



**UNITED STATES
INTERNATIONAL TRADE COMMISSION
ANNUAL REPORT**

1976

United
States
International
Trade
Commission

COMMISSIONERS

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Members of the Commission, left to right: Commissioners Bedell and Parker, Vice Chairman Minchew, Chairman Leonard, and Commissioners Ablondi and Moore.

message

from the chairman

Whereas 1975 was a year of rejuvenation and expansion for the United States International Trade Commission, 1976 might be termed a year of innovation and progress. The Trade Act of 1974 gave to the Commission broad new responsibilities and an expanded scope of interest with respect to the international trade of this Nation, all of which was reflected in the Commission's activities in 1975. The past year, however, was characterized both by an innovative approach to our substantive and administrative duties and by considerable progress in meeting the objectives which the Commission had set as a result of its increased role in international trade.

Highlighting this progress were (1) the completion and submission to the President of a 66-volume, 22,000-page report advising as to the probable economic effects of cutting tariffs both in multilateral trade negotiations and with respect to developing countries under the Generalized System of Preferences, (2) the completion of 14 investigations under section 201 ("escape clause") provisions of the Trade Act of 1974, (3) the submission to Congress and the East-West Foreign Trade Board of 6 reports on East-West trade, (4) the completion of 7 investigations requested by the President or Congress or conducted on the Commission's own motion under the broad power to study matters of international trade vested in the Commission, (5) the completion of 18 cases under section 337 (unfair practices) of the Tariff Act of 1930 and the initiation of 11 such cases, and (6) the completion of 15 cases under section 201(a) of the Antidumping Act. All these investigations were completed within the rather limited time constraints of the laws under which the Commission operates.

In addition, the Commission continued its record of progress in such noninvestigatory activities as assistance to the legislative and executive branches; participation in the trade agreements program; participation in a study on the comparability of statistical data on imports, exports, and production; assistance in drafting the Harmonized Commodity Code; preparation of the *Tariff Schedules of the United States Annotated*; and publication of specialized commodity reports.

On the administrative side, the Commission embarked on some bold new innovations which promise to have considerable impact on its activities in the years to come. A complete reorganization of the Commission staff, with an emphasis on substantive responsibilities, is intended to put the structure of the Commission more in line with its expanded functions, make it more responsive to the requirements levied upon it, and make it more efficient in terms of human and fiscal resources. The Commission initiated steps to conduct its activities under the newly passed Government in the Sunshine Act—and was one of the first agencies to do so. In a rare demonstration of economy and efficiency at the Federal level, the first budget submitted to Congress by the Commission not requiring approval by the President actually called for a reduction in personnel authorizations.

The Commission remained innovative in other areas, setting itself apart from other agencies. By taking its hearings out of Washington, keeping them flexible and informal, actively soliciting and publicizing the views of people in all walks of life, and making conscientious efforts to remain impartial and openminded, the Commission has succeeded in staying above the often-heard criticisms of unresponsiveness, domination by special interests, and rigid formality associated with the bureaucracy.

What has been synopsised above is detailed in the pages that follow. Unfortunately, words and figures cannot properly convey the hard work and dedication with which the Commission's most important asset, its employees, have approached their duties in the past year. While I am proud of our accomplishments in 1976, I am even prouder of those good people here at the U. S. International Trade Commission who have made the accomplishments possible. Their continued efforts will assure the Commission's reputation for expertise, objectivity, and accomplishment — hallmarks of good public service.

A handwritten signature in black ink that reads "Will E. Leonard". The signature is written in a cursive, flowing style with a large, prominent "L" at the end.

Will E. Leonard
Chairman

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Summary of activities¹

Investigations Completed

Title II, Tariff Act of 1930:	
Sec. 303 investigation of subsidization	1
Sec. 332 investigations	7
Sec. 337 investigations of alleged unfair practices in importation and sale of imported products	18
Antidumping Act, 1921, as amended	19
Agricultural Adjustment Act, sec. 22	1
Trade Act of 1974:	
Sec. 131 and sec. 503—advice on possible trade agreements	3
Sec. 201 "escape clause" cases	14
Sec. 203 "review" case	1
Sec. 603 preliminary investigation	1
Total	65

Other Activities

Publications issued (in addition to reports on investigations):	
Synthetic organic chemicals	28
Benzenoid chemicals	1
Preliminary reports on U. S. production of synthetic organic chemicals	15
Responses to letters from Members of Congress and congressional committees	1,100
Import and export transactions analyzed by personnel in New York City and Suitland, Md., offices	151,000
Library transactions:	
Volumes circulated	78,000
Reference calls	11,600
Reports prepared on proposed legislation	41
Reports prepared on U. S. consumption of specified commodities	3
Reports prepared on East-West trade	6

