

**UNITED STATES TARIFF COMMISSION**

**WATCH MOVEMENTS**

**Report to the President (1961)  
Under Executive Order 10401**



**TC Publication 27**

**Washington  
July 1961**

*U. S. TARIFF COMMISSION*

Joseph E. Talbot

Walter R. Schreiber

Glenn W. Sutton

William E. Dowling

J. Allen Overton, Jr.

Donn N. Bent, Secretary

-----  
Address all communications to  
United States Tariff Commission  
Washington 25, D. C.  
-----

C O N T E N T S

	<u>Page</u>
Watch movements (July 1961): Report to the President under paragraph 1 of Executive Order 10401, on developments with regard to watch movements since modification of the trade-agreement concession on July 27, 1954-----	1
Tariff duties applicable to watch movements since 1954-----	2
U.S. producers-----	5
U.S. production-----	8
U.S. producers' inventories-----	10
U.S. producers' sales:	
Sales of wholly domestic watches-----	11
Sales of watches containing imported movements-----	13
U.S. imports-----	15
U.S. consumption-----	21
Employment and wages in U.S. plants-----	23
Statistical appendix-----	26

TABLES

1. Watch movements and parts: U.S. rates of duty under the Tariff Act of 1930, and under that act as modified in 1936 and in 1954-----	27
2. U.S. rates of duty in 1930, 1936, and 1954 on selected items (classified by jewel count) dutiable under paragraph 367(a) of the Tariff Act of 1930-----	28
3. Watch movements: U.S. production, by type of movement, 1951-60, January-March 1960, and January-March 1961-----	29
4. Watches: Inventories of units produced in the United States, as of Dec. 31, 1952-60, and as of Mar. 31, 1960 and 1961-----	30
5. Watch movements: Distribution of U.S. imports for consumption, 1951-60, January-March 1960, and January-March 1961-----	31
6. Watch movements (including small-clock movements): U.S. imports for consumption, by jewel count, 1951-60, January-March 1960, and January-March 1961-----	32
7. Watches: Estimated apparent U.S. consumption, by type and origin, 1951-60, January-March 1960, and January-March 1961---	33
8. Average number of employees engaged in producing domestic watches (including parts and service) in the United States, and average hourly earnings, 1951-60, January-March 1960, and January-March 1961-----	34



U.S. TARIFF COMMISSION  
Washington 25, D.C.

Watch Movements  
(July 1961)

Report to the President, Under Paragraph 1 of Executive Order 10401, on Developments with Regard to Watch Movements Since Modification of the Trade-Agreement Concession on July 27, 1954

The tariff concession on watch movements granted in the trade agreement with Switzerland signed on January 9, 1936, was modified by the President by Proclamation No. 3062, dated July 27, 1954. That action by the President was taken after an investigation and report to him on the subject by the U.S. Tariff Commission, pursuant to section 7 of the Trade Agreements Extension Act of 1951, as amended. 1/

Under Executive Order 10401 of October 14, 1952 (3 CFR, 1949-1953 comp., p. 901), procedures are prescribed for the periodic review of a tariff modification resulting from an escape-clause action, with a view to determining whether the whole or any part of the concession that was withdrawn may be restored without causing or threatening serious injury to the domestic industry concerned. This report is the sixth that the Commission has made on watch movements pursuant to paragraph 1 of that Executive order; the Commission's first report was made on July 25, 1956, and the following four reports were made in July in each year from 1957 through 1960. On all of those occasions the President was advised by

---

1/ See U.S. Tariff Commission, Watches, Movements, and Parts (1954): Report to the President on Escape-Clause Investigation No. 26 Under the Provisions of Section 7 of the Trade Agreements Extension Act of 1951, 1954 (processed).

the Commission that no such change had occurred in the competitive situation as to warrant institution of a formal investigation under the provisions of paragraph 2 of Executive Order 10401.

Tariff duties applicable to watch movements since 1954 <sup>1/</sup>

On the basis of an escape-clause investigation made pursuant to section 7 of the Trade Agreements Extension Act of 1951, as amended, the Tariff Commission found in May 1954 that, partly as a result of the customs treatment reflecting the concessions granted in the trade agreement with Switzerland in 1936, the articles subject to duty under subdivisions (1), (2), (3), and (5) of paragraph 367(a) of the Tariff Act of 1930 were being imported in such increased quantities, both actual and relative, as to cause serious injury to the domestic industries producing like or directly competitive products. The President accepted the Commission's findings, and proclaimed on July 27, 1954, that the increased rates of duty recommended by the Commission should become effective. The rates on the foregoing articles were accordingly increased by 50 percent above the rates in effect under the Swiss agreement except that no rates were increased above those originally imposed under the Tariff Act of 1930 (tables 1 and 2 in the appendix).

Most of the new rates were identical with, or closely approximated, the corresponding rates applicable before the Swiss agreement of 1936 went into effect. However, the rate of duty on each jewel in excess of 7 in-

---

<sup>1/</sup> For detailed descriptions of the tariff rates applicable under the Tariff Act of 1930 at the time of its enactment and of the rates under the 1936 trade agreement with Switzerland, see the Tariff Commission's 1957 report to the President on watch movements under Executive Order 10401.

corporated in a movement containing not more than 17 jewels was increased from 9 cents to 13-1/2 cents, whereas the preconcession rate was 15 cents each; the supplementary duty on adjustments was retained at the concession rate of 50 cents each, whereas the preconcession rate was \$1; and the supplementary duty on special features (such as self-winding) was increased from 50 cents to 75 cents each, whereas the preconcession rate was \$1 each.

Notwithstanding that the duty of \$10.75 per unit applicable to movements containing more than 17 jewels has not been changed since adoption of the Tariff Act of 1930, the protection afforded by that duty has declined in recent years, primarily as a result of "upjeweling." Because of the wide disparity in U.S. duties applicable to 17-jewel movements and to those of higher jewel count (more than \$8 on a typical men's size wrist-watch), a number of concerns in the United States (mostly importer-assemblers) "remanufacture" imported 17-jewel movements into movements incorporating 21 or more jewels. 1/ The cost of such conversion is much less than the differential in duties referred to above. Another widespread practice is the conversion of imported 17-jewel movements into self-winding movements containing a greater number of jewels (usually 21 or more), by the incorporation of an imported jeweled self-winding attachment. 2/

---

1/ This practice is confined to the conversion of imported movements that are not especially prepared by the foreign supplier to facilitate upjeweling after importation. If specially prepared to facilitate such upjeweling in excess of 17 jewels, imported movements are dutiable at \$10.75 each under T.D. 53753 (Mar. 16, 1955).

