

TUBES FOR TIRES, OTHER THAN FOR BICYCLE TIRES, FROM THE REPUBLIC OF KOREA

**Determination of the Commission in
Investigation No. 731-TA-137
(Preliminary) Under the Tariff Act
of 1930, Together with the Information
Obtained in the Investigation**

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UNITED STATES INTERNATIONAL TRADE COMMISSION

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Note.--Information which discloses confidential operations of individual concerns may not be published and therefore has been deleted from this report.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. 20436

Investigation No. 731-TA-137 (Preliminary)

TUBES FOR TIRES, OTHER THAN FOR BICYCLE TIRES, FROM THE
REPUBLIC OF KOREA

Determination

On the basis of the record 1/ developed in the subject investigation, the Commission determines, pursuant to section 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1673b(a)), that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from the Republic of Korea of tubes for tires, other than bicycle and aircraft tires, as provided for in items 772.59 and 772.60 of the Tariff Schedules of the United States (TSUS), which are allegedly being sold in the United States at less than fair value (LTFV).

Background

On July 11, 1983, counsel for seven U.S. manufacturers of tubes for tires filed a petition with the U.S. International Trade Commission and with the Department of Commerce alleging that an industry in the United States is materially injured, or is threatened with material injury, by reason of imports from the Republic of Korea of tubes for tires, other than for bicycle tires, which are allegedly being sold in the United States at LTFV. Accordingly, effective July 11, 1983, the Commission instituted a preliminary antidumping investigation under section 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1673b(a)).

1/ The "record" is defined in § 207.2(i) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(i)).

Notice of the Commission's institution of the investigation and the public conference 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 by publishing the notice in the Federal Register on July 20, 1983 (48 F.R. 33066). All interested parties were afforded the opportunity to present information to the Commission at the public conference which was held in Washington, D.C., on August 2, 1983.

VIEWS OF THE COMMISSION

We determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports from the Republic of Korea of tubes for tires, other than for bicycle or aircraft tires, which are allegedly sold at less than fair value (LTFV). Our determination is based on data for the period 1980 through April 1983, which reveal declining trends in production, capacity utilization, domestic shipments, the number of workers employed, net operating profits, and profit margins, all of which coincided with increased import penetration by tubes from Korea; indications of underselling by Korean manufacturers; and confirmed instances of lost sales.

Definition of the domestic industry ^{1/}

Section 771(4)(A) of the Tariff Act of 1930 defines the "industry," upon which the effect of imports is to be determined, as "the domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product." ^{2/} "Like product" is then defined as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." ^{3/} The

^{1/} Commissioner Haggart concurs with the majority definition of the domestic industry for purposes of this preliminary investigation, but does not join in the majority discussion. See her additional views, which follow.

^{2/} 19 U.S.C. § 1677(4)(A).

^{3/} Section 771(10); 19 U.S.C. § 1677(10).

determination of like product requires an analysis of the facts presented in the particular case. ^{4/}

The imported product which is the subject of the investigation consists of tubes for tires, other than for bicycle tires. Tubes for tires, also known as inner tubes, are doughnut-shaped, flexible, hollow articles made of either natural rubber or synthetic rubber. Tubes are inserted within the tire of a vehicle and are then inflated. The function of the tube is to bear the weight of the vehicle, thereby preventing the tire from collapsing. A valve, built into the tube and protruding through the rim of the wheel, is used to control the flow of air into and out of the tube. There are different sized tubes made for the different sized tires within general vehicle classes. Seven general classes of vehicles for which both imported and domestically produced tubes are made are passenger cars, trucks and buses, motorcycles, farm vehicles, aircraft, bicycles, and industrial, utility and garden vehicles. ^{5/}

Imports of tubes for bicycle tires are not subject to this investigation. There are no imports of tubes for aircraft tires from Korea nor is there production of such tubes in Korea. Therefore, the imported article or articles consist of tubes for tires for the remaining five categories of vehicles. Each of these tubes is produced domestically and is essentially identical to the corresponding imported tube. Thus, the issue before the Commission is whether these types of tubes which are imported from

^{4/} Portable Electric Nibblers from Switzerland, Inv. No. 731-TA-35 (Preliminary), USITC Pub. 1108 (November 1980).

^{5/} Report at A-3.

Korea and the corresponding domestically produced tubes should be treated as one like product or as several separate like products.

The tubes for different vehicle tires share the same essential characteristics and uses. All tubes are made of natural or synthetic rubber and are inflated inside a vehicle tire in order to provide support. Furthermore, the production process and almost all the production equipment and labor force are common to all the tubes under consideration. 6/

Based on the record in this preliminary investigation, distinctions between tubes for tires for different vehicles do not warrant treating each of these as a separate like product. 7/ Therefore, for the purpose of this preliminary investigation, we conclude that the domestic product which is like the imported article consists of tubes for tires other than for bicycle and aircraft tires, and that the domestic industry consists of the domestic producers of such tubes. 8/

6/ Tubes for tires are produced in essentially the same manner throughout the world. Butyl rubber is loaded into a Banbury mixer in combination with accelerators, oils, and other chemicals, mixed, and then conveyed to mills where the rubber is blended and worked. Impurities are removed and then, using various dies depending upon the size of tube desired, the material is extruded. Soapstone is applied so that the walls of the tube will not stick together. The tube is then cooled on a belt and cut to the proper length. A valve stem is attached and the tube is then spliced. Once spliced, the tube passes through processes which freeze the splice, develop the proper shape, and achieve the proper cure. On the basis of the production process, the distinction between tube categories is essentially only the mold used in extruding the material.

7/ Furthermore, even if we define the imported articles in terms of five categories, the imports in the major categories cannot be separately identified in available import data for 1980 and 1981.

8/ See Report at A-6 for a list of the domestic producers.

Condition of the domestic industry 9/

Material injury is defined in the Tariff Act of 1930 as "harm which is not inconsequential, immaterial, or unimportant." 10/ In making our determination of a reasonable indication of material injury to the domestic industry, we are to consider, among other factors, the volume of imports, the effect of imports on U.S. prices, and the impact of imports on domestic producers. 11/

U.S. consumption of inner tubes declined by 20.7 percent from 1980 to 1982. 12/ The slight increase of 0.6 percent in consumption of inner tubes from January-April 1982 to January-April 1983 represents only a slight recovery from the decline between 1980 and 1982. 13/

Domestic production of tubes for tires, other than bicycle tires, fell substantially from 33.1 million units in 1980 to 23.7 million units in 1982. From January-April 1982 to January-April 1983 production declined from 7.8 million units to 7.4 million units. Capacity essentially

9/ The data discussed in this section include data for aircraft tubes even though there are no imports of aircraft tubes from Korea. Because U.S. aircraft tube production is very minor relative to production of the other categories of tubes, the trends in the data are not affected. Exclusion of data regarding aircraft tubes would reveal confidential business information regarding aircraft tubes and motorcycle tubes.

10/ 19 U.S.C. § 1677(7)(A).

11/ 19 U.S.C. § 1677(7)(B).

12/ Because U.S. export levels are confidential business information, apparent U.S. consumption may not be revealed.

13/ Since the 1950's, new automobiles in this country have been sold with tubeless tires as standard equipment. Demand for tubes for passenger car tires has declined correspondingly. However, much of this decline in demand occurred prior to the period of investigation. See Transcript of Conference at 114-15.

remained constant, but capacity utilization declined from a high of 72.2 percent in 1980 to 47.1 percent in 1982. In January-April 1983 capacity utilization was 49.4 percent, in contrast to 50.2 percent for the corresponding period in 1982. 14/

U.S. producers' shipments declined from 34.3 million units in 1980 to 25.2 million units in 1982. The same substantial decline is demonstrated in terms of value. The period January-April 1983 evidences a further decline to 7.9 million units from 8.3 million units during the same period in 1982. 15/

Employment in the domestic industry decreased from 2,602 workers in 1980 to 2,415 in 1982. In January-April 1983, the number of workers was 2,236 compared to 2,558 in January-April 1982. 16/

In the aggregate, net operating profit declined substantially between 1980 and January-April 1983. In 1980, net operating profit was \$27 million. In 1982, the industry showed a net operating profit of \$1.2 million. Figures for the first 4 months of 1983 show a continuation of this trend. In January-April 1983, U.S. producers had a net operating loss of \$2.0 million, whereas during the corresponding period in 1982 the firms had a net operating profit of \$1.2 million. 17/

The above factors demonstrate that there is a reasonable indication that the domestic industry is materially injured.

14/ Report at A-16, Table 6.

15/ Report at A-18, Table 7.

16/ Report at A-22, Table 9.

17/ Report at A-26, Table 10.

Material injury by reason of imports

Imports of inner tubes from Korea increased from 1.0 million units in 1980 to 3.6 million units in 1982. ^{18/} These imports rose from 787,000 units in January-April 1982 to 974,000 units in January-April 1983. Imports as a percentage of apparent U.S. consumption approximately quadrupled from their 1980 level to over 10 percent in 1982. ^{19/} Import penetration again increased from January-April 1982 to January-April 1983. ^{20/}

Petitioners allege that "Korean imports have exerted intense downward pressure on domestic manufacturers' inner tube prices." ^{21/} The general trend in U.S. prices shows a gradual but continuous decline. ^{22/} There is also evidence of significant underselling by Korean tubes. ^{23/} There have been verifications by producers and customers of lost sales by reason of imports from Korea. Price was reported to be the primary consideration in decisions to purchase Korean rather than domestically manufactured tubes. ^{24/}

Conclusion

Based on the above analysis of the information obtained in the investigation, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of tubes for tires, other than for bicycle and aircraft tires, from the Republic of Korea which are allegedly sold at less than fair value.

^{18/} Report at A-8.

^{19/} See note 12, *supra*.

^{20/} Report at A-20, Table 12.

^{21/} Petition at 51.

^{22/} Report at A-31-35.

^{23/} Report at A-35.

^{24/} Report at A-35.

Additional Views of Commissioner Veronica A. Haggart

Definition of Domestic Industry

I concur with the majority definition of the domestic industry in this investigation based on the following analysis.

The product which is the subject of the investigation is tubes for tires other than bicycle tires. 1/ Tubes for tires, whether imported or domestically produced, are doughnut-shaped, flexible, hollow items made of either natural rubber or synthetic rubber. The tube is inserted within the tire of a vehicle and then inflated. The function of the tube is to bear the weight of the vehicle, thereby preventing the tire from collapsing. A valve, built into the tube and protruding through the rim of the wheel, is used to control the flow of air into and out of the tube. 2/

Although the production process for tubes for tires for the different vehicle categories is essentially the same, 3/ tubes for use with different vehicle tires can be distinguished by their size and type of valve. Tube size varies according to the size of the tire into which it is inserted. Tire sizes in turn vary according to vehicle type. The type of valve used on a particular tube also varies according to vehicle type. 4/ The record in this preliminary investigation indicates that tubes for different types of vehicles are not readily interchangeable in most instances. 5/

1/ There are six general classes of vehicles for which tubes, other than tubes for bicycle tires, are made: passenger cars, trucks and buses, motorcycles, farm vehicles, aircraft, and industrial, utility, and garden vehicles. Report at A-3. There are no imports of tubes for aircraft tires from Korea, nor is there production of such tubes in Korea. Report at A-4, 14. Therefore, the imported article consists of tubes for tires for the other five categories of vehicles.

2/ Report at A-3.

3/ Id. at A-4.

4/ Id. at A-3.

5/ Id.

Furthermore, the imported and the domestically produced tubes within each vehicle category are essentially identical. 6/ Thus, it may be appropriate to divide tubes into separate like products corresponding to vehicle categories.

However, data on imports of these separate categories are not available in this preliminary investigation for much of the period under investigation, and therefore, it is not possible at this stage to evaluate import trends for the separate categories. 7/ Thus, I have defined the imported article subject to investigation broadly as tubes for tires other than bicycle and aircraft tires.

In light of the definition of the imported article subject to investigation, I have defined the domestic "like product" as being tubes for tires other than bicycle and aircraft tires. Consequently, I have considered the domestic producers of the five types of tubes for tires other than bicycle and aircraft tires as a single industry for purposes of this preliminary investigation. 8/ 9/

6/ Id. at A-4.

7/ Because of the short time frame of a preliminary investigation, the Commission generally must rely on official import statistics. With the exception of tubes for farm vehicle tires, official statistics on imports prior to January 1982 are not available on a disaggregated basis. In any final investigation, additional information on imports on a disaggregated basis may be obtained through the use of importers' questionnaires.

8/ Imports of tubes for bicycle tires are not included in this investigation. Domestic producers of bicycle tubes have been found by the Commission to be a separate domestic industry. See Bicycle Tires and Tubes from the Republic of Korea and Taiwan, Inv. Nos. 104-TAA-14 and 15, USITC Pub. No. 1382 (May 1983), at 3-6.

9/ Should a final investigation occur, this issue will be reevaluated based on the record developed in that investigation.

