

CANNED CLAMS FROM CANADA

**Determination of No Reasonable
Indication of Material Injury
or Threat Thereof in Investigation
No. 731-TA-17 (Preliminary)
Under Section 733(a)
of the Tariff Act of 1930,
Together With the Information**

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Note.--Information which would disclose confidential operations of individual concerns may not be published and therefore has been deleted from this report.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

Investigation No. 731-TA-17 (Preliminary)

CLAMS IN AIRTIGHT CONTAINERS FROM CANADA

Determination

On the basis of the record in this investigation No. 731-TA-17 (Preliminary), the Commission unanimously determined that there is no reasonable indication that an industry in the United States is materially injured or threatened with material injury, or that the establishment of an industry in the United States is materially retarded, by reason of the importation from Canada of clams in airtight containers, provided for in items 114.01 and 114.05 of the Tariff Schedules of the United States (TSUS), which are allegedly sold at less than fair value (LTFV).

Background

On March 5, 1980, the United States International Trade Commission received notice from the Department of Commerce that an antidumping investigation had been initiated with respect to clams in airtight containers from Canada, in accordance with section 732(a) of the Tariff Act of 1930, as added by title I of the Trade Agreements Act of 1979. Accordingly, the Commission instituted a preliminary antidumping investigation under section 733(a) of the Tariff Act of 1930, as amended, to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is

threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports from Canada of clams in airtight containers, provided for in TSUS items 114.01 and 114.05, allegedly sold at LTFV. The statute directs that the Commission make its determination within 45 days of its receipt of notice of the investigation or in this case by April 18, 1980.

Notice of the institution of the Commission's investigation and of a public conference to be held in connection therewith was duly given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and at the Commission's New York Office, and by publishing the notice in the Federal Register on March 13, 1980 (45 F.R. 16359). A public conference was held in Washington, D.C., on March 31, 1980.

In arriving at its determination, the Commission has given due consideration to the information provided by the administering authority, to all written submissions from interested parties, and information adduced at the conference and obtained by the Commission's staff from questionnaires, documented personal interviews, and other sources, all of which have been placed on the administrative record of this preliminary investigation.

STATEMENT OF REASONS OF CHAIRMAN CATHERINE BEDELL,
COMMISSIONER GEORGE M. MOORE AND COMMISSIONER PAULA STERN

In this investigation, No. 731-TA-17 (Preliminary), on the basis of the best information available, we determine that there is no reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, 1/ by reason of imports of clams in airtight containers 2/ from Canada, which are allegedly sold at less than fair value (LTFV).

Discussion

In this investigation, we consider the relevant domestic industry to consist of the facilities producing canned clams, whether whole, minced, or chopped, in the United States. In the United States there are three plants canning whole clams and 16 plants producing minced or chopped canned clams. 3/

The question of material injury

On the basis of the statutory definition of material injury as set forth in section 771(7) of the Tariff Act of 1930 (19 U.S.C. 1677(7)), we find no reasonable indication that the domestic industry has been materially injured by alleged LTFV 4/ sales of canned clams from Canada.

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- 1/ The question of the material retardation of the establishment of an industry in the United States was not an issue in this investigation.
- 2/ The product is provided for in items 114.01 and 114.05 of the Tariff Schedules of the United States (TSUS).
- 3/ See Commission report (hereinafter referred to as Report), pp. A-5-6.
- 4/ The petitioner alleged in the Commerce petition that imports of canned clams from Canada were being sold at LTFV margins of as much as 65 percent. Report, p. A-20.

Imports of Canadian canned clams into the United States, which had risen from 6,000 pounds in 1977 to 69,000 pounds in 1978, dropped to 25,000 pounds in 1979. 1/ In addition, imports of canned clams from Canada accounted for only a small fraction (0.1 percent by quantity in 1979) of domestic consumption of canned clams during 1977-79. 2/

A price comparison shows that the price of imported canned clams from Canada during 1979 and the latter part of 1978, the period during which the alleged LTFV sales occurred, exceeded the average weighted price of domestic canned clams. During four of the last six quarters, imports were more expensive than the domestic product, were less expensive during one quarter, and were about the same price during one quarter. 3/ Thus, there appears to be no pattern of price depression or suppression of the domestic product by the alleged LTFV sales of Canadian canned clams.

The domestic industry showed an overall favorable economic performance during 1977-79. U.S. production of canned clams for firms responding to Commission questionnaires rose from 10.2 million pounds in 1977 to 13.5 million pounds in 1979, or by 32 percent. 4/ The number of plants producing canned clams in the United States rose from 8 in 1975 to 16 in 1978. 5/ Moreover, capacity utilization increased steadily during 1977-79. 6/ Employment within the U.S. industry producing canned clams rose by approximately 32 percent from 1977 to 1979, 7/ and man-hours worked by approximately 40 percent. 8/

1/ Report, p. A-26.

2/ Report, p. A-15.

3/ Report, pp. A-15-16.

4/ Report, p. A-11. These firms represent almost two-thirds of the domestic industry.

5/ Report, p. A-5.

6/ Report, p. A-11.

7/ Report, p. A-13.

8/ Report, p. A-13.

Usable profit and loss information was received by the Commission from two firms which represent nearly half of domestic production. Combined net sales for these firms from 1977 to 1979 rose by 19%. However, combined profits dropped sharply because one reporting company indicated substantial increases in production and operation costs.

On the basis of this analysis of material injury as set forth in the statute, we do not find a reasonable indication that any material injury to the U.S. industry could have been caused by the imports in question.

The threat of material injury

Canadian exports of canned shellfish, including canned clams, to markets other than the United States showed substantial increases between 1977 and 1979. Such exports to the United States dropped from 77 percent of the total in 1977 to approximately 12 percent of the total in 1979. 1/ Specifically, as noted above, U.S. imports of canned clams from Canada decreased between 1978 and 1979. Furthermore, there is information in the record that the Canadian plant producing the imports in question is incapable of expanding its output significantly in the near future. 2/ Therefore, we find no reasonable indication of threat of material injury to a domestic industry.

1/ Report, p. A-9.

2/ Report, p. A-12.

VIEWS OF VICE CHAIRMAN BILL ALBERGER AND COMMISSIONER MICHAEL J. CALHOUN

Determination and conclusion of law

On the basis of the record in investigation, No. 731-TA-17 (Preliminary) we determine that there is no reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or that the establishment of an industry in the United States is materially retarded, 1/ by reason of imports of clams in airtight containers 2/ from Canada which are allegedly sold at less than fair value (LTFV).

Discussion

In this investigation, we consider the relevant domestic industry to consist of the facilities producing canned clams, whether whole, minced or chopped, in the United States. In the United States there are three plants canning whole clams and 16 plants producing minced or chopped canned clams. 3/

In 1979, Canadian imports represented only 0.1 percent of U.S. consumption of canned clams and there is no evidence of price undercutting by the Canadian imports. In fact, the price of imported canned clams from Canada exceeded the average weighted price of domestic canned clams during the latter part of 1978 and 1979, the period during which the alleged LTFV sales were made.

1/ The question of the material retardation of the establishment of an industry in the United States was not an issue in this investigation.

2/ The product is provided for in items 114.01 and 114.05 of the Tariff Schedules of the United States (TSUS).