¹Throughout this report, unless otherwise indicated, data are for the 15-month period July 1, 1975–Sept. 30, 1976. Where fiscal year 1976 is mentioned, it refers to this 15-month period. Future annual reports will be for the fiscal year starting Oct. 1 established by Public Law 93–344.

public investigations

The United States International Trade Commission is authorized by law to investigate all aspects of international trade. During fiscal 1976, investigations were conducted under provisions of the Trade Act of 1974, the Trade Expansion Act of 1962, the Tariff Act of 1930, as amended, the Antidumping Act, 1921, as amended, and section 22 of the Agricultural Adjustment Act, as amended. The Commission sought to increase public interest and actual participation in investigations by conducting hearings throughout the country, thereby making it more convenient for all interested parties to present testimony.

TRADE ACT OF 1974¹

Advice to the President

Section 101² of the Trade Act of 1974 grants the President authority to enter into trade agreements in order to modify or continue existing duties or duty-free treatment. Prior to entering into such agreements the President is required, pursuant to section 131³ of the Trade Act of 1974, to furnish the U. S. International Trade Commission with lists of articles on which the duty may be modified or continued. The Commission, in turn, must furnish the President, within 6 months, its advice as to the probable economic effect of such modifications or continuances on industries and on consumers.⁴

On January 14, 1975, the Commission received from the President a list of articles for possible trade-agreement negotiation. The list included all of the more than 6,700 articles in the Tariff Schedules of the United States except certain ball bearings, certain dinnerware, and certain petroleum products. The Commission instituted investigation No. TA-131(b)-1 to provide the President with the required information and advice.

Section 503⁵ of the Trade Act of 1974 requires that the President, from time to time, furnish the Commission with lists of articles which may be provided duty-free treatment under provisions of a Generalized System of Preferences. The Commission must then advise the President as to the probable economic effect on industries and on consumers of granting these preferences for each article listed if imported from countries designated by the President as beneficiary developing countries.

On March 24, 1975, the President furnished the Commission with a list of over 3,100 articles to be considered for inclusion in a Generalized System of Preferences (GSP).⁶ In a notice issued on April 2, 1975, the Commission announced institution of investigations Nos. TA-503(a)-1 (on the products imported from designated beneficiary countries) and 332-74 (on the products imported from both designated beneficiary countries and countries under consideration for designation as beneficiary countries).

¹Public Law 93-618, approved Jan. 3, 1975.

²19 U.S.C. 2111.

³19 U.S.C. 2151.

⁴Throughout this report, indented material will give the reader a brief summary of legislation, and the following text will outline the Commission's response to that legislation.

⁵19 U.S.C. 2463.

⁶The President also promulgated a list of countries under consideration for designation as beneficiary countries.

Having traveled the country to secure input from all Americans in these investigations and having heard from hundreds of persons at 21 different hearings in every corner of the Nation, the Commission compiled a 66-volume, 22,000-page report on investigations Nos. TA-131(b)-1, TA-503(a)-1, and 332-74. This report was submitted to the President on July 14, 1975, within the 6-month statutory time limit for trade-negotiation advice and less than 4 months after receiving the request for GSP advice. On July 7, 1976, the President requested that the Commission furnish its advice on a second list of products under consideration for inclusion in the Generalized System of Preferences. The Commission submitted its response to this request to the President on September 13, 1976, 68 days after receiving the request.

Relief From Injury Caused by Import Competition

Section 201⁷ of the Trade Act of 1974 provides means

⁷19 U.S.C. 2251.

whereby relief may be sought for the purpose of facilitating orderly adjustment to import competition. Relief may be sought by a trade association, firm, certified or recognized union, or group of workers or other entity which is representative of an industry. When petitioned, the Commission is required to determine whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article. If the Commission determines in the affirmative, it must find the amount of the increase in, or imposition of, any duty or restriction on such article which is necessary to prevent or remedy such injury, or recommend the provision of adjustment assistance to firms, workers, or communities. Under section 203, if the President determines to provide import relief for the industry, he shall (1) proclaim an increase in, or imposition of, a duty on the article concerned; (2) proclaim a tariff-rate quota; (3) impose or modify a quantitative restriction on imports; (4) negotiate an orderly marketing agreement; or (5) take any combination of such actions.

During fiscal 1976, the Commission completed 14 investigations under section 201, all within the 6-month statutory time limit. The following table shows information on the 14 investigations completed during the year.

