

UNITED STATES TARIFF COMMISSION
Washington

[AA1921-41]

TC Publication 141

October 6, 1964

PLASTIC BABY CARRIERS FROM JAPAN

Determination of No Injury or Likelihood Thereof

On July 6, 1964, the Tariff Commission was advised by the Acting Assistant Secretary of the Treasury that plastic baby carriers from Japan, manufactured by Marui Corp., Tokyo, Japan, are being, or are likely to be, sold in the United States at less than fair value as that term is used in the Antidumping Act, 1921, as amended. Accordingly, the Commission on July 7, 1964, instituted an investigation under section 201(a) of that act to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

Notice of the investigation was published in the Federal Register (29 F.R. 9546). The Commission did not order a public hearing, but referred interested parties to section 208.4 of its Rules of Practice and Procedure (19 CFR 208.4), which provides that they may, within 15 days after the date of publication of the Commission's notice of investigation in the Federal Register,

request that a public hearing be held, stating reasons for the request. No request for a hearing was received.

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

On the basis of the investigation, the Commission has unanimously determined that an industry in the United States is not being, and is not likely to be, injured, or prevented from being established, by reason of the importation of plastic baby carriers from Japan, manufactured by Marui Corp., Tokyo, Japan, which were sold at less than fair value within the meaning of the Antidumping Act, 1921, as amended.

Statement of Reasons

A plastic baby carrier of the kind here considered--whether imported or domestic--consists essentially of a molded one-piece plastic shell, a padded cushion, safety straps, rattle balls on a cord or plastic strap, and a wire stand that can be positioned to permit the infant to be placed in various reclining or sitting positions.

Plastic baby carriers first came on the market in the United States in 1955, and during the years 1955-60 (except for a few months at the beginning of the period) they were supplied exclusively by the Infanseat Co. of Eldora, Iowa. This concern

carriers from Japan by virtue of their being sold at less than fair value was minimal.

The Commission concludes also that there is no likelihood of injury to a domestic industry arising out of less-than-fair-value imports from Japan. While competition in the field of plastic baby carriers continues to be volatile, no likely changes are in prospect that would cause material injury to a domestic industry, within the meaning of the Antidumping Act.

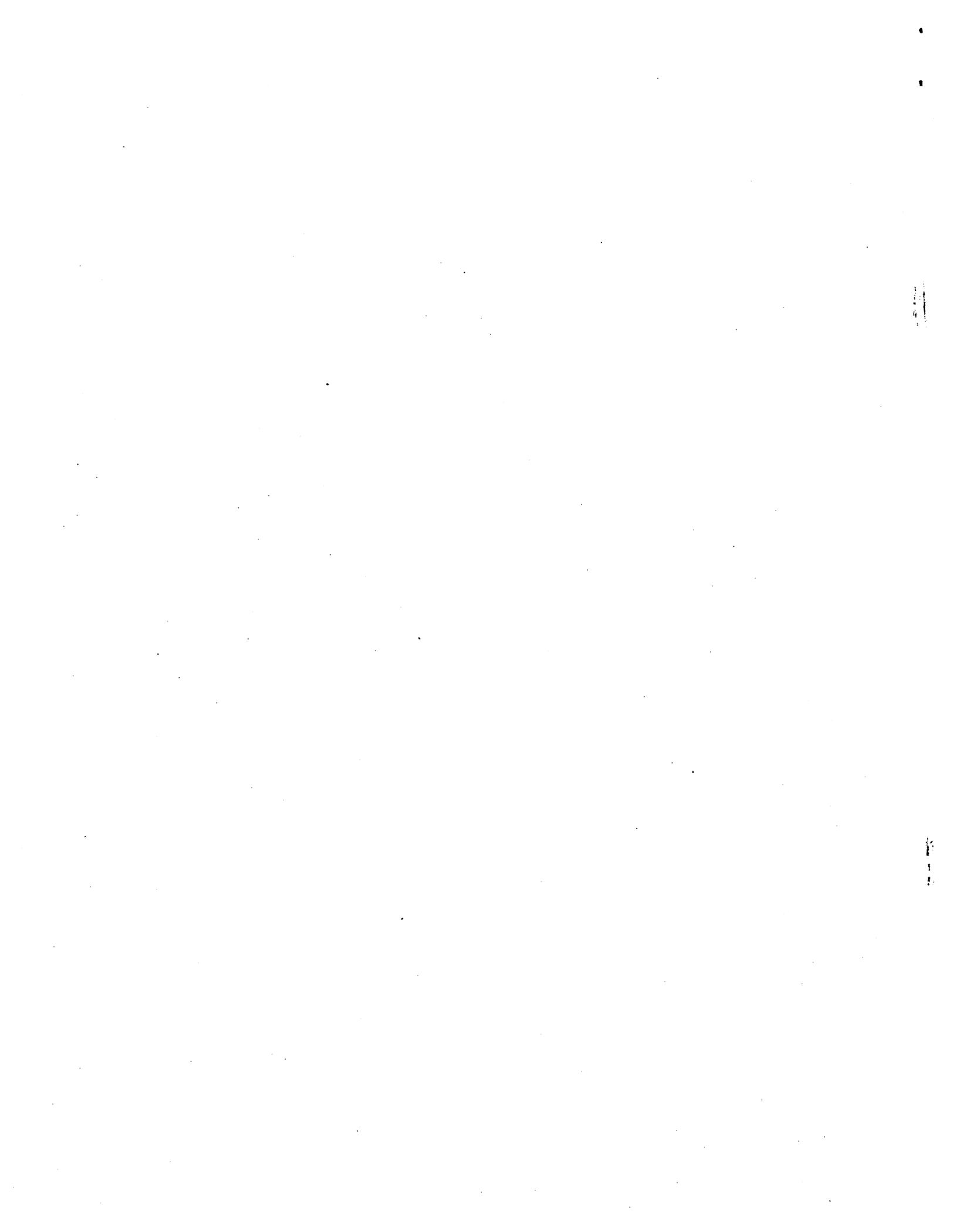
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This determination and statement of reasons are published pursuant to section 201(c) of the Antidumping Act, 1921, as amended.