3/ Canned clams from Canada, Report to the Commission in Investigation No. 731-TA-17 (Preliminary) under Section 733(a) of the Tariff Act of 1930, as amended. (hereinafter referred to as "Report"), pp. A-5-6.

Production and shipments of canned clams rose by about 32 percent between 1977 and 1979, and there were increases in employment and hours worked by production employees during this same time period. Capacity utilization increased from 1977 through 1979 and the ratio of inventories to production declined during the same time frame. Profits are down, but for reasons other than imports.

U.S. imports of Canadian canned clams dropped in 1979 and the record indicates a sharp shift from the United States to Asia as the major export market for the Canadian product. Clearly, with the overall domestic industry healthy, there is no material injury, or threat thereof, to U.S. industry by imports of canned clams from Canada.

Findings of fact 1/

Section 771(7)(B) of the Tariff Act of 1930 requires the Commission to consider (i) the volume of the subject imports, (ii) their effect on the domestic price of the like product, and (iii) their impact on the domestic producers of the like product. In section 77 (7)(c), the Act further specifies a series of economic factors that the Commission must consider. The following findings, based on the record in this investigation, set forth our evaluation of these factors.

I. No reasonable indication of material injury

A. Volume of imports

1. U.S. imports of canned clams from Canada rose from 6,000 pounds in 1977 to 69,000 pounds in 1978, but then declined to 25,000 pounds in 1979.

(Report at p. A-26, Table 1)

^{1/} Vice Chairman Alberger included, for informational purposes, the Recommended Determination and Supporting Statement of the Director of Operations in this investigation which appears at the conclusion of these views.

2. U.S. imports of canned clams from Canada have supplied only a negligible share of the domestic market for such items. During 1977-79, imports from Canada were equivalent to 0.4 percent or less of apparent annual domestic consumption of canned clams. (Report at p. A-15, 27, Table 2)

B. Effect of imports on the prices of canned clams in the United States

3. A comparison of prices for imported clams allegedly sold at LTFV with those for domestic products indicate that imports were more expensive during four out of the last six quarters; were less expensive for one quarter; and were about the same price during one quarter. Thus there was no consistent pattern of price undercutting by these imports from Canada during the six quarters in which the imports were alleged be sold at LTFV. (Report at pp. A-15-17)

4. The price of imported canned clams from Canada generally exceeded the average weighted price of domestic canned clams during the latter part of 1978 and all of 1979. As a result, there is no direct evidence of price suppression or depression by reason of the alleged LTFV imports. (Report at pp. A-16, 17)

C. Impact on affected industry

5. U.S. production of canned clams by producers responding to Commission questionnaires rose from 10.2 million pounds in 1977 to 13.5 million pounds in 1979 or a rise of about 32 percent. These firms represented about 59 percent of the commercial production of canned clams in the United States in 1978 (the latest year for which official data are available). (Report at p. A-11)

6. Domestic shipments of canned clams by the U.S. industry paralleled the rise in production. Domestic shipments rose from 10.1 million pounds in 1977 to 13.3 million pounds in 1979. (Report at p. A-11)

7. U.S. consumption of canned clams has risen from 17.9 million pounds in 1977 to 19.1 million pounds in 1979. (Report at p. A-27, Table 2)

8. The net operating profit for reporting U.S. firms dropped from 1977 to 1979. One of the two reporting firms attributed its drop to increases in the cost of raw materials (clams) as well as other operating costs. (Report at p. A-19)

9. Domestic producers indicated that while their production capacity remained unchanged during 1977-79, the ratio of capacity utilization steadily increased from 12.5 percent in 1977 to 20.5 percent in 1979. (Report at p. A-13)

10. The ratio of year-end U.S. producer-held stocks of canned clams to U.S. production of canned clams declined from 27 percent in 1977 to 23 percent in 1979. (Report at p. A-12)

11. Domestic producers responding to the Commission's questionnaires reported increases during 1977-79 in employment (32 percent) and in the hours worked by production workers and other related workers (40 percent). (Report at p. A-13)

12. The major research and development efforts related to this industry (improving the supply of fresh clams rather than improving the productivity of canning operations) is carried out by the Federal Government. (Report at p. A-14)

13. Only one firm regarding cash flow indicated its concern and the ability to raise capital and investment. Other reporting firms made no comment. The Commission has no aggregate information in these categories.

(Report at pp. A-14)

14. U.S. imports of canned clams from Canada rose from 1977 to 1978 and then declined in 1979. (Report at p. A-26, Table 1)

15. The Canadian cannery producing the imported canned clams appears to be incapable, under present conditions, of increasing its production. (Report at p. A-12)

16. Canadian exports of shellfish, including canned clams, to markets other than the United States have shown substantial increases during 1977-79. Exports to the United States dropped from 77 percent of the total exports in 1977 to 12 percent of the total exports in 1979. (Report at p. A-9)

SUPPORTING STATEMENT BY THE DIRECTOR OF OPERATIONS
FOR A NEGATIVE DETERMINATION ON CANNED CLAMS FROM CANADA
(INVESTIGATION NO. 731-TA-17 (PRELIMINARY))

I. Recommendation

I recommend that the Commission determine that there is no reasonable indication that an industry in the United States is materially injured or is threatened with material injury, or that the establishment of an industry in the United States is materially retarded. The question of material retardation of the establishment of an industry in the United States is not an issue in this investigation. There are approximately 15 companies producing canned clams in the United States.

II. The Industry

The industry in the United States producing canned clams shipped in excess of \$25 million in 1978. Production rose in 16 plants.

III. Material Injury

(1) In 1979, the year in which the alleged less than fair value (LTFV) sales occurred, Canada supplied only 0.1 percent of the quantity of U.S. consumption of canned clams. Imports from all other countries supplied 30.4 percent of the quantity of U.S. consumption of all types of canned clams. Imports of canned whole clams from Canada supplied 0.8 percent of domestic consumption of canned whole clams in 1979.

(2) The quantity of U.S. production of canned clams rose from 10,192,000 pounds in 1977 to 13,456,000 pounds in 1979. This is an increase of 32 percent.

(3) Employment within the U.S. industry for the production of canned clams rose by approximately 32 percent from 1977 to 1979. The hours worked rose by approximately 40 percent.

(4) A price comparison of the domestic and imported clams allegedly sold at LTFV indicated that imports were more expensive during four out of the last six quarters; were less expensive for one quarter; and were about the same price during one quarter.

(5) The price of imported canned clams from Canada has generally exceeded the average weighted price of domestic canned clams during 1978-1979. As a result, there is no direct evidence of price suppression or depression by reason of the alleged LTFV imports.

(6) Only the petitioner, a domestic producer of canned clams, indicates that it has lost sales to imports from Canada, but the staff was unable to confirm the evidence of lost sales.

(7) The petitioner was the only domestic producer complaining of imports from Canada. It represents an insignificant proportion of U.S. production. During the period of the alleged LTFV sales, its shipments increased.

IV. Threat of Material Injury

(1) The United States has declined in importance as an export market of Canadian shellfish, including canned clams. In 1977 the United States accounted for 77 percent of the Canadian export market for canned shellfish, while by 1979 its share was 12 percent. The quantity of U.S. imports of canned clams from Canada dropped from 69,000 pounds in 1978 to 25,000 pounds in 1979.