2/ The Bureau of Customs in T.D. 54095 (May 25, 1956) held that imported watch movements that are engineered for the later addition or incorporation of self-winding devices containing jewels are not on that account regarded as movements specially prepared to facilitate upjeweling after importation within the meaning of T.D. 53753.

Limited production of watch movements in the Virgin Islands, almost wholly from imported parts, is a recent development that also has a bearing on the protection afforded by the U.S. tariffs applicable to watch movements, particularly those incorporating more than 17 jewels. Swiss manufacturers have long been unwilling to supply watch parts necessary for the assembly of complete watch movements abroad, but German, French, and Japanese manufacturers currently provide such parts. The watch movements now produced in the Virgin Islands by two concerns are made wholly from such foreign parts, and virtually all of the finished movements are shipped to the United States. Watch parts, on entering the Virgin Islands, are dutiable at 6 percent of their foreign value. The watch movements assembled in the Virgin Islands enter the United States free of duty when they do not contain foreign materials having a landed cost in the Virgin Islands in excess of 50 percent of the final appraised value of the movements when they enter the United States. Since production in the Virgin Islands is very small, it does not at present have an appreciable effect on the protection afforded by the U.S. tariff duties applicable to watch movements.

When the higher rates of duty went into effect in 1954, the incentive to smuggle watch movements increased, especially for the smaller sizes containing 17 jewels. No official estimates of the extent of

smuggling are available, but various persons in the trade estimate that it ranges from one-half million to more than 3 million units a year. Recently, the American Watch Association (principally importer-distributors of Swiss watches) reactivated their Vigilance Committee for the purpose of obtaining evidence leading to the arrest and conviction of smugglers. 1/ The Commission does not know precisely the extent of smuggling, nor does it have any way of knowing whether the volume of smuggling has increased or decreased. It recognizes, however, that the volume of smuggling is sufficiently large to pose a serious problem not only for the Federal authorities that are charged with stamping out smuggling but also for all legitimate interests in the watch trade.

#### U.S. producers

Currently, there are 7 domestic concerns that manufacture movements of the types that are competitive with those imported under the provisions of paragraph 367. 2/ Four of these concerns (The Bulova Watch Co., the

---

1/ Notice in Jewelers' Circular-Keystone, June 1961, p. 103.

2/ At the time the rates of duty on movements were increased (July 1954), there were 10 such concerns. Since then, the Waltham Watch Co., all of whose watches were jeweled-lever, discontinued the production of watches; the E. Ingraham Co. has ceased producing pin-lever wristwatches; and the William L. Gilbert Clock Corp. (now known as General-Gilbert), the Lux Clock Manufacturing Co., and the E. Ingraham Co. have terminated the production of small, spring-driven, nonjeweled pin-lever clocks. The New Haven Clock & Watch Co. discontinued production of pin-lever, pocket and wristwatches and small clocks at the end of 1959 and disposed of all its machinery and equipment for making such products during the first quarter of 1960. However, beginning in 1958, a limited quantity of watch movements, assembled from some parts of its own manufacture and some imported parts, has been produced by the Precision Time Corp. Initially the output of this plant consisted of movements having pin-lever escapements, but it now consists solely of those with jeweled-lever movements.

Hamilton Watch Co., the Elgin National Watch Co., and the Precision Time Corp.) manufacture exclusively jeweled-lever movements; three concerns (the United States Time Corp., General Time Corp., and the E. Ingraham Co.) produce pin-lever movements; and only one concern (General Time Corp., which also produces pin-lever movements) makes spring-driven, nonjeweled pin-lever movements used in small clocks--movements which are competitive with similar movements imported under paragraph 367.

Of the four producers of jeweled-lever movements, only Precision Time Corp. sells movements only. The remaining three companies sell watches that incorporate either movements of their own domestic manufacture or imported movements, some of which are produced in their own foreign plants. These concerns through their foreign subsidiaries also market watches abroad; the bulk of such watches, however, contain movements made in Switzerland, France, Germany or Japan.

In 1960, only one of the three producers of domestic pin-lever movements produced movements for incorporation both in pocket watches and in wristwatches. One concern produces movements for incorporation only in wristwatches, and the output of the other concern is limited to the production of movements for incorporation only in pocket watches. All three of these concerns also sell watches containing imported pin-lever movements, and two of them also market watches containing imported jeweled-lever movements. In addition, for a short time one company sold electric watches incorporating imported movements.

Two of the aforementioned producers of pin-lever watches have interests in watch- or clock-manufacturing facilities located abroad. The General Time Corp. has subsidiaries located in Canada, Scotland, and Brazil, and the United States Time Corp. has two plants in Scotland, two in West Germany, and one each in France and England. The West German plants, located in Pforzheim, which were acquired early in 1959, are reported to be fully integrated jeweled-lever watch factories. The United States Time Corp. now markets in the United States watches incorporating jeweled-lever movements (17 jewels) manufactured by its German subsidiaries, as well as some manufactured in Japan by the Seikosha Watch Co.

Most of the jeweled-lever watch movements manufactured or imported by domestic producers and most of the pin-lever movements made in the United States are cased in domestically produced cases. Most of the imported pin-lever movements, however, are cased abroad. Some domestic watch companies export limited quantities of complete timepieces (i.e., watches or clocks), movements, or parts to foreign markets, notably those in which they have merchandising or manufacturing affiliates. Practically all of them also produce articles other than timing instruments and in recent years have steadily expanded their operations outside the strictly horological field. In addition, most of the companies have, or have recently had, defense contracts covering not only timepieces and other timing instruments but also a wide range of other articles.

U.S. production

Beginning with this report, in order for the Commission to publish overall data with respect to the domestic watch industry and to avoid disclosing operations of individual concerns producing pin-lever movements, only data relevant to the operations of all concerns producing all watch movements will be presented beginning with 1960.

