UNITED STATES INTERNATIONAL TRADE COMMISSION

ALPINE SKI BINDINGS FROM AUSTRIA, SWITZERLAND, AND WEST GERMANY

Determination of No Injury or Likelihood Thereof in Investigations Nos. AA1921-156, 157, and 158 Under the Antidumping Act, 1921, as Amended, Together With the Information Obtained in the Investigation

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UNITED STATES INTERNATIONAL TRADE COMMISSION

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Note.--Information which would disclose confidential operations of individual concerns may not be published and therefore has been deleted from this report. Deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

AA1921-156, 157, and 158

ALPINE SKI BINDINGS FROM AUSTRIA, SWITZERLAND, AND WEST GERMANY

Determinations of No Injury or Likelihood Thereof

On May 28, 1976, the United States International Trade Commission received advice from the Department of the Treasury that Alpine ski bindings and parts thereof from Austria, Switzerland, and West Germany are being, or are likely to be, sold in the United States at less than fair value within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). On June 8, 1976, the Commission instituted investigations Nos. AA1921-156, 157, and 158, respectively, under section 201(a) of said act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. Notice of the institution of the investigations and of the public hearing was published in the Federal Register on June 16, 1976 (41 F.R. 24460).

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

On the basis of the Commission's investigations, Commissioners Leonard, Minchew, and Ablondi have determined that an industry in the United States is not being and is not likely to be injured, and is not prevented from being established, by reason of the importation of Alpine ski bindings and parts thereof from Austria, Switzerland, and West Germany, respectively, that are being, or are likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended.

On the basis of the Commission's investigations, Commissioners Moore, Bedell, and Parker have determined that an industry in the United States is not being and is not likely to be injured, and is not prevented from being established, by reason of the importation of Alpine ski bindings and parts thereof from Austria, Switzerland, and West Germany, individually or collectively, that are being, or are likely to be, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended.

By order of the Commission:

KENNETH R. MASON
Secretary

Statement of Reasons for Negative Determinations of Commissioners Will E. Leonard, Daniel Minchew, and Italo H. Ablondi

On May 28, 1976, the United States International Trade Commission (Commission) received advice from the Department of the Treasury (Treasury) that Alpine ski bindings and parts thereof from Austria, Switzerland, and West Germany are being, or are likely to be, sold in the United States at less that fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). 1/ Accordingly, on June 8, 1976, the Commission instituted investigations Nos. AA1921-156, 157, and 158, respectively, 2/ under section 201(a) of the act, to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Before the Commission may find in the affirmative in these investigations, it is necessary that the following two conditions be met:

(1) An industry in the United States is being or is likely to be injured, or is prevented from being established, 3/ and

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1/ Treasury conducted separate investigations with respect to the imports from Austria, Switzerland, and West Germany and reported its advice as to LTFV sales of each country's imports in separate letters to the Commission.

2/ While instituting three investigations, the Commission conducted a combined hearing and is issuing this single report relating to all three investigations.

3/ Prevention of the establishment of an industry is not an issue in the instant investigations and will not be discussed further.

(2) The requisite injury must be by reason of the importation into the United States of the merchandise which Treasury has determined is being, or is likely to be, sold at LTFV within the meaning of the Antidumping Act, 1921, as amended.

Determinations

On the basis of information obtained in these investigations, we determine that there is no injury and no likelihood of injury to an industry in the United States by reason of the importation of Alpine ski bindings and parts thereof from Austria, Switzerland, or West Germany.

The U.S. industry

Alpine ski bindings and parts thereof, the imported articles which are the subject of these investigations, are designed for downhill skiing. Their main function is to hold the skier firmly to his skis during downhill runs, and release him in case of a fall in order to prevent injury. Alpine ski bindings consist of two types: (1) Plate and plate-type bindings and (2) toe and heel bindings.

In making these determinations, the most relevant domestic industry is considered to be the facilities in the United States devoted to the production of Alpine ski bindings and parts thereof. 1/ These are the facilities most likely to be affected by the LTFV imports. No evidence was developed during the course of the investigations showing

1/ The parts of interest in these investigations are the basic subassembly units used to make a complete ski binding. Data on such parts have been integrated, where possible, with data on complete ski binding units. For further discussion, see footnote 1, p. A-6.

that any industry in the United States other than the aforementioned industry could be adversely affected by such imports. 1/ Currently, there are nine firms in the United States producing Alpine ski bindings.

No injury by reason of LTFV sales

The Alpine ski binding industry in the United States is not being injured by reason of LTFV sales of the subject imported articles whether the effect on the domestic industry of the imports from the three countries is cumulative or examined on a country-by-country basis. 2/ In each case, the evidence indicates that the second condition set out above is not satisfied, i.e., any injury being experienced by the domestic industry is not by reason of the LTFV imports under consideration.

Import penetration and lost sales.--Treasury examined U.S. imports of Alpine ski bindings from Austria, Switzerland, and West Germany entered between June 1, 1974, and August 31, 1975, in different but overlapping periods. In 1974, 67.9 percent, and in 1975, 78.1 percent

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1/ The Commission's investigations developed information on all ski bindings, including Nordic ski bindings (i.e., those which are designed primarily for cross-country skiing). However, the facilities in the United States devoted to the production of Nordic ski bindings are not part of a relevant domestic industry for these investigations, since Nordic ski bindings and Alpine ski bindings are structurally different, vary widely in price (Alpine ski bindings generally wholesale at prices more than nine times higher than those of Nordic bindings), are not interchangeable, and are employed for a different end use. Further, Nordic bindings are not produced in the same domestic facilities which produce Alpine ski bindings.

2/ For a consideration of the issue of cumulation of the impact of imports, see Primary Lead Metal From Australia and Canada: Determination . . . in Investigations Nos. AA1921-134 and 135 . . ., TC Publication 639, 1974, pp. 12-13 and 22-24.

of all compared sales to the United States from Austria were found to have been sold at LTFV. During the investigatory period for West Germany, 47.8 percent of one firm's sales and 100 percent of another firm's sales, the firms together accounting for over 99 percent of all compared sales, were found to have been sold at LTFV. All sales from Switzerland were found to have been sold at LTFV.

Imports from none of these three countries have had an identifiable effect on the domestic industry in recent years, 1/ and have been declining both absolutely and as a percentage of U.S. consumption. Imports from Austria increased slightly in 1974, and then declined by 24 percent in 1975. Imports from Switzerland declined annually during the period 1973-75. Imports from West Germany declined by 87 percent during the same period. In each case the level of imports in 1975 was low.

Total imports from Austria, Switzerland, and West Germany combined declined from 128,000 pairs in 1973 to 110,000 pairs in 1974 and to 62,000 pairs in 1975. As a percentage of total apparent U.S. consumption, these imports accounted for 18 percent in 1973, 16 percent in 1974, and only 7 percent in 1975. While LTFV imports declined during the period in which Treasury investigated such imports, imports from other countries increased markedly from 56 percent of apparent U.S. consumption in 1973 to 70 percent in 1975.

1/ Data on imports by country from Austria, Switzerland, and West Germany cannot be disclosed, since disclosure would reveal the operations of individual firms. Such data have been utilized by the Commission, however, in arriving at its determinations with respect to the investigations.

Statistics regarding U.S. producers' shipments of Alpine ski bindings do not support the allegation of injury caused by LTFV imports from Austria, Switzerland, and West Germany. While these imports declined to less than half of what they had been in both absolute and relative terms during the period 1973-75, U.S. producers' shipments of Alpine ski bindings in the United States increased from 188,000 pairs to 256,000 pairs. Although the U.S. producers' share of apparent U.S. consumption declined somewhat during this period, the decline is explained by increased imports from countries other than Austria, Switzerland, and West Germany. The U.S. producer which sustained the greatest loss of sales during this period attributed the loss to problems unrelated to imports. No U.S. producers were able to document any examples of sales lost to LTFV imports.

Prices.--Alpine ski bindings designed for recreational use constitute the largest selling category of ski bindings in the United States. There was a decline in the average unit wholesale prices of bindings in this category produced in the United States from 1973 to 1974. While these prices have increased somewhat since 1974, they remain, on the average, below their 1973 level.

Imports from Austria, Switzerland, and West Germany are not an identifiable cause of any decline in wholesale prices of U.S.-produced ski bindings. The wholesale prices of such imports for the second largest category of Alpine ski bindings--those produced primarily for advanced or competitive skiers--have been generally higher than those of the domestic bindings, except for bindings from Austria, which were sold at a price similar to that of the comparable domestically produced binding. The period for which a decline in wholesale prices is recorded was a period of general depression in the skiing industry owing to, among other things, the recession, the Organization of Petroleum Exporting Countries oil embargo of 1973, and the poor skiing conditions in the Northeast during the 1973 and 1974 skiing seasons. During the period 1973-75, the leading supplier of Alpine ski bindings--Salomon, a French exporter--consistently raised its prices. Meanwhile, the firm increased its already high share of apparent U.S. consumption by 13 percent. These facts indicate that the demand for ski bindings is to a large extent dependent on factors other than price. The apparent decline in wholesale prices for domestically produced ski bindings took place before the period during which imports of ski bindings from Austria, Switzerland, and West Germany were found to be sold at LTFV. As the economy has begun to regain its strength, so has the domestic industry.

Profitability and employment.--Although the profitability of the U.S. Alpine ski binding industry decreased from 1973 to 1974, the industry made a strong recovery from 1974 to 1975, the period during which imports were found to have been sold at less than fair value. The ratio of net operating profit to sales decreased from 5.8 percent in 1973 to 3.1 percent in 1974, but it rebounded to 5.4 percent in 1975. The decrease in 1974 was due chiefly to developments within the domestic industry as a result of both the recession and product-quality problems encountered by two U.S. producers.

The number of workers directly engaged in the production of Alpine ski bindings increased from 1973 to 1974 but declined slightly during the following year. Employment rose from 126 persons in 1973 to 170 in 1974, and then decreased to 157 in 1975. The reason for the decrease in 1975 was not the imports sold at LTFV, but rather the closing of one of the major facilities engaged in the production of Alpine ski bindings owing to problems unrelated to LTFV imports. The firm switched its entire production from metal bindings to plastic bindings, which had a high rate of breakage; the switch directly resulted in cessation of production.

No likelihood of injury by reason of LTFV imports

The above-mentioned reasons which require the determinations that a U.S. industry is not being injured by reason of LTFV sales of imported Alpine ski bindings from Austria, Switzerland, or West Germany are also applicable to the issue of likelihood of injury. There is no reason to conclude that imports from Austria, Switzerland, and West Germany will reverse their downward trend, either absolutely or as a percentage of apparent U.S. consumption, in the near future. In addition, the economic outlook for the U.S. industry as a whole appears favorable, as evidenced by the recent successful entry of two new U.S. producers of ski bindings into the U.S. market.

Conclusions

It therefore must be concluded in these investigations that an industry in the United States is not being and is not likely to be injured by reason of the importation of Alpine ski bindings from Austria, Switzerland, or West Germany found by Treasury to be, or likely to be, sold at LTFV.

Statement of Reasons of Commissioners George M. Moore, Catherine Bedell, and Joseph O. Parker

On June 8, 1976, the United States International Trade Commission (hereinafter referred to as the Commission) instituted investigations Nos. AA1921-156, 157, and 158 to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, 1/ by reason of the importation of Alpine ski bindings and parts thereof from Austria, Switzerland, and West Germany. The Commission had previously received advice from the Department of the Treasury that Alpine ski bindings and parts thereof from the three countries named are being, or are likely to be, sold in the United States at less than fair value (hereinafter referred to as LTFV) within the meaning of the Antidumping Act, 1921, as amended.

Depending on the factors and conditions of trade the impact of the sales at LTFV of Alpine ski bindings imported from the three subject countries may be considered individually or cumulatively. 2/ We have determined, however the impact is considered, that an industry in the United States is not being or is not likely to be injured by reason of the importation of such merchandise.

In making our determination of injury or likelihood of injury to "an industry," we have considered the relevant industry to be the domestic manufacturers of Alpine ski bindings.

1/ Since an Alpine ski binding industry exists in the United States, prevention of establishment of an industry will not be further discussed in this statement.