(2) There is evidence that the Canadian plant producing the imported canned clams is not capable at this time of significantly expanding its output. There is evidence that the Canadian plant is experiencing production and other difficulties.

V. Recommendation

In conclusion, on the basis of my review of the information developed during the investigation, I recommend that the Commission determine that there is no reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or that the establishment of an industry in the United States is materially retarded.

INFORMATION OBTAINED IN THE INVESTIGATION

Introduction

On March 5, 1980, the U.S. International Trade Commission received notice from the U.S. Department of Commerce, the designated administering authority under section 771(i) of the Tariff Act of 1930, as added by title I of the Trade Agreements Act of 1979 (93 Stat. 176; 19 U.S.C. 167(1), 1/ that in accordance with section 732(a) of the Tariff Act of 1930, it had initiated an antidumping investigation with respect to clams in airtight containers from Canada. 2/ Accordingly, on March 10, 1980, the Commission instituted investigation No. 731-TA-17 (Preliminary) under section 733(a) of the Tariff Act of 1930 to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of clams in airtight containers from Canada provided for in items 114.01 and 114.05 of the Tariff Schedules of the United States (TSUS), allegedly sold or likely to be sold at less than fair value (LTFV). By statute the Commission must make its determination within 45 days of receipt of notice of the initiation of the investigation, or by April 18, 1980.

Notice of the institution of the Commission's investigation and of the time and place of the public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and at the Commission's New York office, and by publishing the original notice in the Federal Register of March 13, 1980 (45 F.R. 16359) 3/. A public conference was held in Washington, D.C. on March 31, 1980.

On October 12, 1979, and December 19, 1979, information was received by the U.S. Treasury Department from the A.M. Look Canning Co., East Machias, Maine, alleging that clams in airtight containers from Canada were being sold for export to the United States at LTFV and that those sales were causing injury, likelihood of injury, or the prevention of the establishment of an industry in the United States within the meaning of the Antidumping Act, 1921. An antidumping investigation relating to these allegations was not initiated by the Treasury Department before January 1, 1980, the date when the provisions of the Trade Agreements Act of 1979 took effect. These provisions amended the Tariff Act of 1930, and superseded the Antidumping Act of 1921.

Since the Antidumping Act of 1921 required that a petition for the initiation of an antidumping investigation be filed only with the administering authority the petitioner was not in compliance with section

1/ The President pursuant to Reorganization Plan No. 3 of 1979, assigned to the Secretary of Commerce responsibility for the administration of the antidumping laws. This assignment became effective on January 2, 1980, as provided for by Executive Order 12188.

2/ A copy of Commerce's notice is presented in app. A.

3/ A copy of the Commission's notice of investigation and conference is presented in app. B.

732(b) of the Tariff Act of 1930, because it requires simultaneous filing of petitions with the Commission and the Department of Commerce. However, the Department of Commerce, relying on its authority under section 732(a) of the Tariff Act of 1930, self-initiated this antidumping duty investigation, after determining that the information contained in the A.M. Look petition and information subsequently developed in reviewing that petition provided all information necessary.

In the event that the Commission reaches a negative determination in its preliminary investigation, the Commerce investigation with respect to LTFV sales will be terminated. If the Commission makes an affirmative determination in this investigation, the Commerce investigation will continue to conclusion.

The A.M. Look Canning Co. of East Machias, Maine, wrote the Commissioner of Customs on October 10, 1979, enclosing an Antidumping questionnaire from the U.S. Customs Service, and alleging that canned clams are being dumped in the United States and that as a consequence, an industry is being injured. Subsequent to the initial letter and questionnaire, Mr. Anthony M. Look in a November 28, 1979, letter, provided additional information requested by the U.S. Customs Service.

The petitioner claimed that U.S. imports of clams in airtight containers from Canada during 1979 were sold at LTFV margins of as much as 65 percent. The petitioner alleged that it is being injured, and is likely to be injured by virtue of LTFV imports from Canada. Specifically, such imports were reported to be depressing domestic prices and preventing greater utilization of productive capacity. The petitioner also maintained that there was a decline in the profitability of the A.M. Look Co. because of the imports in 1979.

The Product

Description and uses

Clams in the shell and the meat of shelled clams are marketed in fresh, frozen, or canned forms. Only canned clams are the subject of this investigation. Clam meat is canned in whole or minced form; some whole clam meat is smoked before being canned.

There are five types of clams used in canned clams-razor clams, soft-shell clams, ocean quahog clams, hard shell clams, and surf clams. All of these clams are generally substitutable for each other in chowders and in breaded clam strips. However, the ocean quahog clam, because of its darker color and stronger flavor, tends to be limited to use in clam sauces and chowders where tomatoes are used. Razor clams have a white meat and rich flavor are priced higher than other clams. The clam included in this investigation have normally been processed through such means as shucking of the shell, chopping or mincing, and boiling or cooking before being packed in airtight containers.

Approximately half of the imported canned clams consist of a type of canned clam not generally produced in the United States, including smoked clams and clam "specialties." 1/ The great majority of the other half of the imports, consist of boiled whole "baby" clams, with an increasing amount of minced or chopped clam imports. Most of the imports from Canada consist of whole clams.

Whole baby clams are competitive with minced or chopped clams. Most of the clams consumed in the United States are in the form of chowders, casseroles, sauces, hors d'oeuvres or as fried strips. Both whole baby clams and minced or chopped clams are considered appropriate for use in chowders, casseroles, sauces, and hors d'oeuvres. 2/

U.S. tariff treatment

The canned clam products which are the subject of this investigation are classified for tariff purposes under items 114.01 and 114.05 of the TSUS. The column 1 (most-favored-nation (MFN)) rate of duty applicable to merchandise entered under item 114.01 (razor clams) is 3.5 percent ad valorem, while the respective rate of duty for item 114.05 (clams other than razor clams) is 14 percent ad valorem. These rates have been in effect since January 1, 1972. The column 2 rate (applicable to imports from certain Communist-dominated countries) is 23 percent for item 114.01 and 35 percent for item 114.05.

The duty for item 114.05 is calculated on the basis of the American Selling Price (ASP) of like or similar products produced in the United States. The ASP valuation will be eliminated and the duty applicable to imports from Canada and all other MFN countries will be converted as follows on the effective date of the Valuation Agreement, possibly as early as July 1, 1980: 3/

1/ These are usually seasoned, baked, and/or boiled clams, sometimes with an added sauce. The smoked clams and specialties come primarily from Asia. See U.S. International Trade Commission, MTN Studies; Agreements Being Negotiated at the Multilateral Trade Negotiations in Geneva, . . . vol 6, Part 2, p. 108.

2/ In the Commerce Department petition, the A.M. Look Co. named F.H. Snow, Gortons of Gloucester, and Doxsee, producers of minced or chopped clams, as U.S. producers of competitive merchandise.

3/ U.S. International Trade Commission, MTN Studies: Agreements Being Negotiated at the Multilateral Trade Negotiations in Geneva . . . (Govt. Printing Office, Aug. 1979), vol. 6, pt. 2.