The output of watch movements by the domestic watch industry in 1959 amounted to 11.3 million units, the highest level of production since 1951 (table 3). Jeweled-lever watch movements accounted for 14 percent of the total production in 1959, and pin-lever movements accounted for the remaining 86 percent. Production in 1960 was slightly less than 9.5 million units, a level about equal to that in 1956 and 1958. Notwithstanding the smaller total production in 1960 than in 1959, the production of jeweled-lever movements in 1960 was slightly higher than in 1959. Total production of watch movements amounted to 2.1 million units in the first quarter of 1961, compared with 2.4 million units in the first quarter of 1960.

The decline in production of pin-lever movements in 1960 reflects a sharp decline in watch purchases which began in the fall of 1960. Production of pin-lever watches in the first quarter of 1961 was lower than that for the same period of any of the years since 1957, and production of jeweled-lever watches in the first quarter of 1961 was lower than that in any corresponding quarter since 1956 (the earliest period for which such data are available). All watch manufacturers are now operating with reduced personnel. One concern operates on a 2-weeks on, 2-weeks-off basis, and another suspended production in June 1961 for a period that is expected to last 8 weeks.

As noted in the Commission's previous reports, jeweled-lever movements with 16-17 jewels (consisting almost entirely of those with 17 jewels) have accounted since 1952 for an almost steadily declining share of total domestic production of jeweled-lever movements (62.6 percent for 1952, compared with 12.2 percent for 1958). This trend was reversed, however, when one of the concerns began the production of domestic movements in 1958 for use in certain models that formerly incorporated imported movements. In 1960, domestically produced movements containing 17 jewels accounted for about 19 percent of the total output of jeweled-lever movements and, during January-March 1961, for 22 percent.

All of the major producers of jeweled-lever movements manufacture and market watches containing movements other than those of the conventional type (i.e., those that incorporate a balance wheel and hairspring and are powered with a manually wound mainspring). Although the domestic industry does not produce some of the specialty watches, such as calendar watches, it currently produces and markets self-winding watches and electric watches. In 1960 the production of such watches accounted for more than 13 percent of the total number of movements produced by the jeweled-lever-watch manufacturers. Two domestic jeweled-lever-watch concerns produce and market men's self-winding watches, all containing 23 or more jewels. <sup>1/</sup> Two domestic companies producing jeweled-lever watches also produce and market

---

<sup>1/</sup> All domestic manufacturers of jeweled-lever watches also market self-winding watches that contain imported movements. Most of these watches contain 17 jewels, but some contain more. Some of these self-winding watches that contain more than 17 jewels are assembled in the United States by attaching imported, jeweled, self-winding mechanisms to imported 17-jewel movements.

battery-powered watches. In one of these electric watches (as well as in an electric watch now being tested by a third major producer) the movement employs a balance wheel but does not incorporate an escapement. In the other type of movement both the mainspring and the balance wheel are eliminated; this movement incorporates a tuning fork that is electrically activated.

Domestic pin-lever manufacturers now make their watch movements narrower and thinner than they formerly did, and some of them plan to market still narrower and thinner models. One of these domestic manufacturers now markets men's self-winding, pin-lever wristwatches, all parts of which are made in the United States.

Before 1953, production of pin-lever pocket watches was always greater than that of pin-lever wristwatches. Beginning in that year, however, and continuing into the first quarter of 1960, the production of wristwatches accounted for a steadily rising share of the overall production of pin-lever watches. In 1951, production of pocket watches accounted for almost 61 percent of the total output of such watches, whereas by 1958 (the latest year for which these data may be reported separately) production of wristwatches accounted for 70 percent of the total output.

#### U.S. producers' inventories

During the period 1953-60 the aggregate inventories of domestically produced watch movements (including those in finished watches) held by domestic manufacturers of pin-lever watch movements and of jeweled-lever movements ranged from a high of 1.4 million units at the end of 1952 to

a low of 686 thousand units at the end of 1957 (table 4). Between January 1, 1960, and December 31, 1960, inventories decreased by 29 percent--declining from 1,029 thousand units to 729 thousand units. Total inventories at the end of March 1961 amounted to 941 thousand units, compared with 1,036 thousand units at the end of March 1960.

During 1960, inventories held by domestic producers of pin-lever watch movements declined by about 47 percent, in contrast with an increase of 83 percent in the inventories of domestic producers of jeweled-lever movements. At the end of the first 3 months of 1961, inventories of producers of pin-lever movements were 33 percent below those at the end of the first 3 months of 1960, while inventories of producers of jeweled-lever movements had more than doubled.

#### U.S. producers' sales

Sales of wholly domestic watches.--In 1953, sales by U.S. producers of watches containing domestic movements totaled 8.8 million units. During the next 6 years sales of all domestic watches increased almost steadily from a low of 7.5 million units in 1954 to a high of 10.8 million units in 1959. In 1960, sales totaled 9.7 million units--representing a decline of 1 million units from those in the previous year. Sales in the first quarter of 1961 amounted to 1.7 million units, compared with 2.4 million units in the first quarter of 1960. Sales of watches containing domestically produced jeweled-lever movements accounted for 28 percent of the total quantity sold in 1953; since then such sales have accounted for an almost steadily declining share of total sales. In 1959, the last year for which separate data may be shown, the quantity of jeweled-lever watches sold

accounted for 44 percent of the total number of domestic units sold. In the first quarter of 1961, sales of watches containing domestic jeweled-lever movements accounted for less than 10 percent of the total number of domestic units sold.

The value of sales of watches containing domestically produced movements <sup>1/</sup> amounted to \$87 million in 1953, declined to \$66 million in 1954, and then rose to \$80 million in 1956. The value of sales declined to \$73 million in 1958 but rose to slightly more than \$86 million in 1959. Sales of these watches were only slightly lower in 1960 (\$84.5 million) than those in 1959, but sales in the first quarter of 1961 (\$11.8 million) were 34 percent lower than those in the first quarter of 1960.

In 1953 the value of sales of watches containing jeweled-lever movements was slightly more than four times the value of sales of watches containing pin-lever movements. However, by 1958, the value of sales of pin-lever watches was almost equal to that of the sales of watches containing jeweled-lever movements, and in 1959 the value of sales of pin-lever watches exceeded that of sales of jeweled-lever watches by about 5 percent. In 1960, sales of jeweled-lever watches were slightly less than \$6 million higher than those of pin-lever watches, but in the first quarter of 1961 sales of pin-lever watches again exceeded those of jeweled-lever watches, this time by 81 percent.

