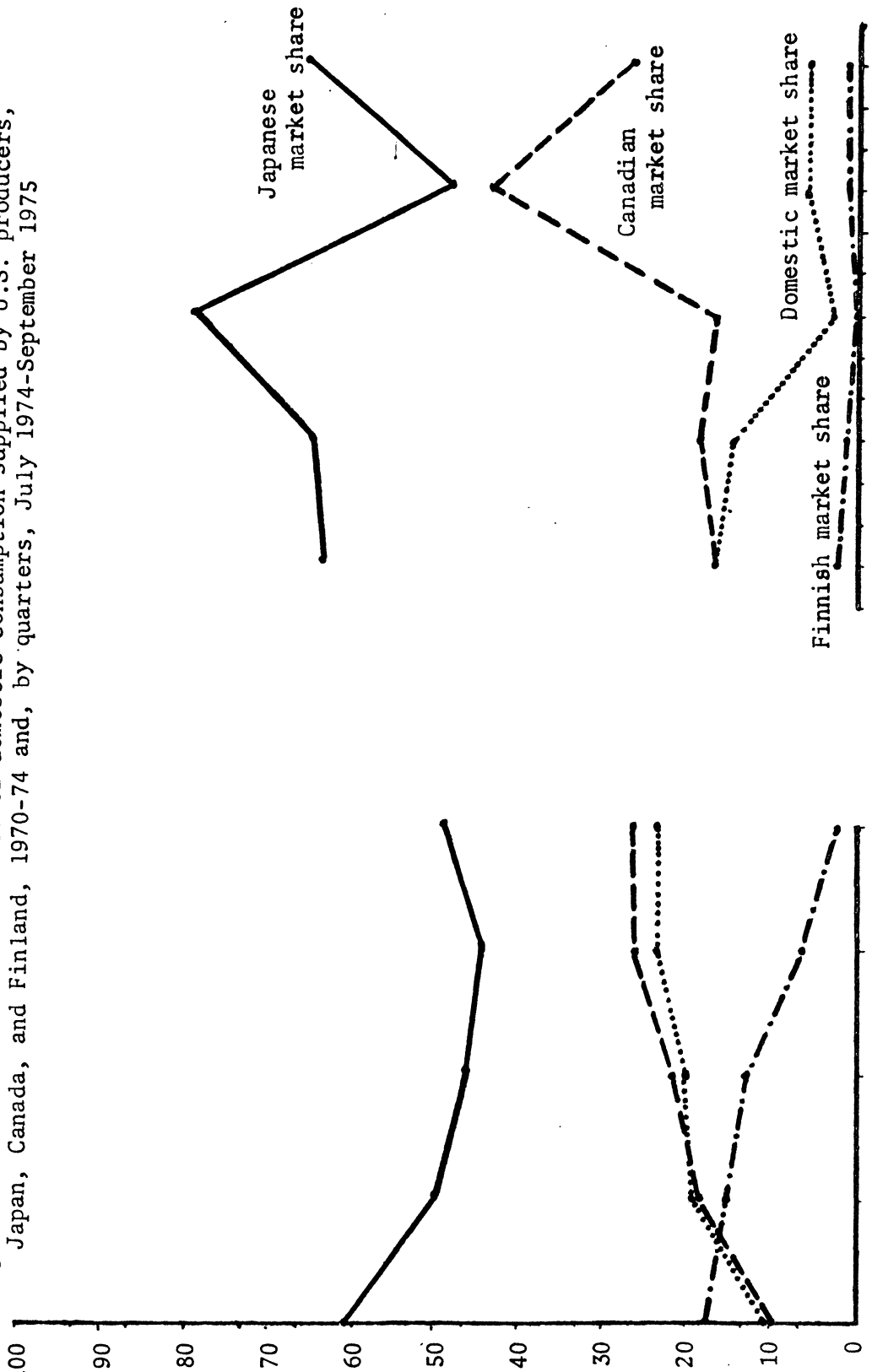
APPENDIX B
FIGURES

Figure 1.--Birch door skins: Plant locations of U.S. manufacturers, 1975



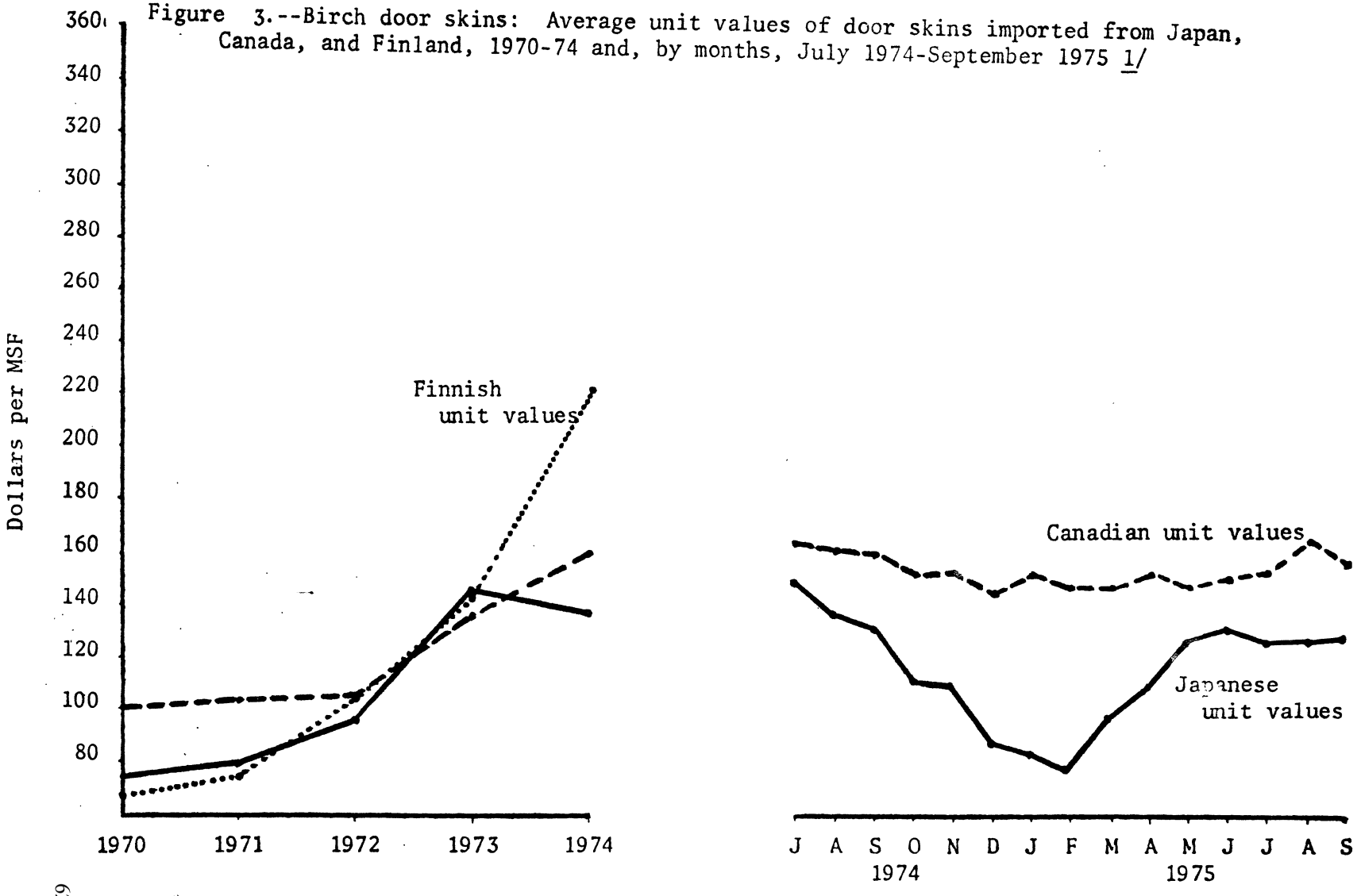
Source: Compiled from information supplied by domestic producers.