By the Commission:



Donn N. Bent
Secretary



was the owner of a U.S. product patent covering a baby carrier at the time the patent expired in 1960. Following the patent expiration, a number of domestic firms entered the field, until there were some 15 manufacturers by 1964.

The domestic demand for plastic baby carriers has expanded markedly in recent years and may be expected to continue to rise for a considerable period, although possibly at a reduced rate. Producers' annual sales rose by more than 400 percent from 1960 to 1963, and their sales in the first 6 months of 1964 were more than 50 percent greater than in the corresponding period of 1963.

Imports from Japan first entered in April 1963 as a result of arrangements made by a U.S. importer with Marui Corp. of Tokyo, Japan, to manufacture the carriers primarily for export to the United States. During the 15-month period between April 1963 and June 1964 (the month in which the imports ceased), sales of the carriers from Japan accounted for about 7 percent of the aggregate sales of carriers (domestic and imported) in the U.S. market. The imports showed a rapidly rising trend prior to the time of the Treasury Department's determination that the carriers were being sold at less than fair value, at which time imports ceased altogether.

As new U.S. producers entered the field, their initial selling prices generally were the same as or lower than the prices

of carriers already on the market. Primarily as a result of increased competition among domestic producers, plastic baby carriers became available in a wide range of prices. Because of a rising volume of sales of carriers in the lower price ranges, the average unit selling price of domestically produced carriers has declined appreciably since 1960. Much of the decline occurred before the carriers from Japan entered the U.S. market, and their entry had little effect on the downward movement of domestic prices.

During the first 6 months of 1964, some domestically produced carriers were sold by the manufacturer for as little as \$1.63 per unit (f.o.b. point of shipment), whereas no Japanese carriers were sold for such a low price (f.o.b. importer's warehouse), and most were sold at much higher prices. The bulk of the domestic carriers were selling in the \$1.75-\$2.24 price range or higher, whereas virtually all of the imports from Japan were selling in the \$2.00-\$2.49 price range. Of the more than 800,000 domestic carriers sold in the U.S. market during the first half of 1964, about 30 percent were priced in the \$2.00-\$2.24 range, and about 25 percent, in the \$1.75-\$1.99 range; of the more than 60,000 carriers from Japan sold in the United States in the same period, about 55 percent were priced in the \$2.25-\$2.49 range, and about 40 percent, in the \$2.00-\$2.24 range. Any depressive price impact resulting from the imports of