Summary of investigations completed under sec. 201 of the Trade Act of 1974, July 1, 1975-Sept. 30, 1976⁸

Investigation No.	Articles concerned	Petitioner	Petition filed	Public hearing	Finding of Commission	Commissioners' votes			Commission's report	
						Affirmative	Negative	Not participating	To the President	USITC Publication No.
TA-201-1	Birch plywood door skins.	Columbia Plywood Corp.	4-18-75	8- 5-75 and 8- 6-75	Negative	Minchew	Leonard Moore Bedell Parker Ablondi	—	10-20-75	743
TA-201-2	Bolts, nuts, and screws of iron or steel.	Russell, Burdsall & Ward, Inc.; Industrial Fasteners Institute; Cap Screw and Special Threaded Products Bureau.	5-22-75	9- 3-75 to 9-12-75	—do—	Minchew ¹ Bedell ¹	Leonard ^{1 2} Minchew ² Moore Bedell ² Ablondi	Parker ³	11-24-75	747
TA-201-3	Wrapper tobacco	Cigar Leaf Tobacco Foundation, Inc.	5- 5-75	8-11-75; 8-13-75; 8-15-75	—do—	—	Leonard Minchew Moore Bedell Parker Ablondi	—	11- 5-75	746
TA-201-4	Asparagus	California Asparagus Growers Association, Inc.; Washington Asparagus Growers Association; certain unaffiliated asparagus growers.	7-10-75	10-14-75; 10-21-75	Equally divided. ⁴	Moore Bedell Ablondi	Leonard Minchew Parker	—	1-12-76	755
TA-201-5	Stainless steel and alloy tool steel.	Tool and Stainless Steel Industry Committee for Import Relief; United Steelworkers of America, AFL-CIO.	7-16-75	10-28-75	Affirmative ⁵	Leonard ⁶ Minchew ⁷ Moore ⁸ Bedell ⁸	Leonard ⁸ Minchew ^{8 9} Moore ⁸ Bedell ⁸ Ablondi	Parker ³	1-16-76	756
TA-201-6	Slide fasteners and parts.	Slide Fastener Association.	8-18-75	11-24-75 to 11-26-75	Equally divided. ¹⁰	Moore Parker Ablondi	Leonard Minchew Bedell	—	2-18-76	757

¹On large screws.

²On small screws.

³Commissioner Parker abstained from voting to avoid any possibility or appearance of conflict of interest.

⁴On Mar. 10, 1976, the President determined that there was no injury to the domestic industry.

⁵On Mar. 16, 1976, the President determined to provide import relief and directed the Special Representative for Trade Negotiations to attempt to negotiate orderly marketing agreements no later than

June 14, 1976. Also, the President granted adjustment assistance to workers.

⁶On stainless steel and alloy tool steel bars, wire rods, plates, and strip.

⁷On stainless steel bars and wire rods, alloy tool steel.

⁸On ingots, blooms, billets, slabs, and sheet bars.

⁹On stainless steel sheet and strip, not cut, not pressed, and not stamped to nonrectangular shape, and stainless steel plate.

¹⁰On Apr. 14, 1976, the President granted adjustment assistance.

Summary of investigations completed under sec. 201 of the Trade Act of 1974, July 1, 1975-Sept. 30, 1976—Continued

Investigation No.	Articles concerned	Petitioner	Petition filed	Public hearing	Finding of Commission	Commissioners' votes			Commission's report	
						Affirmative	Negative	Not participating	To the President	USITC Publication No.
TA-201-7	Footwear	American Footwear Industries Association; Boot and Shoe Workers' Union; United Shoe Workers of America.	8-20-75	12- 2-75 to 12- 4-75 and 12- 8-75	Affirmative. ¹¹	Leonard Minchew Moore Bedell Parker Ablondi	—	—	2-20-76	758
TA-201-8	Stainless steel table flatware.	Stainless Steel Flatware Manufacturers Association.	8-28-75	12- 9-75 and 12-10-75	—do. ¹²	Leonard Moore Bedell Parker Ablondi	Minchew	—	3- 1-76	759
TA-201-9	Certain gloves	Work Glove Manufacturers' Association.	9- 8-75	12-16-75 and 12-17-75	Negative	Minchew ¹³	Leonard Minchew ¹⁴ Moore Bedell Parker Ablondi	—	3- 8-76	760
TA-201-10	Mushrooms	Mushroom Cannery Committee of the Pennsylvania Food Processors Association; Mushroom Processors Tariff Committee.	9-17-75	1- 6-76 and 1- 7-76	Affirmative. ¹⁵	Leonard Parker Ablondi	Minchew Moore	Bedell ¹⁶	3-17-76	761
TA-201-11	Ferricyanide and ferrocyanide blue pigments.	American Cyanamid Co.	10- 2-75	1-13-76	—do. ¹⁷	Leonard Minchew Moore Bedell Parker	Ablondi	—	4- 2-76	767
TA-201-12	Shrimp	National Shrimp Congress	11-17-75	1-27-76; 2- 3-76; 2- 5-76	Equally divided. ¹⁸	Minchew ¹⁹ Moore ²⁰ Parker ²⁰	Leonard ²¹ Minchew ¹⁹ Ablondi ²¹	Bedell	5-11-76	773
TA-201-13	Round stainless steel wire.	Stainless Steel Wire Industry Committee.	12-12-75	3-23-76 to 3-25-76	Negative	Moore	Leonard Minchew Bedell Ablondi	Parker ³	6-14-76	779
TA-201-14	Honey	Mid-U.S. Honey Producers Marketing Association, Inc.; the Great Lakes Honey Marketing Association; the Michigan Beekeepers Association; certain independent Kansas and Missouri beekeepers.	12-29-75	3- 2-76; 3-10-76; 4- 6-76; 4- 8-76	Affirmative	Leonard Minchew Moore	Bedell Parker	Ablondi ²²	6-29-76	781