Figure 2.--Birch door skins: Share of domestic consumption supplied by U.S. producers, Japan, Canada, and Finland, 1970-74 and, by quarters, July 1974-September 1975



Source: Compiled from official statistics of the U.S. Department of Commerce and from information provided by producers of birch door skins.

Figure 3.--Birch door skins: Average unit values of door skins imported from Japan, Canada, and Finland, 1970-74 and, by months, July 1974-September 1975 1/



1/ Unit values for Finland are not given by month because very small import quantities resulted in highly erratic values.

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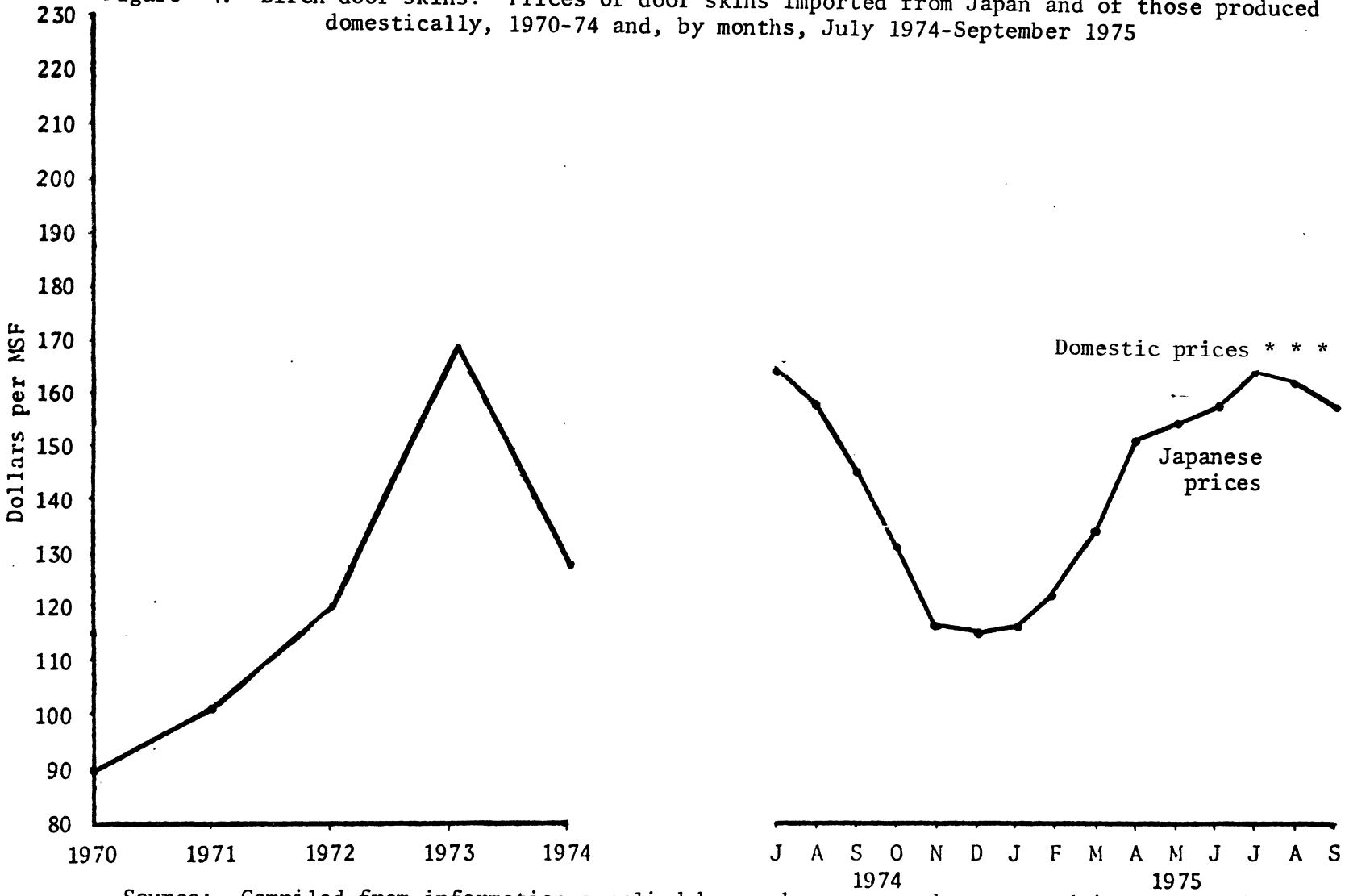
Figure 4.--Birch door skins: Prices of door skins imported from Japan and of those produced domestically, 1970-74 and, by months, July 1974-September 1975



Source: Compiled from information supplied by producers, purchasers, and importers of birch door skins.