Other Petitions for Relief by Interested Parties

On June 1, 1982, the Rubber Manufacturers Association (RMA), of which all the petitioners except Indianapolis Rubber Co. are members, filed a petition with the Office of the United States Trade Representative (USTR) under section 504(a) of the Trade Act of 1974 to remove Korean-manufactured tubes classifiable under TSUS item 772.60 from duty-free treatment under the Generalized System of Preferences (GSP). USTR accepted the petition for review and, on July 12, 1982, requested the Commission's advice, under section 332 of the Tariff Act of 1930, on the probable economic effect on the U.S. industry and U.S. consumers of the continuance of Korea's duty-free status with respect to this item. On November 15, 1982, the Commission advised the President that the continuance of Korea's duty-free status would be harmful. These items were removed from the duty-free list as of March 31, 1983, by Executive Order 12413.

On November 15, 1982, the United Rubber, Cork, Linoleum and Plastic Workers of America filed five petitions with the Department of Labor under section 221(a) of the Trade Act of 1974 for certification of eligibility to apply for trade adjustment assistance on behalf of workers in inner tube plants at The B.F. Goodrich Company in Miami, Oklahoma, The Goodyear Tire & Rubber Company in Gadsden, Alabama, the Armstrong Tire & Rubber Company in New Haven, Conn., the Indianapolis Rubber Company in Indianapolis, Ind., and the Firestone Tire & Rubber Company in Russellville, Ark. Certification has recently been granted to workers in all of these plants.

No other petitions for import relief have been filed by any of the petitioners or any other member of the domestic industry.

Nature and Extent of Alleged Sales at LTFV

There is no information relating to the nature and extent of the alleged sales at LTFV other than the allegations of the petitioners. The petitioners claim that two producers in Korea--Dong-Ah Tire Ind. Co., Ltd., Busan, Korea; and Heung-Ah Tire Ind. Co., Ltd., Busan, Korea--account for most of the tubes for tires allegedly sold in the United States at LTFV. Based on Dong-Ah's price lists during October 1981-April 1983 and Heung-Ah's price lists during June 1981-February 1983, the petitioners allege dumping margins ranging from 0.53 percent to 126.37 percent and from 0 percent to 136.32 percent for each firm, respectively. For unknown Korean manufacturers the petitioners allege margins ranging from 0 percent to 126.46 percent for shipments to the United States between November 1980 and May 1983.

The Product

Description and uses

The imported products which are the subject of the petition are tubes for tires, other than for bicycle tires. Tubes for tires, or inner tubes, are made wholly or partly of rubber, including synthetic rubber, and are designed

INFORMATION OBTAINED IN THE INVESTIGATION

Introduction

On July 11, 1983, counsel for the following firms filed a petition with the U.S. International Trade Commission and the U.S. Department of Commerce alleging that an industry in the United States is materially injured or threatened with material injury by reason of imports from the Republic of Korea (Korea) of tubes for tires, other than for bicycle tires, which are allegedly being sold in the United States at less than fair value (LTFV):

Carlisle Tire & Rubber Company;
Cooper Tire & Rubber Company;
Cupples Company, Manufacturers;
The Firestone Tire & Rubber Company;
The B.F. Goodrich Company;
Indianapolis Rubber Company; and
Robbins Tire & Rubber Company 1/

Accordingly, effective July 11, 1983, the Commission instituted a preliminary antidumping investigation (No. 731-TA-137) under section 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1673b(a)) 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 is materially retarded, by reason of imports from Korea of tubes for tires, other than for bicycle tires, provided for in items 772.59 and 772.60 of the Tariff Schedules of the United States (TSUS), which are alleged to be sold in the United States at LTFV.

Notice of the institution of the Commission's investigation and of a 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 by publishing the notice in the Federal Register of July 20, 1983 (48 F.R. 33066). 2/ The public conference was held in Washington, D.C., on August 2, 1983, at which all interested parties were afforded the opportunity to present information for the Commission's consideration. 3/ The applicable statute directs the Commission to make its determination in this investigation within 45 days after the date of the filing of the petition, or by August 25, 1983. The Commission's briefing and vote was held on August 19, 1983.

Tubes for tires, other than for bicycle tires, have not been the subject of any other investigation conducted by the Commission.

1/ All of the petitioners are U.S. producers of tubes for tires. The remaining U.S. producers, which include the Armstrong Tire & Rubber Company, the Goodyear Tire & Rubber Company, Polson Rubber Company, and Warrenton Rubber Company, support the petition.

2/ A copy of the Commission's notice is presented in app. A. A copy of Commerce's notice of institution of its preliminary investigation is presented in app. B. A-2

3/ A list of witnesses appearing at the conference is presented in app. C.

to be inserted within the tire of a vehicle and inflated with air so that the tire does not collapse upon the wheel under the vehicle's weight. The flow of air into or out of the tube is controlled by means of a valve built into the tube which extends through the rim of a wheel.

Both foreign and domestically produced inner tubes are primarily differentiated by size and by the dimensions of the valve. The size of the tube corresponds to the size of the tire into which it is inserted, ^{1/} and the dimensions of the valve correspond to the kind or class of vehicle for which the tire is made. There are six general classes of vehicles for which inner tubes are made worldwide:

- (1) Passenger cars, which includes highway passenger automobiles, off-road passenger vehicles (excluding swamp buggies), and race cars;
- (2) Trucks and buses, which includes on-highway and off-highway light, medium, and heavy trucks, recreational vehicles (RV's), buses, mobile homes, home-moving equipment, mining and logging equipment, earthmoving equipment, loaders, dozers, and graders;
- (3) Motorcycles, which includes on-highway and off-highway motorcycles and mopeds (excluding mini-bikes);
- (4) Farm vehicles, which includes farm tractors and agricultural machinery;
- (5) Aircraft, which includes both fixed- and rotary-wing aircraft;
- (6) Industrial, utility, and garden, which includes vehicles, both self-propelled and non-self-propelled, not included in the above categories, such as trailers, and many different types of off-highway, high-load, low-speed vehicles, such as fork-lifts, garden tractors, and wheelbarrows.

Approximately 75 percent of all inner tubes consumed in the United States are made for vehicles in categories 1 or 2. Although certain sizes of inner tubes may correspond to more than one class, such as those for certain passenger cars and light trucks, the type of valve is not interchangeable. Wheels for light trucks, for example, require a more heavily constructed valve than do wheels of similar size for passenger automobiles. That inner tubes are made specifically for certain classes of vehicles, however, does not preclude interclass utilization in some instances.

Inner tubes are also differentiated according to their use for radial or bias-ply tires. Radial tires, designed to operate under lower air pressures, require an inner tube that is able to withstand more flexion than that for a bias tire of the same size. Radial tires are only made for passenger cars and certain trucks.

^{1/} Some inner tubes are made to fit more than one size tire.

The specific chemical composition of an inner tube and the gage of its wall may vary slightly from manufacturer to manufacturer, but are approximately the same for all of the different classes of tubes, except airplane tubes, that each manufacturer produces. (Unlike most inner tubes, which are made from butyl rubber, airplane tubes are made from natural rubber. Natural rubber is better able to withstand the stress that airplane tires undergo during landing.) Although systems of designation for inner tubes also vary somewhat throughout the industry, one manufacturer's system may be readily cross-referenced to that of another.

There are no primary characteristics of Korean-made inner tubes which distinguish them from their U.S.-made counterparts. Korean producers manufacture a complete line of inner tubes for every class of vehicle, except airplanes. Most, if not all, sizes have been exported to the United States.

The production of inner tubes is similar worldwide. Butyl rubber 1/ and other ingredients are mixed at high temperatures and then extruded through molds of different sizes which form the rubber into continuous hollow tubes of varying diameters. After the tubes have cooled, they are cut to length and the valve is inserted. Finally, the ends of the tube are spliced. According to industry sources, the most critical aspect of the production process is keeping the rubber mixture homogenous and free of foreign matter. The production process for all sizes and classes of inner tubes is similar, if not identical. Each mold may be adjusted for a certain range of sizes. No other types of products are produced with tube-producing machinery.

There are no products which may be substituted for inner tubes; however, most light trucks and nearly all passenger automobiles currently produced are equipped with tires that do not utilize tubes. The demand for inner tubes for older cars and trucks remains substantial.

U.S. tariff treatment

Inner tubes for farm vehicles are provided for in item 772.59 of the TSUS and may be imported free of duty from all countries. All other inner tubes, except those for bicycle tires, are provided for in item 772.60 and are subject to duties. The column 1 rate of duty 2/ for item 772.60 is 4.4 percent ad valorem, the least developed developing countries (LDDC) rate 3/ is

1/ Polson Rubber Co., a U.S. manufacturer which specializes in tubes for off-road passenger vehicles, uses natural rubber.

2/ The rates of duty in column 1 are most-favored-nation (MFN) rates, and are applicable to imported products from all countries except those Communist countries and areas enumerated in general headnote 3(f) of the TSUS. However, such rates would not apply to products of developing countries which are granted preferential tariff treatment under the Generalized System of Preferences (GSP) or under the "LDDC" rate of duty column.

3/ The rates of duty in the "LDDC" column are preferential rates (reflecting the full U.S. MTN concessions rate for a particular item without staging) and are applicable to products of the least developed developing countries designated in general headnote 3(d) of the TSUS which are not granted duty-free treatment under the GSP. If no rate of duty is provided in the "LDDC" column for a particular item, the column 1 rate applies.

3.7 percent ad valorem, and the column 2 rate 1/ is 25 percent ad valorem. Pursuant to concessions granted in the Tokyo round of the Multilateral Trade Negotiations, the column 1 rate of duty will be reduced to 4.2 percent ad valorem in 1984, 4 percent in 1985, 3.9 percent in 1986, and 3.7 percent in 1987. Imports under item 772.60 from designated beneficiary developing countries, except Korea, are eligible for duty-free treatment under the GSP. 2/ Prior to March 31, 1983, imports of inner tubes from Korea were eligible for duty-free treatment under the GSP. Effective March 31, 1983, however, for inner tubes provided for under item 772.60, Korea was removed from the list of beneficiary developing countries pursuant to section 504(a) of the Trade Act of 1974 (see section entitled "Other Petitions for Relief by Interested Parties").

Because Korea is not designated as an LDDC, and because imports of inner tubes from Korea are not currently eligible for duty-free treatment under the GSP, such imports from Korea are dutiable at the column 1 or most-favored-nation rate of duty. Of the current suppliers of inner tubes to the U.S. market, only Taiwan and Brazil are eligible for duty-free treatment under the GSP. No countries designated as LDDC's are currently exporters of inner tubes to the United States.

U.S. Channels of Distribution

The vast majority of all types of tubes, other than tubes for airplane tires, that are sold in the United States by U.S. and foreign producers are sold to wholesale distributing companies, which in turn sell to tire dealers and service stations where the tubes are installed on the purchaser's vehicle. In most instances tubes are sold and installed in conjunction with the sale of a tire. The largest importers of inner tubes from Korea are also wholesale distributors. Most wholesale distributors purchase more than one type of tube. Airplane tubes are sold exclusively to airplane tire distributors. A relatively small number of inner tubes, accounting for 5.3 percent of U.S. consumption in 1982, are supplied directly to original equipment manufacturers (OEM's). OEM's in the United States are served exclusively by the domestic industry and mostly by those members of the domestic industry which also produce tires. U.S. importers and other members of the U.S. industry have not found this market attractive because of its relatively small and diminishing size and because of its traditional practice of purchasing tubes only in conjunction with its purchases of tires.

1/ The rates of duty in column 2 apply to imported products from those Communist countries and areas enumerated in general headnote 3(f) of the TSUS.

2/ The GSP, under title V of the Trade Act of 1974, provides duty-free treatment of specified eligible articles imported directly from designated beneficiary developing countries. GSP, implemented by Executive Order No. 11888 of Nov. 24, 1975, applies to merchandise imported on or after Jan. 1, 1976, and is scheduled to remain in effect until Jan. 4, 1985.

U.S. Producers

The 11 firms identified on page A-1 as being either petitioners or in support of the petition comprise all of the firms which have manufactured tubes for tires, other than for bicycle tires, in the United States in recent years. Their plant locations, the types of inner tubes they produce, and their relative shares of total U.S. production of these tubes in 1982 are shown below:

<u>Firm</u>	<u>Plant location</u>	<u>Types of tubes under investigation produced 1/</u>	<u>Share of U.S. production of tubes for tires, other than for bicycle tires, in 1982</u>
Armstrong-----	New Haven, Conn.	P, T, F, I	***
Carlisle-----	Carlisle, Pa.	P, T, M, F, A, I	***
Cooper-----	Clarksdale, Miss.	P, T	***
Cupples-----	St. Louis, Mo.	P, T, F, I	***
Firestone-----	Russelville, Ark.	P, T, F, I	***
B.F. Goodrich-----	Miami, Okla.	P, T, F, I	***
Goodyear-----	Gadsden, Ala.	P, T, F, A, I	***
Indianapolis-----	Indianapolis, Ind.	P, T, F, A, I	***
Polson-----	Lodi, Ohio	P, 2/ F	***
Robbins-----	Tuscumbia, Ala.	P, T, F, I	***
Warrenton-----	Warrenton, Ga.	P, T, F	***
			<u>100.0</u>

1/ Passenger car tubes (P), truck and bus tubes (T), motorcycle tubes (M), farm-vehicle tubes (F), airplane tubes (A), industrial, utility, and garden tubes (I).

2/ For off-road vehicles only.

Warrenton began production in 1981 after purchasing Polson's Warrenton, Ga., plant in 1980. Polson continued to operate its remaining plant in Lodi, Ohio.