TSUS item No.	Description	Rate of duty	
		Current col. 1 1/	Proposed col. 1
114.05	Shellfish, fresh, chilled, frozen, pre-		
	pared, or preserved (including pastes:		
	and sauces):		
	Clams:		
	In airtight containers:		
	Other:		
	A 2/ Boiled clams,		
	whether whole,		
	minced, or		
	chopped, and		
	whether or not		
	salted, but not		
	otherwise prepared:		
	or preserved, in		
	immediate contain-		
	ers the contents		
	of which do not		
	exceed 24 ounces		
	gross weight-----	14% ad val.	22.2% ad val.
	A 2/ Other-----	14% ad val.	14% ad val.

1/ Duty is calculated on the basis of the ASP.

2/ "A" means that the item is subject to the Generalized System of Preferences (GSP) system.

The column 2 rates of duty for these items will be converted to 110 percent for "boiled" clams in retail containers and will remain at 35 percent for "other" clams.

At the present time, about half of the merchandise which enters under item 114.05 is dutiable on the basis of ASP. Most of these ASP-dutiable canned clams consist of boiled whole baby clams with the remainder composed of minced or chopped clams. The ad valorem equivalent (AVE) duty of ASP-dutiable canned clams amounted to about 25 percent during 1975-78. The other half of merchandise entered under item 114.05 is not considered by the U.S. Customs Service to be like or directly competitive with domestic products, and thus not subject to ASP valuation. Canned smoked baby clams, for example, are dutiable at 14 percent ad valorem on the basis of foreign export value rather than the ASP. 1/

Canned clams other than razor clams (item 114.05) have been eligible for duty-free treatment under the GSP since 1976. Imports from Canada are not

1/ Treasury Decision No. 54247, 1956.

eligible for GSP. In 1979 about 65 percent of the \$7.3 million in U.S. imports under item 114.05 entered duty free under the GSP, while in 1978 about 38 percent of the \$6.1 million of U.S. imports entered duty free under the GSP.

The Nature and Extent of Alleged Sales at LTFV

U.S. imports of canned clams, under items 114.01 and 114.05, exceeded 5.8 million pounds during 1979 which is the year during which the alleged LTFV sales occurred (table 1, app. C). Imports from Canada amounted to 25,000 pounds, or about 0.43 percent of total U.S. imports in 1979. In 1978, Canada supplied about 69,000 pounds or less than 1.5 percent of the total 4.7 million pounds imported. In 1979, Canada supplied about 0.1 percent of the domestic consumption of canned clams; imports from all countries supplied about 31 percent (table 2). The petitioner has alleged to the Commerce Department that less than fair value margins of as much as 65 percent are applicable to U.S. imports of canned clams from Canada.

The U.S. Industry

Domestic production of canned clams consists of about 99 percent minced or chopped clams and less than 1 percent boiled whole clams. Boiled whole clams and minced or chopped clams are competitive with each other, although whole clams have become increasingly scarce because of the decline of fresh clams suitable for canning as "whole." The U.S. industry has produced smoked clams during some years, as well as other specialty clam products, but the volume of both has always been negligible and sporadic.

The bulk of the U.S. canned clam output is produced in New Jersey and in Delaware. In 1978, there was a total of 16 U.S. plants producing minced or chopped canned clams located in New Jersey (5), Delaware (2), New York (2), Maine (2), Washington (3), and Maryland (2) (table 4). In 1975, there were eight plants producing canned minced clams, so that the number of plants has doubled in 4 years. In some years, canned clams have been produced in Oregon, Alaska, and other States. In 1978, three plants also produced whole clams compared with two plants in 1975. These plants are located in Maine, Oregon, and Washington. Seven companies controlled 95 percent of the shipments of canned clams in 1977. One firm owns three plants; the remainder of the plants are under separate ownership.

Many of these canned clam plants are located adjacent to available supplies of fresh clams: most fresh clams are landed in the Middle Atlantic States (52 percent of 1977 U.S. commercial landings), the Chesapeake Bay States (30 percent) or the New England States (15 percent) ^{1/}. The South Atlantic and Pacific Coast States accounted for the remainder (less than 3 percent) of domestic landings of clams in 1977.

For most of the plants, canned clams are the principal product, though all of the plants also produce clam juice as a byproduct. A summary of production of clam canners, by type of product, is shown in table 4 for 1975-78.

^{1/} National Marine Fisheries Service, Shellfish Market Review, November 1978.

The petitioner is a seafood-canning company which operates a canning facility employing about 30 people. In addition to canned clams, the company produces other miscellaneous canned seafood products. The petitioner also operates a seafood-canning plant in Canada. * * *.

The Commission surveyed the petitioner and other U.S. producers of canned clams in a questionnaire, which was sent to the nine principal domestic producers (including the petitioner). Responses were received from six producers, though only five contained usable information. The five respondent firms with usable information accounted for 59 percent of 1978 domestic shipments of canned clams.

All importers of canned clams from Canada were also surveyed as well as the six largest importers of canned clams from other countries. Responses were received from all of the importers of Canadian canned clams and from two large importers of canned clams from other countries (which accounted for 11 percent of total 1979 U.S. imports).

The value of domestic shipments of whole and minced canned clams rose during 1975-78, while shipments in actual weight declined substantially (table 4). The value of shipments of canned clams rose from \$17.9 million in 1975 to \$25.4 million in 1978, representing an increase of 42 percent, while the quantity shipped declined from 13.6 million pounds in 1975 to 9.9 million pounds (or by 27 percent) in 1978. 1/

The drop in the quantity shipped is partly attributable to the reduced availability of clams to fishermen because of the decline in yields as a result of environmental problems, overfishing, and quotas. 2/ The National Marine Fisheries Service, in an effort to create more rational exploitation of clams, imposed quotas in 1977 relating to the harvesting of surf clams which had accounted for a large share of the domestic production of clams. 3/ As a

1/ The Commerce Department production statistics are reported in table 4 on a "drained-weight" or "meat weight" basis, while the import statistics are on a "net weight" basis. The drained weight is roughly half the net weight. Drained weight is used throughout this report unless otherwise noted.

2/ The quota information is contained in "Draft Supplemental Environmental Impact Statement and Fishery Management Plan Amendment No. 2 for the Surf Clam and Ocean Quahog Industries of the Northwest Atlantic Ocean," National Marine Fisheries Service, U.S. Department of Commerce, April 1979.

3/ National Marine Fisheries Service, U.S. Department of Commerce, Shellfish Market Review and Outlook, November 1977, p. 9; June 1977, p. 12-15; and September 1976, p. 8 and 9.

result of the imposition of quotas, a shift to the harvesting of other (mostly ocean quahog) clams occurred. The overall U.S. supply of fresh clam meat has declined from 121.7 million pounds in 1974 to 87.7 million pounds in 1978, or by 28 percent, as shown in the following table.

U.S. supply of clam meats, by types of clam, 1974-78

(In thousands of pounds, meat weight)

Year	Hard	Soft	Surf	Other	Total
1974-----	14,665	9,590	96,110	1,328	121,693
1975-----	14,995	9,174	86,956	2,262	113,387
1976-----	15,600	10,540	49,133	5,728	81,001
1977-----	15,433	10,683	51,036	19,008	96,160
1978-----	13,295	10,091	39,237	25,088	87,711
Average-----	14,978	10,016	64,494	10,683	99,990

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

Note.--1979 data are not available at this date.