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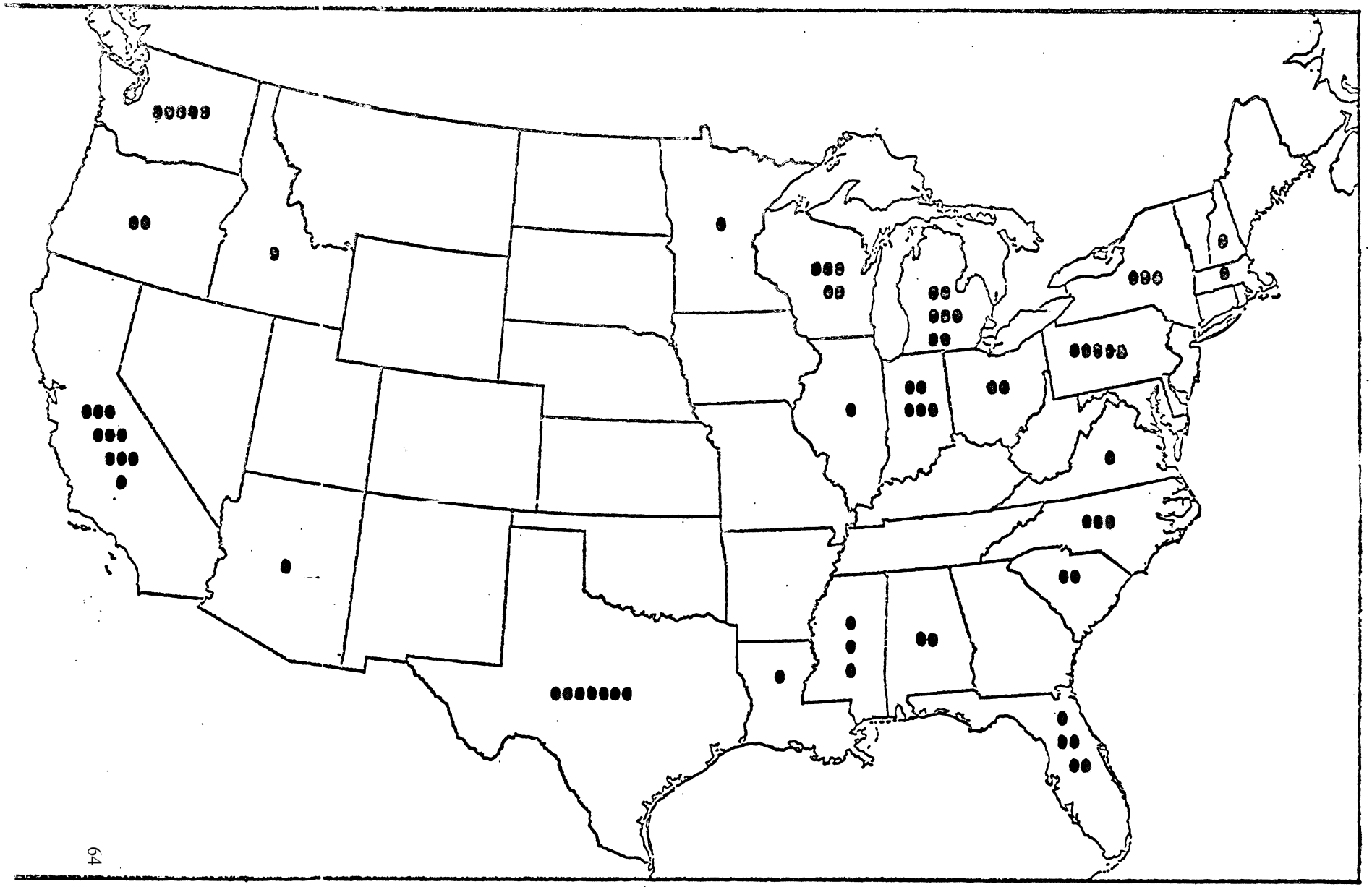
Figure 5.--Flush doors: Plant locations of U.S. manufacturers, 1975



Source: Compiled from information supplied by the domestic producers.

Figure 6.--Birch door skins: Prices of door skins imported from Japan and percent dumping margins as determined by Treasury, 1970-74 and, by months, July 1974-September 1975