As indicated above, 1 U.S. producer manufactures motorcycle tubes, 3 manufacture airplane tubes, 8 manufacture industrial, utility, and garden tubes, 10 manufacture farm-vehicle tubes, 10 manufacture truck and bus tubes, and all 11 firms manufacture passenger car tubes. Only one U.S. producer manufactures all classes of inner tubes; however, eight producers manufacture at least four classes. Although product mix varies from producer to producer, no producer dominates production of any one class of tube except Carlisle, which is the only U.S. producer of tubes for motorcycle tires.

In addition to manufacturing inner tubes, four of the above producers--Armstrong, Firestone, B.F. Goodrich, and Goodyear--also produce tires. Inner tubes account for a very small proportion of these producers' overall sales. For the remaining U.S. producers, sales of inner tubes account for 40 to 100 percent of their overall operations. None of the U.S. producers import inner tubes.

Foreign Producers

At least seven firms manufacture inner tubes in Korea:

Dong-Ah Tire Ind. Co., Ltd., Busan;
 Heung-Ah Tire Ind. Co., Ltd., Busan;
 Hankook Tire Mfg. Co., Ltd., Seoul;
 Samyang Tire Mfg. Co., Ltd., Kwangju;
 Wuonpoong Industrial Co., Ltd., Seoul;
 Daeyung Commercial Co., Ltd., Seoul; and
 Hung-A Industrial Co., Ltd., Busan

Dong-Ah and Heung-Ah manufacture inner tubes exclusively and, according to industry sources, account for 80 to 90 percent of Korean-made inner tubes imported into the United States. Hankook, Samyang, and Wuonpoong manufacture inner tubes for passenger cars and trucks and buses in addition to tires for these vehicles. Daeyung and Hung-A manufacture tubes and tires for motorcycles only. None of these firms are believed to manufacture tubes for airplane tires.

U.S. Importers

There are many--at least 50--U.S. importers of Korean-made tubes for tires, other than for bicycle tires, widely distributed throughout the United States. The largest of these, according to the U.S. Customs Service's net import file, the type of tube from Korea they import, and their relative shares of total imports of Korean-made inner tubes in 1982 are shown, as follows:

<u>Importer</u>	<u>Type of Korean-made inner tube imported</u>	<u>Share of total U.S. imports of Korean-made inner tubes</u>
* * *	* * *	***
* * *	* * *	***
* * *	* * *	***
* * *	* * *	***
* * *	* * *	***
* * *	* * *	***

All of these firms are wholesale distributors; none import inner tubes from countries other than Korea. Although * * *, they are not related to any Korean inner tube manufacturers. There is only one known importer of Korean-made motorcycle tubes-- PJ Co., Compton, Calif. No value is added by importers to the imported product.

U.S. Imports

U.S. imports of all tubes for tires, other than for bicycle tires, are shown in table 1. Korea and Taiwan were the dominant sources of imports in recent periods. Imports from Korea increased more than three times, from just over 1 million units, valued at \$4.9 million, in 1980 to 3.6 million units, valued at \$16.3 million, in 1982. The trend continued in January-April 1983 when imports from Korea increased by 23.8 percent compared with those entered in the corresponding period of 1982. As a share of total imports, imports from Korea increased from 13.5 percent in 1980 to 46.3 percent in 1982, and from 35.1 percent in January-April 1982 to 37.1 percent in January-April 1983.

Of the major classes of inner tubes under consideration, only that representing tubes for farm-vehicle tires was separately accounted for in official import statistics throughout January 1980-April 1983. Since January 1982, official import data for tubes for truck and bus tires also have become available. Official import data for the other classes have also been available since 1982, but not separately by class: such data combine tubes for passenger car tires with tubes for motorcycle tires on the one hand; and combine tubes for airplane tires with tubes for industrial, utility, and garden-vehicle tires on the other hand.

Imports of tubes for passenger car and motorcycle tires, which together in 1982 accounted for 44.1 percent of all imports of inner tubes and 56.7 percent of imports of inner tubes from Korea, are shown in table 2. In 1982 imports of these items from Korea totaled over 2 million units, valued at \$7.9 million. From January-April 1982 to January-April 1983, imports from Korea more than doubled. Korea, which has been the largest source of these imports in recent periods, accounted for 59.4 percent of total U.S. imports of these items in 1982. From January-April 1982 to January-April 1983, its share of total imports of these items increased by more than 6 percentage points.

Table 1.--Tubes for tires, other than for bicycle tires: U.S. imports for consumption, by principal sources, 1980-82, January-April 1982, and January-April 1983

Source	1980	1981	1982	January-April--		
				1982	1983	
	Quantity (1,000 units)					
Korea-----	1,030	2,903	3,552	<u>1/</u> 787	<u>1/</u> 974	
Taiwan-----	3,243	2,870	2,378	792	1,109	
Japan-----	1,356	1,023	1,014	411	319	
All other-----	2,013	1,238	731	250	223	
Total-----	7,642	8,034	7,675	2,240	2,625	
	Percent of total quantity <u>1/</u>					
Korea-----	13.5	36.1	46.3	35.1	37.1	
Taiwan-----	42.4	35.7	31.0	35.4	42.2	
Japan-----	17.7	12.7	13.2	18.3	12.2	
All other-----	26.3	15.4	9.5	11.2	8.5	
Total-----	100.0	100.0	100.0	100.0	100.0	
	Value (1,000 dollars)					
Korea-----	4,942	16,870	16,270	4,320	3,862	
Taiwan-----	4,673	4,721	4,122	1,281	1,720	
Japan-----	8,617	8,892	7,689	3,129	2,202	
All other-----	20,777	12,024	8,175	2,582	2,226	
Total-----	39,009	42,507	36,256	11,312	10,010	

1/ Data presented in table 11, indicate that U.S. imports from Korea declined from 1.2 million units in January-April 1982 to 725,000 units in January-April 1983, a drop of 30.6 percent. (These data were prorated on the basis of Korean export data for January-June 1982 and January-June 1983). According to official statistics of the U.S. Department of Commerce, U.S. imports from Korea fell from 1.6 million units in January-June 1982 to 1.5 million units in January-June 1983, a drop of 11.8 percent. Total imports also fell, but only by 4.2 percent, from 4.1 million units in January-June 1982 to 3.9 million units in January-June 1983.

2/ Because of rounding, figures may not add to 100.0 percent.

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

Table 2.--Tubes for passenger car and motorcycle tires: U.S. imports for consumption, by principal sources, 1980-82, January-April 1982, and January-April 1983

Source	1980	1981	1982	January-April--		
				1982	1983	
	Quantity (1,000 units)					
Korea-----	<u>1</u> /	<u>1</u> /	2,013	273	592	
Taiwan-----	<u>1</u> /	<u>1</u> /	876	353	586	
All other-----	<u>1</u> /	<u>1</u> /	499	154	247	
Total-----	<u>1</u> /	<u>1</u> /	3,388	780	1,425	
	Percent of total quantity <u>2</u> /					
Korea-----	<u>1</u> /	<u>1</u> /	59.4	35.0	41.5	
Taiwan-----	<u>1</u> /	<u>1</u> /	25.9	45.3	41.1	
All other-----	<u>1</u> /	<u>1</u> /	14.7	19.7	17.3	
Total-----	<u>1</u> /	<u>1</u> /	100.0	100.0	100.0	
	Value (1,000 dollars)					
Korea-----	<u>1</u> /	<u>1</u> /	7,892	1,259	2,168	
Taiwan-----	<u>1</u> /	<u>1</u> /	1,646	654	1,012	
All other-----	<u>1</u> /	<u>1</u> /	2,398	616	1,339	
Total-----	<u>1</u> /	<u>1</u> /	11,936	2,529	4,519	

1/ Not available.

2/ Because of rounding, figures may not add to 100.0 percent.

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

PJ Co., the only known importer of Korean-made tubes for motorcycle tires, reported a severe decline in imports of these items in recent periods. PJ Co.'s imports declined from * * * in 1980 to * * * in 1981, and to * * * in 1982. From January-April 1982 to January-April 1983, PJ Co.'s imports of tubes for motorcycle tires from Korea increased from * * * to * * *.

Imports of tubes for truck and bus tires, which in 1982 accounted for 23.6 percent on all imports of inner tubes and 29.1 percent of imports of inner tubes from Korea, are shown in table 3. In 1982, imports of these items from Korea totaled over 1 million units, valued at more than \$6 million. From January-April 1982 to January-April 1983, imports from Korea increased by 3.6 percent. Korea accounted for 56.9 percent of total U.S. imports of these items in 1982. Its share increased, albeit by less than 1 percentage point, from January-April 1982 to January-April 1983.

Imports of tubes for farm-vehicle tires, which in 1982 accounted for less than 0.6 percent of all imports of inner tubes and only 0.7 percent of imports of inner tubes from Korea, are shown in table 4. Imports from Korea increased irregularly from 6,500 units, valued at \$7,000, in 1980 to 25,700 units, valued at \$233,000, in 1982. From January-April 1982 to January-April 1983, imports from Korea increased by 4.0 percent. Korea, the largest source of these imports in recent periods, accounted for 56.5 percent of total U.S. imports of these items in 1982. Its share declined, however, by 7 percentage points from January-April 1982 to January-April 1983.

Table 3.--Tubes for truck and bus tires: U.S. imports for consumption, by principal sources, 1980-82, January-April 1982, and January-April 1983

Source	1980	1981	1982	January-April--	
				1982	1983
Quantity (1,000 units)					
Korea-----	1/	1/	1,032	302	313
Japan-----	1/	1/	550	191	178
All other-----	1/	1/	233	63	81
Total-----	1/	1/	1,815	556	572
Percent of total quantity 2/					
Korea-----	1/	1/	56.9	54.3	54.7
Japan-----	1/	1/	30.3	34.4	31.1
All other-----	1/	1/	12.8	11.3	14.2
Total-----	1/	1/	100.0	100.0	100.0
Value (1,000 dollars)					
Korea-----	1/	1/	6,015	1,888	1,392
Japan-----	1/	1/	6,134	2,205	1,915
All other-----	1/	1/	2,350	569	674
Total-----	1/	1/	14,499	4,662	3,981

1/ Not available.

2/ Because of rounding, figures may not add to 100.0 percent.

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

Table 4.--Tubes for farm-vehicle tires: U.S. imports for consumption, by principal sources, 1980-82, January-April 1982, and January-April 1983

Source	1980	1981	1982	January-April--	
				1982	1983
Quantity (1,000 units)					
Korea-----	6.5	1.0	25.7	12.4	12.9
Canada-----	6.3	6.4	16.3	3.7	2.6
All other-----	4.8	9.9	3.5	1.4	4.7
Total-----	17.6	17.3	45.5	17.5	20.2
Percent of total quantity <u>1/</u>					
Korea-----	36.9	5.8	56.5	70.9	63.9
Canada-----	35.8	37.0	35.8	21.1	12.9
All other-----	27.3	57.2	7.7	8.0	23.3
Total-----	100.0	100.0	100.0	100.0	100.0
Value (1,000 dollars)					
Korea-----	7	10	233	73	61
Canada-----	238	195	241	77	60
All other-----	113	143	39	25	40
Total-----	358	348	513	175	161

1/ Because of rounding, figures may not add to 100.0 percent.

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

Korea has never exported tubes for airplane tires to the United States. ^{1/} The balance of the import data for Korea, therefore, represent tubes for industrial, utility, and garden-vehicle tires, as shown in table 5. In 1982, imports of industrial, utility, and garden tubes accounted for 31.6 percent of all imports of inner tubes from all sources, but for only 13.5 percent of all U.S. imports of inner tubes from Korea. Imports of these items from Korea in 1982 totaled 481,000 units, valued at \$2.1 million. From January-April 1982 to January-April 1983, imports from Korea fell by 72.5 percent. The largest source of imports of these items in recent periods was Taiwan. Korea, which accounted for 19.8 percent of these imports in 1982, was the second largest source of imports in 1982 and in January-April 1983, despite a substantial decline in its share of imports from January-April 1982 to January-April 1983.

Table 5.-Tubes for industrial, utility, and garden-vehicle tires: U.S. imports for consumption, by principal sources, 1980-82, January-April 1982, and January-April 1983

Source	1980	1981	1982	January-April--	
				1982	1983
Quantity (1,000 units)					
Taiwan-----	^{1/}	^{1/}	1,470	426	506
Korea-----	^{1/}	^{1/}	481	200	55
All other-----	^{1/}	^{1/}	476	261	47
Total-----	^{1/}	^{1/}	2,427	887	608
Percent of total quantity ^{2/}					
Taiwan-----	^{1/}	^{1/}	60.6	48.0	83.2
Korea-----	^{1/}	^{1/}	19.8	22.5	9.0
All other-----	^{1/}	^{1/}	19.6	29.4	7.7
Total-----	^{1/}	^{1/}	100.0	100.0	100.0
Value (1,000 dollars)					
Taiwan-----	^{1/}	^{1/}	2,406	607	660
Korea-----	^{1/}	^{1/}	2,130	1,101	240
All other-----	^{1/}	^{1/}	4,772	2,239	450
Total-----	^{1/}	^{1/}	9,308	3,947	1,350

^{1/} Not available.

^{2/} Because of rounding, figures may not add to 100.0 percent.