2/ U.S. Senate, Trade Reform Act of 1974: Report of the Committee on Finance. . ., S. Report No. 93-1298 (93d Cong., 2d sess.), at p. 180.

No injury or likelihood of injury by reason of LTFV sales

In its investigation of imports of Alpine ski bindings from the three countries named the Department of the Treasury found that such merchandise was sold in the United States at LTFV during various periods between June 1, 1974, and August 31, 1975.

Apparent consumption of Alpine ski bindings increased from 715,000 pairs in 1973 to 891,000 pairs in 1975, or by 25 percent. During the same period, U.S. production of such bindings increased from 192,000 pairs to 259,000 pairs, or by 35 percent. The average number of production and related workers engaged in the production of Alpine ski bindings increased from 126 in 1973 to 170 in 1974 and then declined to 157 in 1975. Man-hours spent in producing Alpine ski bindings in domestic establishments showed a trend similar to that of employment, rising between 1973 and 1974 and then falling in 1975.

Financial data supplied by six companies which account for approximately 85 percent of domestically produced ski bindings indicate that although U.S. producers' shipments rose steadily between 1973 and 1975, the value of combined net sales of these six companies declined from $5.1 million in 1973 to $5 million in 1974 and then to $4.4 million in 1975. The combined net operating profit of these six companies showed a similar decrease between 1973 and 1974, but increased in 1975, with the result that the ratio of net operating profit to net sales decreased from 5.8 percent to 3.1 percent between 1973 and 1974 and then increased to 5.4 percent in 1975.

While operating results of the six companies varied, the profits of one firm were of a magnitude sufficient to result in the combined ratio of net operating profit to net sales described above. Another firm accounted for a substantial share of the total losses suffered by the six companies. The losses of this firm were clearly unrelated to imports; on the contrary, they were the result of the unsatisfactory performance of a new ski binding to which the company devoted its entire production. The evidence resulting from the Commission's investigations does not establish that an industry is being injured or likely to be injured by reason of imports of Alpine ski bindings sold at LTFV.

As noted above, from 1973 to 1975, apparent consumption of Alpine ski bindings increased by 25 percent, and domestic production increased 35 percent. Exports of Alpine ski bindings also increased sharply during this period. In contrast, imports from Austria, Switzerland, 1/ and West Germany (countries from which Treasury determined there were imports at LTFV during portions of 1974 and 1975) decreased from 128,000 pairs in 1973 to 62,000 pairs in 1975, and their market penetration declined from 18 percent to 7 percent. Imports of Alpine ski bindings from these countries continued to decline in 1976. In the same period, imports (at fair value) from a French manufacturer which presently dominates the U.S. Alpine ski binding market substantially increased to the point that their market share exceeded 50 percent in 1975.

1/ Data on imports from Switzerland were available only for 1975.

The Commission's investigations established no conclusive evidence of underselling by the LTFV imports. Because of the substantial qualitative diversity in Alpine ski bindings, it is not possible to directly compare the price of bindings imported at LTFV with the price of domestically produced bindings. In addition, numerous cash and quantity discounts offered by both domestic and foreign producers made it difficult to establish even a single price for a single model. In the investigations an attempt was made to compare price ranges within several groupings of Alpine ski bindings, and it was found that wholesale prices of such imports in the second largest selling category--those produced primarily for competition--have been generally higher than those of the domestic bindings, except for bindings from Austria, which were sold at a price similar to that of comparable domestically produced bindings. The Commission investigations did not reveal a single instance in which a domestic producer lost a sale to an LTFV import on the basis of price. As heretofore indicated, the greatest gains in penetration of the domestic Alpine ski binding market were achieved by a French manufacturer, whose prices were substantially above domestic prices and above the prices of imports sold at LTFV. In light of the above evidence, it is apparent that factors such as safety and performance features are more important than price in the ultimate determination as to which Alpine ski binding is purchased.

There are other factors, unrelated to the price of LTFV imports, which also contributed to the performance of the domestic producers of Alpine ski bindings in the period 1973-75. Limited snowfalls in recent years in certain parts of the United States curtailed skiing activities, as did the recession and the petroleum shortage. Product recognition developed through advertising, as well as services supplied to retailers, has also had an influence in the marketplace.

In addition, it must be noted that to a certain extent LTFV imports and the domestic product are directed to different markets. LTFV imports are primarily of the toe and heel binding, whereas domestic production has generally been of the plate or plate-type binding. While the uses of these two types overlap, the plate or plate-type binding is preferred for certain uses, such as in the rental market (which accounts for 20 percent of the domestic market). For other uses, such as for advanced or competitive skiing, the toe and heel binding is preferred. The market shares held by the two types have remained relatively constant since 1973, but the plate or plate-type binding market, traditionally dominated by domestic producers, has been confronted with increased competition from two new domestic producers. One domestic producer has achieved an increasing dominance of the market because of the uniqueness and adaptability of its binding for use in the rental market.

Conclusion

On the basis of all the above factors, we have determined that an industry in the United States is not being injured or is not likely to be injured by reason of the importation of Alpine ski bindings and parts thereof from Austria, Switzerland, and West Germany which the Department of the Treasury has determined are being, or are likely to be, sold at LTFV.

INFORMATION OBTAINED IN THE INVESTIGATION

Introduction

On May 28, 1976, the United States International Trade Commission received advice from the Department of the Treasury that Alpine ski bindings and parts thereof from Austria, Switzerland, and West Germany are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)). Accordingly, on June 8, 1976, the Commission instituted investigations Nos. AA1921-156, 157, and 158, respectively, under section 201(a) of said act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States. The statute directs the Commission to make its determinations by August 27, 1976.

The Commission conducted a public hearing in connection with the investigations on July 13, 1976. Notice of the institution of the investigations and of the hearing was duly given by posting copies of the notice at the Office of the Secretary, United States International Trade Commission, Washington, D.C., and at the Commission's New York Office, and by publishing the notice in the Federal Register on June 16, 1976 (41 F.R. 24460).

Following the receipt of a complaint from Safety Systems, Inc., of Chicago, Ill., the Department of the Treasury instituted antidumping investigations by publication of Antidumping Proceeding Notices in the Federal Register on July 23, 1975 (40 F.R. 30847). The Secretary of the

Treasury determined that it was inadvisable to take tentative action within the normal 6-month investigatory period. The investigatory periods in these cases were therefore extended to 7 months and notices of Extension of Investigatory Period to that effect were published in the Federal Register on January 20, 1976 (41 F.R. 2834). On February 27, 1976, withholding of appraisement notices were published in the Federal Register (41 F.R. 8510, 8511, 8512). The determinations of sales at less than fair value were made on May 28, 1976, and were published in the Federal Register on June 4, 1976 (41 F.R. 22607, 22608, 22609).

In conducting its investigations, the Commission obtained data contained herein applicable to determining the impact of less than fair value sales from Austria, Switzerland, and West Germany, upon the domestic industry producing like or directly competitive articles.

Description and Uses

In recent years skiing has become a widely popular sport, with large numbers of recreational skiers and a relatively small number of competitive skiers. While competitive skiing by advanced skiers is no more dangerous than most contact sports, a high percentage of injuries occur in recreational skiing. This indicates that skiing skill and equipment design are of paramount importance for safe skiing. Recognizing that skiing has become a popular sport and that most skiers are amateurs, the ski binding industry introduced drastic innovations within the last 25 years in the design and construction of ski bindings to decrease the number of ski-related injuries. The toe and heel, plate, and plate-type bindings are the end products of these innovations, and are generally recognized as having made skiing a safer sport.

Essentially there are two types of ski bindings: (1) Alpine ski bindings, designed primarily for downhill skiing, and (2) Nordic ski bindings, designed primarily for cross-country skiing and jumping. Nordic bindings are constructed so as to allow the heel of the skier's boot to lift free from the binding, enabling the skier to traverse level surfaces with a walking motion. Alpine bindings, however, hold the entire boot firmly to the ski to control it and to prevent any loss of balance caused by slippage between boot and ski during fast downhill runs. Because of the speed and the firm manner in which the boot is attached to the ski, Alpine bindings must incorporate a release mechanism to prevent injury to the skier in case of a fall. There are substantial structural differences between Alpine and Nordic bindings, which make them uninterchangeable. 1/

The prime function of Alpine ski bindings is to keep the boots of the skier firmly on the skis and release him from the skis only when necessary to avoid injury. This requires a synthesis of several countervailing forces. Ski bindings that successfully balance these opposing forces are most effecti in preventing injuries.

The weight and skiing skill of the skier determine the most suitable ski bindings. Skiers of greater weight and skiing skill require more retention force to assure maximum holding power. Skiers of less weight and skill require less retention force to assure easier release from the skis. Commerc brochures identify the capabilities and limitations of the ski bindings by stating the minimum, or minimum and maximum, weight capacity and the release force range. Within the specified release force range, all ski bindings, except the Moog binding (see section on producers, p. A-14), can be set by trained personnel to adjust to the weight and skiing skill of the skier.

1/ U.S. consumption of Nordic ski bindings is supplied mostly by Dovre Ski Bindings, W. Concord, Mass., the sole U.S. producer. In 1975, Dovre produced approximately * * * Nordic bindings. U.S. imports of Nordic bindings amounted to 85,000 pairs in that year. Because of the basic structural differences between Alpine and Nordic ski bindings, the great difference in price (Alpine bindings generally wholesale at prices more than 9 times higher than those for Nordic bindings), and their lack of interchangeability, Nordic ski bindings will not be discussed further in this report.

Ski bindings are made in various designs and by several methods of con-truction. There are a number of patents in existence. Some ski bindings re made of metal, such as steel, cast iron, or aluminum or a combination hereof; others are made of a combination of plastic and metal parts. Ski indings intended for rental purposes and for advanced or competitive skiers re usually made of a more durable material and have a sturdier construction han the ski bindings intended for recreational skiers, children, or junior kiers.

Alpine ski bindings consist of two types: (1) plate bindings and plate-ype bindings, and (2) toe and heel bindings.

late and plate-type bindings

Plate bindings consist of a front (toe) unit, a rear (heel) unit, and a ate. The toe and the heel units are permanently attached to the ski and aced so that the plate fits between the two units. The boot is secured the plate, and the plate is released from the toe and heel units at a eset release force laterally at the toe or upward at the heel. Some plate ndings release the plate and boot both laterally and upward at the toe d heel. Plate bindings have the capability of being adjusted for a number boot sizes. For this and other reasons the plate bindings are popular with i rental establishments. The plate-type bindings differ from the plate ndings in that they require one or two metal plates which are permanently fixed to the boot and fit the holding device(s) of the bindings. One of the ate-type bindings is also popular with ski rental establishments. Most U.S. oduced ski bindings are plate and plate-type bindings.

Toe and heel bindings

The toe and heel bindings consist of a toe unit and a heel unit that are permanently affixed to the ski and spaced to accommodate one boot size. The toe and heel binding holds the boot in place and releases the boot at a preset release force laterally at the toe and upward at the heel. Some bindings have additional release capabilities. The release system is controlled by not less than three springs. The normal toe and heel bindings do not permit adjustment for different boot sizes. There are, however, a number of manufacturers that are producing special toe and heel bindings for rental use with the capabilities of being adjusted for various boot sizes.

Parts

The parts of interest in this investigation are the basic subassembly units 1/ used to make a complete ski binding, viz, (a) the heel unit and (b) the toe unit for a heel and toe binding, and (a) the heel unit, (b) the toe unit, and (c) the plate unit for a plate or plate-type binding. Undedicated parts such as screws, springs, and cables are not involved.

1/ Although shipments of subassembly units are made in both the foreign and domestic markets, it has not been possible to determine price comparisons therefor. The Treasury information was not compiled in such a manner as to make price determinations on a country-by-country, part-by-part basis, nor has the Commission been able to acquire information of this type for the domestic trade in subassembly units. Therefore, there cannot and will not be any further discussion of parts in this report.

U.S. Tariff Treatment

U.S. imports of ski bindings and parts thereof are entered under item 734.97 of the Tariff Schedules of the United States (TSUS), which includes sleds, ski equipment and parts other than skis, and parts of snowshoes, toboggans, and sleds. Import analyses reveal that ski bindings account for most of the value of imports entered under TSUS item 734.97.

