

UNITED STATES INTERNATIONAL TRADE COMMISSION

MULTIMETAL LITHOGRAPHIC PLATES FROM MEXICO

Affirmative Determination of "No Reasonable Indication  
of Injury" in Inquiry No. AA1921-Inq. -4  
Under the Antidumping Act, 1921,  
as Amended



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May 1976

UNITED STATES INTERNATIONAL TRADE COMMISSION

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UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, D.C.

[AA1921-Inq.-4]

May 21, 1976

MULTIMETAL LITHOGRAPHIC PLATES FROM MEXICO

Commission Determines "No Reasonable Indication of Injury"

On April 22, 1976, the United States International Trade Commission received advice from the Department of the Treasury that, in accordance with section 201(c)(1) of the Antidumping Act of 1921, as amended, an antidumping investigation was being initiated with respect to multimetallithographic plates from Mexico, and that, pursuant to section 201(c)(2) of the act, information developed during the summary investigation led to the conclusion that there is substantial doubt that 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 lithographic plates into the United States from Mexico. Accordingly, the Commission on April 27, 1976, instituted inquiry AA1921-Inq.-4 under section 201(c)(2) of the act to determine whether there is no reasonable indication that 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.

A public hearing was held on May 6, 1976. Public notice both of the institution of the inquiry and of the hearing was duly given by posting copies of the notice at the Secretary's Office in the Commission in Washington, D.C., and at the Commission's Office in New York City, and by publishing

the original notice in the Federal Register on April 29, 1976 (41 F.R. 17977).

The Treasury instituted its investigation after receiving a properly filed complaint on March 24, 1976, from Printing Developments, Inc., Racine, Wisconsin. The Treasury's notice of its antidumping proceeding was published in the Federal Register of April 27, 1976 (41 F.R. 17581).

On the basis of its inquiry with respect to imports of multimetal lithographic plates from Mexico--the subject of the antidumping investigation initiated by the Treasury--the Commission (Commissioners Leonard, Minchew, Moore, Bedell, Parker, and Ablondi) determines that there is no reasonable indication that 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.

## Statement of Reasons

The United States International Trade Commission on April 27, 1976, instituted inquiry AA1921-Inq.-4 under section 201(c)(2) of the Anti-dumping Act, 1921, as amended. The purpose of this 30-day inquiry was to determine whether "there is no reasonable indication that 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" into the United States of multimetal lithographic plates from Mexico, which are the subject of a pending Department of the Treasury (Treasury) investigation under section 201(a) of the Antidumping Act, 1921, as amended.

### Determination

On the basis of the evidence developed during the course of this 30-day inquiry, the Commission unanimously determines that there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, 1/ by reason of the importation of multimetal lithographic plates into the United States from Mexico.

### Discussion

The Commission is not to determine in this inquiry whether an industry in the United States is in fact experiencing injury or likelihood thereof such as would be the situation during the course of an investigation under section 201(a). Nor is the Commission to speculate as to whether evidence will be adduced at a later time which

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1/ The question of no reasonable indication of the prevention of establishment of an industry was not an issue in this inquiry.

would demonstrate such injury. Rather, in this inquiry, pursuant to section 201(c)(2), if the Commission, on the basis of the evidence before it, finds no reasonable indication of injury or likelihood thereof, then an affirmative determination to that effect must follow. Furthermore, if the Commission finds no reasonable indication that any injury or likelihood thereof is by reason of the possible sales at less than fair value (LTFV) of the merchandise which is the subject of the Treasury's investigation, an affirmative determination must also follow. In either case of an affirmative finding, the proceedings before Treasury are terminated.

In this inquiry, the evidence clearly demonstrates that whatever the indications of injury or likelihood thereof may be at this time, there is no reasonable indication that an industry in the United States is experiencing any injury or likelihood thereof by reason of any possible LTFV sales of multimetall lithographic plates from Mexico.

In order to determine whether there is no reasonable indication of injury or likelihood thereof, we have determined that the U.S. industry most generally competitive with the Mexican imports which are the subject of the Treasury investigation, and hence most likely to be adversely affected by such imports, consists of the domestic producers of sensitized and nonsensitized multimetall plates and, at least to some degree, deep-etched and long-run photopolymer-type plates. 1/

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1/ Commissioner Leonard does not join in the description of the U.S. industry set out in the text, considering it unnecessary to specifically define any such industry. Whether the U.S. industry (or industries) considered by the Commission in this inquiry is large (for example, consisting of the domestic facilities devoted to production of all lithographic plates) or small (for example, consisting of the domestic facilities devoted to the production of only nonsensitized multimetall lithographic plates) or somewhere in between these extremes, the determination in this inquiry is unchanged, since the evidence before the Commission demonstrates that the imported product under consideration is not a cause of injury or likelihood thereof to any such domestic industry.

The complainant in this inquiry accounted for more than three-fourths of the sales of total multimetals plates by domestic producers in 1975. The remaining producers of such merchandise did not join the complainant in this proceeding.

On the basis of information furnished to and gathered by the Commission during this inquiry, the ratio of import sales to total consumption of the plates considered competitive with the Mexican imports possibly sold at LTFV is approximately 3 percent. However, minimal import penetration in itself is not sufficient to conclude that there is no reasonable indication of injury or likelihood thereof. Other indicators of injury and the causal relationship of such injury to the alleged LTFV imports must be examined.

The only information regarding the complainant's profits was furnished by the complainant to the Treasury and the Commission. During the period January 1973 through June 1975, the complainant's profits in its Plate and Chemical Division, the facility which primarily accounts for the production of lithographic plates, reflect a reasonable return on sales. Indeed, sales by the domestic producers in the U.S. market increased substantially from January-March 1975 to January-March 1976.

Other indicators of injury were suggested by the complainant, e.g., unemployment, lost sales, and underselling. However, the complainant did not provide the Commission with the evidence it requested which would support the complainant's contention that these indicators represent some evidence of injury. Moreover, the Commission could not find sufficient information, as a result of its investigation during

this inquiry, to support the complainant's claims before the Commission with respect to these indicators.

With regard to the employment situation in the domestic industry, the evidence before the Commission does not lead to the conclusion that any unemployment was reasonably related to the possible less-than-fair-value imports from Mexico. Further, the record clearly indicates that the initial price of multimetal lithographic plates most comparable to the Mexican imports is not the major factor in the decision as to whether to purchase a Mexican or a domestic lithographic plate. Also, purchasers accounting for the bulk of the purchases of the imports under consideration which complainant claims displaced domestic sales were contacted by the Commission staff. Such purchasers indicated that their preference for Mexican lithographic plates was based upon quality rather than price considerations.

On the basis of information received by the Commission from Treasury, all or part of the Mexican imports which are the subject of this inquiry have possibly been sold at LTFV, and the possible LTFV margins of dumping were significant. However, the evidence before the Commission reveals that the imported plates from Mexico have not undersold the domestic plates that can be considered comparable in the U.S. marketplace.

There is also no reasonable indication that the domestic industry is likely to be injured by the subject Mexican imports. As previously noted, sales by the domestic producers in the U.S. market increased substantially from January-March 1975 to January-March 1976. Further, information before the Commission indicates that the Mexican industry producing the imported product under consideration is operating at full capacity. Moreover, imports of multimetal lithographic plates from Mexico are presently decreasing rather than increasing.