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

^{1/} All known importers of Korean-made inner tubes since 1982 were contacted and none reported ever having imported tubes for airplane tires from Korea. ^{A-14} Several members of the U.S. industry confirm these findings.

The Question of Material Injury

Most of the data in the following sections were provided by * * * U.S. producers, which together accounted for about 90 percent of U.S. production in 1982. 1/

U.S. production, capacity, and capacity utilization

U.S. production of all classes of tubes for tires, other than for bicycle tires, fell by 28.6 percent, from 1980 to 1982, and continued to fall, by 5.4 percent, from January-April 1982 to January-April 1983 (table 6). The trends for tubes for passenger car tires, tubes for motorcycle tires, and tubes for farm-vehicle tires correspond to that for the aggregate. U.S. production of tubes for truck and bus tires, tubes for airplane tires, and tubes for industrial, utility, and garden-vehicle tires increased slightly from January-April 1982 to January-April 1983. None of the U.S. producers reported significant losses in production due to employment-related problems, temporary equipment-related problems, sourcing problems, transition problems, or any other unusual circumstances during this period; nor did their declines in production reflect a reallocation of resources to any foreign subsidiaries.

U.S. capacity to produce inner tubes remained relatively constant after increasing by about 8 percent from 1980 to 1981, largely as a result of * * *. Changes in capacity to produce the different classes of inner tubes reflect the decisions of management to change product mix, since nearly all classes of tubes are produced by the same equipment. Notwithstanding this potential for variation, the capacities to produce the different classes of inner tubes also remained relatively constant after 1980.

Capacity utilization for the production of all inner tubes declined from 72.2 percent in 1980 to 47.1 percent in 1982, and then declined from 50.2 percent in January-April 1982 to 49.4 percent in January-April 1983. Unlike the trends in capacity utilization for most classes of tubes, which reflect that for the aggregate, the trends for tubes for truck and bus tires and for tubes for airplane tires increased from January-April 1982 to January-April 1983.

1/ * * *.

Table 6.--Tubes for tires, other than for bicycle tires: U.S. production, 1/ practical capacity, and capacity utilization, by types of tubes, 1980-82, January-April 1982, and January-April 1983

Item and type of tube	1980	1981	1982	January-April--	
				1982	1983
Production of tubes for--					
Passenger car tires----1,000 units--	12,254	11,742	8,940	3,077	2,733
Truck and bus tires-----do-----	15,548	15,380	11,194	3,597	3,678
Motorcycle tires-----do-----	***	***	***	***	***
Farm-vehicle tires-----do-----	2,742	2,457	1,840	631	475
Airplane tubes-----do-----	***	***	***	***	***
Industrial/utility/garden tires					
do-----	2,335	1,941	1,552	426	435
Total-----do-----	33,139	31,791	23,667	7,789	7,369
Practical capacity of tubes for--					
Passenger car tires----1,000 units--	17,254	19,580	19,480	6,350	6,222
Truck and bus tires-----do-----	20,171	21,241	22,134	6,650	6,236
Motorcycle tires-----do-----	***	***	***	***	***
Farm-vehicle tires-----do-----	4,134	4,476	4,537	1,165	1,132
Airplane tires-----do-----	***	***	***	***	***
Industrial/utility/garden tires					
do-----	3,695	3,660	3,487	1,114	1,156
Total-----do-----	45,919	49,603	50,267	15,502	14,931
Ratio of production to capacity of tubes for--					
Passenger car tires-----percent--	71.0	60.0	45.9	48.5	43.9
Truck and bus tires-----do-----	77.1	72.4	50.6	54.1	59.0
Motorcycle tires-----do-----	***	***	***	***	***
Farm-vehicle tires-----do-----	66.3	54.9	40.6	54.2	42.0
Airplane tires-----do-----	***	***	***	***	***
Industrial/utility/garden tires					
do-----	63.2	53.0	44.5	38.2	37.6
Total-----do-----	72.2	64.1	47.1	50.2	49.4

1/ Data do not include * * *.

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

U.S. producers' shipments and exports

U.S. producers' shipments of tubes for tires, other than for bicycle tires, declined by 26.0 percent, from 34.3 million units, valued at \$202 million, in 1980 to 25.2 million units, valued at \$155 million, in 1982 (table 7). The trend continued in January-April 1983 when U.S. producers' shipments fell by 4.3 percent from the level reported in the corresponding period of 1982. U.S. producers' exports, which have remained at * * * percent or less of total shipments since 1980, also declined throughout the period.

With respect to each class of inner tube, U.S. producers' shipments also declined from 1980 to 1982. From January-April 1982 to January-April 1983, however, U.S. producers' shipments of tubes for truck and bus tires and tubes for airplane tires increased by 2.6 percent and * * * percent, respectively.

Table 7.--Tubes for tires, other than for bicycle tires: U.S. producers' 1/ domestic shipments and exports, by types of tubes, 1980-82, January-April 1982, and January-April 1983

Item	1980	1981	1982	January-April--		
				1982	1983	
	Quantity (1,000 units)					
Passenger car tubes:						
Domestic shipments:						
To OEM's-----	141	303	37	19	4	
To all others-----	11,998	11,225	9,278	3,202	2,868	
Exports-----	433	275	108	48	32	
Total-----	12,572	11,803	9,423	3,269	2,904	
Truck and bus tubes:						
Domestic shipments:						
To OEM's-----	2,100	1,947	1,282	528	355	
To all others-----	14,044	13,042	10,602	3,140	3,402	
Exports-----	372	418	184	81	88	
Total-----	16,516	15,407	12,068	3,749	3,845	
Motorcycle tubes:						
Domestic shipments:						
To OEM's-----	***	***	***	***	***	
To all others-----	***	***	***	***	***	
Exports-----	***	***	***	***	***	
Total-----	***	***	***	***	***	

See footnotes at end of table.

Table 7.--Tubes for tires, other than for bicycle tires: U.S. producers' ^{1/} domestic shipments and exports, by type of tube, 1980-82, January-April 1982, and January-April 1983--Continued

Item	1980	1981	1982	January-April--	
				1982	1983
	Quantity (1,000 units)				
Farm-vehicle tubes:					
Domestic shipments:					
To OEM's-----	521	517	297	126	75
To all others-----	2,042	1,912	1,553	487	512
Exports-----	158	139	74	35	20
Total-----	2,721	2,568	1,924	648	607
Airplane tubes:					
Domestic shipments:					
To OEM's-----	***	***	***	***	***
To all others-----	***	***	***	***	***
Exports-----	***	***	***	***	***
Total-----	***	***	***	***	***
Industrial/utility/garden tubes:					
Domestic shipments:					
To OEM's-----	199	179	110	43	29
To all others-----	1,970	1,913	1,466	493	467
Exports-----	109	87	88	22	16
Total-----	2,278	2,179	1,664	558	512
Total:					
Domestic shipments:					
To OEM's-----	***	***	***	***	***
To all others-----	***	***	***	***	***
Exports-----	***	***	***	***	***
Total-----	34,336	32,243	25,232	8,290	7,933
	Value (1,000 dollars)				
Passenger car tubes:					
Domestic shipments:					
To OEM's-----	506	450	145	83	18
To all others-----	36,593	36,410	29,281	10,610	9,082
Exports-----	1,175	890	360	184	114
Total-----	38,274	37,750	29,786	10,877	9,214
Truck and bus tubes:					
Domestic shipments:					
To OEM's-----	15,072	13,495	8,786	3,616	1,576
To all others-----	103,317	104,646	81,226	25,580	26,420
Exports-----	3,599	4,413	1,627	843	715
Total-----	121,988	122,554	91,639	30,039	28,711

See footnotes at end of table.

Table 7.--Tubes for tires, other than for bicycle tires: U.S. producers' ^{1/} domestic shipments and exports, by type of tube, 1980-82, January-April 1982, and January-April 1983--Continued

Item	1980	1981	1982	January-April--	
				1982	1983
Value (1,000 dollars)--Continued					
Motorcycle tubes:					
Domestic shipments:					
To OEM's-----	***	***	***	***	***
To all others-----	***	***	***	***	***
Exports-----	***	***	***	***	***
Total-----	***	***	***	***	***
Farm vehicle tubes:					
Domestic shipments:					
To OEM's-----	8,498	7,232	4,523	1,964	1,005
To all others-----	22,198	24,101	20,188	6,652	6,062
Exports-----	2,636	2,786	1,466	770	253
Total-----	33,332	34,119	26,177	9,386	7,320
Airplane tubes:					
Domestic shipments:					
To OEM's-----	***	***	***	***	***
To all others-----	***	***	***	***	***
Exports-----	***	***	***	***	***
Total-----	***	***	***	***	***
Industrial/utility/garden vehicle tubes:					
Domestic shipments:					
To OEM's-----	700	542	460	183	128
To all others-----	5,602	6,793	5,048	1,704	1,573
Exports-----	361	354	400	89	65
Total-----	6,663	7,689	5,908	1,976	1,766
Total:					
Domestic shipments:					
To OEM's-----	***	***	***	***	***
To all others-----	***	***	***	***	***
Exports-----	***	***	***	***	***
Total-----	202,014	203,978	154,619	52,880	47,720

^{1/} Data do not include * * *.

^{2/} * * *.

^{3/} * * *.

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

Inventories

U.S. producers' inventories of tubes for tires, other than for bicycle tires, both in the aggregate and by class, have declined since December 31, 1980 (table 8). In the aggregate, U.S. producers' inventories declined by 27.2 percent, from December 31, 1980, to December 31, 1982, and by 29.3 percent, from April 30, 1982, to April 30, 1983.

As a share of the previous year's shipments, inventories of tubes for passenger car tires, motorcycle tires, and farm-vehicle tires increased from 1980 to 1982, whereas inventories of tubes for truck and bus tires, airplane tires, and industrial, utility and garden-vehicle tires declined. The ratio of inventories to shipments declined for all categories from January-April 1982 to January-April 1983. In the aggregate, the ratio of inventories to shipments decreased from 16.4 percent in 1980 to 16.2 percent in 1982 and then declined from 20.7 percent in January-April 1982 to 15.3 percent in January-April 1983.

Employment

The average number of production and related workers producing tubes for tires, other than for bicycle tires, in the United States declined by 7.2 percent, from 2,602 in 1980 to 2,415 in 1982, and further declined by 12.6 percent, from 2,558 in January-April 1982 to 2,236 in January-April 1983 (table 9). Workers for the different classes of inner tubes are interchangeable, so that, like capacity, data on employment for various classes are based on allocations. * * *.

Annual output, in terms of tubes produced per worker per year, declined by 23.1 percent, from 12,736 tubes in 1980 to 9,800 tubes in 1982, but increased by 8.2 percent between January-April 1982 and January-April 1983, or from 9,135 tubes to 9,887 tubes.

Table 8.--Tubes for tires, other than for bicycle tires: U.S. producers' 1/ inventories, by types of tubes, as of Dec. 31, 1980-82, and as of Apr. 30, 1982 and Apr. 30, 1983

Item	Dec. 31--			Apr. 30--		
	1980	1981	1982	1982	1983	
Inventories:						
Passenger car tubes---1,000 units--:	1,433	1,575	1,122	1,411		1,021
Truck and bus tubes-----do-----:	2,874	2,979	2,069	2,824		1,941
Motorcycle tubes-----do-----:	***	***	***	***		***
Farm vehicle tubes-----do-----:	620	535	463	516		353
Airplane tubes-----do-----:	***	***	***	***		***
Industrial/utility/garden						
vehicle tubes-----do-----:	622	464	382	350		300
Total-----do-----:	5,615	5,615	4,088	5,156		3,647
Ratio of inventories to total						
shipments during the preceding						
period:						
Passenger car tubes-----percent--:	11.4	13.3	11.9	<u>2/</u> 14.4	<u>2/</u>	11.7
Truck and bus tubes-----do-----:	17.4	19.3	17.1	<u>2/</u> 25.1	<u>2/</u>	16.8
Motorcycle tubes-----do-----:	***	***	***	<u>2/</u> ***	<u>2/</u>	***
Farm vehicle tubes-----do-----:	22.8	20.8	24.1	<u>2/</u> 26.5	<u>2/</u>	19.4
Airplane tubes-----do-----:	***	***	***	<u>2/</u> ***	<u>2/</u>	***
Industrial/utility/garden						
vehicle tubes-----do-----:	27.3	21.3	23.0	<u>2/</u> 20.9	<u>2/</u>	19.5
Total-----do-----:	16.4	17.4	16.2	<u>2/</u> 20.7	<u>2/</u>	15.3

1/ Data do not include * * *.

2/ Annualized.

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

Table 9.--Tubes for tires, other than for bicycle tires: Average number of production and related workers producing tubes for tires, total and labor productivity, by types of tubes, 1980-82, January-April 1982, and January-April 1983

Item and type of tube	1980	1981	1982	January-April--	
				1982	1983
Average number of production and related workers producing--:					
Passenger car tubes <u>1</u> /---number--:	477	412	334	360	318
Truck and bus tubes <u>1</u> /-----do-----:	776	758	652	688	602
Motorcycle tubes-----do-----:	***	***	***	***	***
Farm vehicle tubes <u>2</u> /-----do-----:	190	208	180	185	138
Airplane tubes-----do-----:	***	***	***	***	***
Industrial/utility/garden vehicle: tubes <u>3</u> /-----do-----:	83	61	50	56	50
Total allocated workers--do-----:	1,556	1,467	1,235	1,313	1,123
Unallocated workers-----do-----:	1,046	945	658	737	623
Total <u>4</u> /-----do-----:	2,602	3,067	2,415	2,558	2,236
Output-----units per worker-----:	12,736	10,366	9,800	<u>6</u> / 9,135	<u>6</u> / 9,887

1/ Data do not include * * *.