¹¹ On Apr. 16, 1976, the President granted adjustment assistance.

¹² On Apr. 30, 1976, the President granted adjustment assistance.

¹³ On leather and cotton gloves.

¹⁴ On rubber and plastic gloves.

¹⁵ On May 17, 1976, the President granted adjustment assistance.

¹⁶ Commissioner Bedell abstained from voting to avoid any possibility or appearance of conflict of interest.

¹⁷ On June 1, 1976, the President rejected the Commission's decision on grounds of national economic interest.

¹⁸ On July 7, 1976, the President directed expedited trade adjustment assistance.

¹⁹ Affirmative with respect to the shrimp-fishing industry; negative with respect to the shrimp-processing industry.

²⁰ Affirmative with respect to the domestic industry devoted to the catching and landing of shrimp.

²¹ Negative with respect to the domestic industry producing an article like or directly competitive with the imported article.

²² Commissioner Ablondi did not participate in the decision owing to his absence from the Commission.

Four section 201 investigations were in progress at the close of the year, as shown in the following table.

Summary of investigations pending on Sept. 20, 1976, under sec. 201 of the Trade Act of 1974

Investigation No.	Article	Petition or request received	Origin
TA-201-15	Plant hangers	6- 2-76	Motion of Commission.
TA-201-16	Sugar	9-17-76	Resolution of the Senate Committee on Finance.
TA-201-17	Mushrooms	9-20-76	Commission determination that good cause existed for a re-investigation.
TA-201-18	Footwear	9-28-76	Do.

Section 203(i)⁸ of the Trade Act of 1974 in part provides that—

Upon request of the President or upon its own motion, the Commission shall advise the President of its judgment as to the probable economic effect on the industry concerned of the extension, reduction, or termination of the import relief provided pursuant to this section.

Upon petition on behalf of the industry concerned, filed with the Commission not earlier than the date which is 9 months, and not later than the date which is 6 months, before the date any import relief provided pursuant to this section or section 351 or 352 of the Trade Expansion Act of 1962 is to terminate by reason of the expiration of the initial period thereof, the Commission shall advise the President of its judgment as to the probable economic effect on such industry of such termination.

⁸19 U.S.C. 2253.

During fiscal year 1976, the Commission, upon receipt of a petition filed by the American Dinnerware Emergency Committee, conducted investigation No. TA-203-1. The report (USITC Publication 766) was released on March 31, 1976. The Commission determined (Commissioner Ablondi dissenting) that the termination of the import relief applicable to certain ceramic tableware would adversely affect the competitive position of the domestic industry producing earthen table and kitchen articles. On April 30, 1976, the President terminated relief with respect to certain types of earthenware; he extended it for other types.

East-West Trade Statistics Monitoring System

Section 410⁹ of the Trade Act of 1974 requires the Commission to establish and maintain a program to monitor trade between the United States and nonmarket economy countries, and to publish a detailed summary of the data collected under this program not less frequently than once every calendar quarter.

The Commission submitted six reports on East-West trade to the Congress and the East-West Foreign Trade Board in fiscal 1976 as shown in the following table.