The column 1 rate of duty applicable to ski bindings is 9 percent ad valorem. This rate has been in effect since January 1, 1972, when the final stage of the concessions granted in the Kennedy Round under the General Agreement on Tariffs and Trade became effective. The column 2 rate of duty is 45 percent ad valorem.

Table 1 below shows the rates of duty applicable to ski bindings since August 31, 1963, the effective date of the TSUS.

Table 1.--Rates of duty applicable to ski bindings from Aug. 31, 1963, to the present

Effective date	Rate of duty
	Percent ad valorem
Aug. 31, 1963	18.5
Jan. 1, 1968	16.5
Jan. 1, 1969	14.5
Jan. 1, 1970	12.5
Jan. 1, 1971	11
Jan. 1, 1972	9

Treasury Finding of Sales at LTFV

The U.S. Treasury Department, investigating imports of Alpine ski bindings and parts thereof from Austria, Switzerland, and West Germany, found that such imports were sold at LTFV during the periods of its investigations. 1/

Fair-value comparisons were made on the basis of purchase price and the adjusted home-market price for all four exporters. Purchase price, as defined in section 203 of the Antidumping Act, 1921, as amended (19 U.S.C. 162), was used since all export sales were made to nonrelated distributors in the United States.

Home-market price, as defined in section 153.3 of the Customs Regulations (19 CFR 153.3), was used since the articles in question or similar merchandise were sold in the home-market in quantities sufficient to provide a basis of comparison for determining fair value.

For Austrian and West German export sales to the United States, the purchase price was calculated on the basis of packed price, f.o.b. seaport in West Germany. For Swiss export sales, the purchase was based on the packed price, f.o.b. Reichenbach, Switzerland. Home-market prices were calculated on the basis of packed delivered prices to customers. In order to make home-market prices comparable with the purchase price, adjustments were made in

1/ The periods of investigation were as follows:

Austria--June 1, 1974-Aug. 31, 1975. All the LTFV sales were made by Wiener Metallwarenfabrik Smolka & Co.
Switzerland--Jan. 1, 1975-Aug. 31, 1975. All the LTFV sales were made by E. + U. Gertsch A.G.
West Germany--June 1, 1974-July 31, 1975. All the LTFV sales were made by Hannes Marker Sicherheits Skibindungen and by Gretsch & Co. G.M.B.H.

each case for inland freight and insurance, advertising expenses, various dealer discounts, and differences in the level of trade between the U.S. market and the home-market.

Table 2 on the following page summarizes the information obtained on LTFV sales by Treasury.

Table 2.--Summary of the information concerning the nature of sales at less than fair value in the period June 1, 1974, through August 31, 1975

Exporting country and company	Brand name	Period when price information was obtained	Compared to the United States sales: Value	Compared to the United States sales: As percent of all sales to the U.S.	Percent of compared sales found at margin	LTFV margins determined by Treasury: Range	LTFV margins determined by Treasury: Weighted average	Range of LTFV margins using Commission method of calculation
						Percent	Percent	
Austria								
Wiener Metallwaren-fabrik Smolka & Co.-----------	Tyrolia	June 1, 1974, through Aug. 31, 1975	in 1974 1/: $588,126	* * *	In 1974: 1/ 67.3	In 1974: 1/ 0.06-29.95	In 1974: 1/ 12.18	In 1974: 1/ 0.06-23.05
			in 1975 2/: $520,756	* * *	In 1975: 1/ 80.1	In 1975: 2/ 9.87-54.03	In 1975: 2/ 22.82	In 1975: 2/ 8.98-35.08
Switzerland								
E. + U. Gertsch A.G.--------------	Gertsch	Jan. 1, 1975, through Aug. 31, 1975	$113,475	* * *	100.0	8.91-23.79	15.96	8:80-19.22
West Germany								
Hannes Marker Sicherheits Skibindungen------------------	Marker	June 1, 1974, through July 31, 1975	$762,236	* * *	47.8	2.03-22.10	4.27	2.00-18.10
Gretsch & Co. G.M.B.H.----------	Geze	June 1, 1974, through July 31, 1975	$993,764	* * *	100.0	13.91-65.38	44.11	12.21-39.53

1/ June 1, 1974, through Dec. 31, 1974.
2/ Jan. 1, 1975, through Aug. 31, 1975.

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The Domestic Industry

Introduction

There are currently nine firms in the United States producing Alpine ski bindings. U.S. production of Alpine ski bindings increased annually from 192,000 pairs in 1973 to 259,000 pairs in 1975. U.S. producers' shipments followed a similar trend, increasing from 188,000 pairs in 1973 to 256,000 pairs in 1975. The ratio of producers' shipments to apparent U.S. consumption of Alpine ski bindings increased from 26 percent in 1973 to 29 percent in 1974, and then declined to 23 percent in 1975. The average number of production and related workers engaged in production of Alpine ski bindings increased from 126 in 1973 to 170 in 1974, and then declined to 157 in 1975.

Prior to 1970, virtually all domestic Alpine ski bindings were manufactured by three companies and were entirely plate-type and toe and heel bindings. All three companies reached the peak of their production in 1970 and 1971. One of the three firms ceased production of Alpine ski bindings in 1974, and the other two companies are now producing only a fraction of their former output.

Since 1970, eight U.S. companies have begun producing Alpine ski bindings. The majority of the new firms are producing plate bindings and one firm is producing plate-type bindings. Although plate bindings have been on the international market since 1968, having been introduced by the Swiss firm, Gerstch A.G., it was not until the early 1970's that plate bindings achieved a significant market penetration in the United States.

This market penetration has been achieved through the aggressive marketing practices employed by some of the new U.S. producers. The locations of the producers and the type(s) of ski bindings they manufacture are listed in table 3 below.

Table 3.--Alpine ski bindings: U.S. producers, August 1976 1/

Producer	Location of production facilities	Type of ski binding
Safety Systems, Inc	Chicago, Ill	Plate.
Spademan Release Systems, Inc	Belmont, Calif	Plate-type.
Garcia/Lange U.S.A	Teaneck, N.J	Plate (retractable).
Moog, Inc	East Aurora, N.Y	Plate.
Cubco, Inc	Nutley, N.J	Plate and plate-type.
Miller Ski Co	Orem, Utah	Plate, plate-type, an and heel.
Allsop Automatic, Inc	Bellingham, Wash	Toe and heel.
Wulf Ski Products, Inc	Tinley Park, Ill	Plate.
Alpine Research, Inc	Golden, Colo	Alpine/Nordic combina

1/ Americana International, Franklin Lakes, N.J., a former manufacturer of plate bindings, ceased production in December 1975.

Most U.S. ski binding producers are relatively small firms for which sales of ski bindings represent the primary source of revenue. Eight of the nine U.S. producers totally assemble the ski bindings at their own facility. One producer contracts out its total production of ski bindings and retains only product research, marketing, and advertising functions. As far as is known, no U.S. producer makes all of the component parts for the bindings. Most producers purchase a substantial portion of the required binding parts. Parts that do not require molding or casting are usually procured by competitive bidding from relatively large establishments. These sales to the binding industry represent a small fraction of the total sales of such establishments. In general, molding or casting are subcontracted to the same contractor because of the high initial cost of molds and casts.

Producers

Safety Systems is a major domestic producer of a complete line of plate ski bindings, its sole product. The company produces a predominantly die-cast aluminum alloy binding, and a predominantly molded plastic binding. All parts are contracted out, but the finishing operations are performed on the firm's premises.

Spademan is a major domestic producer of a complete line of plate-type ski bindings. It produces predominantly aluminum and brass bindings. All parts are contracted out, and the finishing operations and assembly are performed on Spademan's own premises. The Spademan bindings do not have the usual toe and heel pieces to hold the plate. Instead, the boot is held from the sides by spring-loaded lugs gripping a metal plate that is permanently affixed to the boot. Because the metal plate has to be fastened to the boot, a flat-soled boot is required. A filler is available for skiers with sole and heel boots. Spademan manufactures an adapter which makes these bindings easily adjustable to various boot sizes, a feature desired by ski rental establishments.

The adapter consists of a plate with adjustable boot holding devices, and a metal plate that fits the lugs of the bindings. Spademan produces only ski bindings.

Garcia/Lange U.S.A. is a producer of a unique and high-priced plate ski binding sold under the trade name Burt. The total production of the bindings is contracted out. The bindings are essentially made of die-cast aluminum parts; only a few minor parts are made of plastic. Each binding has two independent spring-loaded cable retractors that reel the ski back into place after release. The mechanism permits upward and lateral release at the toe and heel. The bindings are suggested for skiers weighing over 90 pounds. Garcia/Lange U.S.A. is a division of the Garcia Corp., which produces a variety of sporting goods.

Moog started production of plate ski bindings in 1974. In 1975 it produced * * * bindings,and its projected sales for 1976 are * * * . It produces both a forged aluminum binding and a plastic binding . The release mechanism is contained in a removable cartridge with a fixed release setting that cannot be adjusted. It manufactures seven release cartridges with different release settings,which the company claims cover the full range of skier requirements. The removable release cartridges are interchangeable. The bindings are totally assembled at its own facility. Most parts are contracted out, but the finishing operations are performed on its premises. Moog is a large corporation, and the sale of ski bindings represents only a small fraction of its total sales.

Cubco is one of the oldest ski binding manufacturers in the United States; at one time Cubco and Miller (see below) supplied the majority of noncable-type ski bindings consumed in the United States. Cubco is now a relatively small producer of a complete line of plate and plate-type bindings. Both have the usual toe and heel holding devices that are permanently attached to the ski. The plate binding is designed to hold metal plates that are permanently attached to the underside of the toe and heel section of the boot. 1/ The bindings are assembled at Cubco's own facility; most of the component parts are contracted out. The majority of the parts are stamped out, while most other producers utilize casting or molding processes. Cubco is also producing a number of ski accessories, but bindings represent about *** percent of the total sales value. Cubco's production of bindings * * * from * * * in 1973 to * * * in 1975.

Miller is a small producer of plate bindings, plate-type bindings, and toe and heel bindings. In 1975 the total production amounted to about * * * ski bindings. The plate bindings are made predominantly of plastic parts, while the others are made predominantly of aluminum parts. All parts for the plate bindings are contracted out to domestic producers, and the parts for the other bindings are imported. All bindings are assembled at its own facility. Miller produces a wide variety of ski equipment and accessories, which represent *** percent of its total sales value. As pointed out previously, Miller was at one time one of the largest binding manufacturers in the United States.

Allsop is a relatively small producer of a complete line of toe and heel ski bindings. The bindings are assembled at its own facility. All

1/ Cubco identified this binding as a "boot plate binding."

parts, except for some of the springs and all of the screws, are made on the premises. In the past, 75 percent of the parts were made of plastic, and the remaining parts were made of stainless steel and aluminum. The 1976 models are made of plastic except for the springs and screws. Production * * * from * * * bindings in 1973 to * * * in 1975. Allsop manufactures products not related to the ski binding industry; the ski bindings account for about *** percent of the company's total sales.

Wulf produced 10 plate ski bindings in 1975 for testing purposes and for potential distribution.

Americana International was a producer of a complete line of plate ski bindings. In 1974 it produced * * * ski bindings, and in 1975 it produced * * * prior to cessation of production at the end of that year. At times the bindings were assembled at its own facility, and at other times total production was contracted out. All parts were contracted out. The bindings were initially made of metal, but Americana later switched to plastic as its basic material. The plastic bindings had a high rate of breakage, and Americana International is now involved in a $2 million lawsuit against General Electric alleging that the Lexan plastic did not live up to the promised performance.

Alpine Research is manufacturing a novel combination Alpine and Nordic ski binding, which is sold under the trade name Ramer. The binding is designed to enable skiers to do both downhill and cross-country skiing. In 1975 Alpine Research produced about * * * bindings.

Dovre has been in the ski binding business since 1934. From 1964 to 1974 it produced toe and heel bindings. Dovre reached its peak production in 1971, when it sold * * * toe and heel bindings. Thereafter, production declined until Dovre ceased production of such bindings in 1974. It now produces about * * * Nordic ski bindings annually.