The Foreign Industry and Capacity of the Foreign
Industry to Generate Exports

Canadian production of clams

In 1979, Canadian production of fresh clams amounted to about 16.6 million pounds (landed weight) compared with about 14.3 million pounds in 1978, as shown in the following table.

Canadian production of fresh clams, by provinces, 1978 and 1979

Province	1978	1979
	-----1,000 pounds-----	
Nova Scotia-----	3,602	2,837
New Brunswick-----	2,606	3,014
Prince Edward Island-----	1,607	1,250
Quebec-----	758	988
Newfoundland-----	-	26
British Columbia-----	5,739	8,473
Total-----	14,312	16,588

Source: Embassy of Canada.

Production data on Canadian canned clams are not available, although it would appear, based on the data given above, that Canada produces considerably smaller quantities of canned clams than does the United States. At the public conference held at the Commission on March 31, 1980, it was indicated by an importer that the predominant source of U.S. imports of canned clams from Canada imported into the United States during 1978-79 was a small cannery located at Riviere Portneuf, Province of Quebec. 1/

Canadian exports of clams

In 1979, Canada exported about 4.2 million pounds, or about 25 percent of its domestic production of fresh clams to the United States; in 1978, about 4.2 million pounds, or about 29 percent of the production was so exported. Fresh clams from Canada enter duty free and may be used by some U.S. clam canners.

1/ Transcript of Public Conference in the Matter of Clams in Airtight Containers from Canada, Mar. 31, 1980, p. 6, 14, and 15. This plant, according to Commerce Department officials, is a small organization limited in its capacity by equipment, buildings, and management practices. During 1978 and 1979 most of its output was exported to the United States, according to the Commerce Department and the importer.

Canada's exports of canned clams are not specifically reported. In 1979, Canada exported its canned shellfish, including canned clams, to Hong Kong (66 percent), the United States (12 percent), Thailand (3 percent), and Japan (4 percent), as shown in the following table.

Canned shellfish, including canned clams: Percentage distribution of Canadian exports, by principal markets, 1977-79

Market	1977	1978	1979 ^{1/}
Hong Kong-----	0.5	33.7	65.7
United States-----	76.8	29.5	11.9
Japan-----	19.5	3.7	3.8
Thailand-----	0	18.5	2.5
France-----	.5	13.1	1.0
All other-----	2.7	1.5	15.1
Total-----	100.0	100.0	100.0

^{1/} Partly estimated, based on January-November.

Source: Statistics Canada, Exports by Commodities, December 1977, December 1978, and November, 1979.

The United States has declined in importance as an export market for Canadian canned shellfish; in 1975, the United States accounted for 77 percent of the Canadian export market for canned shellfish, by 1979, its share was 12 percent. The Asian market, including Hong Kong, Thailand, Japan, and China, has become an important outlet for Canadian exports of canned clams in recent years.

U.S. Importers

* * * * *

The vice president of the Jasper Wyman Co. testified at the public conference on canned clams from Canada on March 31, 1980. According to that testimony, the Wyman Co. ceased canning clams in 1968 when the supply of fresh local clams was exhausted. 1/ The A.M. Look Canning Co., then began supplying the Wyman Co. with canned clams under the Wyman label from 1968 through July of 1972, at which time the Look Co. stopped supplying Wyman because of a local shortage of fresh clams. Wyman located the Canadian source of canned clams in 1978 and then began to import canned clams under the Wyman label and to supply them to their previous customers:

U.S. Markets and Channels of Distribution

U.S. apparent consumption of canned clams declined from 17.8 million pounds in 1977 to 15.5 million pounds in 1978. Consumption increased in 1979 to a 19.1 million pound level. U.S. production of canned whole and canned minced clams used about 10 million pounds (11 percent) of the supply of the 88 million pounds of fresh clam meat produced commercially in the United States in 1978. The other large domestic uses of fresh meat were clam chowder (57 percent), clam juice (10 percent), and as fresh meat consumption (about 22 percent). 2/

About 85 percent of all the domestic canned clams sold in the United States are sold on a national basis to institutions (restaurants, food service firms and producers of clam chowder or clam specialties) rather than directly to the retail consumer through supermarkets and grocery stores. 3/ However, one specialty product, fresh and canned razor clams, tends to be marketed primarily in the States of Washington, Oregon, and California, where they are also produced. Institution-size containers of minced clams tend to weigh about 51 ounces each (net) while the retail-size containers generally weigh from 5 to 10 1/2 ounces.

U.S. imports of canned clams, consist primarily of either Oriental-type products sold through specialty stores, smoked clams, whole baby clams which are sold in retail-size containers, or minced clams. The minced clams are imported both in the institutional-size containers and in the smaller retail-size containers, whereas whole baby clams are mostly in retail-size containers.

On the retail level, many supermarkets carry a limited selection of different sizes and brand names of canned clams. For supermarkets with sales exceeding \$1 million in 1974, for example, it was reported by a trade publication that on average each supermarket carried about five different canned clam sizes and/or brand names, as compared with about 30 different

1/ The Jasper Wyman Co. operates as both a processor and a wholesaler of blueberries, lobsters, sardines, and canned clams (Transcript, op. cit., pp. 10-12).

2/ Exports of clam meat are negligible.

3/ Frozen Foods, October 1978.

tunafish sizes and/or brands. 1/ The gross margin (markup) for canned clams by supermarkets was about 23 percent of the retail price in 1974. 1/

Consideration of Injury to U.S. Industry

U.S. production

U.S. canners of clams responding to the Commission questionnaire indicated that their production increased from about 10.2 million pounds in 1977 to about 13.5 million pounds in 1979 (or by 32 percent) (table 2). The five firms responding to the Commission questionnaire represented about 59 percent of the domestic production of canned clams in 1978, as reported by the U.S. Department of Commerce.

Capacity and utilization of capacity

Of the five companies responding to the questionnaire, only three provided information relating to capacity and capacity utilization. They indicated that their capacity had remained unchanged during 1977-79 at 51.1 million pounds annually. Their capacity utilization ratio increased from 12.5 percent in 1977, to 15.6 percent in 1978, and then to 20.5 percent in 1979. The clam canning industry, as pointed out earlier, can be characterized by a high degree of seasonality, and is affected by the availability of fresh clams.

U.S. producers' shipments and exports

The canning firms responding to the Commission questionnaire indicated a rise in their domestic shipments paralleling the rise in production. Shipments of canned clams rose from 10.1 million pounds in 1977 to 13.3 million pounds in 1979, as indicated in the following tabulation:

Year	Shipments	Exports
	-----1,000 pounds-----	
1977-----	10,116	76
1978-----	10,744	84
1979-----	13,320	136

1/ Chain Store Age/Supermarket Sales Manual, July 1974.

There have been only small exports of canned clams from the United States in the past 3 years. The responding firms reported total exports of 76,000 pounds in 1977 and 136,000 pounds in 1979.

Inventories

During the past 3 years, inventories of canned clams held by domestic producers increased slightly from 2.7 million pounds in 1977 to about 3.0 million pounds in 1979, as reported in the Commission questionnaires:

Year	Yearend inventories	Production	Ratio of in- ventories to production
	-----1,000 pounds-----		Percent
1977-----	2,728 :	10,192 :	27
1978-----	2,585 :	10,828 :	24
1979-----	3,051 :	13,456 :	23

The ratio of inventories of canned clams to production declined slightly during the period from 27 percent in 1977 to 23 percent in 1979.

