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UNITED STATES TARIFF COMMISSION
Washington, D.C.

[APTA-W-19]

TC Publication 223

December 27, 1967

TARIFF COMMISSION SUBMITS REPORT TO THE
AUTOMOTIVE AGREEMENT ADJUSTMENT ASSISTANCE BOARD
IN ADJUSTMENT ASSISTANCE CASE PERTAINING TO
CERTAIN WORKERS OF BORG-WARNER CORPORATION'S
LONG MANUFACTURING DIVISION PLANT IN DETROIT, MICHIGAN

The Tariff Commission today reported to the Automotive Agreement Adjustment Assistance Board the results of its investigation No. APTA-W-19, conducted under section 302(e) of the Automotive Products Trade Act of 1965. The Commission's report contains factual information for use by the Board, which determines the eligibility of the workers concerned to apply for adjustment assistance. The workers in this case were employed in the Long Manufacturing Division plant of Borg-Warner Corporation.

Only certain sections of the Commission's report can be made public since much of the information it contains was received in confidence. Publication of such information would result in the disclosure of certain operations of individual firms. The sections of the report that can be made public are reproduced on the following pages.

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Introduction

In accordance with section 302(e) of the Automotive Products Trade Act of 1965 (79 Stat. 1016), the U.S. Tariff Commission herein reports the results of an investigation (APTA-W-19) concerning the possible dislocation of certain workers engaged in the assembly of condensers (multiple-tube heat exchangers used in cooling motor-vehicle engine oil or automatic transmission fluid) ^{1/} at the Long Manufacturing Division of Borg-Warner Corp., in Detroit, Michigan.

The Commission received the request for investigation from the Automotive Assistance Committee of the Automotive Agreement Adjustment Assistance Board on November 7, 1967. The request for the investigation resulted from a petition for determination of eligibility to apply for adjustment assistance that was filed with the Assistance Board on November 1, 1967, by the International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (U.A.W.) and its Local 314 on behalf of a group of workers at the Detroit plant of the Long Manufacturing Division of Borg-Warner Corp.

The petitioners alleged that condensers of the type produced prior to August, 1967, were no longer being produced at the Detroit plant and that such production, as well as machines and fixtures used in producing condensers, was transferred to the Long Manufacturing Division plant in Preston, Ontario. The subsequent layoffs at Detroit

^{1/} The product is referred to simply as "condensers" in the rest of this report.

were attributed to the Automotive Products Trade Act of 1965.

The product involved in this investigation, which was identified as a condenser in the petition, is a subassembly of a tube bundle-type oil cooler for which the Commission developed data in the course of its Investigation No. APTA-W-17. Data submitted to the Board in the APTA-W-17 report covered Borg-Warner's production of tube bundle-type oil coolers for motor vehicles and layoffs of personnel engaged in the production of such oil coolers through August, 1967.

The seniority rights of certain workers of the Long Manufacturing Division, including those involved in the present investigation, are the subject of pending litigation in the United States District Court at Detroit in a suit initiated by the U.A.W. against the Company.

The Commission instituted the present investigation on November 7, 1967. Public notice of the investigation was given in the Federal Register (32 F.R. 15731) on November 15, 1967. Neither the petitioners nor any other party requested a hearing before the Commission, and none was held.

The information reported herein was obtained from a variety of sources, including Borg-Warner Corp. and its Long Manufacturing Division, the major U.S. motor-vehicle manufacturers, the International Union, U.A.W., and its Local 314, the Commission's files and through fieldwork by members of the Commission's staff. * * *

The automotive product involved--condensers

Condensers of the type included in this report are subassemblies of tube bundle-type oil coolers, which are used primarily in trucks and buses to cool engine oil or automatic transmission fluid. The condensers consist of a large number (e.g., 100) of small-diameter (e.g., 3/16") tubes generally 18 to 24 inches in length held in parallel position by spacers. The fluid to be cooled is forced through the tubes, which are generally made of copper. The cooling fluid, usually water (or anti-freeze), is passed over these tubes reducing the temperature of the fluid in the tubes. Coolers used for similar purposes in passenger automobiles and certain trucks such as the single tube type and the plate type are not included in this report. Data on these types of oil coolers were included in the report on Investigation No. APTA-W-17.

Manufacturers of tube bundle-type oil coolers produce condensers as components for such coolers. There is no known trade in condensers. Tube bundle-type oil coolers, which are parts of motor vehicles, are dutiable under item 692.27 of the Tariff Schedules of the United States at the rate of 8.5 percent ad valorem, unless they are Canadian products for use as original motor-vehicle equipment (OEM), which are duty free under item 692.28.

