

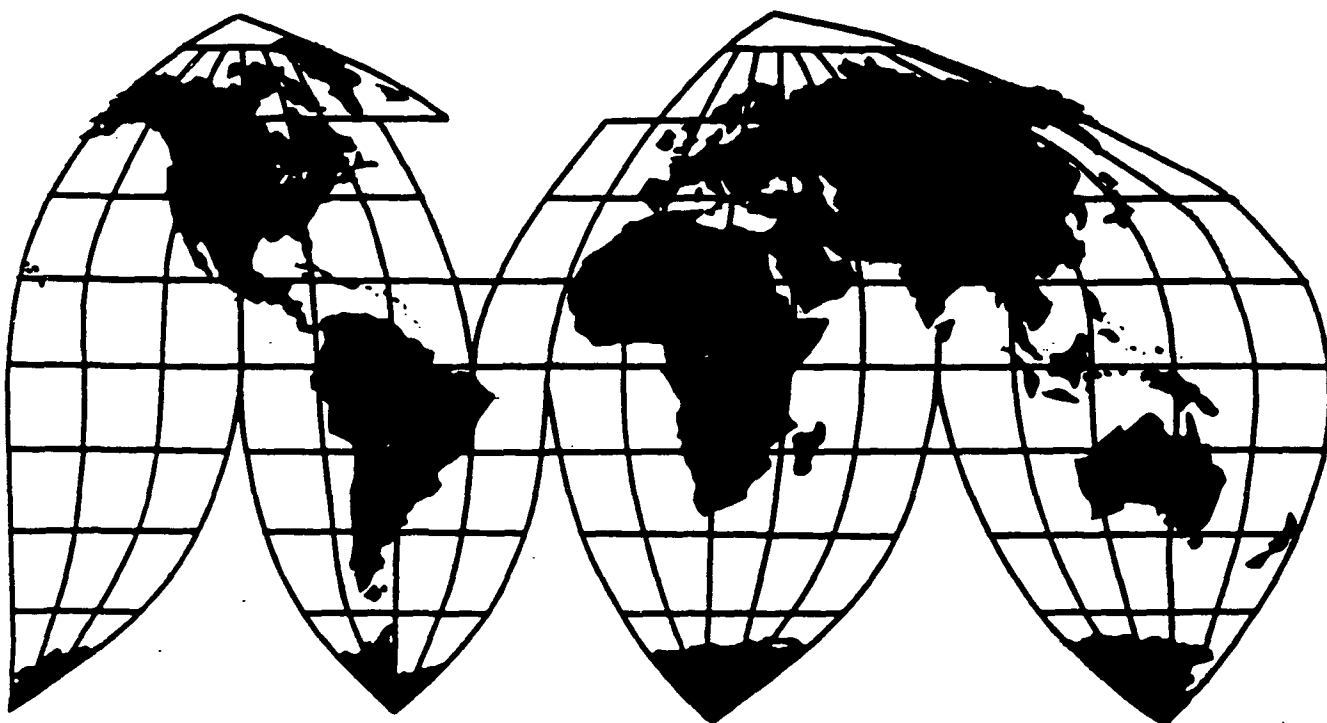
# **Rum: Annual Report (Covering 1992 and 1993) on Selected Economic Indicators**

Investigation No. 332-175

Publication 2785

June 1994

**U.S. International Trade Commission**



# **U.S. International Trade Commission**

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## PREFACE

On January 13, 1984, at the request of the Chairman of the Committee on Finance, U.S. Senate, and in accordance with the provisions of section 332(b) of the Tariff Act of 1930 (19 U.S.C. 1332(b)), the United States International Trade Commission instituted investigation No. 332-175, Rum: Annual Report on Selected Economic Indicators. The purpose of the report is to gather and compile data on the rum industry from public sources and report such data to the Committee on an annual basis.

The report, as requested by the Finance Committee, contains the following statistical information on rum: (1) U.S. production; (2) U.S. exports; (3) imports for consumption (total and by countries designated as eligible for the Caribbean Basin Initiative (CBI)); (4) apparent U.S. consumption; and (5) shipments from Puerto Rico and the U.S. Virgin Islands to the United States.

The tenth annual report covers 1992 and 1993. Subsequent reports will be issued on a calendar-year basis as long as rum is accorded duty-free treatment pursuant to the Caribbean Basin Economic Recovery Act; the next report covering calendar year 1994 will be issued in 1995 as soon as data are available.



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## HIGHLIGHTS

The following are highlights of the economic data collected on rum for 1992 and 1993.