Since 1953, sales of all domestically produced watches have represented from 25 to 44 percent of the total value of sales of all products manufactured in the individual plants producing watch movements. This ratio, which was 44 percent in 1958 and 1959, declined to 42 percent in 1960; it fell to 30 percent in the first quarter of 1961, compared with 41 percent in the corresponding period of 1960.

---

<sup>1/</sup> The value of watch sales includes the value of the movement, case, band, and box, as well as overhead, profit, and so forth.

Although, in the years immediately preceding 1953 sales of watches containing domestically produced jeweled-lever movements accounted for virtually all of the sales of the domestic plants producing such watches, by 1953 such sales accounted for only 44 percent of their total sales. Largely because of cutbacks in the production of defense articles, the ratio of domestically produced jeweled-lever watches to total sales increased from 31 percent in 1954 to 46 percent in 1957. With the sharp decline in domestic production of watches in 1958, the ratio fell to 41 percent, but rose to 45 percent in 1959. In 1960 this ratio was slightly higher, but with the sharp decline in the sales of watches during the first quarter of 1961 the ratio fell to less than half of what it was in 1960.

Prior to 1959, sales of domestically produced pin-lever watches accounted for an increasing share of total annual sales of the plants in which pin-lever watches were produced. In 1953 such sales accounted for slightly more than 13 percent of the total sales of these plants, and, by 1958, they accounted for 46 percent. In 1959 they accounted for a slightly lower percentage than in 1958. The decline in the ratio continued in 1960 and into the first quarter of 1961.

Sales of watches containing imported movements.--All major producers of watches containing domestic movements also market watches that incorporate imported movements. <sup>1/</sup> Since 1953, sales of watches containing imported movements ranged from \$33 million (1958) to \$47 million (1959), and

---

<sup>1/</sup> Most of these movements are enclosed in domestically produced cases and most of these watches are equipped with watch bands manufactured in the United States.

have accounted for about one-third of the value of all watches marketed by domestic producers. With the almost steady decline in total value of sales of all products manufactured in domestic plants in which watch movements are made, sales of watches with imported movements accounted for a steadily rising proportion of that total, from 13 percent in 1953 to 24 percent in 1959. However, the ratio declined to 21 percent in 1960, and to 18 percent in the first quarter of 1961, compared with 22 percent in the first quarter of 1960.

The above ratios obscure the great variation between the extent domestic jeweled-lever producers and domestic pin-lever producers market watches containing imported movements. In 1953, sales of watches containing imported movements sold by domestic producers of jeweled-lever watches accounted for 23 percent of the value of their aggregate sales of all products; whereas the corresponding ratio for producers of pin-lever watches was less than 1 percent. By 1959 the value of sales of watches with imported movements sold by producers of jeweled-lever watches had increased to 42 percent of total sales of all products and that for pin-lever producers had increased to 8 percent. In 1960 the corresponding ratios were 33 percent and 10 percent.

Of the 2.8 million watches containing imported movements sold by all domestic producers of watch movements in 1960, 33 percent represented the sales of conventional type pin-lever watches, 61 percent represented the sales of conventional type jeweled-lever watches, and the remainder consisted of special-feature types, principally those with self-winding movements.

U.S. imports

In 1960 the total imports of movements 1/ dutiable under paragraph 367 amounted to 14.3 million units, the second largest quantity imported in any one year (table 5). 2/ Imports in 1959, amounting to 14.5 million units, were only slightly greater. The volume of imports was almost 6 percent higher in 1960 than in 1956, the year next highest to 1960. The foreign value of imports in 1960 amounted to \$53.3 million, about 7 percent below the value of imports in 1956. Imports in the first 3 months of 1961 amounted to 2.2 million units, valued at \$8.5 million, compared with 2.9 million units, valued at \$11.1 million, imported in the first 3 months of 1960. The greater volume of imports in 1959 and 1960 than in the earlier years was due primarily to the increased imports and sales in the United States of pin-lever watches.

Until 1953, imports from Switzerland accounted for virtually all of the imports of watch movements into the United States, but since then the share imported from that country has steadily declined. In 1952 imports from Switzerland accounted for 97.3 percent of the total number imported; by 1960 the share had declined to 84.1 percent, and in the first 3 months of 1961 it was 81.8 percent of the total. Since 1951 the bulk of

---

1/ Imports entered under par. 367 of the Tariff Act of 1930 are referred to hereafter in the aggregate as "watch movements" although they include a small quantity of movements that enter commercial channels as small clocks.

2/ The data on imports are based on official U.S. statistics. Because of smuggling, these statistics understate the actual quantities of foreign movements that enter into domestic consumption. The general practice of the Dept. of the Treasury is to sell watches and watch movements confiscated from smugglers at public auction.

the imports from other countries have been from West Germany (primarily movements having pillar plates measuring over 1.5 inches in width which are incorporated in small clocks). Between 1951 and 1960 the share of the total imported watch movements supplied by West Germany increased from 2.5 to 12.2 percent, and for the first quarter of 1961 it was 13.4 percent.

The official import statistics, especially for those broad categories relating to the number of jewels contained in imported movements, indicate that the shift in the composition of imports from jeweled-lever movements (those containing 7 or more jewels) to pin-lever movements (principally those containing 1 or no jewels) has continued since 1953. The proportion of total imports consisting of 1- or no-jewel movements increased from 21 percent of the total in 1951 to 50 percent in 1960, and the proportion of movements having 2 or more jewels declined from 79 percent of the total in 1951 to 50 percent in 1960. The shift to pin-lever movements has also been accompanied by a general decline in the average unit foreign value of imports from \$5.29 per movement in 1953 to \$3.73 in 1960.

Total imports of watch movements having 1 or no jewels have increased almost steadily since 1951. They rose from 2,448 thousand units in 1951 to an alltime record of 7,085 thousand units in 1960. Imports of these movements in the first quarter of 1961 amounted to 1,007 thousand units, substantially less than the 1,366 thousand units imported during the first quarter of 1960.