Source: Compiled from information supplied by importers and purchasers of Japanese birch door skins and from information provided by the U.S. Department of Treasury.

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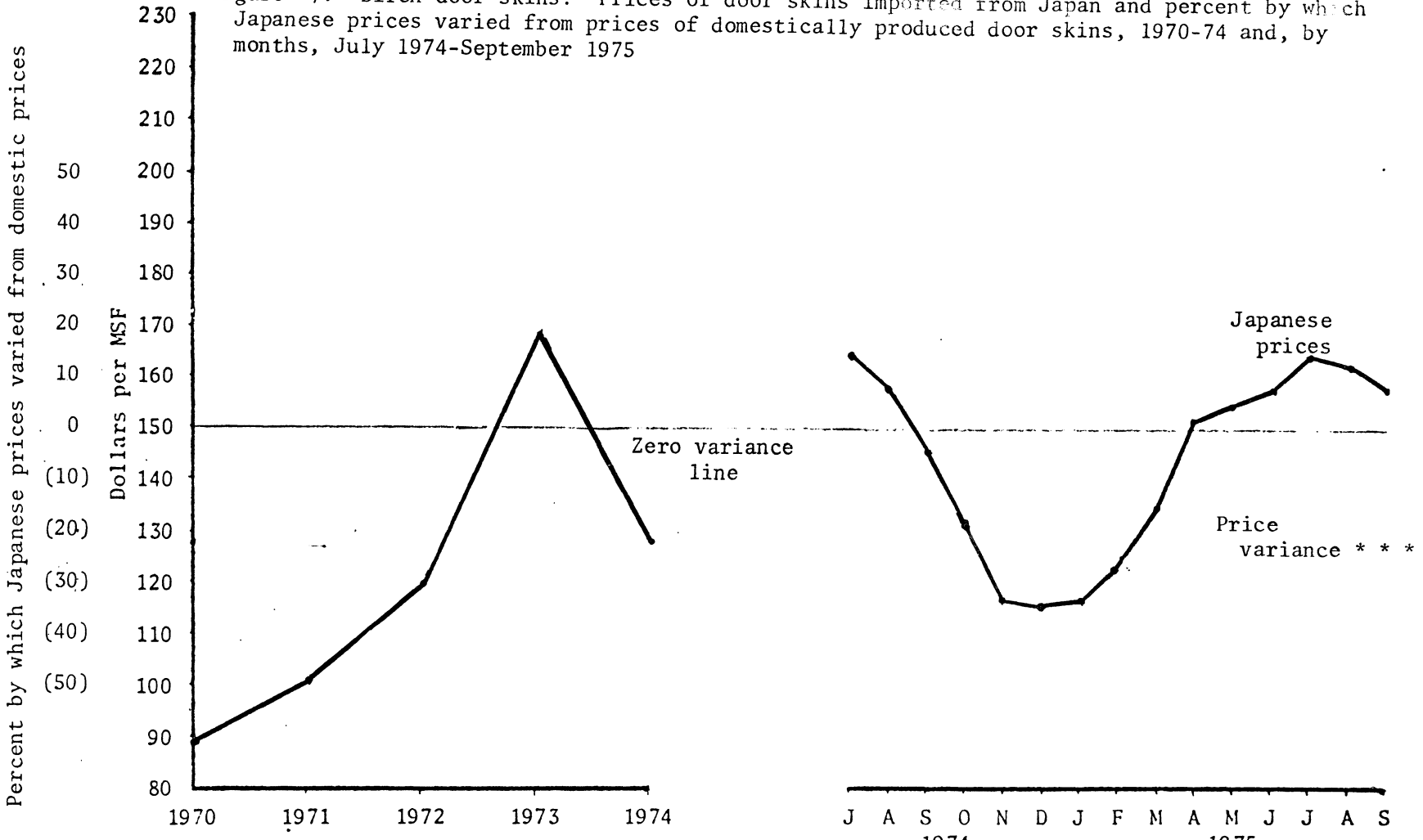
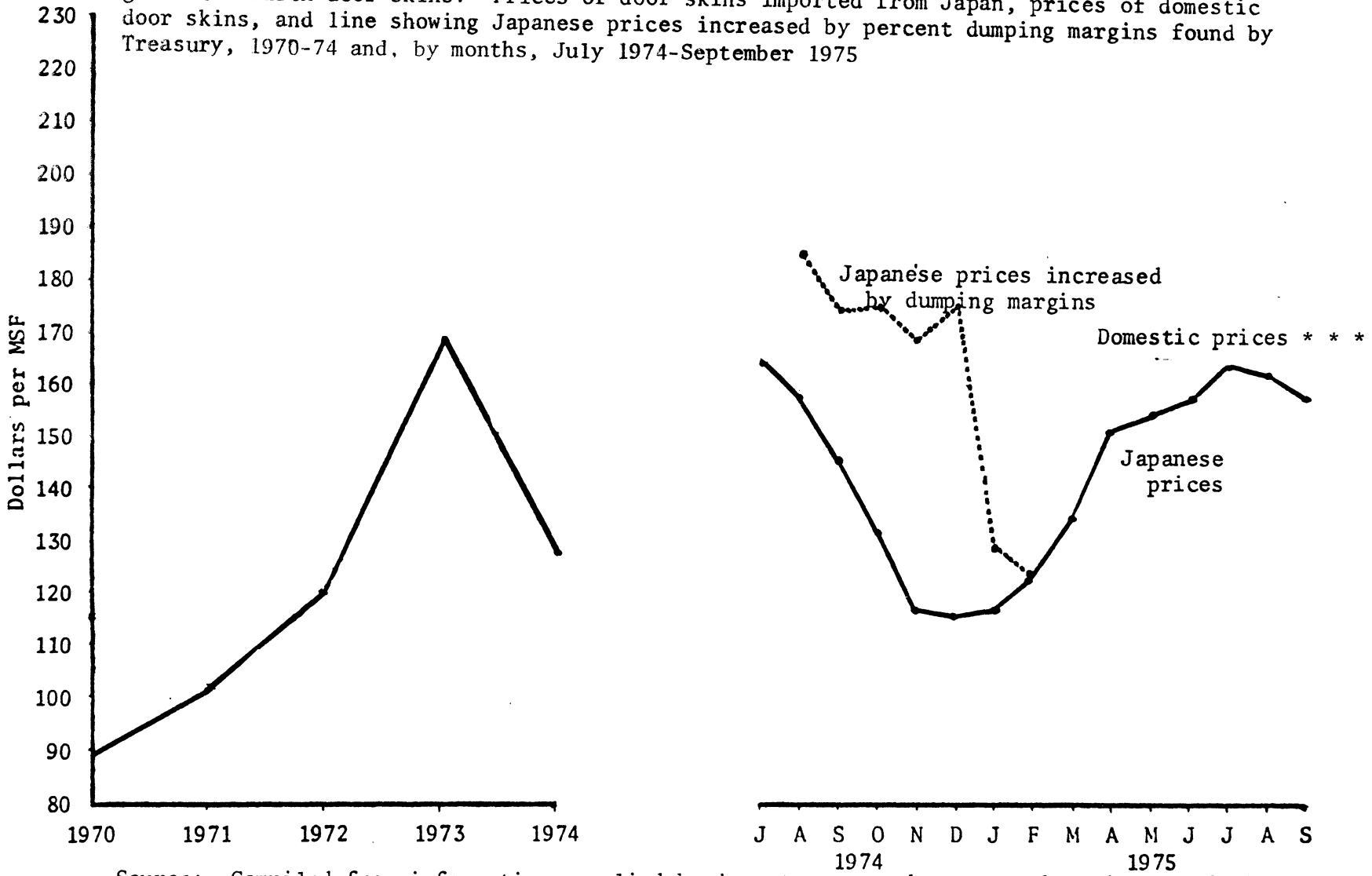
Figure 7.--Birch door skins: Prices of door skins imported from Japan and percent by which Japanese prices varied from prices of domestically produced door skins, 1970-74 and, by months, July 1974-September 1975