Borg-Warner Corp. and its Long Manufacturing Divisions

Borg-Warner Corp. (B-W), with headquarters in Chicago, is a large diversified corporation, which operates about 50 domestic plants and about 45 foreign plants. The products of these plants include

automotive equipment, builder and home consumer products, industrial equipment, and chemical and steel materials. In 1966, the Corporation's net sales were \$913 million, of which automotive equipment accounted for about 35 percent.

The B-W plants that manufacture oil coolers (and condensers) are the Detroit plant of the Long Manufacturing Division and the Preston, Ontario, plant of the Long Manufacturing Division of Borg-Warner (Canada), Ltd. The President of the Long Manufacturing Division of Detroit is also Chairman of the Board of Long Manufacturing Division of B-W (Canada), Ltd.

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UNITED STATES TARIFF COMMISSION
// Washington

[AA1921-43]



TC Publication 144

November 16, 1964

/// WINDOW GLASS FROM CZECHOSLOVAKIA

Determination of No Injury or Likelihood Thereof

On September 23, 1964, the Tariff Commission was advised by the Assistant Secretary of the Treasury that window glass, 16-ounce through 28-ounce thicknesses, from Czechoslovakia is being, or is likely to be, sold in the United States at less than fair value as that term is used in the Antidumping Act, 1921, as amended. Accordingly, the Commission on September 24, 1964, instituted an investigation under section 201(a) of that act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Notice of the investigation was published in the Federal Register (29 F.R. 13552). The Commission did not order a public hearing, but referred interested parties to section 208.4 of its Rules of Practice and Procedure (19 CFR 208.4), which provides that they may, within 15 days after the date of publication of the Commission's notice of investigation in the Federal Register, request that a public hearing be held, stating reasons for the request. No request for a hearing was received.

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In arriving at this determination, the Commission gave due consideration to all written statements submitted by interested parties and all information obtained by its staff.

On the basis of the investigation, the Commission has unanimously determined that an industry in the United States is not being, and is not likely to be, injured, or prevented from being established, by reason of the importation of window glass, 16-ounce through 28-ounce thicknesses, from Czechoslovakia, sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended.

Statement of Reasons

Imports of window glass 1/ from Czechoslovakia increased in the early 1960's, and reached a record high in 1962. The quantity imported was one-third as large in 1963 as in 1962, and imports in 1964 have been entering at about the same rate as those in 1963. At their highest level (in 1962), the imports from Czechoslovakia comprised less than 2 percent of U.S. imports of window glass and accounted for less than one-half of 1 percent of the apparent U.S. consumption of such glass in that year.

1/ As used herein, the term "window glass" refers to sheet glass weighing from 16 ounces to not more than 28 ounces per square foot. Window glass is used predominantly for glazing windows and doors.

The imports of window glass from Czechoslovakia at less than fair value have had no discernible effect on U.S. producers of window glass. The aggregate U.S. sales of window glass from Czechoslovakia in 1961-63 were equivalent to 0.4 percent of shipments of window glass by the domestic producers. The corresponding ratio for sales of window glass imported from all countries was 28 percent. Annual shipments of domestically produced window glass have risen steadily since 1961; the increase in such shipments has been many times as large as the annual imports from Czechoslovakia at their peak. Sales of Czechoslovakian glass have had no demonstrable depressing effect on the prices received by the domestic producers; the prices of domestic window glass have been increased on three successive occasions since 1961.

Window glass from Czechoslovakia has been sold in the United States predominantly to manufacturers of storm windows and doors who are located in New England and the New York Metropolitan area. Because of the severe price competition in these products, many manufacturers have used low-priced window glass imported not only from Czechoslovakia, but also from other foreign suppliers. If imports of glass from Czechoslovakia should decline further or even cease altogether, firms now using such glass would probably turn to low-priced glass imported from other countries.

Continuation of imports of window glass from Czechoslovakia would not likely cause material injury to any industry in the United States. Among other factors, uncertainty of deliveries of such glass from the Czechoslovakian supplier and the quality of the glass, together with ideological objections to its use, distinctly limit its consumption in the United States.

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This determination and statement of reasons are published pursuant to section 201(c) of the Antidumping Act, 1921, as amended.

By the Commission:


Donn N. Bent
Secretary