The bulk of the imports of jeweled-lever watch movements is accounted for by those in the 16- to 17-jewel bracket (most of which contain 17 jewels). Total imports of such watch movements reached their highest level in 1953, when they amounted to 8.4 million units; they declined to 6.2 million units in 1954 and 5.6 million units in 1955, and then rose to 6.2 million units in 1956 and remained at that level in 1957 (table 6). In 1958, such imports amounted to 4.7 million units, less than in any earlier year as far back as 1945. Imports of 16- to 17-jewel watch movements amounted to 6.1 million units in 1959 and 6.0 million units in 1960, slightly less than for either 1956 or 1957. Imports in the first 3 months of 1961 amounted to 993 thousand units, substantially less than for the first 3 months of 1960, when they amounted to 1,271 thousand units. Most of the decline since 1953 in imports of movements having 16-17 jewels has been in those 0.6 to 0.8 inch and 0.9 to 1.0 inch in width.

Imports having 2-15 jewels accounted for a sharply declining proportion of the total imports of watch movements during the last 10 years, a decline from about 20 percent in 1951 to about 8 percent in 1960. Imports of movements having 2-7 jewels declined during this period from a high of 1.8 million units in 1953 to 1.2 million units in 1960, and imports having 8-15 jewels, from 660 thousand units in 1951 to 51 thousand units in 1960. Although imports of movements having more than 17 jewels were about five times greater in 1960 than in 1951, they remained insignificant.

Not only are imports of watch movements classified into broad jewel-count categories, but those imports having not more than 17 jewels are also classified in official statistics according to seven size groups 1/ within each jewel count category. An analysis of these imports by size indicates that there has been little change during the last 10 years between the proportion of total imports of watch movements incorporated in men's watches and in women's watches. 2/ Movements of the size normally used in men's wristwatches have accounted for slightly more than half of the total number of imported movements used in all watches and those normally incorporated in women's watches have accounted for slightly less than half of the total imports.

The shift from jeweled-lever to pin-lever watch movements shown in an analysis by size groups appears even more pronounced than in the aggregate analysis of jewel counts. Imports of the sizes of movements incorporated in women's wristwatches (virtually all 0.6 to 0.8 inch in width) having 1 or no jewels increased from 14 thousand units in 1951 to 2.6 million units in 1960. These movements accounted for less than 1 percent of the total movements incorporated in women's watches in 1951; by 1960 they accounted for 44 percent of the total. Imports of the sizes of movements incorporated in men's wristwatches having 1 or no jewels increased from 1.4 million units

---

1/ The Tariff Act of 1930, as amended, imposed a different rate of duty for these seven sizes, which range from movements having pillar plates measuring as large as over 1.5 inches but not over 1.77 inches in width to as small as 0.6 inch or less.

2/ In this analysis it is assumed that virtually all of the imported movements less than 1.5 inches in width are used in wristwatches, and of these movements those measuring 0.9 to 1.5 inches in width are used in men's wristwatches.

in 1951 to 3.5 million units in 1960. These men's watch movements accounted for 29 percent of the total movements incorporated in men's wristwatches in 1951 and for 51 percent of the total in 1960.

In contrast with the foregoing, the share of the total imports of men's wristwatch movements accounted for by those having 2 or more jewels declined from 71 percent of the total in 1951 to 49 percent in 1960. The share of the total women's watch movements accounted for by those having 2 or more jewels declined during this period from more than 99 percent to 56 percent of the total.

During the last 10 years imports of watch movements subject to the additional duty for a self-winding device (or if designed to operate without rewinding for a period in excess of 47 hours) fluctuated somewhat from year to year. In 1960 about 1,089,000 such movements were imported, the smallest number since 1952 and equal to about half the quantity of such movements imported in 1953. Since 1953, except for 1958, these movements have accounted for a declining proportion of the total annual imports of all watch movements.

The number of adjustments in imported movements on which adjustment duties were assessed was substantially higher in the past 4 years than in earlier years. In 1960, duty was assessed on movements containing an aggregate of 238,000 adjustments. Such movements, however, accounted for less than half of 1 percent of the total number of movements imported in that year.

Some of the movements entered under paragraph 367 of the Tariff Act of 1930 are of the types and sizes most frequently used in small clocks rather than in watches, but no separate statistics are available on the volume or value of the imports of these movements. The Tariff Commission estimates that imports of movements for use in clocks entered under paragraph 367 totaled about 1.1 million units in 1956, 850 thousand units in 1957, 788 thousand units in 1958, 970 thousand units in 1959, and 1,042 thousand units in 1960 (table 5). <sup>1/</sup> Imports in the first 3 months of 1961 totaled 201 thousand units, compared with 198 thousand units in the first 3 months of 1960.

The tariff increases of July 1954 have had little restraining effect on imports of these small-clock movements inasmuch as most of them have been 1- or no jewel movements more than 1.5 inches wide, on which the rate of duty (75 cents each) has remained unchanged since the passage of the Tariff Act of 1930. A substantial proportion of the 2- to 7-jewel movements entered under paragraph 367 are also used in clocks, but the 1954 tariff increases on most of such movements amounted to only 35 cents per unit.

Some of the movements imported under paragraph 367 are cased in the United States in domestic cases and then re-exported with benefit of drawback. The volume of such trade, however, has always been small. The re-exports in 1960 amounted to only 84 thousand units, a quantity much below that in most of the immediately preceding years (table 5).

---

<sup>1/</sup> Not all of the movements imported under par. 367 that are used in small clocks compete directly with the small, spring-driven, nonjeweled clocks produced by domestic manufacturers; some of the imported clocks compete more directly with the somewhat larger domestically produced clocks, and some have no domestic counterpart.

U.S. consumption

Apparent U.S. consumption of all watches (domestic and imported) rose from 16.2 million units in 1954 (its lowest level during the last 10 years) to 21.5 million units in 1956, declined to 19.8 million units in 1958, and then rose to 24.8 million units in 1959, the highest for any year on record. Consumption declined to 22.6 million units in 1960, and for the first quarter of 1961 amounted to 4.0 million units, compared with 5.1 million units for the first quarter of 1960. The share of total consumption supplied by watches containing domestic movements declined from 50.9 percent in 1951 (the highest share in the past 10 years) to 41.2 percent in 1953, rose to 47.2 percent in 1955, declined to 38.9 percent in 1957, and rose again to 47.6 percent in 1958. By 1960 the share supplied by domestic movements had declined to 41.7 percent; however, the share supplied by domestic movements in the first 3 months of 1961 was 51.1 percent, compared with 47.6 percent in the first 3 months of 1960.