Consideration of Injury or Likelihood Thereof

U.S. consumption

The U.S. market for ski bindings is influenced by several factors, including the number of active skiers, weather conditions, the general health of the economy, and the ability of the skiing industry to popularize the sport. The cost of skiing equipment, overnight accommodations, and travel to and from ski areas, as well as unseasonable weather conditions, represent demand uncertainties to which the industry is extremely susceptible.

According to industry officials, U.S. consumption of Alpine ski bindings reached its highest point in 1971. Beginning in 1972, however, and continuing through the winter of 1974/75, the Eastern and North Central States were plagued by poor snow conditions. In 1974, the gasoline shortage caused by the Organization of Petroleum Exporting Countries oil embargo restricted travel to ski areas. These factors, together with the recession, depressed U.S. consumption of ski bindings during the period 1972-74. Retailers, caught with high inventories, reduced ski binding purchases. It was not until the winter of 1975/76, with a good snowfall in the East and improved economic conditions, that the U.S. market improved.

As shown in table 4, apparent U.S. consumption of Alpine ski bindings in 1973, the earliest year for which data are available, amounted to 715,000 pairs. Consumption increased slightly in 1974 to 722,000 pairs, and then accelerated to 891,000 pairs in 1975, or 25 percent more than 1973. In the first 6 months of 1976, apparent U.S. consumption amounted to 663,000 pairs, compared with 233,000 and 401,000 pairs during the corresponding periods in 1974 and 1975, respectively.

Table 4.--Alpine ski bindings: U.S. producers' shipments, U.S. exports, U.S. imports for consumption, and apparent consumption, 1973-75 and January-June 1974, January-June 1975, and January-June 1976

Period	U.S. producers' shipments	Exports	Imports	Apparent consumption	Ratio of imports to consumption
	1,000 pairs	1,000 pairs	1,000 pairs	1,000 pairs	Percent
1973	188	2	530	715	74
1974	229	17	510	722	71
1975	256	51	686	891	77
January-June --					
1974	59	5	179	233	77
1975	93	16	292	401	73
1976	53	16	627	663	94

Source: Compiled from data submitted in response to questionnaires of the U.S. nternational Trade Commission.

During the period 1973-75, Salomon, a major French exporter, played a dominant role in the U.S. market for Alpine ski bindings, increasing its share of apparent U.S. consumption, in terms of quantity, from *** percent in 1973 to *** percent in 1975. The share of apparent consumption supplied by U.S. producers' shipments increased from 26 percent in 1973 to 29 percent in 1974, and then declined to 23 percent in 1975. Imports from countries selling at LTFV declined significantly during this period, and their total share of apparent U.S. consumption declined from 18 percent in 1973 to 7 percent in 1975. Individual trends for each of these countries followed the trend of the total.

There is substantial evidence that the market for specific brand-name ski bindings is influenced by product recognition, services rendered to retailers, safety features of the bindings, and product quality and appearance. Sales of plate and plate-type bindings, the bulk of which are manufactured by U.S. producers and have only been on the market since 1972, accounted for approximately 25 percent of U.S. consumption in 1973 and 23 percent in 1975. Sales of toe and heel bindings, virtually all of which are imported, accounted for the remainder.

In 1975, sales of ski bindings designed principally for adult recreational use accounted for 61 percent of apparent U.S. consumption of Alpine ski bindings. Bindings designed principally for advanced or competitive skiers accounted for 17 percent of apparent consumption, bindings for rental use accounted for 13 percent, and bindings designed principally for children or juniors accounted for about 9 percent.

For certain components of apparent U.S. consumption, namely U.S. producers' shipments and imports from LTFV countries, the composition of sales differed somewhat. Sales by U.S. producers of bindings designed for rental use were high, accounting for 21 percent of their total shipments in 1975. Imports from LTFV countries of bindings designed principally for advanced or competitive skiers also were high, accounting for 26 percent of such imports in 1975. U.S. exports of bindings designed principally for adult recreational use accounted for 70 percent of total exports in 1975, while such bindings accounted for only 56 percent of total U.S. producers' shipments in that year.

U.S. production, producers' shipments, and exports

U.S. production.--As shown in table 5, U.S. production of Alpine ski bindings increased annually from 192,000 pairs in 1973 to 259,000 pairs in 1975, or by 35 percent. For the first 6 months of 1976, production amounted to 73,000 pairs, down 36 percent from the 114,000 pairs produced during the corresponding period in 1975. This decrease is at least partly attributable to Americana International's cessation of production in late 1975, owing to product-quality problems (see section on Producers).

In general, U.S. producers maintain small or no inventories of ski bindings, since production levels are determined by orders previously obtained.

During the period January 1973 through June 1976, approximately 89 percent of the bindings manufactured by U.S. producers were plate or plate-type bindings.

Table 5.--Alpine ski bindings: U.S. production, by types, 1973-75, January-June 1974, January-June 1975, and January-June 1976

(In thousands of pairs)

Period	Plate and plate-type bindings	Toe and heel bindings	Total
1973	153	39	192
1974	213	35	247
1975	253	6	259
January-June--			
1974	51	24	75
1975	108	6	114
1976	69	4	73

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

U.S. producers' shipments.--U.S. producers' shipments of Alpine ski bindings during 1973-75 approximated production, increasing from 188,000 pairs in 1973 to 229,000 pairs in 1974 and 256,000 pairs in 1975 (table 4, p. A-19). Producers' shipments amounted to 53,000 pairs in the first 6 months of 1976, down 43 percent from the 93,000 pairs shipped during the corresponding period in 1975.

Sales to rental establishments by U.S. producers and/or their distributors accounted for 23 percent of producers' shipments in 1973 and 21 percent in 1975. It is estimated that U.S. producers' shipments accounted for 45 percent of the U.S. ski binding rental market in 1975. This disproportionately high share of the rental market supplied by domestic producers is attributed to the fact that the bulk of domestic production consists of plate and plate-type bindings, which are easier to adapt to varying boot sizes than toe and heel bindings and are consequently preferred by most rental establishments. Two domestic firms, Spademan and Safety Systems, have been the principal suppliers to rental establishments in recent years. Rental sales by Spademan increased from * * * in 1973 to * * * in 1975, while rental sales by Safety Systems decreased from * * * in 1973 to * * * in 1975.

U.S. exports.--U.S. exports of Alpine ski bindings (table 4, p. A-19) increased from about 2,000 pairs in 1973 to 17,000 pairs in 1974 and to 51,000 pairs in 1975. Exports during the first 6 months of 1976 amounted to about 16,000 pairs, approximately the same as the level of exports during the corresponding period in 1975. As a percentage of total producers' shipments, U.S. Alpine ski binding exports increased from 1 percent in 1973 to 20 percent in 1975, and 31 percent in the first 6 months of 1976.

Since 1973 certain U.S. producers have developed impressive export records. * * *, which exported only 3 percent of its total Alpine ski binding shipments in 1973, exported 43 percent in 1975 and 53 percent during the first 6 months of 1976. Exports by * * * accounted for 34 percent of its total shipments in 1974, * * * 24 percent in 1975, and 34 percent in the first 6 months of 1976. It should be noted that most of the U.S. ski binding manufacturers that are successful in foreign markets have unique binding features that are not duplicated by the European manufacturers. France, Sweden, Canada, and Japan have been the principal export markets for U.S. Alpine ski bindings in recent years.

U.S. imports

Aggregate imports.--Total U.S. imports of Alpine ski bindings declined from 530,000 pairs in 1973 to 510,000 pairs in 1974, and then increased to 686,000 pairs in 1975 (table 4, p. A-19). For the first 6 months of 1976, imports amounted to 627,000 pairs, significantly more than the 292,000 pairs imported during the corresponding period in 1975. Approximately 80 percent of the increase was attributable to increases in imports of bindings manufactured by * * *.

The ratio of total imports from all sources to apparent U.S. consumption of Alpine ski bindings, in terms of quantity, declined from 74 percent in 1973 to 71 percent in 1974 and then increased to 77 percent in 1975. During the first 6 months of 1976, imports accounted for 94 percent of apparent U.S. consumption; the increase was due primarily to the surge in imports from * * *, mentioned above.

In recent years, imports of Alpine ski bindings from France have dominated the U.S. market, accounting for approximately *** percent of apparent U.S. consumption in 1973, *** percent in 1974, and *** percent in 1975. The great majority of ski binding imports from France are manufactured by Salomon, a company which began making significant inroads in the U.S. market in the early 1970's. Salomon's success has been attributed to the fact that it (1) offers a good product; (2) advertises extensively and cites the names and addresses of retailers in the advertisements; (3) provides product liability insurance; (4) has a large force of specially trained personnel that advise dealers on sales techniques and technical questions; and (5) sponsors workshops to instruct dealers in the art of mounting ski bindings.

All U.S. Alpine ski binding imports from France have been of the toe and heel type.

Imports from LTFV countries.--During the period 1973-75, approximately 13 percent of U.S. imports of Alpine ski bindings came from countries found to be selling at LTFV. Imports from West Germany declined significantly during this period, from * * * in 1973 to * * * in 1975. Imports from Austria increased from * * * in 1973 to * * * in 1974, and then declined to * * * in 1975. At present, data on imports from Switzerland are only available for 1975, when imports amounted to * * * . That year was the first in which the Swiss LTFV exporter exported Alpine ski bindings to the United States.

The majority of Alpine ski binding imports from these countries have been of the toe and heel type. Certain imports from Gretsch, one of the West German exporters at LTFV, and all imports from Gertsch, the Swiss exporter at LTFV, have consisted of plate bindings. Such imports accounted for approximately * * * percent of total imports from countries selling at LTFV in 1973, and * * * percent of total imports in 1975.

Table 6.--Alpine ski bindings: Imports from all countries found to be selling at LTFV, imports from Austria, imports from Switzerland, imports from West Germany, and apparent U.S. consumption, 1973-75, January-June 1974, January-June 1975, and January-June 1976

Period	Imports from LTFV countries (A)	Imports from Austria (B)	Imports from Switzerland (C)	Imports from West Germany (D)	Apparent U.S. consumption (E)	Ratio: A to E	Ratio: B to E	Ratio: C to E	Ratio: D to E
	1,000 pairs	1,000 pairs	1,000 pairs	1,000 pairs	1,000 pairs	Percent	Percent	Percent	Percent
1973	128	* * *	* * *	* * *	715	18	* * *	* * *	* * *
1974	116	* * *	* * *	* * *	722	16	* * *	* * *	* * *
1975	62	* * *	* * *	* * *	891	7	* * *	* * *	* * *
January-June--									
1974	7	* * *	* * *	* * *	233	3	* * *	* * *	* * *
1975	2	* * *	* * *	* * *	401	3/	* * *	* * *	* * *
1976	12	* * *	* * *	* * *	663	2	* * *	* * *	* * *

1/ Not available.
2/ Less than 500 pairs.
3/ Less than 1 percent.
Source: Compiled from data obtained in response to questionnaires of the U.S. International Trade Commission.

Channels of distribution

U.S. producers.--Safety Systems sells its entire output to its exclusive distributor, A & T Ski Co. Americana International, which ceased production in 1975, also maintained an exclusive distributorship with Hart Ski Co. The remaining producers sell directly to retailers through national sales teams.

Specialty ski shops and sporting goods stores constitute the largest retail market for U.S. ski binding producers, accounting for approximately 70 percent of total retail sales. As indicated previously, U.S. producers also enjoy a prominent position in the rental market. Sales by U.S. producers to rental establishments accounted for about 23 percent of their total retail sales in 1973 and 21 percent in 1975.

Importers.--All of the major foreign Alpine ski binding producers exporting to the United States have exclusive U.S. distributors. Salomon, the large French exporter, established its own distributor in 1973 (Salomon North America).