Reports submitted to the Congress and the East-West Foreign Trade Board pursuant to sec. 410 of the Trade Act of 1974 during fiscal year 1976

Subject	Date	USITC Publication No. (if any)
Third Quarterly Report to the Congress and the East-West Foreign Trade Board on Trade Between the United States and the Non-market Economy Countries.	September 1975	742
Fourth Quarterly Report to the Congress and the East-West Foreign Trade Board on Developments in Trade Between the United States and the Nonmarket Economy Countries.	December 1975	752
Fifth Quarterly Report to the Congress and the East-West Foreign Trade Board on Trade Between the United States and the Non-market Economy Countries.	March 1976	774
Sixth Quarterly Report to the Congress and the East-West Foreign Trade Board on Trade Between the United States and the Non-market Economy Countries.	June 1976	782
Special Report to the Congress and the East-West Foreign Trade Board on Soviet Imports of Manufactured Goods From the Industrial West: An Econometric Forecast.	July 1976	—
Seventh Quarterly Report to the Congress and the East-West Foreign Trade Board on Trade Between the United States and the Non-market Economy Countries.	September 1976	788

Preliminary Investigations

Section 603(a)¹⁰ of the Trade Act of 1974 authorizes the Commission to conduct preliminary investigations, determine the scope and manner of its proceedings, and consolidate proceedings before it.

⁹19 U.S.C. 2440.

¹⁰19 U.S.C. 2482(a).

During fiscal year 1976, the Commission instituted two preliminary investigations to determine whether a violation of law existed. Investigation No. 603-TA-1, relating to television receivers from Japan, was instituted by the Commission on its own motion on March 26, 1976. On September 30, 1976, this investigation was in progress. On April 28, 1976, the Commission, again on its own motion, instituted investigation No. 603 - TA - 2 on crocheted bootie sets from the Republic of Korea. On August 2, 1976, the Commission announced that it had determined that there was no factual basis to support the allegations of the complaint and that the institution of an investigation under section 337 of the Tariff Act of 1930 was not warranted.

TARIFF ACT OF 1930, AS AMENDED

Countervailing Duties

Section 303¹¹ of the Tariff Act of 1930, as amended, provides that—

Whenever any country, dependency, colony, province, or other political subdivision of government, person, partnership, association, cartel, or corporation, shall pay or bestow, directly or indirectly, any bounty or grant upon the manufacture or production or export of any article or merchandise manufactured or produced in such country, dependency, colony, province, or other political subdivision of government, then upon the importation of such article or merchandise into the United States, whether the same shall be imported directly from the country of production or otherwise, and whether such article or merchandise is imported in the same condition as when exported from the country of production or has been changed in condition by remanufacture or otherwise, there shall be levied and paid, in all such cases, in addition to any duties otherwise imposed, a duty equal to the net amount of such bounty or grant, however the same be paid or bestowed.

In the case of any imported article or merchandise which is free of duty, duties may be imposed under this section only if there is an affirmative determination by the Commission under subsection (b)(1); except that such a determination shall not be required unless a determination of injury is required by the international obligations of the United States.

On June 22, 1976, the Commission was advised that a bounty or grant was being paid with respect to footwear known as zoris imported from the Republic of China. Investigation No. 303-TA-1 was instituted, and a public hearing was held on August 17, 1976. On September 22, 1976, the Commission issued its unanimous determination that an industry in the United States is not being and is not likely to be injured, and is not prevented

¹¹19 U.S.C. 1303.

from being established, by reason of the importation of zoris from the Republic of China (USITC Publication 787).

General Investigations

The Tariff Act of 1930 empowers the Commission to investigate and report on many aspects of U.S. foreign trade. Studies made under section 332 of that act are usually broader in scope and focus than other statutory investigations conducted by the Commission.

Section 332¹² of the Tariff Act of 1930 sets forth the Commission's authority to investigate, among other things—

- The administration and fiscal and industrial effects of the customs laws of this country;
- The relations between rates of duty on raw materials and finished or partly finished products;
- The effects of ad valorem and specific duties and of compound (specific and ad valorem) duties;
- All questions relative to the arrangement of schedules and classification of articles in the several schedules of the customs law;
- The operation of customs laws, including their relation to the Federal revenues and their effect upon the industries and labor of the country;
- The tariff relations between the United States and foreign countries, commercial treaties, preferential provisions, and economic alliances;
- The effect of export bounties and preferential transportation rates;
- The volume of importations compared with domestic production and consumption; and
- Conditions, causes, and effects relating to competition of foreign industries with those of the United States.

The Commission is required to make such reports as may be requested by the President, the House Committee on Ways and Means, the Senate Committee on Finance, or either House of Congress concerning such matters.

¹²19 U.S.C. 1332.

During fiscal year 1976, section 332 investigations were completed, as shown in the table.

Other long-range research studies and investigations which were in progress at the end of fiscal 1976 are summarized in the following table.