2/ Data do not include * * *.

3/ Data do not include * * *.

4/ Data do not include * * *.

6/ Annualized.

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

Financial performance of U.S. producers

Selected financial data on U.S. producers' inner tube operations, total and by type of tube, are shown in table 10. Only one U.S. producer--* * *--routinely maintains profit-and-loss information by class of tube. Several, however, were able to construct this information for the Commission.

With respect to U.S. producers' overall operations on tubes for tires, other than for bicycle tires, net sales declined by 23.6 percent from 1980 to 1982 and continued to decline, by 11.8 percent, from January-April 1982 to January-April 1983. Correspondingly, net operating profit fell from \$26.6 million, or 13.0 percent of sales, in 1980 to \$1.2 million, or 0.8 percent of sales, in 1982. For January-April 1983, U.S. producers reported a total operating loss of over \$2 million, compared with a profit of \$1.2 million in January-April 1982. Whereas no producer reported losses for 1980 and 1981, four reported losses for 1982 and five reported losses for January-April 1983.

* * * * *

Table 10.--Selected financial data on U.S. producers' operations on tubes for tires, other than for bicycle tires, by types of tubes, 1980-82, January-April 1982, and January-April 1983

Item	1980	1981	1982	January-April--	
				1982	1983
Passenger car tubes: <u>1/</u>					
Net sales-----1,000 dollars--	23,234	23,050	17,469	6,609	5,110
Cost of goods sold-----do----	18,992	18,221	15,966	5,770	4,936
Gross profit-----do----	4,242	4,829	1,503	839	174
General, selling, and admini-					
strative expenses-----do----	2,575	2,298	2,064	776	689
Net operating profit or (loss) :					
do-----	1,667	2,531	(561)	63	(515)
Depreciation expense-----do----	453	470	441	160	148
Funds from operations <u>2/</u>					
do-----	2,120	3,001	(120)	223	(367)
Ratio of net operating profit					
or (loss) to net sales					
percent--	7.2	11.0	(3.2)	1.0	(10.1)
Truck and bus tubes: <u>3/</u>					
Net sales-----1,000 dollars--	61,743	64,820	47,587	15,110	14,235
Cost of goods sold-----do----	48,738	51,483	43,150	13,686	15,099
Gross profit or (loss)---do----	13,005	13,337	4,437	1,424	(864)
General, selling, and admini-					
strative expenses-----do----	6,717	7,368	5,883	1,723	2,043
Net operating profit or (loss) :					
do-----	6,288	5,969	(1,446)	(299)	(2,907)
Depreciation expense-----do----	1,511	1,371	1,304	398	409
Funds from operations <u>2/</u>					
do-----	7,799	7,340	(142)	99	(2,498)
Ratio of net operating profit					
or (loss) to net sales					
percent--	10.2	9.2	(3.0)	(2.0)	(20.4)
Motorcycle tubes:					
Net sales-----1,000 dollars--	***	***	***	***	***
Cost of goods sold-----do----	***	***	***	***	***
Gross profit-----do----	***	***	***	***	***
General, selling and admini-					
strative expenses-----do----	***	***	***	***	***
Net operating profit or (loss) :					
do-----	***	***	***	***	***
Depreciation expense-----do----	***	***	***	***	***
Funds from operations <u>1/</u>					
do-----	***	***	***	***	***
Ratio of net operating profit					
or (loss) to net sales					
percent--	***	***	***	***	***

See footnotes at end of table.

Table 10.--Selected financial data on U.S. producers' operations on tubes for tires, other than for bicycle tires, by types of tubes, 1980-82, January-April 1982, and January-April 1983--Continued

Item	1980	1981	1982	January-April--	
				1982	1983
Farm-vehicle tubes: <u>4/</u>					
Net sales-----1,000 dollars--	19,648	20,070	15,637	5,442	4,796
Cost of goods sold-----do----	13,819	14,920	12,752	4,343	4,265
Gross profit-----do----	5,829	5,150	2,885	1,099	531
General, selling, and admini-					
strative expenses-----do----	2,089	1,938	1,860	646	581
Net operating profit or (loss) :					
do-----	3,740	3,212	1,025	453	(50)
Depreciation expense-----do----	315	410	599	138	121
Funds from operations <u>2/</u> -do----	4,055	3,622	1,624	591	71
Ratio of net operating profit					
or (loss) to net sales					
percent--	19.0	16.0	6.6	8.3	(1.0)
Airplane tubes: <u>5/</u>					
Net sales-----1,000-dollars--	***	***	***	***	***
Cost of goods sold-----do----	***	***	***	***	***
Gross profit-----do----	***	***	***	***	***
General, selling, and admini-					
strative expenses-----do----	***	***	***	***	***
Net operating profit-----do----	***	***	***	***	***
Depreciation expense-----do----	***	***	***	***	***
Funds from operations <u>2/</u>					
do-----	***	***	***	***	***
Ratio of net operating profit					
to net sales-----percent--	***	***	***	***	***
See footnotes at end of table.					

Table 10.--Selected financial data on U.S. producers' operations on tubes for tires, other than for bicycle tires, by types of tubes, 1980-82, January-April 1982, and January-April 1983--Continued

Item	1980	1981	1982	January-April--	
				1982	1983
Industrial/utility/garden vehicle tubes: <u>6/</u>					
Net sales-----1,000 dollars--	5,559	6,579	5,067	1,718	1,467
Cost of goods sold-----do-----	3,821	5,054	4,176	1,317	1,192
Gross profit-----do-----	1,738	1,525	891	401	275
General, selling, and administrative expenses-----do-----	622	823	883	181	202
Net operating profit-----do-----	1,116	702	8	220	73
Depreciation expense					
1,000 dollars--	97	130	131	32	37
Funds from operations <u>2/</u>					
do-----	1,213	832	139	252	110
Ratio of net operating profit to net sales-----percent--	20.1	10.7	0.2	12.8	5.0
Total: <u>7/</u>					
Net sales-----1,000 dollars--	204,905	209,474	156,544	49,139	43,353
Cost of goods sold-----do-----	155,575	165,210	134,532	42,474	40,018
Gross profit-----do-----	49,330	44,264	22,012	6,665	3,335
General, selling, and administrative expenses-----do-----	22,684	23,963	20,806	5,475	5,349
Net operating profit or (loss)					
do-----	26,646	20,301	1,206	1,190	(2,014)
Depreciation expense-----do-----	2,953	3,436	3,423	1,403	1,109
Funds from operations <u>2/</u>					
do-----	29,599	23,737	4,629	2,593	(905)
Ratio of net operating profit or (loss) to net sales					
percent--	13.0	9.7	0.8	2.4	(4.6)

1/ Data do not include * * *.

2/ Defined as net operating profit plus depreciation expense.

3/ Data do not include * * *.

4/ Data do not include * * *.

5/ Data do not include * * *.

6/ Data do not include * * *.

7/ The total figures are higher than the sums of the figures for the separate types because of the inclusion of data from U.S. producers which only reported aggregate profit-and-loss information. The total figures do not include * * *.

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

The data for tubes for passenger car tires reflect the operations of * * * and represented about 63 percent of reporting producers' sales of tubes for passenger car tires in 1982. Net sales of tubes for passenger car tires declined by 24.8 percent in 1980-82 and by 22.7 percent between January-April 1982 and January-April 1983. Correspondingly, net operating profit fell from \$1.7 million, or 7.2 percent of sales, in 1980 to a loss of \$561,000 in 1982, and from \$63,000, or 1.0 percent of sales, in January-April 1982 to a loss of \$515,000 in January-April 1983. Two of the reporting producers reported losses in 1982, and three reported losses in January-April 1983; none reported losses in 1980-81.

The data for tubes for truck and bus tires also reflect the operations of * * * and represented about 60 percent of reporting producers' sales of tubes for truck and bus tires in 1982. Net sales of tubes for truck and bus tires fell by 22.9 percent in 1980-82 and by 5.8 percent between January-April 1982 and January-April 1983. Correspondingly, net operating profit fell from \$6.3 million, or 10.2 percent of sales, in 1980 to a loss of \$1.4 million in 1982, and from a loss of \$299,000 in January-April 1982 to a loss of \$2.9 million in January-April 1983. Three of the reporting firms reported losses for 1982 and four reported losses for January-April 1983; one firm reported a loss in 1980.

The data for tubes for motorcycle tires reflect the operations of Carlisle, the sole U.S. producer of this type of inner tube. * * *.

The data for tubes for farm-vehicle tires reflect the operations of * * * and represent about 76 percent of reporting producers' sales of tubes for farm-vehicle tires in 1982. Net sales of tubes for farm-vehicle tires declined by 20.4 percent in 1980-82 and by 11.9 percent between January-April 1982 and January-April 1983. Net operating profit declined by 72.6 percent, from \$3.7 million, or 19.0 percent of sales, in 1980 to \$1.0 million, or 6.6 percent of sales, in 1982. U.S. producers of tubes for farm-vehicle tires reported a loss of \$50,000 in January-April 1983, compared to a profit of \$453,000 in the corresponding period of 1982. Two of the reporting firms reported losses for 1982, and three reported losses for January-April 1983; none of the firms reported losses for 1980-81.

The data for tubes for airplane tires reflect the operations of * * * .

The data for tubes for industrial, utility, and garden-vehicle tires reflect the operations of * * * and represent about 90 percent of reporting producers' sales of tubes for industrial, utility, and garden-vehicle tires in 1982. Net sales declined by 8.9 percent in 1980-82 and by 14.6 percent between January-April 1982 and January-April 1983. Correspondingly, net operating profit fell by 99.3 percent, from \$1.1 million, or 20.1 percent of sales, in 1980 to \$8,000, or 0.2 percent of sales, in 1982. From January-April 1982 to January-April 1983, net operating profit fell by 66.8 percent, from \$220,000, or 12.8 percent of sales, to \$73,000, or 5.0 percent of sales. One firm reported a loss in 1982, two reported losses in 1982, and two reported losses in January-April 1983, compared with no firms reporting losses in January-April 1982.

The Question of Threat of Material Injury to an
Industry in the United States

In the examination of the question of threat of material injury to an industry in the United States, the Commission, according to rule 207.26 of its Rules of Practice and Procedure, may take into consideration such factors as the rate of increase of alleged LTFV imports, the capacity of producers in the exporting country to generate exports, and the availability of export markets other than the United States. Import trends for inner tubes are addressed in an earlier section. Discussions of foreign producers' capacity to generate exports and the availability of other export markets follow.

Data regarding Korean production and exports of tubes for tires, other than for bicycle tires, are shown in table 11, and account for 100 percent of these products produced in Korea in recent periods.

Table 11.--Tubes for tires, other than for bicycle tires: Korean production and exports, 1980-82, January-April 1982, and January-April 1983

(In thousands of units)

Item	1980	1981	1982	January-April--	
				1982	1983
Production-----units--	18,886	17,168	16,683	5,667	6,346
Exports to--					
United States <u>1/</u>					
do-----	1,033	3,163	3,599	<u>2/</u> 1,200	<u>2/</u> 725
Middle East-----do-----	8,740	5,503	5,607	<u>2/</u> 1,279	<u>2/</u> 1,827
All other-----do-----	5,476	6,441	6,701	<u>2/</u> 2,236	<u>2/</u> 2,556
Total-----do-----	15,249	15,107	15,907	<u>2/</u> 4,715	<u>2/</u> 5,108
Percent of production					
that is exported-----	80.7	88.0	95.3	83.2	80.5
Percent of total					
exports to--					
United States-----	6.8	20.9	22.6	25.5	14.2
Middle East-----	57.3	36.4	35.2	27.1	35.8
All other-----	35.9	42.6	42.1	47.4	50.0
Total <u>3/</u> -----	100.0	100.0	100.0	100.0	100.0

1/ These data, based on Korea Tire Industrial Association data, are quite close to official U.S. statistics for imports from Korea for each of the years, 1980-82, but diverge sharply from official U.S. data for January-April 1982 and January-April 1983, which show imports from Korea to be growing by 24 percent from partial year 1982 to partial year 1983 (see table 1).

2/ Prorated on the basis of data for January-June 1982 and January-June 1983.

3/ Because of rounding, figures may not add to 100.0 percent.

Source: Compiled from data provided by counsel for the Korea Tire Industrial Association, et al.

Korean production of tubes for tires, other than for bicycle tires, declined by 11.7 percent, from 18.9 million units in 1980 to 16.7 million units in 1982, but increased by 12.0 percent, from 5.7 million units in January-April 1982 to 6.3 million units in January-April 1983. Annual exports to all markets varied little from an average of 15.4 million units between 1980 and 1982, but increased as a share of production from 80.7 percent to 95.3 percent. From January-April 1982 to January-April 1983, exports increased from 4.7 million units to 5.1 million units, or by 8.3 percent, while declining as a share of production from 83.2 percent to 80.5 percent in the same period. The U.S. share of exports increased from 6.8 percent in 1980 to 22.6 percent in 1982, but declined from 25.5 percent in January-April 1982 to 14.2 percent in January-April 1983.