In recent years there has been considerable shifting of U.S. distributors by exporters found by Treasury to have sold bindings at LTFV. The following is a list of the LFTV exporters and their distributors since 1973:

Exporter at LTFV	U.S. distributor
Wiener Metallwarenfabrik Smolka & Co. (Austria)	Beginning in 1975: Raichle Molitor U.S.A. Prior to 1975: American Ski Corp.
E. + U. Gertsch A. G. (Switzerland)	Beginning in 1975: Dartmouth Outdoor Sports, Inc.
Hannes Marker Sicherheits Skibindungen (West Germany)	Beginning in 1974: K2 Corp. Prior to 1974: Spalding Corp.
Gretsch & Co. G.M.B.H. (West Germany)	Saska Sports Industries, Inc.

Price as a factor in competition

In the consumer's choice of a particular kind of ski binding price competition is just one of several possible marketing strategies used by suppliers. In selecting a pair of bindings the buyer looks for an optimal combination of safety and performance on the slopes; the optimum of this combination varies according to whether the skier is a beginner, a racer, or somewhere in between. Moreover, the skier looks for ease of connecting the ski with the boot, a feature that has special importance on the slopes when remounting becomes necessary after release. As long as he feels that the above requirements are satisfied, the consumer is relatively insensitive to the price differences between various models.

Some ski bindings are sold in packages, jointly with skis, boots, or poles. Hence, the buyer, even if price conscious, does not concentrate on the price of the binding, which is believed to constitute roughly 15 percent of all expenditures on skiing equipment.

Considering the wide variety of existing ski bindings, it would be difficult for the consumer to select the best value on the basis of informed judgment even if he made a conscious effort to do so. The consumer, as well as the retailer--on whose advice the consumer acts most of the time--is heavily influenced by advertising. There is a general agreement in the ski binding business that Salomon, the leading U.S. supplier, owes its success in large measure to aggressive advertising.

However, retailers' sensitivity to price appears to be higher than consumers'. Retailers report that they will buy large quantities of bindings if they can obtain a substantial quantity discount

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or a closeout price. Since retailers cannot "push" the product on the basis of price with the final consumer, a downward trend in the average wholesale price of Alpine bindings might not be inconsistent with an upward trend in their average retail price, accounted for by an increasing retail markup.

A certain degree of price elasticity of demand is, therefore, suspected to exist on the wholesale, but not on the retail, level. This accounts for the fact that suppliers still use a low price in their effort to clear their inflated inventories, especially where the less expensive recreational adult and rental bindings are concerned. Moreover, price seems to matter, although to a smaller extent, even in the higher price category. It may be possible, for example, for a foreign product to price itself out of the U.S. market, as suggested by the declining share of the high-quality, high-priced Marker bindings.

Pricing practices

Ski bindings are being sold separately by model number, or as part of a package of ski equipment that includes skis, poles, and bindings, or skis, boots, and bindings. They are also sold in assortments of various types and models of bindings. Prices are generally quoted per pair, f.o.b. supplier's place of business. A combination of cash and quantity discounts is used industrywide. Cash discounts generally amount to 5 percent; quantity discounts range from 2 to 40 percent. For discontinued models or to clear large inventories, a flat low price is sometimes quoted instead of the prices on the discount schedule. These varied pricing practices result in a multitude of prices for the same model at the same time.

Sales for a given season begin in February-March and end in January-February of the following year. About 70 percent of the orders for a season are believed to be placed before the end of April. Orders received before June are considered by certain suppliers as "initial," the ones received later, as "reorders."

Importers and U.S. producers most often sell directly to the retailer, whose markup is generally 40 to 45 percent; it can be higher if the retailer has availed himself of large quantity discounts.

Limitations of the price analysis

The Commission was unable to develop a general measure for the price differential between U.S.-made Alpine ski bindings and those imported at LTFV. First, the substantial qualitative diversity of ski bindings defies the establishment of a domestic price level or one for LTFV imports across the board. Second, the same qualitative diversity makes it difficult to break up the spectrum of Alpine ski bindings into sufficiently homogeneous groups to allow price comparisons. The subdivision of Alpine ski bindings into groups for (a) adult recreational use, (b) advanced and competitive use, (c) use for juniors and children, and (d) rental use is an approximation of homogeneity at best and a weak basis for conclusive price analysis.

Third, the intricate cash and quantity discount structure used in the industry creates a multiplicity of prices even for the same model at the same time. It was not feasible to request all the data needed to obtain truly comparable prices.

Finally, above all, the price analysis was impeded by poor, tardy, and occasionally misleading responses. This circumstance necessitated substantial followup, yet many questions remained unanswered.

The limitations of available information described above forced the Commission to use annual instead of quarterly data, as planned, and to illustrate price levels by ranges instead of weighted averages. Such ranges are distorted by the absence of certain models for which data or evidence of comparability were not available. The tables introduced subsequently, therefore, are considered illustrative but not conclusive.

Price comparisons

Collection and use of the data.--Prices at the wholesale level were found to be the most appropriate basis for making comparisons, since most U.S. producers (with the notable exception of Safety Systems) and importers sell directly to retailers. Also, key retailers were asked to report the prices they paid on a comparable basis. Their data were meant mostly for control, but as it turned out they frequently served as substitutes for the suppliers' missing responses. Gaps in reporting made it necessary to piece together price information from more than one source, such as the supplier, the retailer, and the competitor, or to calculate the data from published price lists and discount schedules.

Recreational ski bindings for use by adults.--For the purposes of price analysis, the segment of the market involving adult recreational ski bindings was singled out for special attention. In addition to accounting for more than half of the total U.S. ski binding market, LTFV imports with significant margins of underselling were expected to fall in large measure into this category.

Table 7 shows prices of reasonably comparable U.S. models, LTFV imports, and other leading imports by season. 1/ Table 8 shows price ranges based on table 7. The lowest prices were consistently found for models imported from countries found to be selling at LTFV, followed generally by those for imports from France.

1/ The 1976/77 season, for example, begins in February or March 1976, and ends in January or February 1977. Prices are generally determined at the trade shows in the first months of the season; therefore, they are shown for the entire season.

... wholesale prices for U.S. products, LTFV imports, and other leading imports, by specified sources and models, marketing seasons 1973/74 to 1976/77 1/

(Price per pair)

Item	1973/74	1974/75	1975/76	1976/77
U.S. products:				
Besser Delux Aluminum	* * *	* * *	* * *	* * *
Besser Glass Ultra Lite	* * *	* * *	* * *	* * *
Spademan SRS II	* * *	* * *	* * *	* * *
Moog Orange	* * *	* * *	* * *	* * *
LTFV imports:				
From Austria:				
Tyrolia PB II	* * *	* * *	* * *	* * *
Tyrolia 250 set	* * *	* * *	* * *	* * *
Tyrolia 120 set	* * *	* * *	* * *	* * *
From Switzerland:				
Gertsch G-40 (or 4D)	* * *	* * *	* * *	* * *
From West Germany:				
Marker M3/33	* * *	* * *	* * *	* * *
Geze Plate Lite	* * *	* * *	* * *	* * *
Geze Plate Star	* * *	* * *	* * *	* * *
Geze Standard	* * *	* * *	* * *	* * *
Other leading imports, from France:				
Solomon 444	* * *	* * *	* * *	* * *
Solomon 202	* * *	* * *	* * *	* * *
Look GT	* * *	* * *	* * *	* * *

1/ Based on wholesale prices at seller's U.S. point of shipment, net all discounts and allowances pertaining to large transactions.
2/ Claimed by respondent as closeout price.
3/ As reported by importer. Discount schedule shows $13.50 as lowest available price.

Source: Compiled predominantly from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 8.--Alpine ski bindings for adult recreational use: Wholesale price ranges for U.S. products, LTFV imports, and other leading imports, by specified sources and brands, marketing seasons 1973/74 to 1976/77 1/

(Price range per pair)

Item	1973/74	1974/75	1975/76	1976/77
U.S. products	$16.92-$29.75	$16.75-$31.50	$19.09-$32.40	$20.64-$34.80
LTFV imports	11.76-39.74	15.43-31.23	11.97-26.59	12.77-24.68
From Austria: Tyrolia	* * *	* * *	* * *	* * *
From Switzerland: Gertsch	* * *	* * *	* * *	* * *
From West Germany	* * *	* * *	* * *	* * *
Marker	* * *	* * *	* * *	* * *
Geze	* * *	* * *	* * *	* * *
Other leading imports, from France	* * *	* * *	* * *	* * *
Solomon	* * *	* * *	* * *	* * *
Look-Nevada	* * *	* * *	* * *	* * *

1/ Based on wholesale prices at seller's U.S. point of shipment, net all discounts and allowances pertaining to large transactions.

2/ Range of possible prices for 1 model only, depending on discount applied.

Source: Compiled predominantly from data submitted in response to questionnaires of the U.S. International Trade Commission.

<u>Ski bindings for use by adults in advanced or competitive skiing.</u>--Alpine ski bindings for use by adults in advanced or competitive skiing is the second largest group imported at LTFV, representing in 1975 26 percent of LTFV imports. Table 9 shows prices of selected models deemed comparable; table 10, the price ranges, by various suppliers and groups of suppliers. Prices of LTFV imports in this group are generally higher than those of domestic ski bindings, except for the prices of imports from Austria in 1975/76 and 1976/77. In these last two seasons the imports from France sold at the highest prices.

Table 9.--Alpine ski bindings for use in advanced or competitive skiing: Wholesale prices for U.S. products, LTFV imports, and other leading imports, by specified sources and models, marketing seasons 1973/74 to 1976/77 1/

(Price per pair)

Item	1973/74	1974/75	1975/76	1976/77
U.S. products: 2/				
Besser Competition Aluminum	* * *	* * *	* * *	* * *
Allsop Premier	* * *	* * *	* * *	* * *
Allsop 28 oz. HP	* * *	* * *	* * *	* * *
Moog U.S.A. Gold	* * *	* * *	* * *	* * *
Spademan SRS Super II	* * *	* * *	* * *	* * *
LTFV imports:				
From Austria:				
Tyrolia 350 Diagonal	* * *	* * *	* * *	* * *
From Switzerland:				
Gertsch G-60	* * *	* * *	* * *	* * *
Gertsch G-80	* * *	* * *	* * *	* * *
From West Germany:				
Marker M4 System	* * *	* * *	* * *	* * *
Geze Jet Set	* * *	* * *	* * *	* * *
Other leading imports, from France:				
Solomon 555	* * *	* * *	* * *	* * *
Solomon 555 Equipe	* * *	* * *	* * *	* * *
Look Nevada T/Grand Prix	* * *	* * *	* * *	* * *

1/ Based on wholesale prices at seller's U.S. point of shipment net all discounts and allowances pertaining to large transactions.

2/ The Burt Competition model has been omitted from this category because, due to its unique features, this binding cannot be considered comparable to the other models listed.

Source: Compiled predominantly from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 10.--Alpine ski bindings for use in advanced or competitive skiing: Wholesale price ranges for U.S. products, LTFV imports, and other leading imports, by specified source and brands, marketing seasons 1973/74 to 1976/77 1/

(Price per pair)

Item	1973/74	1974/75	1975/76	1976/77
U.S. products	$31.87-$35.00	$31.59-$41.70	$34.80-$47.70	$39.06-$51.30
LTFV imports	40.33-45.50	39.48-45.52	36.54-49.47	37.44-56.86
From Austria: Tyrolia	* * *	* * *	* * *	* * *
From Switzerland: Gertsch	* * *	* * *	* * *	* * *
From West Germany	* * *	* * *	* * *	* * *
Marker	* * *	* * *	* * *	* * *
Geze	* * *	* * *	* * *	* * *
Other leading imports, from				
France	* * *	* * *	* * *	* * *
Solomon	* * *	* * *	* * *	* * *
Look Nevada	* * *	* * *	* * *	* * *

1/ Based on wholesale prices at seller's U.S. point of shipment, net all discounts and allowances pertaining to large transactions.

Source: Compiled predominantly from data submitted in response to questionnaires of the U.S. International Trade Commission.

Employment

All U.S. manufacturers of Alpine ski bindings procure most of the component parts, and are primarily engaged in the assembly of the end product (see section on domestic industry). Therefore, the figures cited below do not include the man-hours worked or the number of employees engaged in the manufacture of the component parts.

The number of U.S. production and related workers engaged in the production of Alpine ski bindings increased from 126 in 1973 to 170 in 1974, and then decreased to 157 in 1975. The average number of workers was 140 in the first 6 months of 1976 and 147 in the corresponding period of 1975.