Source: Compiled from information supplied by producers, purchasers, and importers of birch door skins.

Figure 8.--Birch door skins: Prices of door skins imported from Japan, prices of domestic door skins, and line showing Japanese prices increased by percent dumping margins found by Treasury, 1970-74 and, by months, July 1974-September 1975



Source: Compiled from information supplied by importers, purchasers, and producers of birch door skins and from information provided by the U.S. Department of Treasury.

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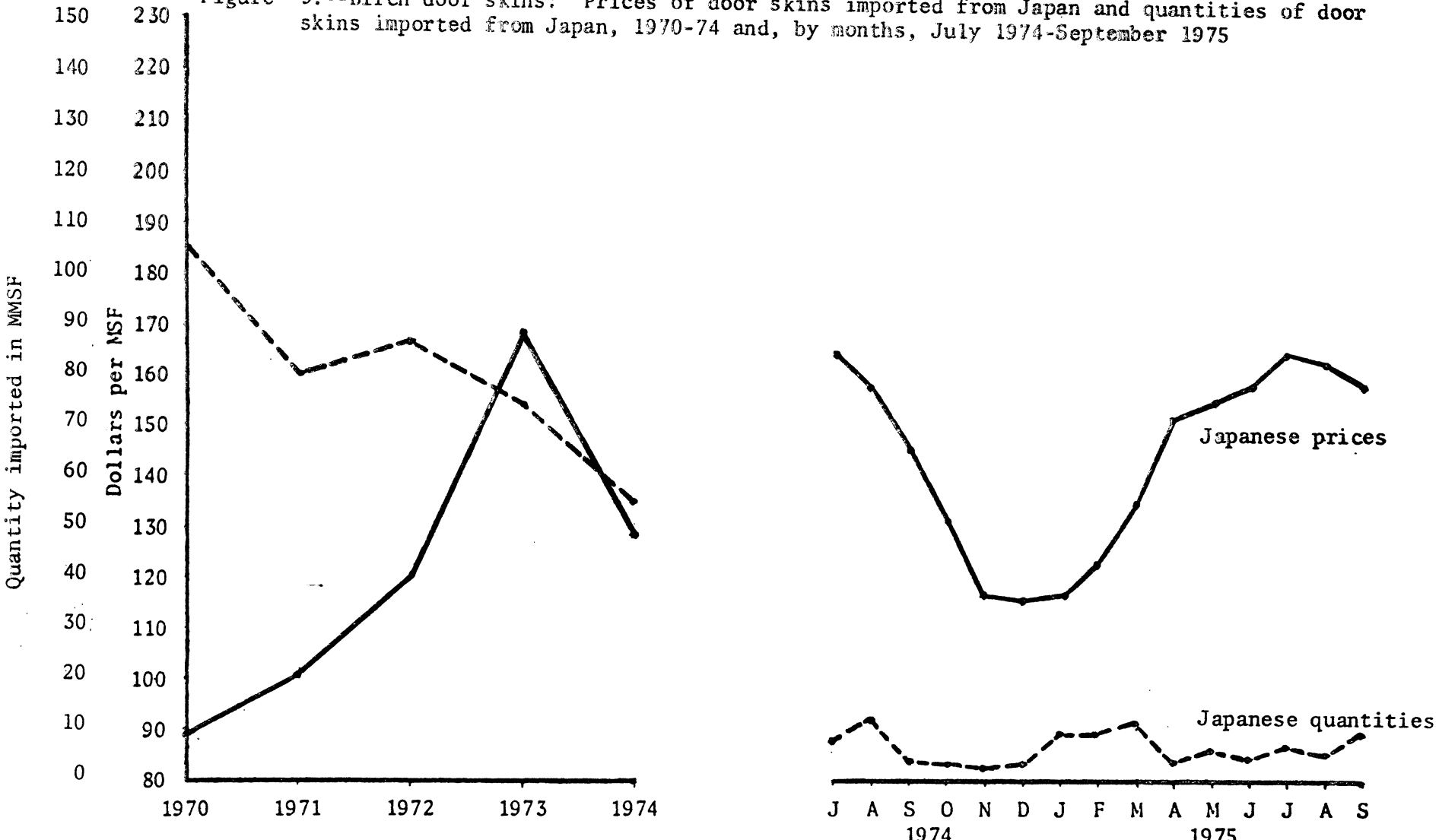
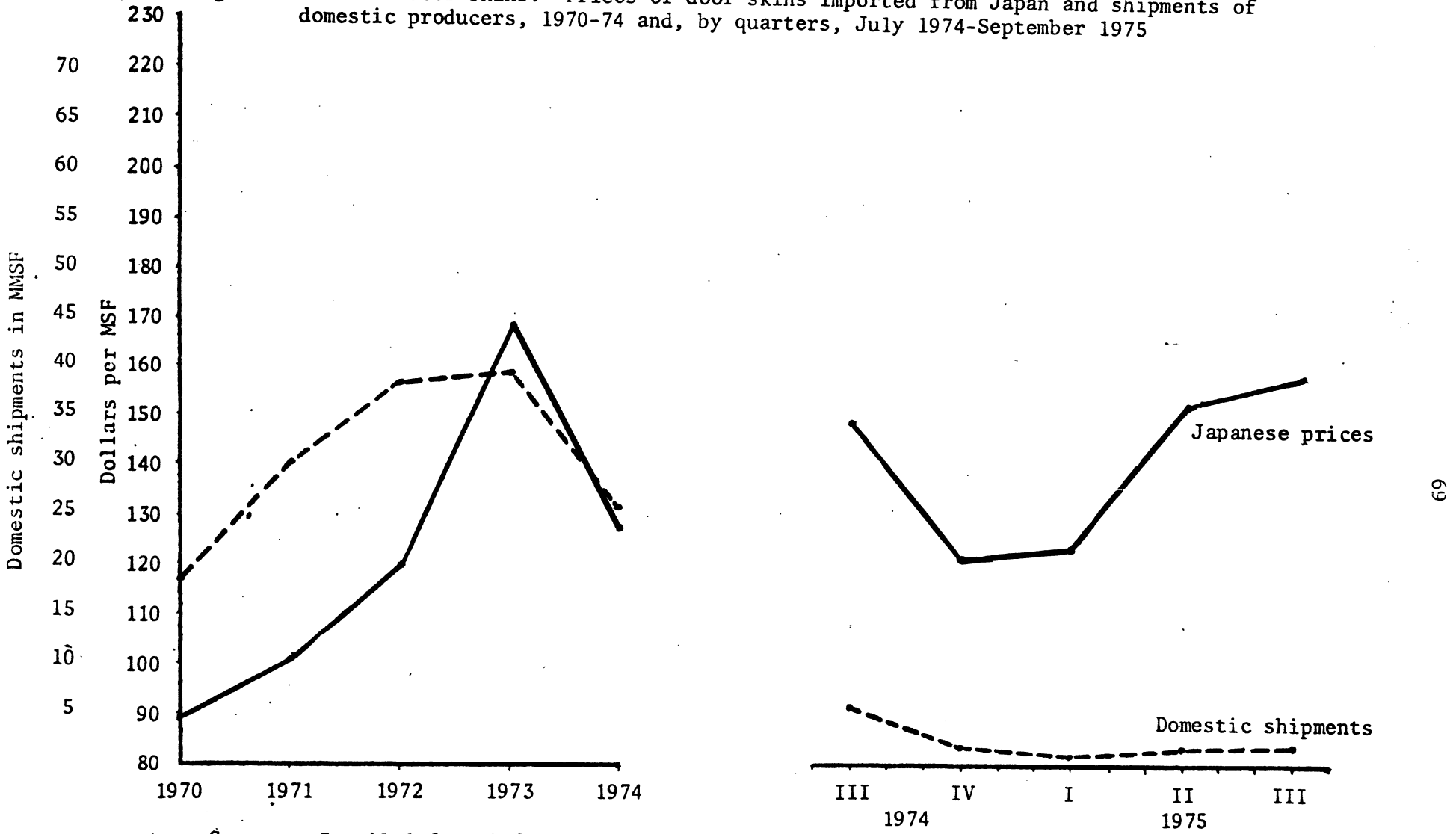
Figure 9.--Birch door skins: Prices of door skins imported from Japan and quantities of door skins imported from Japan, 1970-74 and, by months, July 1974-September 1975



Source: Compiled from official statistics of the U.S. Department of Commerce and from information provided by purchasers and importers of Japanese birch door skins.

Figure 10.--Birch door skins: Prices of door skins imported from Japan and shipments of domestic producers, 1970-74 and, by quarters, July 1974-September 1975



Source: Compiled from information supplied by producers, purchasers, and importers of birch door skins.

