UNITED STATES TARIFF COMMISSION

STANDARD CLOTHESPINS

Report on Escape-Clause Investigation No. 7-110
Under the Provisions of Section 7 of the
Trade Agreements Extension Act of 1951, as Amended



TC Publication 50

Washington February 1962

UNITED STATES TARIFF COMMISSION

BEN DORFMAN, Chairman

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.

STANDARD CLOTHESPINS

U.S. Tariff Commission February 14, 1962

Introduction

This report, published pursuant to section 7(d) of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1364(d)), sets forth the finding and conclusion of the U.S. Tariff Commission in connection with its investigation No. 7-110 made under section 7 of that act. The purpose of the investigation was to determine whether clothespins other than spring clothespins, provided for in paragraph 412 of the Tariff Act of 1930, are, as a result in whole or in part of the customs treatment reflecting the concession granted thereon under the General Agreement on Tariffs and Trade, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like products.

The application for this investigation was filed with the Commission on September 15, 1961, by the Diamond National Corp. of New York, N.Y., the Forster Manufacturing Co., Inc., of Wilton, Maine, and Penley Bros., of West Paris, Maine. These three concerns produce all the standard clothespins of wood currently manufactured in the United States. The Commission instituted the investigation on September 27, 1961; public notice thereof was given by posting copies of the notice at the office of the U.S. Tariff Commission, Washington 25, D.C., and at its New York City office, and by publishing the notice in the Federal Register (26 F.R. 9328) and in the October 5, 1961, issue of Treasury Decisions.

(TC29073)

In addition to the information contained in the application, information pertinent to the investigation was obtained from the Commission's files, from responses to questionnaires distributed to domestic producers and importers, and by fieldwork. In the course of the investigation, the Commission did not find evidence of serious injury or threat of serious injury to the domestic industry concerned; accordingly, since section 7 of the Trade Agreements Extension Act of 1951, as amended, does not require a hearing under such circumstance, no hearing was ordered.

Finding and Conclusion of the Commission

On the basis of this investigation the Tariff Commission finds \(\frac{1}{2} \) that clothespins other than spring clothespins, provided for in paragraph 412 of the Tariff Act of 1930, are not being imported in such increased quantities, either actual or relative to domestic production, as to cause or threaten serious injury to the domestic industry producing like products. Accordingly, in the judgment of the Commission, no sufficient reason exists for a recommendation to the President under the provisions of section 7 of the Trade Agreements Extension Act of 1951, as amended.

U.S. Customs Treatment

The imported products covered by this investigation are clothespins, other than spring clothespins, provided for in paragraph 412 of the Tariff Act of 1930—namely, "standard" clothespins of wood. Standard

^{1/} Commissioner Dowling did not participate in the finding in this investigation because of absence.

clothespins of other materials, such as plastic and metal, are dutiable under other tariff paragraphs and are not covered by this investigation. Standard clothespins of wood were originally dutiable under the Tariff Act of 1930 at 33-1/3 percent ad valorem in the provision of paragraph 412 for "manufactures of wood or bark, or of which wood or bark is the component material of chief value, not specially provided for." The rate applicable to such clothespins was reduced to 25 percent ad valorem, effective August 5, 1935, pursuant to a concession granted in the trade agreement with Sweden, and to 15 percent ad valorem (the present rate), effective April 30, 1950, pursuant to a concession granted in the General Agreement on Tariffs and Trade.

Statement of Reasons for the Commission's Finding and Conclusion

Shortly after receipt of the application for an investigation of standard clothespins, following the Commission's analysis of the information contained therein and of other data available at the time, it appeared that increased imports of standard clothespins had not contributed substantially toward causing the difficulties complained of by the domestic industry engaged in the production of standard clothespins. 1/ The Commission, however, in accordance with section 7(a) of the Trade Agreements Extension Act of 1951, as amended, which requires an investigation

^{1/} Section 7(b) of the Trade Agreements Extension Act of 1951, as amended, provides, in part, that "increased imports, either actual or relative, shall be considered as the cause or threat of serious injury to the domestic industry producing like or directly competitive products when the Commission finds that such increased imports have contributed substantially towards causing or threatening serious injury to such industry."

upon application of any interested party, ordered the investigation and proceeded to collect data-by fieldwork and questionnaire--of the types that it usually obtains in an escape-clause investigation.