The average number of production and related workers engaged in the production of all products at U.S. establishments in which Alpine ski binding were produced followed the same general pattern as that described above, except for the first 6 months of 1976.

Data on the average number of production and related workers employed in U.S. establishments producing Alpine ski bindings from January 1973 through June 30, 1976 are shown in the following tabulation:

Period	Average number of production and related workers engaged in producing--	
	All products	Alpine ski bindings
1973 1/	160	126
1974	208	170
1975	182	157
January-June--		
1975	165	147
1976 2/	188	140

1/ Moog and Garcia/Lange U.S.A. did not produce Alpine ski bindings in 1973.
2/ Americana International ceased production of Alpine ski bindings at the end of 1975.

The following tabulation shows the number of man-hours worked in producing Alpine ski bindings and in producing all products in the U.S. establishments in which Alpine ski bindings are produced. The ratio of man-hours of production and related workers engaged in producing Alpine ski bindings to man-hours of production and related workers engaged in producing all products is also shown.

Period	Man-hours of production and related workers engaged in producing--		
	All products (A)	Alpine ski bindings (B)	Ratio of B to A
	1,000 man-hours	1,000 man-hours	Percent
1973 1/	205	205	100.0
1974	371	345	93.0
1975	314	295	94.0
January-June--			
1975	166	156	93.9
1976 2/	164	135	82.6

1/ Moog and Garcia/Lange U.S.A. did not produce ski bindings in 1973.
2/ Americana International ceased production of Alpine ski bindings at the end of 1975.

As shown above, 140,000 more man-hours were spent in producing Alpine ski bindings in 1974 than in 1973, and 50,000 fewer man-hours were involved in 1975 than in 1974. A decrease in man-hours of 21,000 is recorded from January-June 1975 to the same period in 1976. The ratio of man-hours involved in the production of Alpine ski bindings to man-hours involved in production of all products decreased slightly in 1974-75 and even further in the first 6 months of 1976.

Profit-and-loss experience of U.S. producers

Financial data were requested from the nine known producers of ski bindings for the years 1973-75, and the two 6-month periods July-December 1974 and July-December 1975. Six producers supplied satisfactory information for the 3 full years. Only one company could supply data for the partial years. One of the responding companies, * * *, just started operations in 1975, making its first sales which were * * * . The company had considerable research and development costs and planning expenses in 1973 and 1974, but no sales. Because of the unique circumstances of this company, the data it supplied are not included in the following analysis. Data supplied by the six companies accounted for approximately 85 percent of domestically produced ski bindings. Of the six, four made only ski bindings in the reporting establishments, and two made a variety of other skiing equipment.

Total operations.--Overall operations of the companies showed an increase in 1974 but a decline in 1975. The 1975 decline of $600,000 for the entire industry was due to great sales variances by three companies; in particular * . Although the aggregate figures for the establishments showed profits each year, they were influenced primarily by * * * * * * * * * * * * * * * * * . Two companies had losses for all 3 years while four companies showed losses in 1975. Only two companies operated profitably all 3 years. Total sales ranged from a high of $7.2 million in 1974 to a low of $6.6 million in 1975; in 1973, they amounted to $6.7 million. The ratio of net profit to net sales amounted to 3.7 percent in 1973, 3.1 percent in 1974, and 5.7 percent in 1975 (tables 11 and 13).

Ski bindings.--Sales of ski bindings by the six companies were at thei greatest in 1973, when they amounted to $5.1 million. Thereafter, they declined slightly to $5.0 million in 1974 and to $4.4 million in 1975. Bot the net operating profit and the percentage of net operating profit to sale were also the largest in 1973, amounting to $296,000 and 5.8 percent. In 1974 the profit was $158,000, representing 3.1 percent of sales. In 1975 the profit was $240,000, or 5.4 percent of sales (tables 12 and 13).

ble 11.--Profit-and-loss experience of 6 U.S. producers of ski bindings on their total establishment operations, 1973-75

Item	Net sales	Cost of goods sold	Gross profit or (loss)	General, admin-istrative, and sell-ing expense	Net operat-ing profit or (loss)	Ratio of net oper-ating pro-fit or (loss) to net sales
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	Percent
1973						
ɔp Automatic, Inc	* * *	* * *	* * *	* * *	* * *	* * *
icana International	* * *	* * *	* * *	* * *	* * *	* * *
), Inc	* * *	* * *	* * *	* * *	* * *	* * *
ɜr Ski Co	* * *	* * *	* * *	* * *	* * *	* * *
:y Systems, Inc	* * *	* * *	* * *	* * *	* * *	* * *
ɜman Release Systems, Inc	* * *	* * *	* * *	* * *	* * *	* * *
'otal	6,707	4,253	2,454	2,205	249	3.7
1974						
ɔp Automatic, Inc	* * *	* * *	* * *	* * *	* * *	* * *
.cana International	* * *	* * *	* * *	* * *	* * *	* * *
', Inc	* * *	* * *	* * *	* * *	* * *	* * *
·r Ski Co	* * *	* * *	* * *	* * *	* * *	* * *
y Systems, Inc	* * *	* * *	* * *	* * *	* * *	* * *
man Release Systems, Inc	* * *	* * *	* * *	* * *	* * *	* * *
otal	7,204	4,370	2,834	2,611	223	3.1
1975						
p Automatic, Inc	* * *	* * *	* * *	* * *	* * *	* * *
cana International ***	* * *	* * *	* * *	* * *	* * *	* * *
, Inc	* * *	* * *	* * *	* * *	* * *	* * *
r Ski Co	* * *	* * *	* * *	* * *	* * *	* * *
y Systems, Inc	* * *	* * *	* * *	* * *	* * *	* * *
man Release Systems, Inc	* * *	* * *	* * *	* * *	* * *	* * *
otal	6,605	3,258	3,347	2,972	375	5.7

: * *.

rce: Compiled from data submitted to the U.S. International Trade Commission by ɔmestic producers.

Table 11.--Profit-and-loss experience of 6 U.S. producers of ski bindings on the: total establishment operations, 1973-75

Item	Net sales	Cost of goods sold	Gross profit or (loss)	General, Admin-istrative, and sell-ing expense	Net operat-ing profit or (loss)	Ratic net op ating fit (loss) net sa
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	Perce
1973						
Allsop Automatic, Inc----------	* * *	* * *	* * *	* * *	* * *	
Americana International--------	* * *	* * *	* * *	* * *	* * *	
Cubco, Inc---------------------	* * *	* * *	* * *	* * *	* * *	
Miller Ski Co------------------	* * *	* * *	* * *	* * *	* * *	
Safety Systems, Inc------------	* * *	* * *	* * *	* * *	* * *	
Spademan Release Systems, Inc--	* * *	* * *	* * *	* * *	* * *	
Total---------------------	6,707	4,253	2,454	2,205	249	
1974						
Allsop Automatic, Inc----------	* * *	* * *	* * *	* * *	* * *	
Americana International--------	* * *	* * *	* * *	* * *	* * *	
Cubco, Inc---------------------	* * *	* * *	* * *	* * *	* * *	
Miller Ski Co------------------	* * *	* * *	* * *	* * *	* * *	
Safety Systems, Inc------------	* * *	* * *	* * *	* * *	* * *	
Spademan Release Systems, Inc--	* * *	* * *	* * *	* * *	* * *	
Total---------------------	7,204	4,370	2,834	2,611	211	
1975						
Allsop Automatic, Inc----------	* * *	* * *	* * *	* * *	* * *	
Americana International--------	* * *	* * *	* * *	* * *	* * *	
Cubco, Inc---------------------	* * *	* * *	* * *	* * *	* * *	
Miller Ski Co------------------	* * *	* * *	* * *	* * *	* * *	
Safety Systems, Inc------------	* * *	* * *	* * *	* * *	* * *	
Spademan Release Systems, Inc--	* * *	* * *	* * *	* * *	* * *	
Total---------------------	6,605	3,258	3,347	2,972	375	

1/ * * * * * *

Source: Compiled from data submitted to the U.S. International Trade Commissio the domestic producers.

Table 13.--Profit-and-loss experience of 6 U.S. producers of ski bindings on their total establishment operations and on their ski binding operations, 1973-75

Item	Net sales	Cost of goods sold	Gross profit	General, administrative, and selling expense	Net operating profit	Ratio of net operating profit to net sales
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	Percent
.1 products:						
1973	6,707	4,253	2,454	2,205	249	3.7
1974	7,204	4,370	2,834	2,611	223	3.1
1975	6,605	3,258	3,347	2,972	375	5.7
i bindings:						
1973	5,094	3,147	1,947	1,651	296	5.8
1974	5,030	3,037	1,993	1,835	158	3.1
1975	4,424	2,281	2,143	1,903	240	5.4

Source: Tables 11 and 12.

Manufacturers from Austria, Switzerland, and West Germany found to have sold at less than fair value

The following information was obtained from the files of the Department of the Treasury and from testimony given at the hearing on Alpine ski bindings held on July 13, 1976, before the United States International Trade Commission.

The Austrian exporter.--Wiener Metallwarenfabrik Smolka and Co. (hereinafter referred to as WMS-Smolka) is presently the only Austrian exporter of Alpine ski bindings to the United States. Of its total sales of the subject article, approximately *** percent go to the home market, while *** percent are exported. In 1974 WMS-Smolka's exports to the United States amount to approximately * * *, equivalent to *** percent of its home market sales for that year.

In the home market WMS-Smolka has a virtual monopoly, accounting for *** percent of all Austrian sales of ski bindings. Prior to and including the 1974 season, WMS-Smolka had two unrelated distributors in the home marke Early in 1975 its newly created subsidiary, Tyrolia G.M.B.H., began to function as its exclusive sales organization. In the home market, Tyrolia sells to wholesalers, key retailers, and retail chainstores. Tyrolia is also the brand name for ski bindings exported by WMS-Smolka to the United States. Since January 1975, WMS-Smolka's sole U.S. distributor has been Raichle Moli U.S.A. Previously the distributorship was held by American Ski Co., a now defunct entity.

The Swiss exporter.--E. + U. Gertsch A.G. of Interlaken, Switzerland, is the Swiss exporter 1/ of Alpine ski bindings to the United States found by Treasury to have sold at LTFV. Before July 1971 a company incorporated as Gertsch, A.G., marketed the Gertsch plate bindings in the home market and for export. In July 1971 Gertsch A.G., became part of the AMF family of companies. AMF Inc. (American Machine and Foundry Company, White Plains, N.Y.) is an American firm with subsidiaries abroad. In December 1974, E. + U. Gertsch, A.G. (hereinafter referred to as Gertsch), was formed as an independent company by the two previous owners of Gertsch A.G. It obtained sub-licensing rights to manufacture and market the Gertsch bindings from AMF, Inc., at that time.

During 1975 Gertsch sold * * * ski bindings to its sole U.S. distributor, Dartmouth Outdoor Sports, Inc. * * * * * * *
* * * * * * *
* * * * * * *
* * * * * * *
* * * * * * * .

West German exporters.-- Virtually all U.S. imports of Alpine ski bindings from West Germany are manufactured by Gretsch & Co., G.M.B.H. (hereinafter referred to as Gretsch) and Hannes Marker Sicherheits Skibindungen, K.G.

1/ Another Swiss company was found to account for less than 1 percent of U.S. imports from Switzerland. For this reason it was not covered in the Treasury investigation.

(hereinafter referred to as Marker). During the periods in which Treasury made price comparisons, sales in the home market by these two companies exceeded sales to any foreign country.

Gretsch is a manufacturer of ski bindings and other sporting goods under the brand name Geze. On the European market it acts as a distributor for its own products and for those of other ski equipment producers. In the area of ski bindings, Gretsch supplies * * * percent of the home market, selling to wholesalers, ski manufacturers, department stores, key dealers, and buying groups.

The United States, followed by Switzerland and Austria, is the leading export market for Gretsch, accounting for *** percent of its total sales during the 1974-75 season. From June 1, 1974, through July 31, 1975, export of Alpine ski bindings by Gretsch to the United States amounted to almost * * * . Saska Sports Industries is the exclusive U.S. distributor for the Geze bindings.