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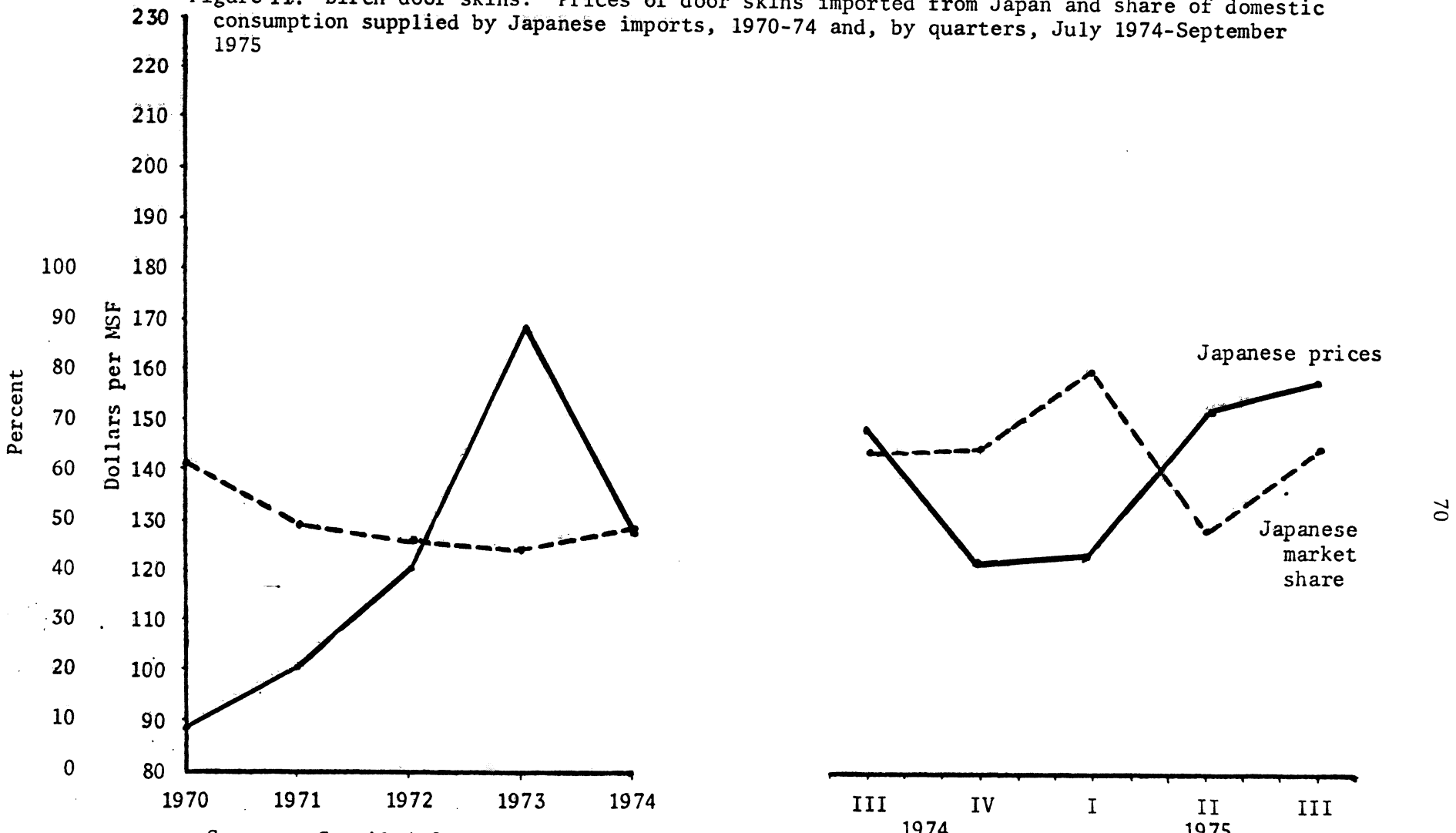
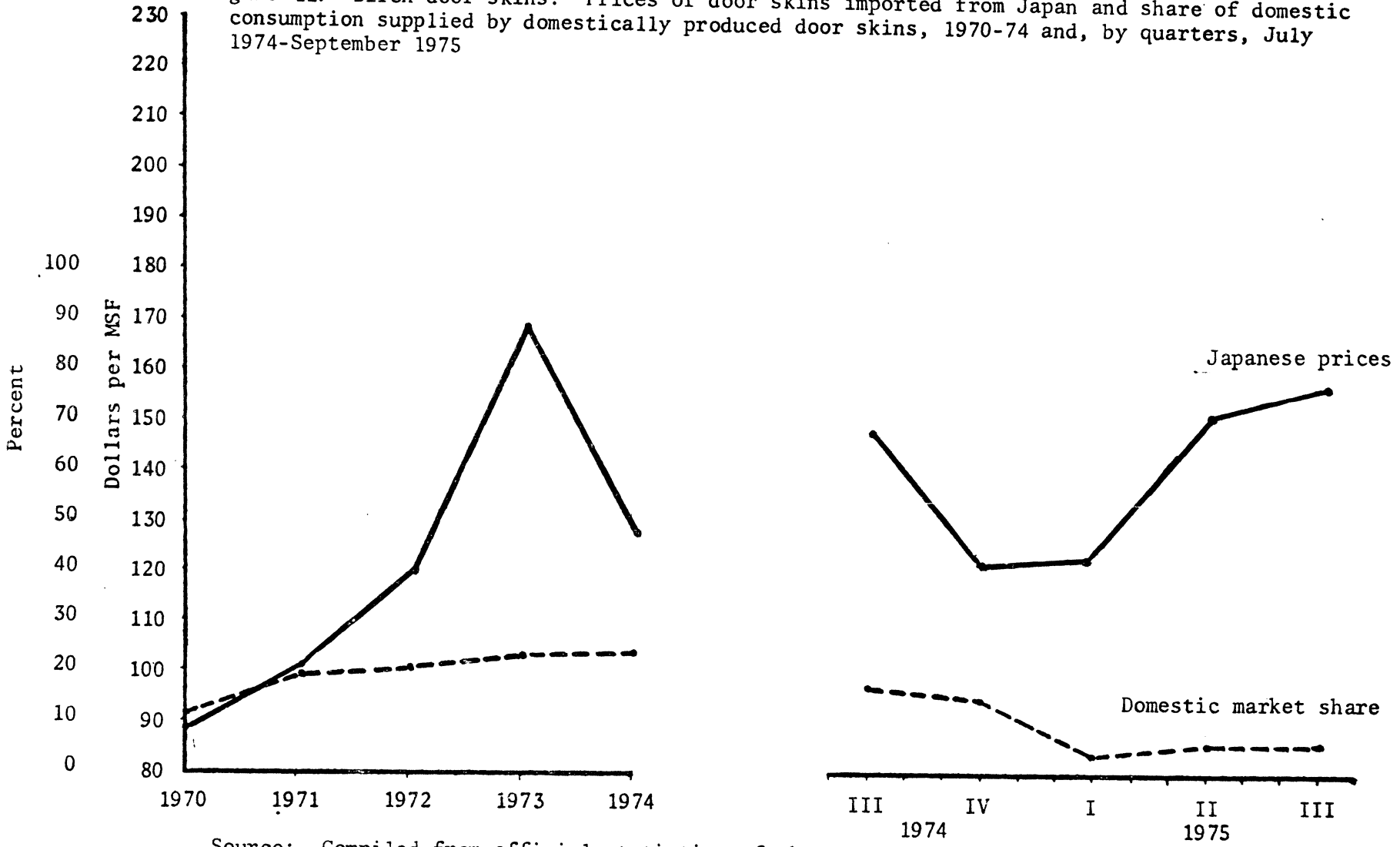
Figure 11.--Birch door skins: Prices of door skins imported from Japan and share of domestic consumption supplied by Japanese imports, 1970-74 and, by quarters, July 1974-September 1975



Source: Compiled from official statistics of the U.S. Department of Commerce and from information provided by producers, purchasers, and importers of birch door skins.

Figure 12.--Birch door skins: Prices of door skins imported from Japan and share of domestic consumption supplied by domestically produced door skins, 1970-74 and, by quarters, July 1974-September 1975



Source: Compiled from official statistics of the U.S. Department of Commerce and from information provided by producers, purchasers, and importers of birch door skins.