The share of total U.S. consumption that was supplied by watches containing domestic jeweled-lever movements declined from 13.8 percent in 1951 to its lowest level of 4.6 percent in 1958, rose to 6.4 percent in 1959, and rose slightly again in 1960. The share supplied by watches containing domestic pin-lever movements declined from 37.1 percent in 1951 to 29.9 percent in 1953, rose to 36.6 percent in 1955, declined again to 31.6 percent in 1957, rose sharply to 43.0 percent in 1958, and then declined substantially in both 1959 and 1960.

The share of consumption of all watches that was supplied by watches containing imported movements having 2 or more jewels (for the most part

jeweled-lever movements) declined sharply from 47.6 percent in 1953 to a low of 28.1 percent in 1958, and by 1960 had increased slightly to 30.3 percent. The share supplied by watches containing movements having 1 or no jewels (all pin-lever movements) rose strikingly from 11.2 percent in 1953 to 26.6 percent in 1957, declined slightly in 1958, but rose to 28.0 percent in 1960.

A substantial share of the sales of watches incorporating imported movements consists of those that are either lower or higher priced than the bulk of the wholly domestic watches. Some of the imported watches, such as self-winding watches in women's sizes, chronographs, and alarm watches, contain special features not found in wholly domestic watches. Only two domestic manufacturers of jeweled-lever watches and only one domestic manufacturer of pin-lever watches currently produce self-winding watches, and only in men's watch sizes.

Increased consumer acceptance of pin-lever watches, particularly in the smaller sizes that are currently supplied largely by imports, must be attributed not only to their comparatively low prices but also to the great variety of sizes, shapes, and styles in which they are offered and to the improvements in the quality of many of them in recent years. Another factor of considerable importance in furthering the sale of pin-lever watches, more of which are discarded after expiration of the guarantee period than are repaired, has been the mounting cost of repairs on jeweled-lever watches. This factor, together with extensive advertising for watches that incorporate pin-lever movements, no doubt contributed to the rise in sales of such watches at the expense of those of jeweled-lever watches.

Domestic manufacturers have changed the construction and outward appearance of their pin-lever pocket watches very little over the years. They continue to supply the great bulk of the rapidly declining domestic consumption of such watches, but imports of pin-lever pocket watches have increased somewhat during the past few years.

Domestic producers of small, spring-driven clocks supplied in 1955 an estimated 71 percent of the total domestic consumption of such clocks. That share was lower than for any earlier year as far back as World War II. Domestic production in 1956, which was about 17 percent higher than that in 1955, accounted for 77 percent of the total consumption of these clocks. Production declined steadily thereafter, until in 1959 the volume was only about one-third as high as in 1956 and accounted for only 56 percent of the total domestic consumption. Since there was only one domestic producer of these clocks in 1960, no comparisons may be published for that year.

#### Employment and wages in U.S. plants

The annual average number of production and related workers engaged in the manufacture of all domestically produced watches and watch movements (including watch parts and the servicing of watches) declined from 8,300 workers in 1953 (the first full year before the increased rates of duty became effective) to 6,375 in 1957, and then rose to 7,924 in 1959. In 1960, employment declined to an annual average of slightly over 7,046 workers; employment in the first quarter of 1961 averaged 5,158 workers, compared with 8,198 in the first quarter of 1960.

Prior to 1958, employment of production and related workers was substantially higher at plants manufacturing jeweled-lever movements than

at plants producing pin-lever movements. As shown in table 8, in 1958 there were about 1,400 more production and related workers producing domestic pin-lever watches than there were similar workers at jeweled-lever plants. Employment increased in both segments of the industry in 1959; the increase in employment was substantially larger, however, at plants producing jeweled-lever movements than at plants producing pin-lever movements. The decline in total employment between 1959 and 1960 was larger at plants producing pin-lever watch movements than at plants producing jeweled-lever movements. During the first quarter of 1961, there were approximately the same number of production and related workers producing jeweled-lever movements as there were producing pin-lever movements.

In the latter part of 1960, practically all of the domestic concerns began to curtail operations because of the decrease in demand for watches. Most of the companies have operated with reduced personnel since then and one company suspended production for 8 weeks during the period November 1960-February 1961 because of excessive inventories. Employment during the second quarter of 1961 was at an exceptionally low level, especially at jeweled-lever watch plants. In June 1961, one company, because of excessive inventories, furloughed all of its production and related workers for a period of 8 weeks.

Average hourly wages paid to workers engaged in the production of jeweled-lever watches increased steadily from World War II through 1958 and then declined thereafter (table 8). In 1958, the average rate paid was \$2.36 per hour, compared with \$2.26 in 1959 and \$2.15 in 1960. The

average rate in the first 3 months of 1961 was \$2.31, compared with \$2.32 per hour in the first 3 months of 1960. Most of the decline from 1958 through 1960 reflects a reduction in the wages paid and a change in the composition of the labor force of one concern.

Average hourly wages paid to workers engaged in the production of pin-lever watches increased from \$1.44 per hour in 1953 to \$1.67 in 1959, and amounted to \$1.76 per hour in 1960 and to \$1.80 in the first quarter of 1961.



**STATISTICAL APPENDIX**

Table 1.--Watch movements and parts: U.S. rates of duty under the Tariff Act of 1930, and under that act as modified in 1936 and in 1954