According to counsel for the Korea Tire Industrial Association, et al., total capacity for Korean production of the tubes covered by this investigation was approximately 23.5 million tubes at the beginning of 1983. Korean firms are currently operating at approximately 81 percent of capacity, and there are no current plans for capacity increases.

The Question of the Causal Relationship Between
the Alleged LTFV Imports and the Alleged Material Injury
To an Industry in the United States

U.S. consumption and import penetration

Apparent U.S. consumption of all classes of inner tubes declined by 20.7 percent from 1980 to 1982, but increased slightly, by 0.6 percent, from January-April 1982 to January-April 1983 (table 12). The trends in the data available for tubes for passenger car and motorcycle tires, tubes for truck and bus tires, and tubes for airplane tires, which together accounted for 81.8 percent of U.S. consumption of inner tubes in 1982, are similar to that for the aggregate for January-April 1983 compared with the corresponding period of 1982. ^{1/} U.S. consumption of tubes for farm-vehicle tires and tubes for industrial, utility, and garden-vehicle tires, however, decreased from January-April 1982 to January-April 1983 by 3.7 percent and 22.4 percent, respectively. The decline in consumption in 1980-82 at least partially reflects increases in the average life of tires and in the use of tubeless tires. Tubeless tires accompany nearly all new passenger cars and an increasing number of trucks and buses.

As a share of total U.S. consumption of inner tubes, imports from all sources increased from * * * percent in 1980 to * * * percent in 1982, and then from * * * percent in January-April 1982 to * * * percent in January-April 1983. Imports from Korea increased from * * * percent in 1980 to * * * percent in 1982 and from * * * percent in January-April 1982 to * * * percent in January-April 1983. Correspondingly, U.S. producers' share declined from

^{1/} Separate data for tubes for these categories of tires for periods earlier than 1982 are not available. A-29

Table 12.--Tubes for tires, other than for bicycles tires: U.S. producers' shipments, imports for consumption, exports of domestic merchandise, and apparent consumption, 1980-82, January-April 1982, and January-April 1983

Item and period	Producers' shipments	Imports			Producers' exports	Apparent consumption	Ratio (percent) of imports to consumption		
		From Korea	From other countries				From Korea	From other countries	
			Total	1,000 units				Total	percent
-----1,000 units-----									
Passenger car and motorcycle tubes:									
1980-----	***	1/	1/	1/	***	1/	1/	1/	1/
1981-----	***	1/	1/	1/	***	1/	1/	1/	1/
1982-----	***	2,013	1,375	3,388	***	***	***	***	***
January-April--									
1982-----	***	273	507	780	***	***	***	***	***
1983-----	***	592	833	1,425	***	***	***	***	***
Truck and bus tubes:									
1980-----	16,516	1/	1/	1/	372	1/	1/	1/	1/
1981-----	15,407	1/	1/	1/	418	1/	1/	1/	1/
1982-----	12,068	1,032	783	1,815	184	13,699	7.5	5.7	13.2
January-April--									
1982-----	3,749	302	254	556	81	4,224	7.1	6.0	13.2
1983-----	3,845	313	259	572	88	4,329	7.2	6.0	13.2
Farm vehicle tubes:									
1980-----	2,721	6	12	18	158	2,581	0.2	0.5	0.7
1981-----	2,568	1	16	17	139	2,446	2/	0.7	0.7
1982-----	1,924	26	19	45	74	1,895	1.4	1.0	2.4
January-April--									
1982-----	648	12	5	17	35	630	1.9	0.8	2.7
1983-----	607	13	7	20	20	607	2.1	1.2	3.3
Airplane tubes:									
1980-----	***	0	0	0	***	***	-	-	-
1981-----	***	0	0	0	***	***	-	-	-
1982-----	***	0	0	0	***	***	-	-	-
January-April--									
1982-----	***	0	0	0	***	***	-	-	-
1983-----	***	0	0	0	***	***	-	-	-
Industrial, utility, and garden vehicle tubes:									
1980-----	2,278	1/	1/	1/	109	1/	1/	1/	1/
1981-----	2,179	1/	1/	1/	87	1/	1/	1/	1/
1982-----	1,664	1,481	1,946	2,427	88	4,003	12.0	48.6	60.6
January-April--									
1982-----	558	200	687	887	22	1,423	14.1	48.2	62.3
1983-----	512	55	553	608	16	1,104	5.0	50.1	55.1
Total, all products:									
1980-----	34,329	1,030	6,612	7,642	***	***	***	***	***
1981-----	32,243	2,903	5,131	8,034	***	***	***	***	***
1982-----	25,232	3,552	4,123	7,675	***	***	***	***	***
January-April--									
1982-----	8,290	787	1,454	2,241	***	***	***	***	***
1983-----	7,933	974	1,651	2,625	***	***	***	***	***

1/ Not available.

2/ Less than 0.05 percent.

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

* * * percent to * * * percent between 1980 and 1982, and from * * * percent in January-April 1982 to * * * percent in the corresponding period of 1983. With respect to imports of the different classes of Korean-made inner tubes, other than those for industrial, utility, and garden tires, the data available show increasing trends in conformance with the general trend of the aggregate in January-April 1982, compared with January-April 1983, albeit to different degrees.

Prices

U.S. producers were requested to provide net selling prices to wholesale distributors in the replacement market for their largest bimonthly shipments of eight sizes of inner tubes. The net selling prices are f.o.b. factory. Quantity discounts are offered throughout the industry, the lowest price offered usually being that for a truckload quantity, or 24,000 pounds. Although not all of the prices submitted by U.S. producers reflect truckload quantities, they generally reflect the lowest price available to any customer in the replacement market at the time of sale. The largest U.S. importers were asked to provide bimonthly price information on like-sized inner tubes from Korea. Because these importers are wholesale distributors and unrelated to Korean inner tube manufacturers, they were asked to provide landed, duty-paid purchase prices for their largest purchases from Korean manufacturers. Averages of U.S. producers' net selling prices and U.S. importers' landed, duty-paid purchase prices, by type and size of tube, are summarized in table 13. Margins of underselling or overselling are shown in table 14. The types and sizes of tubes for which information was requested are shown, as follows:

- PRODUCT 1: Tube for passenger car bias tire, equivalent to size K15.
- PRODUCT 2: Tube for passenger car radial tire, equivalent to size GR78-15.
- PRODUCT 3: Tube for truck and bus bias tire, equivalent to size 1000-20.
- PRODUCT 4: Tube for truck and bus radial tire, equivalent to size 1000R-20.
- PRODUCT 5: Tube for motorcycle tire, equivalent to size 375/450-18.
- PRODUCT 6: Tube for farm-vehicle tire, equivalent to size 11L-15/16.
- PRODUCT 7: Tube for airplane tire, equivalent to size 600-6.
- PRODUCT 8: Tube for industrial, utility, and garden-vehicle tire, equivalent to size 480/400-8.

Table 13.--Tubes for tires, other than for bicycle tires: Average U.S. producers' net selling prices and U.S. importers' landed, duty-paid costs, by types and sizes of tubes, and by periods, January 1982-June 1983

Type and size of tube	Average U.S. producers' net selling price											
	1982						1983					
	January-February	March-April	May-June	July-August	September-October	November-December	January-February	March-April	May-June			
1	\$2.60	\$2.60	\$2.56	\$2.50	\$2.48	\$2.49	\$2.41	\$2.36	\$2.36			
2	4.51	4.54	4.58	4.32	4.20	3.97	3.94	3.84	3.84			
3	9.04	8.93	8.83	8.36	8.11	7.67	7.66	7.66	7.66			
4	11.44	11.52	11.50	10.70	10.40	9.97	9.43	9.30	9.26			
5	***	***	***	***	***	***	***	***	***			
6	5.84	5.78	5.76	5.80	5.78	5.68	5.51	5.45	5.46			
7	***	***	***	***	***	***	***	***	***			
8	2.46	2.46	2.40	2.44	2.40	2.46	2.26	2.23	2.30			
Average U.S. importers' landed, duty-paid purchase price												
1	\$2.57	\$2.57	\$2.45	\$2.25	\$2.32	\$2.70	\$2.25	\$2.34	\$2.45			
2	3.08	-	3.56	-	-	-	-	-	-			
3	8.46	7.85	7.41	7.44	7.41	7.19	7.14	7.25	7.59			
4	-	9.18	8.46	8.46	8.69	8.46	8.50	8.68	8.85			
5	***	***	***	***	***	***	***	***	***			
6	-	4.46	-	4.59	4.04	3.37	3.16	3.56	3.41			
7	-	-	-	-	-	-	-	-	-			
8	-	1.73	1.73	1.73	1.52	1.30	1.80	1.29	1.59			

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

Table 14.--Tubes for tires, other than for bicycle tires: Margins of underselling or (overselling) for averages of U.S. producers' net selling prices and U.S. importers' landed, duty-paid purchase prices, by types and sizes of tubes, and by periods, January 1982-June 1983

(In percent)											
Type and size: of tube	1982							1983			
	Jan.- Feb.	March- April	May- June	July- August	Sept.- Oct.	Nov.- Dec.		Jan.- Feb.	March- April	May- June	
1	1.2	1.2	4.3	10.0	6.5	(8.4)		6.6	0.8	(3.8)	
2	31.7	-	22.3	-	-	-		-	-	-	
3	6.4	12.1	16.1	11.0	8.6	6.3		6.8	5.4	0.4	
4	-	20.3	26.4	20.9	16.4	15.1		9.9	6.7	4.4	
5	***	***	***	***	***	***		***	***	***	
6	-	22.8	-	20.9	30.1	40.7		42.6	34.7	37.6	
7	-	-	-	-	-	-		-	-	-	
8	-	29.7	27.9	29.1	36.7	47.2		20.4	42.2	30.9	

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

Product 1.--(Tube for passenger car bias tire). U.S. producers' net average price for this tube declined gradually over the period by 9.2 percent, from \$2.60 in January-February 1982 to \$2.36 in March-June 1983.

The average price for the corresponding Korean tube also declined during the same period, but fluctuated considerably between a low of \$2.25 and a high of \$2.70 per tube. The total price decline amounted to 4.7 percent, from \$2.57 in January-February 1982 to \$2.45 in May-June 1983; however, the price rose by 8.9 percent between January-February 1983 and May-June 1983.

The margins of underselling for this tube increased from 1.2 percent in January-April 1982 to a high of 10 percent in July-August 1982, then fluctuated during the remainder of the period, and ended in overselling by 3.8 percent in May-June 1983. A still higher margin of overselling occurred during November-December 1982, when it reached 8.4 percent.

Product 2.--(Tube for passenger car radial tire). U.S. producers' net average price for this tube declined irregularly over the period under consideration by 14.9 percent, from \$4.51 in January-February 1982 to \$3.84 in March-June 1983, after reaching a high of \$4.58 in May-June 1982.

Only two purchases of the corresponding Korean tube were reported during the period of consideration. They occurred in January-February 1982 and in May-June of the same year and showed a price increase from \$3.08 to \$3.56, representing a rise of 15.6 percent. These two transactions resulted in margins of underselling of 31.7 and 22.3 percent, respectively.

Product 3.---(Tube for truck and bus bias tire). U.S. producers' average price for this tube declined gradually over the period under consideration by 15.7 percent, from \$9.04 in January-February 1982 to \$7.62 in May-June 1983.

The average price for the corresponding Korean tube declined irregularly during the period by 10.3 percent, from \$8.46 in January-February 1982 to \$7.59 in May-June 1983.

The margins of underselling for this tube fluctuated greatly over the 18-month period, declining from 6.4 percent in January-February 1982 to 0.4 percent in May-June 1983, but reaching a high of 16.1 percent in May-June 1982.

Product 4.---(Tube for truck and bus radial tire).--U.S. producers' average price for this tube declined almost continuously during the period under consideration, or by 19.1 percent, declining from \$11.44 in January-February 1982 to \$9.26 in May-June 1983, after reaching a high of \$11.52 in March-April 1982.

The average price for the corresponding Korean tube declined irregularly during the period, declining from \$9.18 in March-April 82 to \$8.85 in May-June 1983.

The margins of underselling for this tube declined from 20.3 percent in March-April 1982 to 4.4 percent in May-June 1983, after reaching a high of 26.4 percent in May-June 1982.

Product 5.---(Tube for motorcycle tire). * * *.

Product 6.---(Tube for farm-vehicle tire). U.S. producers' net average price for this tube declined irregularly from \$5.84 in January-February 1982 to \$5.46 in May-June 1983, or by 6.5 percent.

The average price for the corresponding Korean tube declined irregularly by 23.5 percent, from \$4.46 in March-April 1982 to \$3.41 in May-June 1983. There were no transactions reported for this product during January-February or May-June 1982.

The margins of underselling for this tube rose sharply from 22.8 percent in March-April 1982 to 37.5 percent in May-June 1983. A still higher margin of underselling of 42.6 percent was noted in January-February 1983.

Product 7.---(Tube for airplane tire). U.S. producers' net average price * * *.

There have been no imports of airplane tubes from Korea.

Product 8.---(Tube for industrial, utility, and garden-vehicle tire). U.S. producers' average price for this tube declined irregularly from \$2.46 in January-February 1982 to \$2.30 in May-June 1983, or by 6.5 percent.