Investigations and other research work under sec. 332 of the Tariff Act of 1930, as amended, pending on Sept. 30, 1976

Subject	Origin
Formulation of an international commodity code.	Sec. 608(c)(1) of the Trade Act of 1974.
Certain articles being considered for removal from the list of articles eligible for duty-free treatment under the Generalized System of Preferences.	Letter dated Sept. 14, 1976, from the President.
Probable economic effect of the provisions of H.R. 14600 and the need to protect a domestic industry (watches and parts thereof).	Request dated Sept. 14, 1976, of the Committee on Ways and Means of the House of Representatives.

Unfair Trade Practices

Section 337¹³ of the Tariff Act of 1930, declares unlawful unfair methods of competition and unfair acts in the importation of articles into the United States or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States. It authorizes the Commission to investigate alleged violations of this section of the act. The Commission has the power to issue either an order excluding imports from entry into the United States or a cease and desist order, subject to disapproval by the President for policy reasons within 60 days of the Commission's issuance of its finding. Proceedings come within the provision of the Administrative Procedure Act. There is a statutory time limit of 12 months (18 months for more complicated cases) on these investigations.

At the beginning of fiscal 1976 the Commission had 16 investigations before it under section 337, 1 of which was stayed pending court pro-

¹³19 U.S.C. 1337.

Investigations completed under sec. 332 of the Tariff Act of 1930, as amended, during fiscal 1976

Investigation No.	Subject	Origin	USITC Publication	
			No.	Date
332-45	Temporary entry provisions of title 19 of the United States Code.	Motion of Commission	(1)	(1)
332-65	Competitive position of U.S. industries	Request from the President	² 737	August 1975
			738	August 1975
332-74	President's list of articles which may be designated as eligible for purposes of a Generalized System of Preferences.	Request from the President	(3)	(3)
332-75	International commodity agreements	Request from the Subcommittee on International Trade of the Senate Committee on Finance.	741	November 1975
332-76	United States-Canadian automotive agreement	Request from the Senate Committee on Finance.	(4)	(4)
332-77	Conditions of competition between domestic and imported shrimp.	Motion of Commission	(5)	(5)
332-78	Second list from the President of articles which may be designated as eligible for purposes of a Generalized System of Preferences.	Request from the President	(2)	(2)

¹ No report was issued during fiscal year 1976. See annual reports of the U.S. Tariff Commission (predecessor of the U.S. International Trade Commission) for information on reports issued in previous years.

² See annual reports of the U.S. Tariff Commission for information on reports issued in previous years.

³ Report submitted to the President in confidence.

⁴ The Commission's report was transmitted to the Senate Committee on Finance in January 1976. Subsequently, it was issued as a committee print (*Canadian Automobile Agreement—United States International Trade Commission Report on the United States-Canadian Automotive Agreement: Its History, Terms, and Impact* . . . , Committee on Finance, U.S. Senate, 94th Cong., 1st sess., January 1976).

⁵ Terminated without issuance of a report because of institution of investigation No. TA-201-12 (Shrimp).

ceedings. During the year 11 new investigations were initiated and 18 were concluded. All investigations were completed within 12 months of the effective date of amended section 337 or within 12 months of institution. These investigations are summarized in the following table.

Eight section 337 investigations were in progress at the close of the year, as shown in the table on the following page.

Investigations completed under sec. 337 of the Tariff Act of 1930, as amended, during fiscal 1976