Item	Tariff rates under the Tariff Act of 1930		
	1930	As amended in 1936 <sup>1/</sup>	As amended in 1954 <sup>2/</sup>
Par. 367(a):			
Watch movements, and time-keeping, time-measuring, or time-indicating mechanisms, devices, and instruments, <sup>3/</sup> whether or not designed to be worn or carried on or about the person, all the foregoing, if less than 1.77 inches wide, whether or not in cases, containers, or housings:			
Having more than 17 jewels-----	\$10.75	\$10.75 <sup>4/</sup>	\$10.75.
Having more than 1 but not more than 17 jewels:			
If over 1.5 inches wide-----		90¢	\$1.25.
Over 1.2 but not over 1.5 inches wide-----		90¢	\$1.35.
Over 1 but not over 1.2 inches wide-----		90¢	\$1.35.
Over 0.9 but not over 1 inch wide-----		\$1.20	\$1.75.
Over 0.8 but not over 0.9 inch wide-----		\$1.35	\$2.00.
Over 0.6 but not over 0.8 inch wide-----		\$1.35	\$2.02-1/2.
0.6 inch or less wide-----		\$1.80	\$2.50.
Having no jewels or only 1 jewel:			
If over 1.5 inches wide-----	75¢	75¢ <sup>4/</sup>	75¢.
Over 1.2 but not over 1.5 inches wide-----	84¢	75¢	84¢.
Over 1 but not over 1.2 inches wide-----	93¢	75¢	93¢.
Over 0.9 but not over 1 inch wide-----	\$1.05	75¢	\$1.05.
Over 0.8 but not over 0.9 inch wide-----	\$1.20	75¢	\$1.12-1/2.
Over 0.6 but not over 0.8 inch wide-----	\$1.35	75¢	\$1.12-1/2.
0.6 inch or less wide-----	\$1.50	90¢	\$1.35.
Additional duties on the foregoing having not more than 17 jewels:			
For each jewel in excess of 7-----	15¢	9¢	13-1/2¢.
For each adjustment <sup>5/</sup> -----	\$1.00	50¢	50¢.
If constructed or designed to operate for a period in excess of 47 hours without rewinding, or if self-winding, or if a self-winding device may be incorporated therein-----	\$1.00	50¢	75¢.
Any of the foregoing, if containing less than 7 jewels and containing a bushing or its equivalent (other than a substitute for a jewel) in any position customarily occupied by a jewel.	(Not specified in act of 1930.)	The 1930 rates specified for articles containing less than 7 jewels.	The 1930 rates specified for articles containing less than 7 jewels.





Table 3.---Watch movements: U.S. production, by type of movement, 1951-60, January-March 1960, and January-March 1961

(In thousands of units)

Year or period	Jeweled-lever movements <u>1/</u>			Pin-lever movements			All movements
	8-15 jewels	16-17 jewels	More than 17 jewels	Total	Wrist	Pocket	
1951	37	1,839	1,286	3,162	3,242	5,084	8,397
1952	31	1,523	879	2,433	2,758	3,295	6,121
1953	39	1,110	1,216	2,365	3,314	2,709	6,076
1954	<u>3/</u>	846	870	1,716	3,000	2,596	5,680
1955	<u>3/</u>	701	1,225	1,926	3,680	2,874	6,566
1956	<u>3/</u>	714	1,352	2,066	3,745	3,606	7,383
1957	<u>3/</u>	460	1,073	1,533	4,683	1,681	6,373
1958	<u>3/</u>	116	831	947	6,026	2,498	8,556
1959	<u>3/</u>	263	1,351	1,614	<u>4/</u>	<u>4/</u>	9,720
1960	<u>3/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>
January-March: 1960	<u>3/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>
1961	<u>3/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>

1/ There was no production of jeweled-lever movements containing 7 or fewer jewels in the period covered by this table.

2/ The small differences between the totals shown and the sums of the production of pocket watches and wristwatches are accounted for by the inclusion in the totals of a small production of watch movements sold as such, and of watches other than wristwatches and pocket watches, in some years.

3/ These movements, if any, included with movements containing 16-17 jewels.

4/ Data may not be shown since publication would reveal the operations of individual companies.

Source: Compiled from data submitted to the U.S. Tariff Commission by individual producers.

Table 4.--Watches: Inventories of units produced in the United States, as of Dec. 31, 1952-60, and as of Mar. 31, 1960 and 1961

(In thousands of units)

Date	Jeweled- lever watches	Pin-lever watches			All move- ments
		Pocket	Wrist	Total	
Dec. 31--					
1952-----	361	761	275	1,036	1,397
1953-----	562	426	300	726	1,288
1954-----	477	288	229	517	994
1955-----	425	59	319	378	803
1956-----	452	437	332	769	1,221
1957-----	331	120	235	355	686
1958-----	125	244	336	580	705
1959-----	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	1,029
1960-----	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	729
Mar. 31--					
1960-----	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	1,036
1961-----	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	941

1/ Data may not be shown since publication would reveal the operations of individual companies.

Source: Data compiled from reports submitted to the U.S. Tariff Commission by individual producers.

Table 5.---Watch movements: Distribution of U.S. imports for consumption, 1951-60, January-March 1960, and January-March 1961

Year or period	(Quantity in thousands of units)										Quantity			
	Movements					Movements used in watches								
	Foreign value, total	Total	that enter commercial channels in clocks $\frac{1}{2}$	Imports	Exports	Imports	Containing 0-1 jewel	Containing 2 or more jewels	Imports with benefit of	Exports minus ex-ports with benefit of	Imports	Exports	Imports	Exports
	1,000													
	dollars													
1951	54,190	11,576	500	2,248	8,828	69								11,007
1952	58,818	11,657	650	2,270	8,737	130								10,877
1953	70,695	13,367	1,085	2,262	10,020	407								11,875
1954	54,495	10,485	1,149	1,972	7,364	319								9,017
1955	50,459	10,853	1,228	3,293	6,332	270								9,355
1956	57,312	13,509	1,051	5,358	7,100	196								12,262
1957	56,922	13,246	850	5,333	7,063	153								12,243
1958	46,343	11,315	788	4,810	5,717	140								10,387
1959 $\frac{2}{1}$	56,732	14,524	970	6,404	7,150	82								13,472
1960 $\frac{2}{1}$	53,272	14,284	1,042	6,312	6,930	84								13,158
January-March:														
1960 $\frac{2}{1}$	11,089	2,899	198	1,242	1,459	29								2,672
1961 $\frac{2}{1}$	8,520	2,197	201	956	1,040	25								1,971

$\frac{1}{1}$  Allocations made on the basis of information obtained from importers, dealers, and others.  
 $\frac{2}{2}$  Preliminary.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Table 6.--Watch movements (including small-clock movements): U.S. imports for consumption, by jewel count, 1951-60, January-March 1960, and January-March 1961