U.S. imports

The value of U.S. imports of canned clams from all sources rose from \$2.1 million in 1975 to \$9.2 million in 1977; in 1979, imports were valued at \$7.4 million (table 1). The leading suppliers of canned clams were Thailand, Korea, and Japan during 1977-79, when they supplied about 93 percent of the value of total U.S. imports. Thailand and Korea were the principal countries supplying canned clams under the GSP duty-free system; Korea lost its GSP status in 1977 when U.S. imports from that country exceeded 50 percent of total imports under item 114.05.

Imports of canned clams from Canada rose from less than 1,000 pounds valued at \$500, in 1975 to 69,000 pounds, valued at \$73,000, in 1978. Imports amounted to 25,000 pounds, valued at \$45,000, in 1979. The bulk of these imports entered through the State of Maine. Imports from Canada represented about 0.1 percent of the 1979, domestic apparent consumption of canned clams (table 2).

There is no indication that imports of canned clams from Canada will increase during 1980. Virtually all of the imports from Canada which enter the United States are produced by Conserverie Polyvalente De Riviere Portneuf of Riviere Portneuf, Quebec. The Commission has been advised by a Commerce Department representative, who visited that canning plant, that this firm is not capable of significantly expanding its output in the near future.

Only one producer, the petitioner, indicated that imports of canned clams have had an effect on its domestic operations.

Employment

Both employment and hours worked rose during 1977-79 for the firms which responded to the Commission questionnaires. According to these firms, the average number of persons employed in the production of canned clams increased by about 32 percent from 1977 to 1979, while the hours worked rose by about 40 percent, as indicated in the following table.

Average number of employees, total and production and related workers, and hours worked, in domestic establishments in which canned clams were produced, 1977-79

Item	1977	1978	1979
Average number of employees:			
All persons-----	904	959	1,151
Production and related workers engaged in the production of--			
All products-----	784	871	1,049
Canned clams-----	410	459	540
Hours worked by production and related workers engaged in the production of--			
All products--1,000 person-hours--	1,034	913	1,442
Canned clams-----do-----	520	470	727

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

Financial experience of U.S. producers

Profits.--The Commission received usable profit-and-loss data from two firms, * * *, which represented about * * * percent of domestic production of canned clams in 1978. ^{1/} Net sales of these firms declined from * * * in 1977 to * * * in 1979, and the ratio of net operating profit to net sales declined * * *. * * * reported a net operating loss in 1979 of * * * largely because the cost of raw materials (clams) and other operating costs rose by about * * * from 1978 to 1979. Although its sales increased by * * * during the respective period, it suffered an operating loss. The profit-and-loss experience of the two firms is presented in the following table.

^{1/} The petitioner did not supply the Commission with usable profit-and-loss data.

Profit-and-loss experience of two U.S. producers on their canned clam
operations, 1977-79

Item	1977	1978	1979
Net sales-----1,000 dollars--:	*** :	*** :	***
Cost of goods sold-----do-----:	*** :	*** :	***
Gross profit-----do-----:	*** :	*** :	***
General selling, and administrative :	:	:	
expenses-----1,000 dollars--:	*** :	*** :	***
Net operating profit-----do-----:	*** :	*** :	***
Ratio of net operating profit to net:	:	:	
sales-----percent--:	*** :	*** :	***

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

Actual and potential negative effects of alleged LTFV merchandise on U.S. producers' cash flow, ability to raise capital, and investment.--One of the respondent firms, * * *, indicated that, LTFV imports of canned clams, depending on their quantity, could have * * *. There was no indication from other respondent firms that alleged LTFV imports would have an effect on their ability to raise capital.

Research and development and capital expenditures

The major research and development problem facing the clam canning industry has been associated with improving the supply of fresh clams rather than productivity improvements in their canning operation. The bulk of this research has been carried out by public universities or by the National Marine Fisheries Service, U.S. Department of Commerce. ^{1/}

Respondent firms indicated that the value of total assets employed in the production of canned clams during 1977-79 remained virtually unchanged. In 1977, the two firms (responding with usable data to this question employed about * * * in assets for the production of canned clams; in 1979, the amount was about * * *.

^{1/} See for example, Clyde MacKenzie, "Management for Increasing Clam Abundance," Marine Fisheries Review, National Marine Fisheries Service, U.S. Department of Commerce, October 1979.

Consideration of the Causal Relationship Between Alleged LTFV Imports
from Canada and the Alleged Injury

Market share and market penetration

U.S. imports of canned clams from Canada have supplied only a negligible share of the domestic market for such food products. Imports from Canada rose from less than 0.05 percent in 1977 to 0.4 percent in 1978, but dropped to 0.1 percent of domestic apparent consumption in 1979 (table 2.). * * *. In 1979, the ratio of imports of canned whole clams from Canada to domestic apparent consumption was 0.82 percent (table 3).

Price comparisons

Effect of imports on prices in the United States and other factors affecting domestic prices.--The petitioner indicated that one of the primary injurious effects of alleged LTFV imports from Canada was its effect on domestic prices. ^{1/} The five respondent domestic producers of canned clams indicated a considerable degree of price variation for their sales of canned clams. On the basis of a weighted average price for retail-size canned clams (8-ounce and 6-1/2-ounce cans), a price comparison of domestic and imported canned clams from Canada indicated that the imports were more expensive during four out of the last six quarters; were less expensive for one quarter; and were about the same price during one quarter. This is shown in the following table.

^{1/} Petition, op.cit., p. 2 and 11.

U.S. producers' and importers' prices for retail-size canned clams,
by quarters, 1977-79

(Per pound of net weight)

Period	Domestic producers' price						Average weight- ed price	Importers' price for Canadian product <u>2/</u>
	* * *	* * *	* * *	* * *	* * *			
	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>2/</u>	<u>1/</u>			
1977:								
Jan.-March-----	***	***	***	***	***	\$1.76		***
April-June-----	***	***	***	***	***	1.60		***
July-Sept-----	***	***	***	***	***	1.58		***
Oct.-Dec-----	***	***	***	***	***	1.58		***
1978:								
Jan.-March-----	***	***	***	***	***	1.56		***
April-June-----	***	***	***	***	***	1.59		***
July-Sept-----	***	***	***	***	***	1.60		***
Oct.-Dec-----	***	***	***	***	***	1.57		***
1979:								
Jan.-March-----	***	***	***	***	***	1.48		***
April-June-----	***	***	***	***	***	1.49		***
July-Sept-----	***	***	***	***	***	1.64		***
Oct.-Dec-----	***	***	***	***	***	1.55		***
<u>1/</u> * * *								
<u>2/</u> * * *								

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

Note.--The average weighted prices for domestic producers have been weighted by the size of the production of the respondent firms. Prices are based on the net weight of either 6-1/2-ounce or 8-ounce cans.