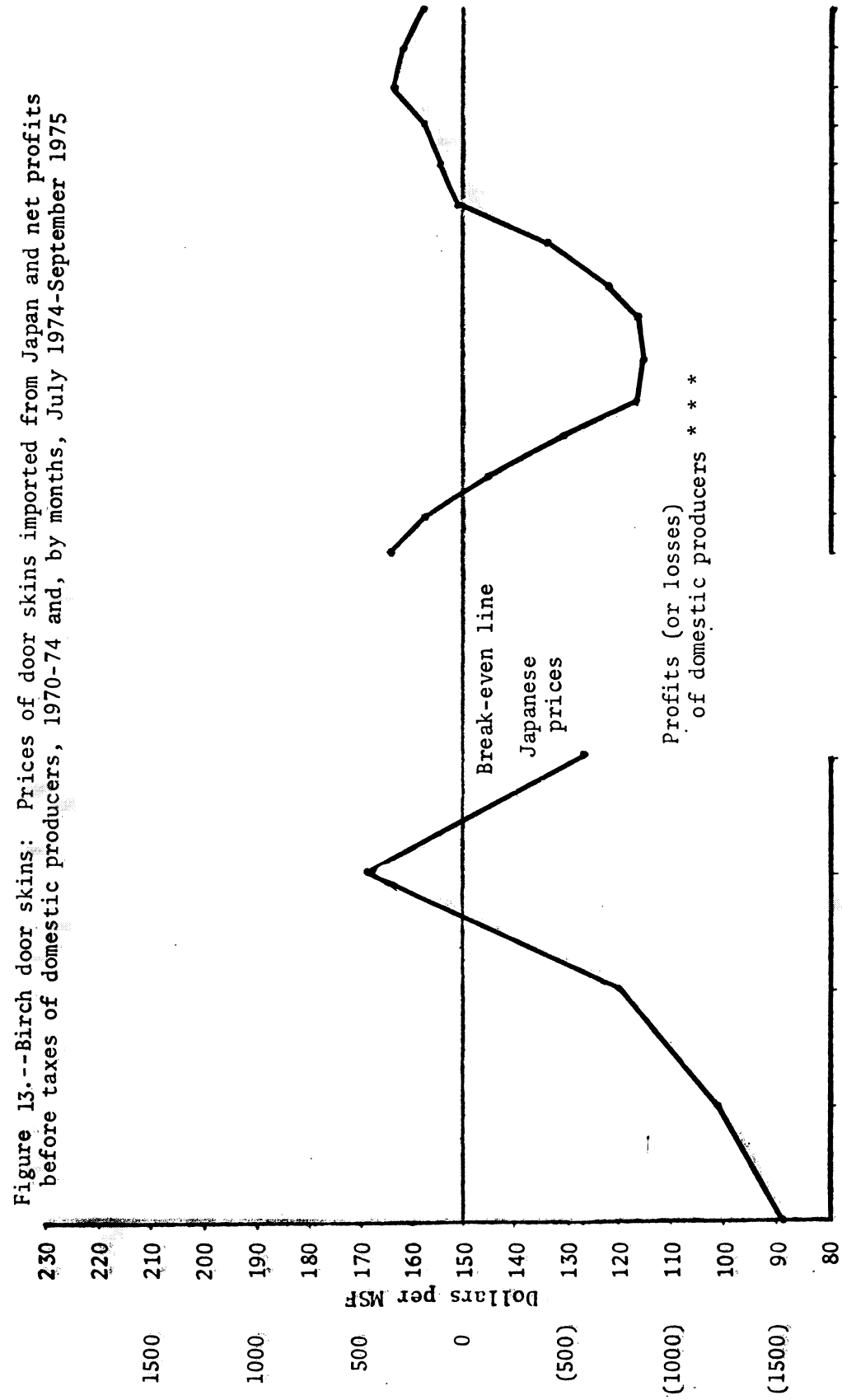
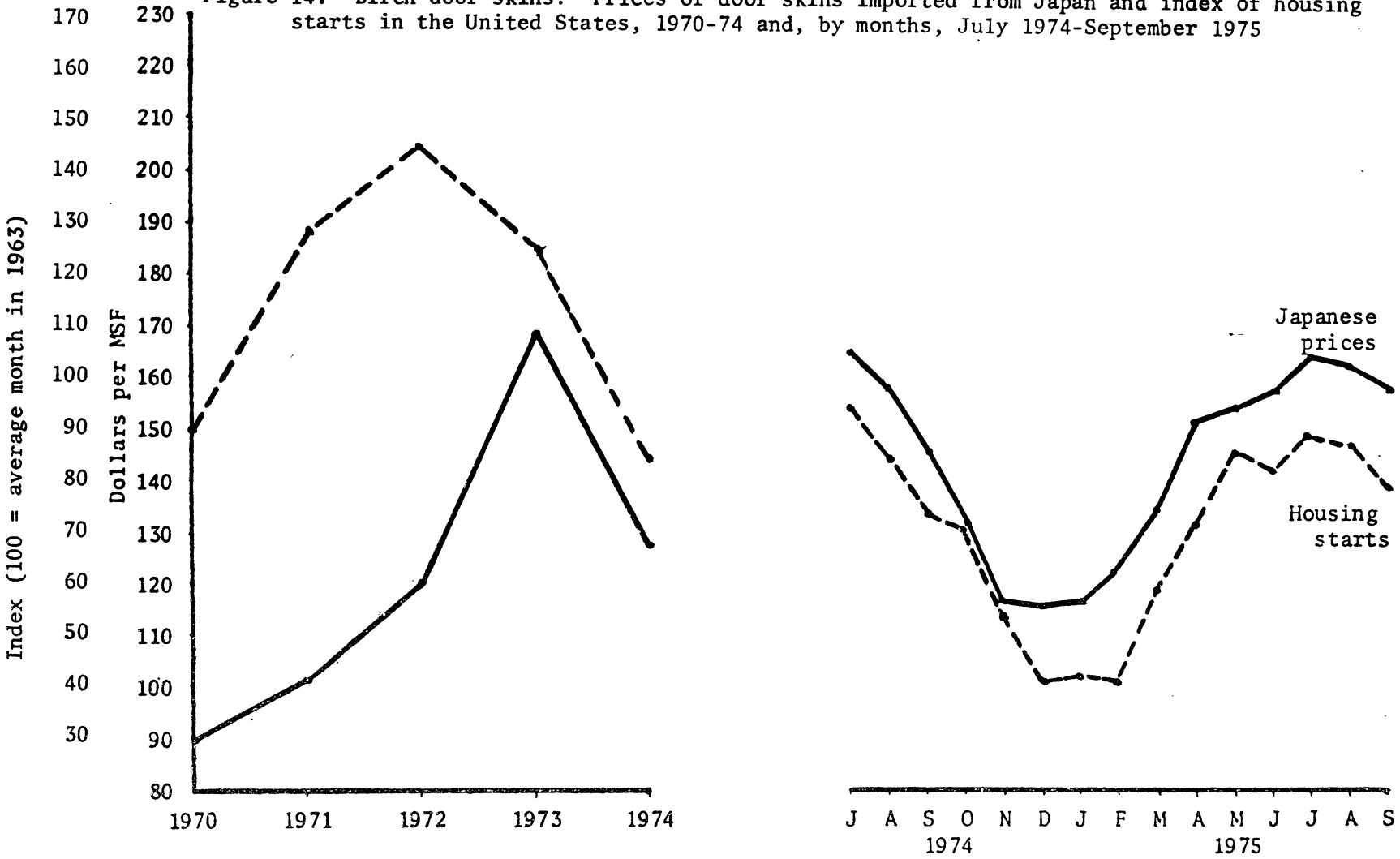


Figure 13.--Birch door skins: Prices of door skins imported from Japan and net profits before taxes of domestic producers, 1970-74 and, by months, July 1974-September 1975

Source: Compiled from information supplied by producers, purchasers, and importers of birch door skins.