Articles concerned	Complainant	Complaint filed	Instituted (date and No.)	Public hearing	Finding of Commission	Date of finding	USITC Publication No.
Certain electronic pianos.	Wurlitzer Co., Chicago, Ill.	3- 6-72	3-30-72, 337-TA-1	1-30-73 3-29-73 8-15-74	Terminated; no violation ¹	2- 3-76	—
Polytetrafluoroethylene in tape form.	W. L. Gore & Associates, Inc., Newark, Del.	8-29-72	9-13-72, 337-TA-4	7-22-74	Terminated; no violation (Commissioners Leonard, Minchew, and Ablondi; ² Commissioners Moore, Bedell, and Parker ³).	4- 3-76	769
Convertible game tables.	Ebonite Corp., formerly ATI Recreation, Inc., Miami Lakes, Fla.	10-26-72	11-13-72, 9-30-73, 337-TA-2	10-15-73 2- 5-74 9-12-74	Affirmative finding and recommendation of temporary exclusion order 3-4-74 (Commissioners Bedell, Parker, ⁴ Leonard, Moore, and Ablondi); affirmative finding and recommendation of permanent exclusion order 4-2-76 (Commissioners Leonard, Minchew, Moore, Bedell, Parker, ⁴ and Ablondi); accepted 6-2-76.	4- 2-76	705
Doxycycline	Pfizer Inc., New York, N.Y.	4-13-73	4-27-73, 337-TA-3	9-23-74	Proceedings stayed pending court disposition; in progress.	—	—
Chain door locks	Ideal Security Hardware Corp., St. Paul, Minn.	6-21-73	7-26-73, 337-TA-5	12- 5-74	Affirmative finding and recommendation of permanent exclusion order (Commissioners Leonard, Minchew, Moore, Bedell, Parker, ⁵ and Ablondi ⁶).	4- 3-76	770
Certain electronic audio and related equipment.	District Sales Inc., Washington, D.C.	7-10-73	7-25-73, 337-TA-7	1-12-76	Terminated; no violation (Commissioners Leonard, Minchew, Moore, Bedell, Parker, and Ablondi ⁷).	4- 2-76	768
Piezoelectric ceramic 10.7 MHz electric wave filters.	Vernitron Corp., Bedford, Ohio.	7-20-73	11-20-73, 337-TA-8	—	—do—	12-12-75	—
Certain eye-testing instruments incorporating refractive principles.	American Optical Corp., Southbridge, Mass.	2-20-74	3-13-74, 337-TA-6	8-26-75 8-30-75	—do—	3-31-76	—
Certain hydraulic tappets II.	Eaton Corp., Cleveland, Ohio.	6-18-74	7- 9-74, 337-TA-9	—	Terminated; no violation (Commissioners Leonard, Minchew, Moore, Parker, and Ablondi).	3-31-76	—
Certain ultra-microtome freezing attachments	American Optical Corp., Southbridge, Mass.	6-19-74	8-13-74, 337-TA-10	1- 9-76	—do—	4- 2-76	771
Certain ultra-microtome freezing attachments.	Addmaster Corp., San Gabriel, Calif.	8- 1-74	8-28-74, 337-TA-11	—	Terminated; no violation ¹	1-13-76	—
Certain components of automatic tobacco leaf graders.	AMF Inc., White Plains, N.Y.	8-13-74	9-18-74, 337-TA-12	—	—do. ⁸ —	12-12-75	—
Liquid propane heaters.	Scheu Propane Co., Upland, Calif.	8-12-74	10- 4-74, 337-TA-13	—	—do. ⁸ —	4- 1-76	—
Certain high fidelity audio and related equipment.	Audio Warehouse Sales, Inc., and Douglas T.A. Stereo Center Corp., Washington, D.C., and Plaza Audio Video, Hyattsville, Md.	7-26-74	11- 6-74, 337-TA-14	—	—do. ⁷ —	2-26-76	—
Overlapping digital movements.	General Time Corp., Mesa, Calif.	11-14-74	12- 9-74, 337-TA-15	—	—do. ⁸ —	3-24-76	—
Certain Angolan robusta coffee.	Colfinco Inc., Imperial Commodities Corp., Misu & Co. (U.S.A.), Inc., S.F. Pacific Co., Inc., and Van Ekris & Street, New York, N.Y.	11-26-74	12-23-74, 337-TA-16	—	—do. ¹ —	3-25-76	—
Record players incorporating straight line tracking systems.	Harman International Inc., Plainview, N.Y.	3-18-75	7- 7-75, 337-TA-17	—	—do. ⁹ —	3- 1-76	—
Monolithic catalytic converters.	Engelhard Catalysts & Chemicals Corp., New York, N.Y.	5- 2-75	7-15-75, 337-TA-18	11- 6-75	Terminated; no violation ⁸	9-16-76	—
Glass fiber optic devices and instruments equipped with glass fiber optic devices.	American Telescope Makers, Inc.	5-12-75	8- 8-75, 337-TA-19	—	—do. ⁸ —	7-29-76	—

¹By reason of settlement agreement.

²Patent unenforceable for purposes of 35 U.S.C. § 271.

³Patent enforceable, but infringement of the patent has not had the effect or tendency to destroy or substantially injure an industry, or prevent establishment of such industry.

⁴Commissioner Parker dissented in part.

⁵Commissioner Parker concurred in part and dissented in part.

⁶Commissioner Ablondi concurred in part and dissented in part.

⁷By reason of settlement agreement and Federal Trade Commission consent judgment.

⁸By reason of license agreement.

⁹By reason of agreement and stipulated settlement.