The average price for the corresponding Korean tube declined from \$1.73 in March-August 1982 to \$1.59 in May-June 1983. The May-June 1983 import price was 8.1 percent below the March-April 1982 price.

The margins of underselling for this tube fluctuated considerably during the period under consideration, but remained at about 30 percent at the beginning and the end of the 18-month period, after reaching a high of 47.2 percent in November-December 1982 and a low of 20.3 percent in January-February 1983.

Lost sales

U.S. producers were asked to furnish the Commission with information regarding the customers, specific products, quantities, and dates involved if they had lost sales of inner tubes to like products from Korea since January 1, 1980,. Although only one U.S. producer reported specific instances of lost sales, several producers reported wholesale distributors to whom they believed they had lost sales in recent periods. The allegations involve all classes of tubes except those for motorcycle tires ^{1/} and for airplane tires. Ten wholesale distributors, two of which import the product, were identified, and all were contacted by the Commission. Although none of these distributors could readily specify amounts, all confirmed that in several instances they had rejected offers for tubes for passenger car tires, tubes for truck and bus tires, tubes for farm-vehicle tires, and/or industrial, utility, and garden-vehicle tires produced in the United States in favor of lower priced merchandise produced in Korea. Price, which several found considerably lower than the comparable U.S.-produced product, was the primary, if not sole, reason for their purchases. In all other aspects of buying, these distributors consider the U.S.-produced product to be no less advantageous than the Korean-produced product; and with respect to one aspect--the terms of delivery--they consider the U.S.-produced product to be superior. While an order placed with U.S. producers is usually received within 10 days, an order placed for Korean-made tubes is rarely received in less than 90 days.

None of the distributors contacted has discontinued buying from U.S. producers, although some have switched from time to time from one U.S. producer to another. One distributor has discontinued purchases of Korean-made inner tubes, allegedly because of poor quality. This distributor purchased inner tubes manufactured by Heung-Ah, Dong-Ah, and Hankook.

^{1/} * * *.

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APPENDIX A
COMMISSION'S NOTICE
OF
PRELIMINARY INVESTIGATION

Act of 1930, as amended, they were requesting a continuation of the countervailing duty investigation concerning these products from Brazil. The Commission continued its final countervailing duty investigation as of March 22, 1983. Notice of the Commission's continuation of the final investigation and of the rescheduling of the public hearing to be held in connection with this investigation along with the LTFV investigation involving the Federal Republic of Germany was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, D.C., and by publishing the notice in the Federal Register on April 13, 1983 (48 FR 15966).

On June 6, 1983, Commerce made an affirmative final subsidy determination concerning Brazil (48 FR 25250) and an affirmative final LTFV determination concerning the Federal Republic of Germany (48 FR 25247) on the products subject to these investigations. The Commission's hearing in these investigations was held in Washington, D.C., on June 7, 1983, and all persons who requested the opportunity were permitted to appear in person or by counsel. The Commission voted on the investigations on July 1, 1983.

If the final determination by the Commission in this continued investigation had been negative, then the agreement between Commerce and the Government of Brazil would have had no force or effect and the investigation would have been terminated. However, because the final determination is affirmative, the agreement will remain in effect and no countervailing duty order will be issued unless the agreement is terminated or violated or otherwise fails to meet the requirements of section 704 (19 U.S.C. 1671c(f)(3)).

The Commission transmitted its report on these investigations to the Secretary of Commerce on July 11, 1983. A public version of the Commission's report, Certain Tool Steels from Brazil and the Federal Republic of Germany, (investigations Nos. 701-TA-187 and 731-TA-100 (Final), USITC Publication 1403, July 1983) contains the views of the Commission and information developed during the investigations.

By order of the Commission.

Issued July 11, 1983.

Kenneth R. Mason,

Secretary.

[P&H Doc. 83-0440-100-07-19-83 840 am]

BILLING CODE 7020-02-M

(Investigations No. 731-TA-137
(Preliminary))

Tubes for Tires, Other Than for Bicycle Tires, From the Republic of Korea

AGENCY: International Trade Commission.

ACTION: Institution of a preliminary antidumping investigation and scheduling of a conference to be held in connection with the investigation.

EFFECTIVE DATE: July 11, 1983.

SUMMARY: The United States International Trade Commission hereby gives notice of the institution of a preliminary antidumping investigation under section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)) 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 the Republic of Korea of tubes for tires, other than for bicycle tires, provided for in items 772.59 and 772.60 of the Tariff Schedules of the United States, which are alleged to be sold in the United States at less than fair value.

FOR FURTHER INFORMATION CONTACT: Mr. Larry Reavis, Office of Investigations, U.S. International Trade Commission, 701 E Street, NW., Washington, D.C. 20436, telephone 202-523-0296.

SUPPLEMENTARY INFORMATION:

Background

This investigation is being instituted in response to a petition filed on July 11, 1983, by counsel on behalf of the Carlisle Tire and Rubber Co.; the Cooper Tire and Rubber Co.; Cupples Co.; Manufacturers; the Firestone Tire and Rubber Co.; the B. F. Goodrich Co.; the Indianapolis Rubber Co.; and Robbins Tire and Rubber Co. The Commission must make its determination in this investigation within 45 days after the date of the filing of the petition, or by August 25, 1983 (19 CFR 207.17).

Participation

Persons wishing to participate in this investigation as parties must file an entry of appearance with the Secretary to the Commission, as provided for in § 201.11 of the Commission's Rules of Practice and Procedure (19 CFR 201.11), not later than seven (7) days after the publication of the notice in the Federal Register. Any entry of appearance filed after this date will be referred to the Chairman who shall determine whether to accept the late entry for good cause

shown by the person desiring to file the notice.

Service of Documents

The Secretary will compile a service list from the entries of appearance filed in this investigation. Any party submitting a document in connection with the investigation shall, in addition to complying with section 201.8 of the Commission's rules (19 CFR 201.8), serve a copy of each such document on all other parties to the investigation. Such service shall conform with the requirements set forth in section 201.16(b) of the rules (19 CFR 201.16(b)), as amended by 47 FR 33682, Aug. 4, 1982).

In addition to the foregoing, each document filed with the Commission in the course of this investigation must include a certificate of service setting forth the manner and date of such service. This certificate will be deemed proof of service of the document. Documents not accompanied by a certificate of service will not be accepted by the Secretary.

Written Submissions

Any person may submit to the Commission on or before August 5, 1983, a written statement of information pertinent to the subject matter of this investigation (19 CFR 207.15). A signed original and fourteen (14) copies of such statements must be submitted (19 CFR 201.8).

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 § 201.6 of the Commission's rules (19 CFR 201.6). All 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 this investigation for 9:30 a.m. on August 2, 1983, at the U.S. International Trade Commission Building, 701 E Street NW., Washington, D.C. Parties wishing to participate in the conference should contact Mr. John MacHatton (202-523-0439), not later than August 1, 1983, to arrange for their appearance. Parties in support of the imposition of antidumping duties in this investigation and parties in opposition to the imposition of such duties will each be collectively allocated one hour

within which to make an oral presentation at the conference.

Public Inspection

A copy of the petition and all written submissions except for confidential business data, will be available for public inspection during regular hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 701 E Street N.W., Washington, D.C.

For further information concerning the conduct of this investigation and rules of general application, consult the Commission's Rules of Practice and Procedure, Part 207, Subparts A and B (19 CFR Part 207, as amended by 47 FR 33682, Aug. 4, 1982), and Part 201, Subparts A through E (19 CFR Part 201, as amended by 47 FR 33682, Aug. 4, 1982).

This notice is published pursuant to § 207.12 of the Commission's rules (19 CFR 207.12).

Issued: July 12, 1983.

Kenneth R. Mason,
Secretary.

[FR Doc. 83-19623 Filed 7-19-83; 8:45 am]

BILLING CODE 7020-02-M

[Investigation No. 337-TA-133]

Certain Vertical Milling Machines and Parts, Attachments and Accessories Thereto; Initial Determination Terminating Respondent on the Basis of Settlement Agreement

AGENCY: U.S. International Trade Commission.

ACTION: Notice is hereby given that the Commission has received an initial determination from the presiding officer in the above-captioned investigation terminating the following respondent on the basis of a settlement agreement: Delta Machine & Tool Company, Inc.

SUPPLEMENTARY INFORMATION: This investigation is being conducted pursuant to section 337 of the Tariff Act of 1930 (19 U.S.C. 1337). Under the Commission's rules, the presiding officer's initial determination will become the determination of the Commission thirty (30) days after the date of its service upon the parties, unless the Commission orders review of the initial determination. The initial determination, in this matter was served upon the parties on July 11, 1983.

Copies of the initial determination, the settlement agreement, and all other nonconfidential documents filed in connection with this investigation are available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in

the Office of the Secretary, U.S. International Trade Commission, 701 E Street N.W., Washington, D.C. 20436, telephone 202-523-0161.

Written Comments: Interested persons may file written comments with the Commission concerning termination of the aforementioned respondent. The original and 14 copies of all such comments must be filed with the Secretary to the Commission, 701 E Street N.W., Washington, D.C. 20436, no later than 10 days after publication of this notice in the Federal Register. Any person desiring to submit a document (or portion thereof) to the Commission in confidence must request confidential treatment. Such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why confidential treatment should be granted. The Commission will either accept the submission in confidence or return it.

FOR FURTHER INFORMATION CONTACT: Ruby J. Dionne, Office of the Secretary, U.S. International Trade Commission, telephone 202-523-0176.

By order of the Commission.

Issued: July 11, 1983.

Kenneth R. Mason,
Secretary.

[FR Doc. 83-19625 Filed 7-19-83; 8:45 am]

BILLING CODE 7020-02-M

INTERSTATE COMMERCE COMMISSION

Motor Carriers; Finance Applications; Decision Notice

As indicated by the findings below, the Commission has approved the following applications filed under 49 U.S.C. 10924, 10926, 10931 and 10932.

We find:

Each transaction is exempt from section 11343 of the Interstate Commerce Act, and complies with the appropriate transfer rules.

This decision is neither a major Federal action significantly affecting the quality of the human environment nor a major regulatory action under the Energy Policy and Conservation Act of 1975.

Petitions seeking reconsideration must be filed within 20 days from the date of this publication. Replies must be filed within 20 days after the final date for filing petitions for reconsideration; any interested person may file and serve a reply upon the parties to the proceeding. Petitions which do not comply with the relevant transfer rules at 49 CFR 1181.4 may be rejected.

If petitions for reconsideration are not timely filed, and applicants satisfy the conditions, if any, which have been imposed, the application is granted and they will receive an effective notice. The notice will recite the compliance requirements which must be met before the transferee may commence operations.

Applicants must comply with any conditions set forth in the following decision-notices within 20 days after publication, or within any approved extension period. Otherwise, the decision-notice shall have no further effect.

It is ordered:

The following applications are, approved, subject to the conditions stated in the publication, and further subject to the administrative requirements stated in the effective notice to be issued hereafter.

By the Commission,
Agatha L. Mergenovich,
Secretary.

Please direct status inquiries to Team 1, (202) 275-7992.

Volume No. OP1-FC-286

No. MC-FC-81565. By decision of July 12, 1983, issued under 49 U.S.C. 10926 and the transfer rules at 49 CFR 1181, the Review Board, Members Krock, Carleton and Dowell approved the transfer to SUMMIT CITY TRANSFER, INCORPORATED, Fort Wayne, IN, of Certificate No. MC-25290, issued November 30, 1949, to ELWAY EXPRESS, INC., Fort Wayne, IN, authorizing the transportation of general commodities with various exceptions, between Fort Wayne, IN, on the one hand, and, on the other, points within 25 miles of Fort Wayne. Representative: David P. Egly, 1122 Sherman Blvd., P.O. Box 10696, Fort Wayne, IN 46853 for transferee, and Howard Ellicott, P.O. Box 10328, Fort Wayne, IN 46851 for transferor.

MC-FC-81575. By decision of July 11, 1983, issued under 49 U.S.C. 10926 and the transfer rules at 49 CFR 1181, the Review Board, Members Parker, Dowell and Carleton approved the transfer to Shore Line Transport, Inc., Passaic Park, NJ, of Permit No. MC-145010 Sub 1, issued January 4, 1980, and Certificate No. MC-145010 Sub 2, issued October 7, 1981, to Wayne Express, Inc., Clifton, NJ, authorizing the transportation of groceries and materials and supplies (with exceptions), between Secaucus, NJ, Rochester, NY and Virginia Beach, VA, on the one hand, and, on the other, points in CT, DE, IL, IN, MD, MA, NJ, NY, OH, PA, RI, VA and DC, under

APPENDIX B
COMMERCE'S NOTICE
OF
INITIATION OF ANTIDUMPING INVESTIGATION

under both the Export Shipments Fund and the Imports-for-Export Fund are received in dollars and paid back in dollars. Therefore, the comparable interest rate for such "dollar" loans is the commercial rate on dollar loans in Israel.

Comment 11: The respondent maintains that loans under the Export Shipments Fund are not subsidized. Exemption for loans through this fund from the one percent surcharge on commercial financing is an exemption from a penalty, and not an export subsidy. The respondent further asserts that AGREXCO had access to dollar financing in New York at a rate considerably below the rate in Israel for dollar financing.