- During 1992-93, the quantity of U.S. rum production fell by 4 percent to 86.1 million proof liters. However, the value of U.S. rum production grew by approximately 17 percent to \$112.7 million because of an increase in unit value.
- The quantity of U.S. rum exports grew by 12 percent from 12.9 million proof liters in 1992, to 14.5 million proof liters in 1993, while the value of U.S. rum exports grew by 22 percent, from \$12.2 million in 1992, to \$14.9 million in 1993.
- U.S. rum imports increased in quantity by 30 percent from 6.1 million proof liters in 1992, to 8.0 million proof liters in 1993, while the value of U.S. rum imports grew by 22 percent, from \$10.3 million in 1992, to \$12.5 million in 1993.
- Rum imports from CBI eligible countries accounted for 85 percent of the value of total rum imports in 1992, and 86 percent in 1993. Rum imports from Jamaica alone represented 73 percent of the value of rum imports from all CBI eligible countries in 1992, and fell to 61 percent of such value in 1993.
- Apparent U.S. consumption of rum fell by 7 percent, during 1992-93, to 78.6 million proof liters. The import-to-consumption ratio grew to 10.1 percent in 1993, compared with 7.2 percent in 1992.
- Rum shipments from Puerto Rico to the United States declined by 6 percent from 71.9 million proof liters in 1992 to 67.4 million proof liters in 1993. During the same 2 years, rum shipments from the U.S. Virgin Islands to the United States declined by 14 percent to 6.9 million proof liters.

Table 1

Rum: U.S. production, exports of domestic merchandise, imports for consumption, and apparent consumption, 1991-93

Year	Production <sup>1</sup>	Exports	Imports	Apparent consumption <sup>2</sup>	Ratio (percent) of imports to consumption
<u>Quantity (1,000 proof liters)</u>					
1991 . . . . .	97,192	9,682	6,510	93,102	6.99
1992 . . . . .	89,996	12,936	6,101	84,529	7.22
1993 . . . . .	86,053	14,465	7,960	78,635	10.12
<u>Value (1,000 dollars)</u>					
1991 . . . . .	109,827	8,862	12,670	( <sup>3</sup> )	-
1992 . . . . .	96,592	12,176	10,260	( <sup>3</sup> )	-
1993 . . . . .	112,729	14,897	12,484	( <sup>3</sup> )	-
<u>Unit value (per proof liter)</u>					
1991 . . . . .	\$1.13	\$0.92	\$1.95	-	-
1992 . . . . .	1.07	.94	1.68	-	-
1993 . . . . .	1.31	1.03	1.57	-	-

<sup>1</sup> Represents rum produced in the United States, Puerto Rico, or the U.S. Virgin Islands, and bottled in the United States, as reported by the Bureau of Alcohol, Tobacco, and Firearms, U.S. Department of the Treasury; and shipments of bottled rum into the United States from Puerto Rico and the U.S. Virgin Islands, reported by the Bureau of the Census, U.S. Department of Commerce. Production and stock data for 1992 have been updated from that provided in USITC publication 2645. Value is estimated from the average unit value of bottled rum shipped to the United States from Puerto Rico and the U.S. Virgin Islands.

<sup>2</sup> Adjusted for stock changes as reported by the U.S. Department of the Treasury.

<sup>3</sup> Not available.

Source: Production data compiled from official statistics of the U.S. Department of the Treasury and the U.S. Department of Commerce, with conversions by the staff of the U.S. International Trade Commission; imports and exports compiled from official statistics of the U.S. Department of Commerce.

Table 2

Rum: U.S. imports for consumption, by designated CBI countries and other sources, 1992 and 1993

Source	1992	1993
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Jamaica . . . . .	2,856	2,976
Barbados . . . . .	2,199	3,786
Dominican Republic . . . . .	164	218
Guyana . . . . .	202	138
Bahamas . . . . .	71	33
All other . . . . .	159	237
Total of CBI countries . . . . .	5,651	7,388
All other . . . . .	450	572
Total . . . . .	6,101	7,960
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Jamaica . . . . .	6,376	6,528
Barbados . . . . .	1,186	2,783
Dominican Republic . . . . .	403	574
Guyana . . . . .	216	184
Bahamas . . . . .	253	135
All other . . . . .	281	482
Total of CBI countries . . . . .	8,715	10,686
All other . . . . .	1,545	1,798
Total . . . . .	10,260	12,484
	<u>Unit value (per proof liter)<sup>1</sup></u>	
CBI countries:		
Jamaica . . . . .	\$2.23	\$2.19
Barbados . . . . .	.54	.74
Dominican Republic . . . . .	2.47	2.64
Guyana . . . . .	1.07	1.33
Bahamas . . . . .	3.57	4.02
All other . . . . .	1.76	2.03
Average of CBI countries . . . . .	1.54	1.45
All other . . . . .	3.44	3.14
Average . . . . .	1.68	1.57

<sup>1</sup> Calculations based on unrounded figures.