Marker, a major manufacturer of toe and heel bindings, is an important supplier for the European market. The company exports * * * of its entire production. * * * * * * * * * * * * * * It sells to wholesalers, department stores, and buying groups. The company has subsidiaries in several foreign countries, acting many times as the licenser for Marker bindings produced by independent companies in these countries.

Since 1971, Marker's sales to the United States have continually declined. In contrast to Gretsch's sales picture, only a small share of Marker's total exports, i.e., * * * percent, are accounted for by the United States. According to Marker's current U.S. distributor, the K2 Corp., Vashan, Wash., Marker's U.S. sales declined for two principal reasons: (1) high prices, which were consistently maintained along with the high cost and high quality of the Marker binding, and (2) inadequate marketing policies by previous distributors. However, since Marker bindings are so popular in many other markets, the exporter believes that Marker can ultimately regain its position with U.S. consumers.

Consideration of the Causal Relationship between LTFV Imports and the Alleged Injury

Market penetration of imports from LTFV countries

Total U.S. imports of Alpine ski bindings from LTFV countries declined from 128,000 pairs in 1973 to 116,000 pairs in 1974, and to 62,000 pairs in 1975 (table 14). As a share of apparent U.S. consumption, imports from LTFV countries accounted for 18 percent in 1973, 16 percent in 1974, and 7 percent in 1975.

U.S. imports of Alpine ski bindings from Austria * * * from * * * in 1973 to * * * in 1974, and then declined to * * * in 1975 (table 15) As a share of apparent U.S. consumption, such imports accounted for *** percent in 1973, *** percent in 1974, and *** percent in 1975. Treasury's period of investigation on imports from Austria was June 1974-December 1975.

At present, data on imports of Alpine ski bindings from Switzerland are available only for 1975, in which year imports amounted to * * * , or * * * percent of apparent U.S. consumption (table 16). Treasury's period of investigation on imports from Switzerland was June 1974-August 1975.

U.S. imports of Alpine ski bindings from West Germany declined from * * * in 1973 to * * * in 1974, and * * * in 1975 (table 17). As a share of apparent U.S. consumption, imports from West Germany accounted for * * * percent in 1973, * * * percent in 1974, and * * * percent in 1975. Treasury's period of investigation on imports from West Germany was June 1974-July 1975.

A small percentage of U.S. imports of Alpine ski bindings from LTFV countries has consisted of plate bindings--the type manufactured by most U.S. producers. Most of the imports of plate bindings from LTFV countries are supplied by Gretsch, one of the West German exporters; the remainder are supplied by Gertsch, the Swiss exporter. Imports of such bindings accounted for *** percent of apparent U.S. consumption in 1973, and *** percent in 1975.

Table 14.--Alpine ski bindings: Imports from LTFV countries (Austria, Switzerland, and West Germany), apparent U.S. consumption, and ratios of imports from LTFV countries to apparent U.S. consumption, 1973-75, and January-June of 1974-76

Period	Imports from LTFV countries (A)	Apparent U.S. consumption (B)	Ratio of A to B
	1,000 pairs	1,000 pairs	Percent
1973	128	715	18
1974	116	722	16
1975	62	891	7
January-June--			
1974	7	233	3
1975	2	401	1/
1976	12	663	2

1/ Less than 1 percent.

Source: Compiled from data obtained in response to questionnaires of the U.S. International Trade Commission.

Table 15.--Alpine ski bindings: Imports from Austria, apparent U.S. consumption, and ratios of imports from Austria to apparent U.S. consumption, 1973-75 and January-June of 1974-76

Period	Imports from Austria (A)	Apparent U.S. consumption (B)	Ratio of A to B
	Pairs	Pairs	Percent
1973	* * *	715,477	* * *
1974	* * *	722,434	* * *
1975	* * *	891,162	* * *
January-June--			
1974	* * *	232,955	* * *
1975	* * *	410,146	* * *
1976	* * *	663,152	* * *

1/ Not available.
2/ * * * .

Source: Compiled from data obtained in response to questionnaires of the U.S. International Trade Commission.

Table 16.--Alpine ski bindings: Imports from Switzerland, apparent U.S. consumption, and ratios of imports from Switzerland to apparent U.S. consumption, 1973-75 and January-June of 1974-76

Period	Imports from Switzerland (A)	Apparent U.S. consumption (B)	Ratio of A to B
	Pairs	Pairs	Percent
1973		715,477	
1974		722,434	
1975	* * *	891,162	* * *
January-June--			
1974		232,955	
1975		401,146	
1976		663,152	

1/ Data on imports from Switzerland are available only for 1975.
2/ * * * .

Source: Compiled from data obtained in response to questionnaires of the U.S. International Trade Commission.

Table 17.--Alpine ski bindings: Imports from West Germany, apparent U.S. consumption, and ratios of imports from West Germany to apparent U.S. consumption, 1973-75 and January-June of 1974-76

Period	Imports from West Germany (A)	Apparent U.S. consumption (B)	Ratio of A to B
	Pairs	Pairs	Percent
1973	* * *	715,477	* * *
1974	* * *	722,434	* * *
1975	* * *	891,162	* * *
January-June--			
1974	* * *	232,955	* * *
1975	* * *	401,146	* * *
1976	* * *	663,152	* * *

1/ * * *.

Source: Compiled from data obtained in response to questionnaires of the U.S. International Trade Commission.

Evidence of lost sales

In the questionnaire sent to each domestic producer, information was requested with respect to sales lost to LTFV imports and evidence supporting claims of such lost sales.

Only one domestic producer, * * *, made direct allegations of lost sales to foreign suppliers by naming the customer, the foreign producer, and the volume of the sales.

* * * * * * *

Price suppression and depression 1/ (trends in unit values)

In the absence of weighted average price data, the price changes that have taken place are best approximated by trends of average unit values.

Table 18 and figure 1 show actual unit values based on wholesale prices for adult recreational bindings, by U.S. products and certain imports, during the period under review. Unit values based on wholesale prices for the West German bindings declined from * * * per pair in 1973/74 to * * * per pair in 1974/75. Unit values of U.S.-made bindings paralleled this decline, indicating that U.S. prices may have been depressed by LTFV imports. In 1975 and in 1976 the Austrian Tyrolia binding sold at low unit values * * *, respectively, indicating the possibility that U.S. prices had been suppressed by these LTFV imports. In 1973/74 the average unit value of U.S.-made adult recreational bindings was $25.00, and remained below that in all subsequent years. Table 18 and figure 1 show that, in contrast, the unit values of the French adult recreational bindings have been consistently above those of other suppliers and have been increasing throughout the period under review.

1/ The high-priced West German Marker bindings have been excluded from this analysis. The Swiss Gertsch bindings have also been excluded, since information on their sales and prices was insufficient. However, it should be noted with regard to the Gertsch bindings that their sales at low prices, comparable to those of sales of Geze and Tyrolia bindings, have been indicated by information obtained from retailers during the period under review.

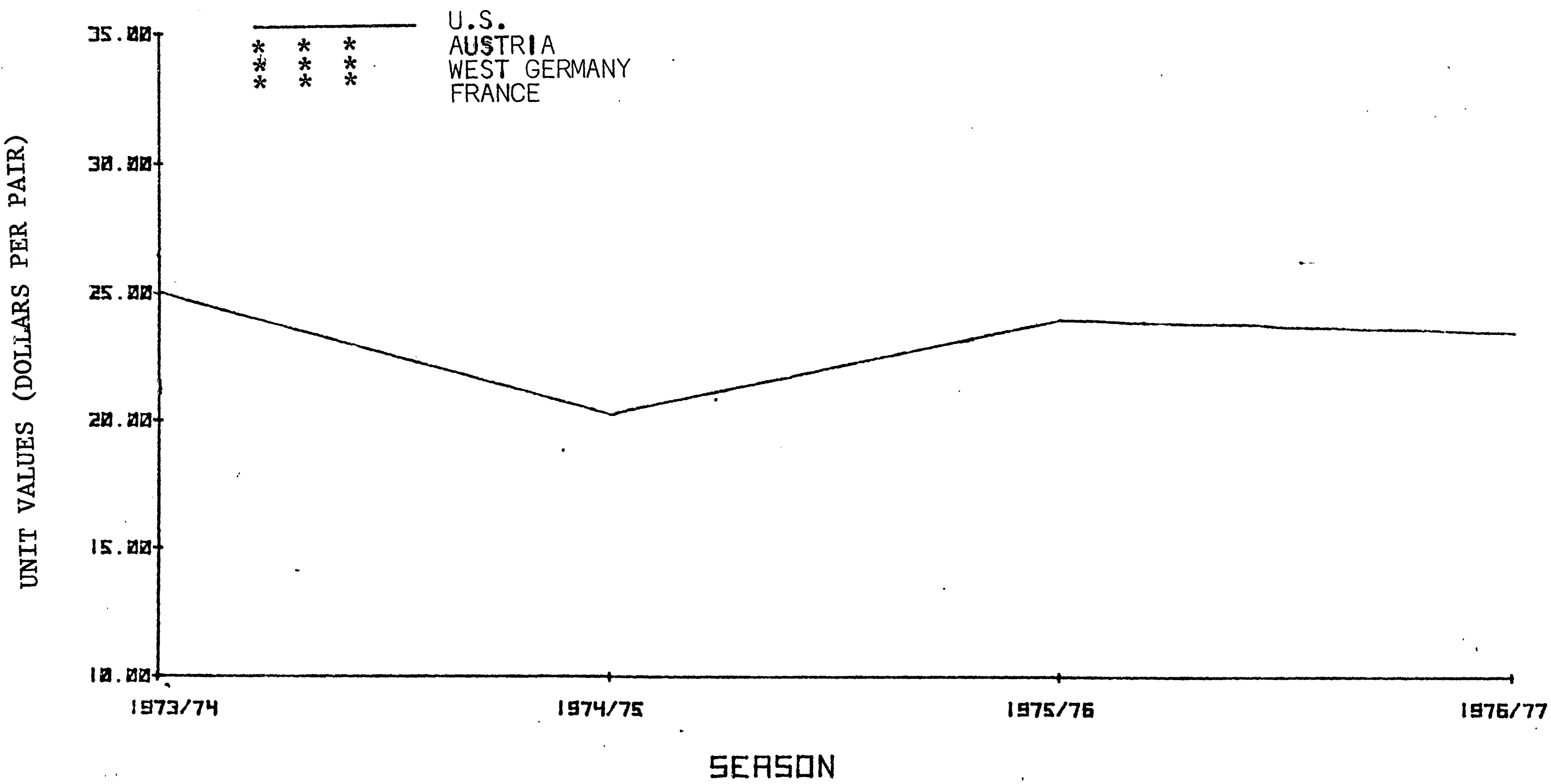
Table 18.--Unit values based on wholesale prices for adult recreational ski bindings: U.S. products, and U.S. imports from Austria and West Germany at LTFV and imports from France, marketing seasons 1973/74 to 1976/77

(Price per pair)

Item	1973/74	1974/75	1975/76	1976/77
U.S. products	$25.00	$20.30	$24.03	$23.60
Imports from--				
Austria (Tyrolia)	* * *	* * *	* * *	* * *
West Germany (Geze)	* * *	* * *	* * *	* * *
France	* * *	* * *	* * *	* * *

Source: Compiled predominantly from data submitted in response to questionnaires of the U.S. International Trade Commission.

FIGURE 1.--UNIT VALUES BASED ON WHOLESALE PRICES FOR ADULT RECREATIONAL SKI BINDINGS: U.S. PRODUCTS AND U.S. IMPORTS FROM AUSTRIA, WEST GERMANY 1/ AND FRANCE, MARKETING SEASONS 1973/74 TO 1976/77.



1/ GEZE ONLY.

Table 19 and figure 2 show the indexes of unit values for all U.S.-made Alpine ski bindings and for adult recreational ski bindings, and the average wholesale price index for "Sporting Goods, Small Arms, etc.", the narrowest SIC group of commodities that includes ski bindings. While unit values of all U.S.-made bindings and especially those of adult recreational bindings remained below their 1973 level in each year under review, the wholesale prices for all sporting goods have increased gradually by an average of 26.6 percent.