Figure 14.--Birch door skins: Prices of door skins imported from Japan and index of housing starts in the United States, 1970-74 and, by months, July 1974-September 1975



Source: Compiled from official statistics of the U.S. Department of Commerce and from information provided by purchasers and importers of Japanese birch door skins.

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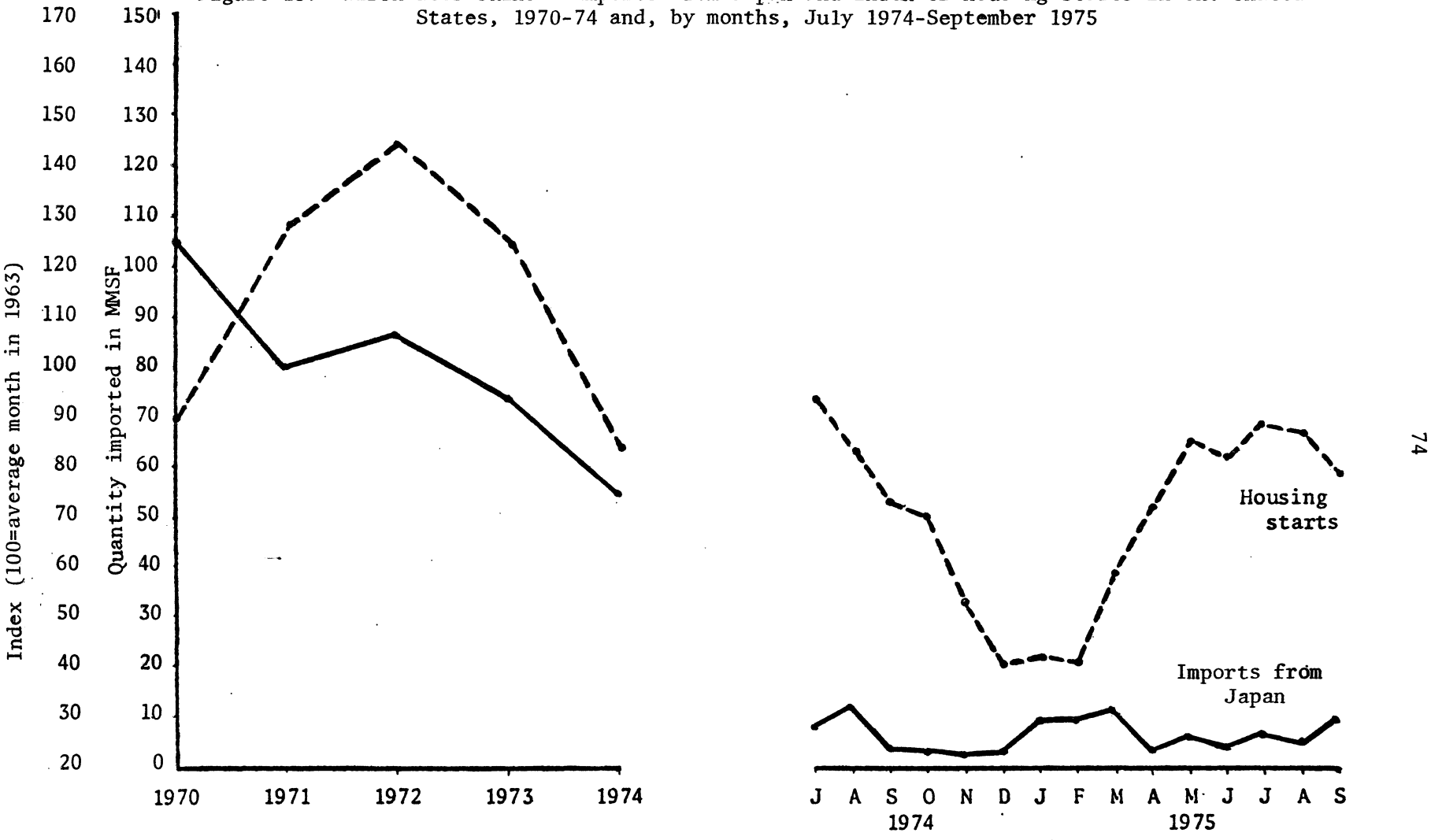
Figure 15.--Birch door skins: Imports from Japan and index of housing starts in the United States, 1970-74 and, by months, July 1974-September 1975



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

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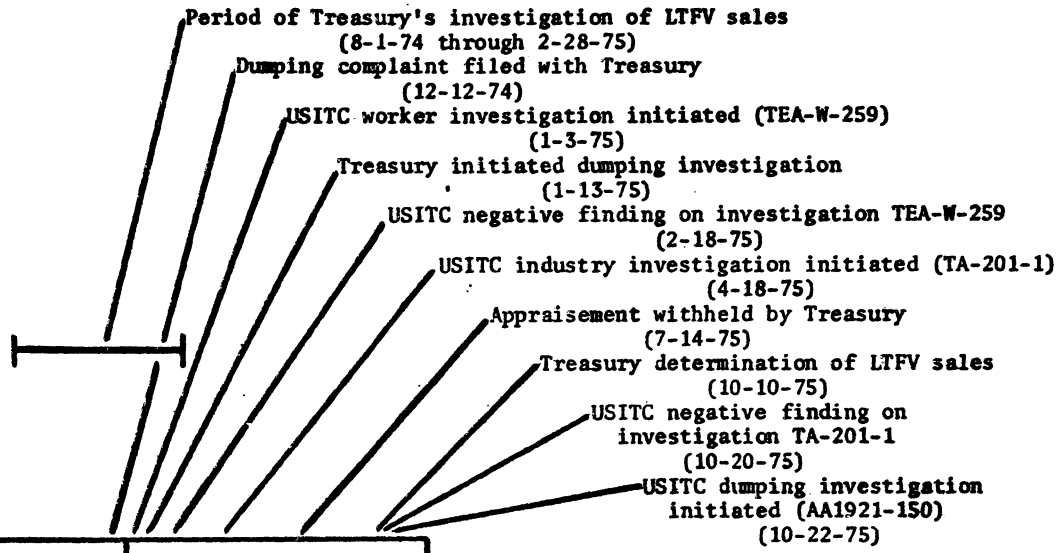
APPENDIX C
TREASURY MEMORANDUMS

* * * * * * *

APPENDIX D
CHRONOLOGICAL CHART

Chronological Chart: Birch Three-Ply Door Skins from Japan (AA1921-150)



		1972	1973	1974				1975			
				Jan.-Mar.	Apr.-June	July-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-June	July-Sep.	Oct.-Dec.
.S. producers' shipments	million sq. ft.	38	39	9	9	6	2	1	2	2	
.S. imports from Japan	-do-	87	73	13	12	22	8	29	13	21	
.S. consumption	-do-	189	165	34	32	34	12	35	27	32	
atio of imports from Japan to consumption	percent	46.0	44.2	38.2	37.5	64.7	66.7	82.9	48.1	65.7	
atio of U.S. producers net operating profit or (loss) to net sales	percent	(3.0)	5.0	(17.6)				(12.1)		NA	