Department's Position: The Israeli government did not provide the Department with sufficient information concerning the types and volume of loans receiving the exemption. Similarly, the Israeli government was unable to provide information concerning who paid the surcharge. Therefore, consistent with our court remand results, we have determined that the exemption is available on a preferential basis. Because the Export Shipments Fund is available to all exporters, we have compared the preferential interest rate to the comparable country-wide market rate in Israel and not with company-specific commercial rates.

Comment 12: The respondent asserts that the Minimum Price Program did not confer benefits on exports of roses to the U.S., because the average price of roses sold to the U.S. during the review period was consistently higher than the guaranteed minimum price for such roses.

Department's Position: Benefits under the Minimum Price Program are based on annual worldwide rose exports. Because the funds awarded under the program are lump-sum payments, not tied to specific shipments, they benefit total exports. Therefore, we have allocated the total subsidy under this program to total rose exports.

Comment 13: The respondent contends that the Export Promotion Fund does not confer a benefit on roses. Because they are not a new species and are not entering a new market, they only appear as accent flowers in other advertisements. In the absence of evidence that roses received benefits under this program, the Department should not assume that benefits were received.

Department's Position: During our verification, we found posters from AGREXCO devoted solely to roses. This contradicts the respondent's argument. Absent rebutting evidence, we must use

best evidence and assume that this program confers more than a minimal benefit on roses.

Final Results of the Review

As a result of our review and after a correction of a calculation error, we determine the rate of subsidy during the period October 1, 1979 through September 30, 1980 to be 11.69 percent *ad valorem*. There are no known unliquidated entries for the period. As provided for by section 751(a)(1) of the Tariff Act a cash deposit of estimated countervailing duties of 11.69 percent of the f.o.b. invoice price shall be required on all shipments of this merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice. This deposit requirement shall remain in effect until publication of the final results of the next administrative review. The Department is now commencing the next administrative review.

The Department encourages interested parties to review the public record and submit applications for protective orders, if desired, as early as possible after the Department's receipt of the information during the next administrative review.

This administrative review and notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and § 355.41 of the Commerce Regulations (19 CFR 355.41).

Dated: August 7, 1983.

Alan F. Holmer,
Deputy Assistant Secretary for Import Administration.

[FR Doc. 83-22136 Filed 8-11-83; 8:45 am]

BILLING CODE 3510-25-M

Initiation of Antidumping Investigation; Tubes for Tires, Other Than for Bicycle Tires From the Republic of Korea

AGENCY: International Trade Administration, Department of Commerce.

ACTION: Initiation of antidumping investigation.

SUMMARY: On the basis of a petition filed with the United States Department of Commerce, we are initiating an antidumping investigation to determine whether tubes for tires, other than for bicycle tires, (inner tubes) from the Republic of Korea (Korea) are being, or are likely to be, sold in the United States at less than fair value. We are notifying the United States International Trade Commission (ITC) of this action so that it may determine whether imports of this merchandise are materially injuring, or threatening to materially injure, a

United States industry. If the investigation proceeds normally, the ITC will make its preliminary determination on or before August 25, 1983, and we will make ours on or before December 19, 1983.

EFFECTIVE DATE: August 12, 1983.

FOR FURTHER INFORMATION CONTACT: Paul Nichols, Office of Investigations, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230 telephone: (202) 377-1276.

SUPPLEMENTARY INFORMATION: On July 11, 1983, we received a petition from counsel for Carlisle Tire & Rubber Company; Cooper Tire & Rubber Company; Cupples Company, Manufacturers; the Firestone Tire & Rubber Company; the B. F. Goodrich Company; the Indianapolis Rubber Company; and Robbins Tire Company. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that imports of the subject merchandise from Korea are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (19 U.S.C. 1673) (the Act), and that these imports are materially injuring, or are threatening to materially injure, a United States industry. The petition also alleges that "critical circumstances" exist with regard to imports of inner tubes from Korea. The allegations of sales at less than fair value of the merchandise under investigation from Korea are supported by comparisons of United States prices based on price lists, with the foreign market value based on published wholesale home market prices for comparable models.

Initiation of Investigation

Under section 732(c) of the Act, we must determine, within 20 days after a petition is filed, whether it sets forth the allegations necessary for the initiation of an antidumping investigation and whether it contains information reasonably available to the petitioners supporting the allegations. We have examined the petition filed by the representatives of the domestic manufacturers of inner tubes, and we have found that it meets the requirements of section 732(b) of the Act. Therefore, we are initiating an antidumping investigation to determine whether inner tubes from Korea are being, or are likely to be, sold at less than fair value in the United States. If our investigation proceeds normally, we

will make our preliminary determination by December 19, 1983.

Scope of the Investigation

The merchandise covered by this investigation is all tubes of rubber or plastic for tires other than bicycle tires, currently classified under items 772.59 and 772.60 of the *Tariff Schedules of the United States* (1983) (TSUS).

Notification to the ITC

Section 732(d) of the Act requires us to notify the ITC of this action and to provide it with the information we used to arrive at this determination. We will notify the ITC and make available to it all nonprivileged and nonconfidential information. We will also allow the ITC access to all privileged and confidential information in our files, provided it confirms that it will not disclose such information either publicly or under an administrative protective order without the written consent of the Deputy Assistant Secretary for Import Administration.

Preliminary Determination by ITC

The ITC will determine within 45 days of the date the petition was received whether there is a reasonable indication that imports of inner tubes are materially injuring, or are threatening to materially injure, a United States industry.

If its determination is negative, this investigation will terminate; otherwise it will proceed according to the statutory procedures.

Alan F. Holmer,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 83-22137 Filed 8-11-83; 8:45 am]

BILLING CODE 3510-25-M

National Technical Information Service

Government-Owned Inventions; Availability for Licensing

The inventions listed below are owned by agencies of the U.S. Government and are available for licensing in the U.S. in accordance with 35 U.S.C. 207 to achieve expeditious commercialization of results of federally funded research and development. Foreign patents are filed on selected inventions to extend market coverage for U.S. companies and may also be available for licensing.

Technical and licensing information on specific inventions may be obtained by writing to: Office of Government Inventions and Patents, U.S. Department of Commerce, P.O. Box 1423, Springfield, Virginia 22151.

Please cite the number and title of inventions of interest.

Douglas J. Campion,

Program Coordinator, Office of Government Inventions and Patents, National Technical Information Service, U.S. Department of Commerce.

Department of Agriculture

- SN 5-335,860 (3,911,120) Phosphonated N,N-Disubstituted Fatty Amides as Bactericidal and Fungicidal Agents
- SN 5-448,429 (3,910,948) 1,3-Diacyl Derivatives of Imidazolidine
- SN 6-202,032 (4,390,787) Method and Apparatus for Automatic Egg Mass Counting
- SN 6-337,044 (4,391,153) Segmented Fiber Sampler
- SN 6-356,870 (4,390,360) Control of Sickled, Showy Crotalaria, and Coffee Senna with a Fungal Pathogen
- SN 6-370,019 (4,391,828) Dibutylorthobenzylmethoxybenzenes and Dibutylorthocinnamylmethoxybenzenes as Mosquito Larvae Growth Inhibitors

Department of the Air Force

- SN 6-171,614 (4,387,989) Coherent Optical Feature Identifier Apparatus
- SN 6-192,406 (4,387,971) Dynamic Damping System
- SN 6-200,226 (4,390,816) Scan Corrected Vidicon Camera Apparatus
- SN 6-216,103 (4,388,614) Automatically Sequenced Signaling System
- SN 6-225,556 (4,387,344) Photon Storage Tube High Power Laser System
- SN 6-231,074 (4,387,955) Holographic Reflective Grating Multiplexer/Demultiplexer
- SN 6-239,955 (4,390,854) Broad Bandwidth Surface Acoustic Wave Filter Apparatus with Staggered Tuning
- SN 6-286,817 (4,387,467) Satellite Test Chamber with Electromagnetic Reflection and Resonance Damping for Simulating System Generated Electromagnetic Pulses
- SN 6-300,761 (4,391,660) Copper Containing Ballistic Additives
- SN 6-304,123 Thick Film Radiation Detector
- SN 6-308,976 (4,387,962) Corrosion Resistant Laser Mirror Heat Exchanger
- SN 6-442,494 Snow Scale/Rate Meter
- SN 6-452,604 Pulse Transformer Mount for Laser Diodes
- SN 6-498,238 Laser Clock
- SN 6-498,334 Simultaneous Nulling in the Sun and Difference Patterns of a Monopulse Radar Antenna
- SN 6-498,335 Integrated Insulation Wall Assembly
- SN 6-501,944 High Thermal Capacitance Multilayer Thermal Insulation
- SN 6-501,945 Improved Absolute Distance Sensor
- SN 6-502,028 High Resolution Printing Head
- SN 6-502,771 Method and Apparatus for Detecting Acoustic Emissions from Metal Matrix Wire
- SN 6-502,818 Low Height Fin Control Actuator
- SN 6-504,353 CO₂ Laser Stabilization and Switching
- SN 6-504,354 Deactivation of Thionyl Chloride Cells

Department of the Army

- SN 6-078,348 (4,389,947) Blast Suppressive Shielding
- SN 6-230,558 (4,390,838) Broadband Measurement System
- SN 6-243,287 (4,391,178) Logistic Vehicle Armor
- SN 6-243,292 (4,392,084) Sustainer Circuit for Plasma Display Panels
- SN 6-255,906 (4,391,196) Add-on Igniter for Pyrogen Type Igniter
- SN 6-267,126 (4,389,918) Ammunition Belt Feed Magazine System
- SN 6-311,368 (4,385,055) 2-Acetyl- and 2-Propionylpyridine Thiosemicarbazones as Antimalarials
- SN 6-316,575 (4,391,799) Protective Gel Composition for Treating White Phosphorus Burn Wounds
- SN 6-322,503 (4,391,678) Methods of Making Infrared Detector Array Cold Shield
- SN 6-330,117 (4,390,271) Process for Producing Orthographic Projection Image of Complex Terrain/Targets From an Automatic System Using Two Photographs
- SN 6-496,366 Process of and Apparatus for Laser Annealing of Film-Like Surface Layers of Chemical Vapor Deposited Silicon Carbide and Silicon Nitride
- SN 6-501,687 Automated Design Program for LSI and VLSI Circuits
- SN 6-505,666 Millimeter-Wave Cut-Off Switch
- SN 6-505,667 Monolithic Millimeter-Wave Electronic Scan Antenna Using Schottky Barrier Control and Method for Making Same
- SN 6-505,668 Millimeter-Wave Electronic Phase Shifter Using Schottky Barrier Control

Department of Commerce

- SN 6-266,484 (4,391,969) Modified Sulfur Cement

Department of Health and Human Services

- SN 6-250,840 Cross-Slice Data Acquisition System for Pet Scanner
- SN 6-284,089 (4,390,699) 6-Keto-Morphinans Belonging to the 14-Hydroxy-Series
- SN 6-266,379 (4,390,026) Ultrasonic Therapy Applicator that Measures Dosage
- SN 6-494,378 Optical Coupling Device for Biomicroscope
- SN 6-496,275 Broadband Isotropic Probe System for Simultaneous Measurement of Complex E- and H-Fields
- SN 6-497,839 Arabinosyl 5-Azacytosine (ARA-AC) Used as an Antitumor Agent for Human Tumor Xenografts

Department of the Interior

- SN 6-219,705 (4,389,900) Capacitance Probe Sensor Device
- SN 6-267,506 (4,389,896) Borehole Gauge for In-Situ Measurement of Stress and Other Physical Properties

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APPENDIX C
CALENDAR OF PUBLIC CONFERENCE

TENTATIVE CALENDAR OF PUBLIC CONFERENCE

Investigation No. 731-TA-137 (Preliminary)

TUBES FOR TIRES, OTHER THAN FOR BICYCLE TIRES, FROM KOREA

Those listed below are scheduled to appear as witnesses at the United States International Trade Commission's conference to be held in connection with the subject investigation on August 2, 1983, in the Hearing Room at the USITC Building, 701 E Street, NW, Washington, D.C.

In support of the petition:

Frederick L. Ikenson--Counsel
Washington, D.C.
on behalf of

Carlisle Tire & Rubber Company;
Cooper Tire & Rubber Company;
Cupples Company, Manufacturers;
The Firestone Tire & Rubber Company;
The B.F. Goodrich Company;
Indianapolis Rubber Company; and
Robbins Tire & Rubber Company Petitioners;
and

Armstrong Tire & Rubber Company;
The Goodyear Tire & Rubber Company;
Polson Rubber Company; and
Warrenton Rubber Company in Support of the Petition

Stephen Clem, Jr.--Research Director,
United Rubber, Cork, Linoleum and Plastic Workers of America
Akron, Ohio
on behalf of

United Rubber, Cork, Linoleum and Plastic Workers of America

In opposition to the petition:

David A. Gantz--Counsel
Oppenheimer, Wolff, Foster, Shepard, and Donnelly
Washington, D.C.
on behalf of

Hung-A Industrial Co., Ltd.
Pusan, Korea, and other Korean inner tube manufacturers
and exporters

Mr. Robert Stone)
Mr. Ben Broder)

Countrywide Rubber Co.,
Minneapolis, MN

Mr. Tai Chung)

PJ Co.. Compton, CA