Price undercutting by the imported merchandise as compared with the price of like products of the United States.--As indicated in the price comparison given above, there has been no consistent pattern of price undercutting by imports of canned clams from Canada during the six quarters in which the alleged LTFV imports occurred. Price data from questionnaires from domestic producers exhibited considerable variation for the retail-size container of canned clams. During 1977, for example, the price difference between the most expensive and least expensive domestic producers for retail-size canned clams amounted to about 62 percent; the respective differences for 1978 and 1979 amounted to 41 percent and 32 percent, respectively. Brand name differentiation apparently affects prices of retail-size canned clams.

Consideration of whether the imported merchandise depresses prices or prevents price increases.--The price of the imported canned clams from Canada generally exceeded the average weighted price of domestic canned clams during 1978 and 1979 and therefore would have been unlikely to have depressed

domestic prices or to have prevented price increases by most domestic producers. * * *.

Loss of sales.--Of the domestic producers responding to the questionnaire, only one (the petitioner) indicated that it had lost sales to imports from Canada. An importer of canned clams from Canada indicated at the public conference on March 31, 1980, that its customers had been supplied with domestically canned clams, until 1972, when the petitioner stated that it could no longer supply the product. ^{1/} The imported canned clams from Canada are now marketed under the importer's brand name label to the importer's previous customers. * * *.

^{1/} Transcript, op. cit., p. 6.

APPENDIX A

**COMMERCE DEPARTMENT NOTICE TO THE COMMISSION CONCERNING
CANNED CLAMS FROM CANADA**

address below and be postmarked on or before April 4, 1980.

A copy of the amendment to the application is available for public inspection at each of the following locations:

Office of the Director, U.S. Dept. of Commerce District Office, 1220 S.W. 3rd Avenue, Room 618, Portland, Oregon 97204.
Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Dept. of Commerce, Room 6886-B, 14th and E Streets, NW, Washington, D.C. 20230

Dated: February 29, 1980.

John J. Da Ponte, Jr.,
Executive Secretary, Foreign-Trade Zones Board.

[FR Doc. 80-7006 Filed 3-3-80; 8:45 am]

BILLING CODE 3510-25-M

International Trade Administration

Clams in Airtight Containers From Canada; Antidumping Proceeding Notice

AGENCY: U.S. Department of Commerce.

ACTION: Initiation of antidumping investigation.

SUMMARY: This notice is to advise the public that the Department of Commerce has determined that a formal antidumping investigation is warranted for the purpose of determining whether imports of clams in airtight containers from Canada are being, or are likely to be, sold at less than fair value. The U.S. International Trade Commission is being notified of this action so that it may, in accordance with the Tariff Act of 1930, as amended by the Trade Agreements Act of 1979, make a determination, within 45 days of notification, of whether there is a reasonable indication of material injury by reason of imports of this merchandise.

EFFECTIVE DATE: March 6, 1980.

FOR FURTHER INFORMATION CONTACT: Roland L. MacDonald, Jr., Office of Investigations, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230 (202-568-5492).

SUPPLEMENTARY INFORMATION: On October 12, 1979, and December 19, 1979, information was received by the U.S. Treasury Department from the A. M. Look Canning Co., East Machias, Maine, alleging that clams in airtight containers from Canada were being sold for export to the United States at less than fair value and that those sales were causing injury, likelihood of injury, or the prevention of the establishment of an industry in the United States within the meaning of the Antidumping Act, 1921, as amended (19 U.S.C. 160 *et seq.*).

An antidumping investigation relating to these allegations was not initiated prior to January 1, 1980, when Title I of the Trade Agreements Act (the "1979 Act") took effect. The 1979 Act replaces the Antidumping Act, 1921, with a new antidumping law which requires simultaneous filing of petitions with the U.S. International Trade Commission ("U.S.I.T.C."). The petitioner has not filed its petition with the U.S.I.T.C. since there was no such requirement at the time it filed. To require the petitioner to refile simultaneously with the U.S.I.T.C. and the Commerce Department would unduly burden the petitioner and would cause an unnecessary delay in initiating the investigation. Rather, the Commerce Department, relying on its authority under section 732(a) of the Tariff Act of 1930 (93 Stat. 162, 19 U.S.C. 1673a(a)) (the "Act"), has decided to initiate an investigation in this case.

Section 732(a) provides for the self-initiation of an antidumping duty investigation whenever sufficient evidence is available regarding the criteria contained in section 731 of the Act (93 Stat. 162, 19 U.S.C. 1673) to warrant a formal investigation.

In this instance, it is hereby determined that the information contained in the A. M. Look petition and information developed by Commerce in reviewing that petition provide all information required in section 732(a) for the self-initiation of a formal antidumping investigation.

For purposes of this investigation, the term "clams in airtight containers" means all clams packaged in airtight containers which are provided for in item numbers 114.0100 and 114.0500, Tariff Schedules of the United States, Annotated (TSUSA).

Pricing information supplied by the A. M. Look Canning Co. for canned clams sold in the United States and in the Canadian home market indicates that there may be less than fair value margins of as much as 65 percent. Evidence has been furnished that the Canadian products are being sold in the United States at prices significantly lower than A. M. Look's prices for merchandise of the same class or kind.

A. M. Look has presented some information to support its allegation that it is being injured, or is likely to be injured by less than fair value imports from Canada. It claims that recent imports are setting standards which are depressing domestic prices and preventing greater utilization of capacity. The data also suggests that there may have been a recent decline in profitability of the A. M. Look firm.

In accordance with section 732(d) of the Act (93 Stat. 163, 19 U.S.C. 1673a(d)),

the U.S.I.T.C. is being notified of this determination. A copy of the information on the basis of which the investigation is being initiated is being delivered to the U.S.I.T.C. All nonprivileged and nonconfidential information in the files of the International Trade Administration is being made available to the U.S.I.T.C., and all privileged and confidential information in the files will be made available upon confirmation that the confidentiality of such information will be maintained and that it will not be disclosed, either publicly or under an administrative protective order, without the express written consent of the Assistant Secretary for Trade Administration.

Pursuant to section 733(a) of the Act (93 Stat. 163, 19 U.S.C. 1673b(a)), the U.S.I.T.C. will make a determination, within 45 days after it receives notice of the initiation of the instant investigation, of whether there is a reasonable indication that an industry in the United States is materially injured, or threatened with material injury, by reason of imports of clams in airtight containers from Canada. If that determination is negative, this investigation will be deemed terminated and no further notice will be published by the International Trade Administration. Otherwise, the investigation will continue to conclusion.

Section 733(b) of the Act (93 Stat. 163, 19 U.S.C. 1673b(b)), requires that the International Trade Administration normally make a preliminary determination not later than 160 days after an investigation is commenced under section 732(a) of the Tariff Act. Therefore, unless the investigation is terminated or extended, a preliminary determination will be made not later than August 13, 1980.

This notice is published pursuant to section 732 of the Act (93 Stat. 144, 162, 19 U.S.C. 1673a).

John D. Greenwald,

Acting Assistant Secretary for Trade Administration.

February 29, 1980.