Year or period	Movements containing--					All movements <sup>1/</sup>
	0-1 jewel	2-7 jewels	8-15 jewels	16-17 jewels	More than 17 jewels	
Quantity (1,000 units)						
1951-----	2,448	1,707	660	6,757	4	11,576
1952-----	2,470	1,644	476	7,060	7	11,657
1953-----	2,752	1,845	329	8,432	9	13,367
1954-----	2,532	1,534	190	6,217	13	10,485
1955-----	3,866	1,250	122	5,599	17	10,853
1956-----	5,086	1,272	57	6,177	17	13,509
1957-----	5,805	1,161	38	6,222	20	13,246
1958-----	5,294	1,261	47	4,692	22	11,315
1959 <sup>2/</sup> -----	6,990	1,368	63	6,082	20	14,524
1960 <sup>2/</sup> -----	7,085	1,158	51	5,971	19	14,284
January-March:						
1960 <sup>2/</sup> -----	1,366	245	14	1,271	2	2,899
1961 <sup>2/</sup> -----	1,007	176	18	993	3	2,197
Percent of total quantity						
1951-----	21.1	14.8	5.7	58.4	3/	100.0
1952-----	21.2	14.1	4.0	60.6	0.1	100.0
1953-----	20.6	13.8	2.4	63.1	.1	100.0
1954-----	24.2	14.6	1.8	59.3	.1	100.0
1955-----	35.6	11.5	1.1	51.6	.2	100.0
1956-----	44.3	9.4	.4	45.8	.1	100.0
1957-----	43.8	8.8	.3	47.0	.1	100.0
1958-----	46.8	11.1	.4	41.5	.2	100.0
1959 <sup>2/</sup> -----	48.2	9.4	.4	41.9	.1	100.0
1960 <sup>2/</sup> -----	49.6	8.1	.4	41.8	.1	100.0
January-March:						
1960 <sup>2/</sup> -----	47.1	8.5	.5	43.8	.1	100.0
1961 <sup>2/</sup> -----	45.8	8.0	.8	45.2	.2	100.0
Average unit foreign value						
1951-----	\$1.31	\$3.05	\$5.45	\$6.21	\$54.75	\$4.68
1952-----	1.39	3.20	5.87	6.67	34.30	5.05
1953-----	1.67	3.08	5.51	6.91	38.36	5.29
1954-----	1.82	2.84	5.37	7.11	24.02	5.20
1955-----	1.70	2.71	6.90	7.01	26.27	4.65
1956-----	1.57	3.25	7.69	6.93	31.32	4.24
1957-----	1.65	3.35	10.84	6.83	27.87	4.30
1958-----	1.79	3.45	8.77	6.72	26.90	4.10
1959 <sup>2/</sup> -----	1.89	3.51	8.18	6.16	35.93	3.91
1960 <sup>2/</sup> -----	1.83	3.62	9.68	5.85	37.74	3.73
January-March:						
1960 <sup>2/</sup> -----	1.85	3.73	9.69	5.84	38.81	3.83
1961 <sup>2/</sup> -----	1.85	3.72	9.26	5.76	37.61	3.88

<sup>1/</sup> Because of rounding, figures may not add to the totals shown.

<sup>2/</sup> Preliminary. <sup>3/</sup> Less than 0.05 percent.

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

Table 7.--Watches: Estimated apparent U.S. consumption, by type and origin, 1951-60, January-March 1960, and January-March 1961

Year or period	(In thousands of units)									
	Watches with domestic movements					Watches with imported movements				
	Jeweled-lever	Pocket	Wrist	Pin-lever	Total	Containing 2 or more jewels	Containing 0-1 jewel	Total	All watches	
1951	3,093	5,099	3,230	8,329	11,422	8,759	2,248	11,007	22,429	
1952	2,312	3,320	2,729	6,049	8,361	8,607	2,270	10,877	19,238	
1953	2,301	2,744	3,292	6,036	8,337	9,613	2,262	11,875	20,212	
1954	1,670	2,611	2,902	5,513	7,183	7,045	1,972	9,017	16,200	
1955	1,871	2,852	3,635	6,487	8,358	6,062	3,293	9,355	17,713	
1956	1,996	3,592	3,698	7,290	9,286	6,904	5,358	12,262	21,548	
1957	1,453	1,663	4,666	6,329	7,782	6,910	5,333	12,243	20,025	
1958	917	2,528	6,003	8,531	9,448	5,581	4,806	10,387	19,835	
1959	1,574	1/	1/	9,708	11,282	2/ 7,068	2/ 6,404	2/ 13,472	24,754	
1960	1/	1/	1/	1/	9,407	2/ 6,846	2/ 6,312	2/ 13,158	22,565	
January-March:										
1960	1/	1/	1/	1/	2,429	2/ 1,430	2/ 1,242	2/ 2,672	5,101	
1961	1/	1/	1/	1/	2,057	2/ 1,015	2/ 956	2/ 1,971	4,028	

1/ Data may not be shown since publication would reveal the operations of individual companies.  
2/ Preliminary.

Source: Compiled from data in tables 3 and 5.

Note.--Apparent consumption of watches incorporating domestic movements has been calculated on the basis of domestic production of movements minus the estimated U.S. exports of wholly domestic watches; and the apparent consumption of watches incorporating imported movements has been calculated on the basis of imports of watch movements minus the number of watches containing imported movements that have been exported with benefit of drawback.

Table 8.--Average number of employees engaged in producing domestic watches (including parts and service) in the United States, and average hourly earnings, 1951-60, January-March 1960, and January-March 1961

Year or period	Average number of employees producing watches at--			Average hourly earnings <sup>1/</sup> of employees producing--	
	Jeweled-lever watch plants	Pin-lever watch plants	All watch plants	Jeweled-lever watches	Pin-lever watches
1951-----	8,379	3,244	11,623	\$1.63	\$1.33
1952-----	6,561	2,508	9,069	1.69	1.36
1953-----	5,951	2,349	8,300	1.79	1.44
1954-----	4,199	2,659	6,858	1.90	1.52
1955-----	4,072	2,836	6,908	2.04	1.51
1956-----	3,955	2,899	6,854	2.19	1.58
1957-----	3,621	2,754	6,375	2.29	1.59
1958-----	2,596	4,012	6,608	2.36	1.63
1959-----	<u>2/</u>	<u>2/</u>	7,924	2.26	1.67
1960-----	<u>2/</u>	<u>2/</u>	7,046	2.15	1.76
January-March:					
1960-----	<u>2/</u>	<u>2/</u>	8,198	2.32	1.70
1961-----	<u>2/</u>	<u>2/</u>	5,158	2.31	1.80

<sup>1/</sup> Excludes "fringe benefits."

Data prior to 1953 represent average hourly earnings of employees engaged in plants producing watches.

<sup>2/</sup> Data may not be shown since publication would reveal the operations of individual companies.

Source: Compiled from reports submitted to the U.S. Tariff Commission by individual producers.