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

Table 3

Rum in containers each holding not over 4 liters: U.S. imports for consumption, by designated CBI countries and other sources, 1992 and 1993

Source	1992	1993
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Jamaica . . . . .	513	517
Dominican Republic . . . . .	112	122
Barbados . . . . .	11	35
Bahamas . . . . .	71	33
Trinidad and Tobago . . . . .	37	33
All other . . . . .	37	163
Total of CBI countries . . . . .	781	903
All other . . . . .	307	358
Total . . . . .	1,088	1,261
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Jamaica . . . . .	1,983	1,850
Dominican Republic . . . . .	336	432
Barbados . . . . .	70	174
Bahamas . . . . .	253	135
Trinidad and Tobago . . . . .	126	121
All other . . . . .	96	366
Total of CBI countries . . . . .	2,864	3,078
All other . . . . .	1,357	1,640
Total . . . . .	4,221	4,718
	<u>Unit value (per proof liter)<sup>1</sup></u>	
CBI countries:		
Jamaica . . . . .	\$3.86	\$3.58
Dominican Republic . . . . .	3.02	3.53
Barbados . . . . .	6.19	5.02
Bahamas . . . . .	3.57	4.02
Trinidad and Tobago . . . . .	3.41	3.71
All other . . . . .	2.62	2.25
Average of CBI countries . . . . .	3.67	3.41
All other . . . . .	4.42	4.58
Average . . . . .	3.88	3.74

<sup>1</sup> Calculations based on unrounded figures.

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

Table 4

Rum in containers each holding over 4 liters: U.S. imports for consumption, by designated CBI countries and other sources, 1992 and 1993

Source	1992	1993
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Jamaica . . . . .	2,343	2,459
Barbados . . . . .	2,188	3,751
Dominican Republic . . . . .	52	96
Guyana . . . . .	199	121
Trinidad and Tobago . . . . .	88	53
All other . . . . .	0	5
Total of CBI countries . . . . .	4,870	6,485
All other . . . . .	143	214
Total . . . . .	5,013	6,699
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Jamaica . . . . .	4,393	4,678
Barbados . . . . .	1,116	2,609
Dominican Republic . . . . .	67	142
Guyana . . . . .	210	130
Trinidad and Tobago . . . . .	63	33
All other . . . . .	2	16
Total of CBI countries . . . . .	5,851	7,608
All other . . . . .	188	158
Total . . . . .	6,039	7,766
	<u>Unit value (per proof liter)<sup>1</sup></u>	
CBI countries:		
Jamaica . . . . .	\$1.87	\$1.90
Barbados . . . . .	.51	.70
Dominican Republic . . . . .	1.29	1.48
Guyana . . . . .	1.06	1.07
Trinidad and Tobago . . . . .	.72	.62
All other . . . . .	-	3.20
Average of CBI countries . . . . .	1.20	1.17
All other . . . . .	1.31	.74
Average . . . . .	1.20	1.16

<sup>1</sup> Calculations based on unrounded figures.

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

Table 5

Rum in containers each holding over 4 liters, valued at not over 53 cents per proof liter: U.S. imports for consumption, by designated CBI countries and other sources, 1992 and 1993

Source	1992	1993
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Barbados . . . . .	1,911	2,921
Dominican Republic . . . . .	29	0
All other . . . . .	0	0
Total of CBI countries . . . . .	1,941	2,921
All other . . . . .	44	114
Total . . . . .	1,984	3,035
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Barbados . . . . .	662	1,080
Dominican Republic . . . . .	15	0
All other . . . . .	0	0
Total of CBI countries . . . . .	677	1,080
All other . . . . .	20	53
Total . . . . .	697	1,133
	<u>Unit value (per proof liter)<sup>1</sup></u>	
CBI countries:		
Barbados . . . . .	\$0.35	\$0.37
Dominican Republic . . . . .	.51	-
All other . . . . .	-	-
Average of CBI countries . . . . .	.35	.37
All other . . . . .	.46	.46
Average . . . . .	.35	.37

<sup>1</sup> Calculations based on unrounded figures.

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

Table 6

Rum in containers each holding over 4 liters, valued at over 53 cents but not over 92 cents per proof liter: U.S. imports for consumption, by designated CBI countries and other sources, 1992 and 1993

Source	1992	1993
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Barbados . . . . .	67	130
Jamaica . . . . .	132	90
Trinidad and Tobago . . . . .	88	53
All other . . . . .	0	0
Total of CBI countries . . . . .	288	273
All other . . . . .	0	21
Total . . . . .	288	294
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Barbados . . . . .	52	88
Jamaica . . . . .	100	72
Trinidad and Tobago . . . . .	63	34
All other . . . . .	0	0
Total of CBI countries . . . . .	215	193
All other . . . . .	0	11
Total . . . . .	215	204
	<u>Unit value (per proof liter)<sup>1</sup></u>	
CBI countries:		
Barbados . . . . .	\$0.78	\$0.68
Jamaica . . . . .	.76	.80
Trinidad and Tobago . . . . .	.71	.64
All other . . . . .	-	-
Average of CBI countries . . . . .	.75	.71
All other . . . . .	-	.52
Average . . . . .	.75	.69

<sup>1</sup> Calculations based on unrounded figures.