[FR Doc. 80-7006 Filed 3-3-80; 8:45 am]

BILLING CODE 3510-22-M

Certain Fresh Winter Vegetables From Mexico—Notice of Antidumping Hearing—Correction

In FR Doc. 80-5699 appearing at page 12278 in the issue of Monday, February 25, 1980, the first five words, which appeared as "A 'Withholding of Appraisement Notice'", should have read "Initiation of Antidumping

APPENDIX B

U.S. INTERNATIONAL TRADE COMMISSION'S NOTICE OF INSTITUTION OF PRELIMINARY
ANTIDUMPING INVESTIGATION AND SCHEDULING OF CONFERENCE

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C. 20436

731-TA-17 (Preliminary)

CLAMS IN AIRTIGHT CONTAINERS FROM CANADA

Notice of Institution of Preliminary Antidumping
Investigation and Scheduling of Conference

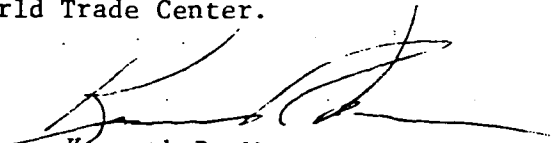
Investigation instituted. Following receipt of advice from the Department of Commerce on March 5, 1980, the United States International Trade Commission on March 10, 1980, instituted a preliminary antidumping investigation under section 733(a) of the Tariff Act of 1930 to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports from Canada of clams in airtight containers provided for in items 114.01 and 114.05 of the Tariff Schedules of the United States, allegedly sold or likely to be sold at less than fair value. This investigation will be subject to the provisions of part 207 of the Commission's Rules of Practice and Procedure (19 CFR 207, 44 F.R. 76457) and particularly, subpart B thereof, effective January 1, 1980.

Written Submissions. Any person may submit to the Commission on or before April 3, 1980, a written statement of information pertinent to the subject matter of the investigation. A signed original and nineteen copies of such statements must be submitted.

Any business information which a submitter desires the Commission to treat as confidential shall be submitted separately and each sheet must be clearly marked at the top "Confidential Business Data." Confidential submissions must conform with the requirements of section 201.6 of the Commission's Rules of Practice and Procedure (19 CFR 201.6). All the written submissions, except for confidential business data, will be available for public inspection.

Conference. The Director of Operations of the Commission has scheduled a conference in connection with the investigation for 10 a.m., e.s.t., on March 31, 1980, at the U.S. International Trade Commission Building, 701 E. Street NW., Washington, D.C. Parties wishing to participate in the conference should contact the senior/supervisory investigator for the investigation, Ms. Vera Libeau (202-523-0368). It is anticipated that parties in support of the petition for antidumping duties and parties opposed to such petition will each be collectively allocated one hour within which to make an oral presentation at the conference. Further details concerning the conduct of the conference will be provided by the senior/supervisory investigator.

Inspection of petition. The petition filed in this case is available for public inspection at the Office of the Secretary, U.S. International Trade Commission, and at the New York City office of the U.S. International Trade Commission located at 6 World Trade Center.



Kenneth R. Mason
Secretary

Issued: March 10, 1980

A-24

APPENDIX C
STATISTICAL TABLES

Table 1.--Canned clams: U.S. imports for consumption,
by specified sources, 1977-79

Sources	1977	1978	1979
	Quantity (1,000 pounds)		
Thailand-----	159	589	4,191
Korea-----	4,077	2,301	876
Japan-----	3,120	1,129	417
Mexico-----	30	109	99
Italy-----	262	403	70
Canada-----	6	69	25
All other-----	104	135	151
Total-----	7,758	4,735	5,830
	Value (1,000 dollars)		
Thailand-----	134	554	4,641
Korea-----	4,727	3,078	1,514
Japan-----	3,968	1,668	727
Mexico-----	37	126	189
Italy-----	188	436	88
Canada-----	3	73	46
All other-----	105	156	163
Total-----	9,161	6,085	7,370
	Average (per pound) ^{1/}		
Thailand-----	\$0.85	\$0.94	\$1.11
Korea-----	1.16	1.34	1.73
Japan-----	1.27	1.48	1.74
Mexico-----	1.21	1.15	1.91
Italy-----	.72	1.08	1.25
Canada-----	.48	1.06	1.87
All other-----	1.01	1.16	1.08
Average-----	1.18	1.29	1.26

^{1/} Unit value calculated from the unrounded figures.

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

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

Table 2.--Canned clams: U.S. production, exports, imports, and apparent consumption, 1977-79

Year	Pro- duc- tion	Exports	Imports from--		Apparent con- sumption	Ratio to consumption of imports from--	
			Canada	All coun- tries		Canada	All coun- tries
			1,000 pounds			Percent	
1977-----	10,192	76	6	7,758	17,874	0.03	43.04
1978-----	10,828	84	69	4,735	15,479	.44	30.59
1979-----	13,456	136	25	5,830	19,150	.13	30.44

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

Table 3.--Canned whole clams: U.S. production, exports, imports, and apparent consumption, 1977-79

Year	Pro- duc- tion	Exports	Imports from--		Apparent con- sumption	Ratio to consumption of imports from--	
			Canada	All coun- tries 1/		Canada	All coun- tries
			1,000 pounds			Percent	
1977-----	***	***	***	***	***	0.15	97.66
1978-----	***	***	***	***	***	2.81	96.46
1979-----	***	***	***	***	***	.82	95.33

1/ Estimated by Commission staff.

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

Table 4.--Clams and clam products: U.S. plants, production, and shipments, by types of products, 1975-78

Item	: Whole : canned : clams	: Minced : canned : clams	: Clam : chowder	: Clam : juice	: Total
1975:	:	:	:	:	:
Number of plants-----	2	8	12	8	<u>1/</u> 17
Production: <u>2/</u>	:	:	:	:	:
Number of cases---	<u>3/</u>	903,758	1,903,366	177,160	2,984,284
1,000 pounds-----	<u>3/</u>	13,556	57,101	5,315	75,972
Shipments-----1,000	:	:	:	:	:
dollars-----	<u>3/</u>	17,855	21,766	2,152	41,773
1976:	:	:	:	:	:
Number of plants-----	3	12	12	11	<u>1/</u> 19
Production: <u>2/</u>	:	:	:	:	:
Number of cases---	2,088	515,092	1,618,145	270,714	2,406,039
1,000 pounds-----	31	7,726	48,544	8,121	64,422
Shipments-----1,000	:	:	:	:	:
dollars-----	120	14,695	22,903	1,580	39,298
1977:	:	:	:	:	:
Number of plants-----	4	11	13	11	<u>1/</u> 19
Production: <u>2/</u>	:	:	:	:	:
Number of cases---	2,716	758,238	1,826,643	242,307	2,829,904
1,000 pounds-----	41	11,373	54,799	7,269	73,482
Shipments-----1,000	:	:	:	:	:
dollars-----	206	26,063	35,566	2,686	64,521
1978:	:	:	:	:	:
Number of plants-----	3	16	14	8	<u>1/</u> 21
Production: <u>2/</u>	:	:	:	:	:
Number of cases---	1,569	658,430	1,671,700	291,446	2,623,145
1,000 pounds-----	24	9,876	50,151	8,743	68,794
Shipments-----1,000	:	:	:	:	:
dollars-----	68	25,315	31,761	3,046	60,190

1/ Exclusive of duplication.

2/ Drained weight for whole or minced clams, and net contents for other clam products. Cases are "standard cases" which represent the equivalent of 48 No. 1 picnic cans, each can of whole or minced clams containing 5 ounces of meat, drained weight, and each can of chowder, juice, broth, or nectar, 10 ounces net contents.

3/ "Whole" is combined with "minced."

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

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