

UNITED STATES TARIFF COMMISSION

TITANIUM DIOXIDE FROM JAPAN

Determination of No Injury or Likelihood Thereof
in Investigation No. AA1921-47
under the Antidumping Act,
1921, as Amended



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UNITED STATES TARIFF COMMISSION

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[AA1921-47]

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On February 24, 1966, the Tariff Commission was advised by the Acting Assistant Secretary of the Treasury that titanium dioxide, pigment grade, rutile type, from Japan, exported by Sakai Trading Co., Ltd., Osaka, Japan, The Kouyoh Trading Co., Ltd., Osaka, Japan, and Marubeni-Iida Co., Ltd., Osaka, Japan, is being, or is likely to be, sold in the United States at less than fair value as that term is used in the Antidumping Act. Accordingly, the Commission, on February 24, 1966, instituted an investigation under section 201(a) of the Antidumping Act, 1921, as amended, 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.

Public notices of the institution of the investigation and of a public hearing to be held in connection therewith were published in the Federal Register (31 F.R. 3319 and 31 F.R. 4486). The hearing was held on April 18, 1966.

In arriving at a determination in this case, due consideration was given by the Commission to all written submissions from interested parties, all testimony adduced at the hearing, and all information obtained by the Commission's staff.

On the basis of the investigation, the Commission has unambiguously 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 titanium dioxide, pigment grade, rutile type, from Japan, exported by Sakai Trading Co., Ltd., Osaka, Japan, The Kouyoh Trading Co., Ltd., Osaka, Japan, and Marubeni-Iida Co., Ltd., Osaka, Japan, sold at less than fair value, within the meaning of the Antidumping Act, 1921, as amended.

Statement of Reasons

Titanium dioxide (TiO_2), an inert, solid, metal oxide, is the major white pigment in use today in the manufacture of a variety of products. It is produced in two basic types--anatase and rutile--which differ in the crystalline structure of the molecules. Both types are marketed in several grades. The various grades are produced by adding small quantities of such compounds as aluminum oxide, silica, or zinc oxide to improve color retention, chalking resistance, dispersibility, and other properties. Although there is some interchangeability between grades and types of TiO_2 , each type and grade is generally designed for a particular purpose.

In the United States about 60 percent of all TiO_2 is used in the manufacture of paint and related products and about 15 percent is used in paper. Other uses include the manufacture of floor coverings (e.g., linoleum and similar products), rubber products, coated fabrics, printing inks, and plastics. Anatase TiO_2 is used mainly in paper and rutile is used mainly in paint. The subject imports consist of TiO_2 , pigment grade, rutile type, from three firms in Japan and references hereinafter to TiO_2 shall mean TiO_2 , pigment grade, rutile type.

The domestic industry producing TiO_2 is a rapidly growing industry with an expanding national market. Several new plants have been established in recent years. The plants which constitute the domestic industry generally offer their TiO_2 at uniform delivered prices ^{1/} throughout the national market. The delivered price of domestic first-class TiO_2 of all pigment grades has continued without change for a number of years at 27 cents per pound.

The imported TiO_2 which was purchased at less than fair value in this case was found to be of a poorer grade than virtually all domestic TiO_2 and most foreign TiO_2 . It cannot reasonably command the prices charged for first-class TiO_2 of either domestic or foreign origin. Indeed, some importers have experienced, and are experiencing,

^{1/} The term "delivered price", used in conjunction with domestic sales of TiO_2 means f.o.b. shipping point with freight allowance to destination. Shipping losses are at the risk of the buyer.

difficulty in disposing of some of their inventories of such TiO_2 . The 1964 and 1965 quantities of the subject imports of TiO_2 amounted in each case to a small fraction of 1 percent of the current annual consumption of rutile in the United States. Imports of the subject TiO_2 have ceased.

Any injury that may have been suffered to date, and any injury that is likely to be suffered in the foreseeable future, by the domestic industry by reason of the subject imports of Japanese TiO_2 is, or would be, at the most, de minimis.

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The Commission's determination and the above statement of reasons in support thereof are published pursuant to section 201(c) of the Antidumping Act, 1921, as amended.

By the Commission:



DONN N. BENT
Secretary