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

Table 7

Rum in containers each holding over 4 liters, valued at over 92 cents per proof liter: U.S. imports for consumption, by designated CBI countries and other sources, 1992 and 1993

Source	1992	1993
	<u>Quantity (1,000 proof liters)</u>	
CBI countries:		
Jamaica . . . . .	2,211	2,369
Barbados . . . . .	210	701
Dominican Republic . . . . .	23	95
Guyana . . . . .	200	121
All other . . . . .	0	5
Total of CBI countries . . . . .	2,643	3,291
All other . . . . .	99	79
Total . . . . .	2,742	3,370
	<u>Value (1,000 dollars)</u>	
CBI countries:		
Jamaica . . . . .	4,294	4,607
Barbados . . . . .	402	1,443
Dominican Republic . . . . .	52	141
Guyana . . . . .	210	130
All other . . . . .	0	14
Total of CBI countries . . . . .	4,958	6,335
All other . . . . .	168	94
Total . . . . .	5,126	6,429
	<u>Unit value (per proof liter)<sup>1</sup></u>	
CBI countries:		
Jamaica . . . . .	\$1.94	\$1.94
Barbados . . . . .	1.92	2.06
Dominican Republic . . . . .	2.27	1.48
Guyana . . . . .	1.05	1.07
All other . . . . .	-	2.80
Average of CBI countries . . . . .	1.88	1.92
All other . . . . .	1.70	1.19
Average . . . . .	1.87	1.91

<sup>1</sup> Calculations based on unrounded figures.

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



Table 8

Rum: U.S. exports of domestic merchandise, by principal markets, 1992 and 1993

Market	1992	1993
	<u>Quantity (1,000 proof liters)</u>	
Mexico . . . . .	3,697	2,821
Canada . . . . .	3,132	3,830
Netherlands Antilles . . . . .	1,296	1,155
Germany . . . . .	662	1,278
Chile . . . . .	359	462
Ecuador . . . . .	654	720
Cayman Islands . . . . .	432	485
Netherlands . . . . .	445	450
Japan . . . . .	445	511
Colombia . . . . .	9	692
All other . . . . .	1,805	2,061
Total . . . . .	12,936	14,465
	<u>Value (1,000 dollars)</u>	
Mexico . . . . .	3,699	3,244
Canada . . . . .	2,215	2,936
Netherlands Antilles . . . . .	1,299	1,475
Germany . . . . .	856	1,460
Chile . . . . .	409	644
Ecuador . . . . .	584	574
Cayman Islands . . . . .	463	545
Netherlands . . . . .	454	520
Japan . . . . .	423	449
Colombia . . . . .	8	395
All other . . . . .	1,766	2,655
Total . . . . .	12,176	14,897
	<u>Unit value (per proof liter)<sup>1</sup></u>	
Mexico . . . . .	\$1.00	\$1.15
Canada . . . . .	.71	.77
Netherlands Antilles . . . . .	1.00	1.28
Germany . . . . .	1.29	1.14
Chile . . . . .	1.14	1.39
Ecuador . . . . .	.89	.80
Cayman Islands . . . . .	1.07	1.12
Netherlands . . . . .	1.02	1.16
Japan . . . . .	.95	.88
Colombia . . . . .	.83	.57
All other . . . . .	.98	1.29
Average . . . . .	.94	1.03

<sup>1</sup> Calculations based on unrounded figures.

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

Table 9

Rum: Shipments from Puerto Rico and the U.S. Virgin Islands to the United States, 1992 and 1993

(Thousands of proof liters)

Source	1992	1993
Puerto Rico:		
In containers not over 4 liters . . . . .	25,996	21,622
In containers over 4 liters . . . . .	<u>45,861</u>	<u>45,736</u>
Total . . . . .	71,857	67,358
U.S. Virgin Islands:		
In containers not over 4 liters . . . . .	15	6
In containers over 4 liters . . . . .	<u>7,995</u>	<u>6,856</u>
Total . . . . .	8,010	6,862

Source: Data on bulk shipments (in containers over 4 liters) compiled from official statistics of the U.S. Bureau of Alcohol, Tobacco and Firearms, U.S. Department of the Treasury; data on bottled shipments (in containers not over 4 liters) from U.S. Bureau of the Census, U.S. Department of Commerce.