The data confirmed the Commission's earlier impression. Although domestic production (shipments) of standard clothespins has declined substantially during the past decade and a half, most of the decline took place in the period 1946-57, when annual imports were either insignificant or small. Domestic shipments were somewhat higher in 1958 than in 1957 and they were moderately smaller in 1959 and 1960 than in 1958. Shipments were slightly larger in January-September 1961 than in the corresponding period of 1960. Although imports have increased since 1957, they supplied only 4 percent of domestic consumption of standard pins in 1958, 5-1/2 percent in 1959, 9 percent in 1960, and 8 percent ir January-September 1961.

Coincidental with the steady decline in the domestic production of standard pins, the production of spring clothespins has steadily increased and such pins have supplied an ever-increasing share of total domestic consumption of all clothespins. Inasmuch as all three domestic producers of standard pins also produce spring pins, they have participated in the rising sales of the latter type.

In view of all the facts obtained in the investigation, the Commission concludes that the decline in the domestic production of standard clothespins is attributable almost entirely to a decrease in the demand for the product; that the decline in such demand is accounted for largely by the substitution by consumers of spring pins for standard pins; and that imports of standard pins have not contributed substantially toward causing such difficulties as the domestic industry producing standard pins may be experiencing.

Standard and spring clothespins of wood: Summary of U.S. shipments, imports for consumption, and apparent consumption, 1946-60, January-Standard and September 1960, and January-September 1961

				(In th	(In thousands of gross)	gross)				
	Domesti	Domestic shipments	ຮຸນ		Imports			Apparent	Apparent consumption 1,	1 1/
rerlod :	Standard : Sprin	Spring:	Total	Standard :	Spring	Total	Standard	Spring	Totál :	Ratio (percent) $\frac{2}{2}$ standard to total
:	7.342	1,038	8,380	. 762	3,168	3,462	7,636	4,206	: 248,11	64 <u>.</u> 5
1947	6,618:	2,693:	9,311:	77:	876:	: 276	6,688	3,569 :	10,258:	65,0
1948	5,950 :	2,833:	8,783 	01 '	1,065	1,075	5,961 :	3,898 :	9,858 :	
1949	5,777 :	3,06L .	. 050,0 . 159,01	: _↑ / ≿	17 186 186	ν. Υ. γ. Υ. γ.	0,77	3,775	11,658	₹ . 2 &
	• • •	• • • • • • • • • • • • • • • • • • • •	• • • • • • • • • • • • • • • • • • • •	` ··	, ,,	·	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	• •• • • •	• • • • • • • • • • • • • • • • • • • •	•
1951	4,762:	2,907:	7,668	17:	1,252:	1,269:	4,778	4,159:	8,937 :	53.5
1952	4,997 :	2,894:	7,892	.	780	793 :	2,000	3,685:	8,685:	57.6
1953	4,794	2,967:	7,761 :	 	356	928 :	4,795	3,894:	8,689:	55.2
1954	4,406:	3,070:	7,476:		1,165:	1,165	, 604,4	4,235:	8,641:	51.0
1955		3,537:	8,449 :	38:	1,484	1,521 :	4,950 :	5,021:	9,970:	9.64
••		••	!	••		••		••	••	•
	4,858	3,731:	8,589	: †	1,558	1,603:	4,902	5,290:	10,192:	18.1
	1/3,747:	3,292:	7,033	. ල	1,966:	2,047	3,821	5,258:	9,079	12.1
	3,957:	3,780:	7,737 :					2,190		42.8
1959	3,724:	4,296:	8,020:					6,456		37.9
1960	3,464:	4,356:	7,820:	<u>5</u> / 352 :	<u>5</u> / 1,875 :	<u>5</u> / 2,227 :	3,816 :	••	: 5/ 10,047 :	38.0
	••	••	••	••	••	,	••	•• •	••,	
January - September	2.05K	3.1.1.2	6. 397			5/1.6/18		. L.(8,-1		39.8
1961	2.961:	3,155 :	6.17	5/ 253 ::	5/ 1,433 :	5/1,686:	5/3,215	5/ 4,888	5/ 8,103:	39.7
••	••	:						•		

1/ Shipments plus imports; exports are negligible. Because of rounding, figures may not add to totals shown.

2/ Computed from rounded figures.

3/ Less than 500.

1/ Estimated in part.

5/ Preliminary.

Source: Shipments compiled from data supplied the U.S. Tariff Commission by the Clothespin Manufacturers of America and by the clothespin producers. Imports compiled from official statistics of the U.S. Department of Commerce.