Table 19.--Indexes of average unit values, based on wholesale prices, of all U.S.-made Alpine ski bindings and adult recreational ski bindings, marketing seasons 1973/74 to 1976/77, and average wholesale price index for "Sporting Goods, Small Arms, etc.", 1973-76

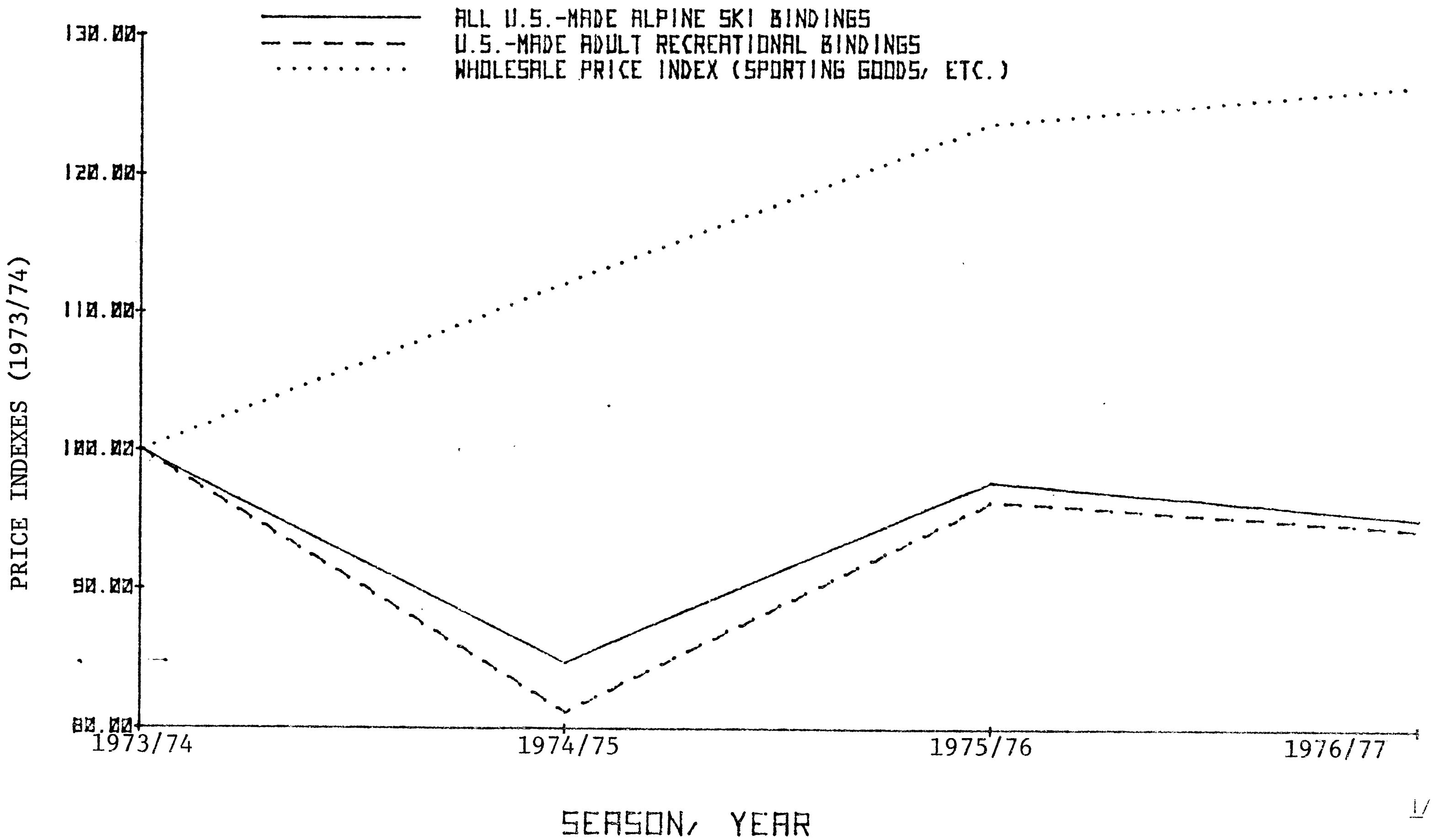
(1973/74=100; (1973)=100)

Item	1973/74 (1973)	1974/75 (1974)	1975/76 (1975)	1976/77 (1976) 1/
All U.S.-made ski bindings	100.00	84.75	97.81	95.16
U.S.-made adult recreational ski bindings	100.00	81.20	96.40	94.40
"Sporting Goods, Small Arms, etc."	100.00	112.21	123.83	126.63

1/ Data are annual figures for 1973-75. The figure for 1976 is the monthly figure for March 1976.

Source: Data submitted in response to questionnaires of the U.S. International Trade Commission and official statistics of the U.S. Department of Commerce.

FIGURE 2.--INDEXES OF AVERAGE UNIT VALUES, BASED ON WHOLESALE PRICES, OF ALL U.S.-MADE ALPINE SKI BINDINGS AND ADULT RECREATIONAL SKI BINDINGS, MARKETING SEASONS 1973/74 TO 1976/77, AND AVERAGE WHOLESALE PRICE INDEX FOR "SPORTING GOODS, SMALL ARMS, ETC.", 1973-76



1/ DATA FOR "SPORTING GOODS, SMALL ARMS, ETC." ARE ANNUAL FIGURES FOR 1973-75. THE FIGURE FOR 1976 IS THE MONTHLY FIGURE FOR MARCH 1976.

Factors other than price

As indicated previously, the bulk of the domestic production of Alpine ski bindings consists of plate bindings, while the bulk of imports from countries found to be selling at LTFV consist of toe and heel bindings. There was considerable discussion during the Commission's public hearing and in briefs submitted thereafter concerning the relative merits of each type. No conclusive evidence was presented, however, that would indicate a significant change in retailer or consumer preference between the two types. During the period 1973-75, plate bindings accounted for about one-fourth of apparent U.S. consumption annually, with toe and heel bindings accounting for the remainder.

The channels of distribution for Alpine ski bindings produced domestically and those imported from countries found to be selling at LTFV are essentially the same. All four LTFV importers sell directly to retailers, as do eight of the nine domestic producers. Safety Systems is the only U.S. producer marketing its bindings through a distributor.

During the period 1973-75, Salomon, the major French manufacturer, significantly increased its share of the U.S. market for Alpine ski bindings, from *** percent in 1973 to *** percent in 1975. U.S. imports from Salomon increased from * * * pairs in 1973 to * * * pairs in 1975. Imports of Alpine ski bindings from countries found to be selling at LTFV declined during this period, from 128,000 pairs in 1973 to 62,000 pairs in 1975, while their aggregate share of apparent U.S. consumption declined from 18 percent to 7 percent. Individual trends for each of the countries found to be selling at LTFV of the total.

Producers' shipments of Alpine ski bindings increased from 188,000 pairs in 1973 to 256,000 pairs in 1975, owing primarily to increased sales by * * * and, to a lesser extent, * * * . * * *

* * * * * * *

* * * The share of apparent U.S. consumption supplied by domestic producers declined from 26 percent in 1973 to 23 percent in 1975, as a result of the increase in imports from Salomon.

APPENDIX

TREASURY LETTERS RELATING TO DETERMINATION OF SALES AT LTFV AND NOTICE OF INVESTIGATIONS AND HEARING

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

ASSISTANT SECRETARY

'76 28 PM

DOCKET NUMBER
#396
Office of the Secretary
Intl. Trade Commission

MAY 28 1976

Dear Mr. Chairman:

In accordance with section 201(a) of the Antidumping Act, 1921, as amended, you are hereby advised that Alpine ski bindings and parts thereof from Switzerland are being, or are likely to be, sold at less than fair value within the meaning of the Act.

The United States Customs Service will make the files on sales or likelihood of sales at less than fair value of the Alpine ski bindings and parts thereof subject to this determination available to the International Trade Commission as soon as possible. These files are being furnished for the Commission's use in connection with its investigation as to whether an industry is being, or is likely to be, injured or is prevented from being established, by reason of the importation of this merchandise into the United States.

Since some of the data in this file is regarded by the U.S. Customs Service to be of a confidential nature, it is requested that the United States International Trade Commission consider all information therein contained for the official use of the Trade Commission only, and not to be disclosed to others without prior clearance with the U.S. Customs Service.

Sincerely yours,

David R. Macdonald

David R. Macdonald
Assistant Secretary
(Enforcement, Operations and Tariff Affairs)

The Honorable
Will E. Leonard, Jr.
Chairman, United States International Trade Commission
Washington, D.C. 20436

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

STANT SECRETARY

'76 MAY 28 PM 3 43

MAY 28 1976

DOCKET NUMBER

#395

Office of the Secretary
Intl. Trade Commission

Dear Mr. Chairman:

In accordance with section 201(a) of the Antidumping Act, 1921, as amended, you are hereby advised that Alpine ski bindings and parts thereof from Austria are being, or are likely to be, sold at less than fair value within the meaning of the Act.

The United States Customs Service will make the files on sales or likelihood of sales at less than fair value of the Alpine ski bindings and parts thereof subject to this determination available to the International Trade Commission as soon as possible. These files are being furnished for the Commission's use in connection with its investigation as to whether an industry is being, or is likely to be, injured or is prevented from being established, by reason of the importation of this merchandise into the United States.

Since some of the data in this file is regarded by the U.S. Customs Service to be of a confidential nature, it is requested that the United States International Trade Commission consider all information therein contained for the official use of the Trade Commission only, and not to be disclosed to others without prior clearance with the U.S. Customs Service.

Sincerely yours,

David R. Macdonald
Assistant Secretary
(Enforcement, Operations
and Tariff Affairs)

The Honorable
Will E. Leonard, Jr.
Chairman, United States International Trade Commission
Washington, D.C. 20436

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

ASSISTANT SECRETARY

DOCKET NUMBER #397

'76 MAY 28 PM 3 43

Office of the Secretary
Int'l. Trade Commission

MAY 28 1976

Dear Mr. Chairman:

In accordance with section 201(a) of the Antidumping Act, 1921, as amended, you are hereby advised that Alpine ski bindings and parts thereof from West Germany are being, or are likely to be, sold at less than fair value within the meaning of the Act.

The United States Customs Service will make the files on sales or likelihood of sales at less than fair value of the Alpine ski bindings and parts thereof subject to this determination available to the International Trade Commission as soon as possible. These files are being furnished for the Commission's use in connection with its investigation as to whether an industry is being, or is likely to be, injured or is prevented from being established, by reason of the importation of this merchandise into the United States.

Since some of the data in this file is regarded by the U.S. Customs Service to be of a confidential nature, it is requested that the United States International Trade Commission consider all information therein contained for the official use of the Trade Commission only, and not to be disclosed to others without prior clearance with the U.S. Customs Service.

Sincerely yours,

David R. Macdonald

David R. Macdonald
Assistant Secretary
(Enforcement, Operations
and Tariff Affairs)

The Honorable
Will E. Leonard, Jr.
Chairman, United States International Trade Commission
Washington, D.C. 20436

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

[AA1921-156, 157, and 158]

ALPINE SKI BINDINGS FROM AUSTRIA, SWITZERLAND, AND WEST GERMANY

Notice of Investigations and Hearing

Having received advice from the Department of the Treasury on May 28, 1976, that alpine ski bindings and parts thereof from Austria, Switzerland, and West Germany, are being, or are likely to be, sold at less than fair value, the United States International Trade Commission on June 8, 1976, instituted investigations Nos. AA1921-156, 157, and 158, respectively, under section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)), to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Hearing. A public hearing in connection with the investigations will be held in the Commission's Hearing Room, U.S. International Trade Commission Building, 701 E Street NW., Washington, D.C. 20436, beginning at 10 a.m., e.d.t., on Tuesday, July 13, 1976. All parties will be given an opportunity to be present, to produce evidence, and to be heard at such hearing. Requests to appear at the public hearing should be received by the Secretary of the Commission, in writing, at the Commission's office in Washington, D.C., not later than noon on Friday, July 9, 1976.

By order of the Commission:

KENNETH R. MASON
Secretary

Issued: June 11, 1976