Investigations pending on Sept. 30, 1976, under sec. 337 of the Tariff Act of 1930, as amended

Articles concerned	Complainant	Complaint filed	Instituted (date and No.)	Public hearing
Certain bismuth molybdate catalysts.	Standard Oil Co. of Ohio (SOHIO), Cleveland, Ohio.	5-30-75	9-22-75, 337-TA-20	—
Dry wall screws	Superior Dry Wall Screw Mfg. Co., Inc., Landover, Md.	8-20-75 10-10-75 (amendment)	11- 6-75, 337-TA-21	—
Reclosable plastic bags.	Minigrip, Inc., Orangeburg, N.Y.	10-20-75	1- 8-76, 337-TA-22	7-27-76 to 8- 4-76
Certain color television receiving sets.	GTE Sylvania, Inc., and Philco Consumer Electronics Corp., Stamford, Conn.	1-15-76 6- 1-76 (amendment)	3-18-76, 337-TA-23	—
Certain exercising devices.	Rainbow Lifeguard Products, Inc., El Monte, Calif.	2- 3-76 3-25-76 (amendment)	4-13-76, 337-TA-24	—
Certain above-ground swimming pools.	Coleco Industries, Inc., Hartford, Conn.	2-25-76 3-25-76 (supplement)	4-22-76, 337-TA-25	—
Certain solder removal wicks.	Solder Removal Co. and Jesse C. Hood, Covina, Calif.	5-10-76	6-24-76, 337-TA-26	—
Chicory root crude and prepared.	R. E. Schanzer Corp., New Orleans, La.	6-11-76	7- 8-76, 337-TA-27	8-11-76 to 8-14-76

Litigation Arising From Investigations Conducted Under Section 337

On January 22, 1976, the U.S. Court of Customs and Patent Appeals dismissed an appeal from an interim Commission decision (*Import Motors Limited, Inc., et al. v. United States International Trade Commission et al.*, 530 F.2d 940 (1976)). On March 2, 1976, Judge Gerhard Gesell of the U.S. District Court for the District of Columbia granted the Commission's motion to dismiss the complaint in *World-Wide Volkswagen Corp. et al. v. United States International Trade Commission*; Civil Action No. 76-148, on the ground that the district court lacked jurisdiction. Both of these decisions sought review of a Commission order discontinuing certain U.S. distributors of Volkswagen, Audi, and Porsche 914 automobiles as parties in the first phase of the Commission investigation on monolithic catalytic converters, No. 337-TA-18.

On August 16, 1976, the U.S. Court of Customs and Patent Appeals dismissed the appeal in *L. Gore & Associates, Inc. v. United States International Trade Commission and TBA Industrial Products, Ltd.*, on motion of the appellant. This was an appeal from the Commission's negative order in investigation No. 337-TA-4 (Polytetrafluoroethylene in Tape Form), issued April 3,

1976. On August 11, 1976, the court also dismissed *American Optical Corp. v. United States International Trade Commission*, also on motion of the appellant.

Under the provisions of section 333(c) of the Tariff Act of 1930 (19 U.S.C. 1333(c)), as amended by the Trade Act of 1974, the Commission was represented in these matters by the Department of Justice, although the Commission assigned attorneys from its own staff as liaison in each case.

On April 12, 1976, the Commission filed a petition for leave to inspect and copy documents subject to Pretrial Order No. 35 (a confidentiality order entered by the court in *In Re Japanese Electronic Products Antitrust Litigation* (M.D.L. No. 189)) in the U.S. District Court for the Eastern District of Pennsylvania in connection with its investigation No. 337-TA-23 (Certain Color Television Receiving Sets) and preliminary investigation No. 603-TA-1 (Television Receivers From Japan). The petition was opposed by the defendants in that litigation (Matsushita Electric Industrial Co., Ltd., et al., Japanese manufacturers of electronic products). On May 3, 1976, the court entered an order denying the Commission's petition.

On May 11, 1976, the Commission filed a petition for reconsideration with the court, and on May

13, 1976, served pretrial notices of demand, under subsection (a)(1) of section 333 of the Tariff Act of 1930, as amended, upon plaintiffs Zenith Radio Corp. and National Union Electric Corp. On May 25, 1976, the Commission filed with the court a petition of writ of mandamus to command compliance with demand by the United States International Trade Commission. On August 18, 1976, the court entered an order denying the Commission's motion for reconsideration and petition for writ of mandamus to command compliance with demand by the United States International Trade Commission. On October 22, 1976, the Commission filed a notice of appeal from this ruling.

ANTIDUMPING ACT, 1921, AS AMENDED Provisions of the Antidumping Act

Section 201(a)¹⁴ of the Antidumping Act, 1921, provides that whenever the Secretary of the Treasury advises the Commission that a class or kind of foreign merchandise is being, or is likely to be, sold in the United States or elsewhere at less than its fair value, the Commission shall determine within 3 months 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. At the conclusion of its investigation, the Commission notifies the Secretary of the Treasury of its determination. If the Commission determines in the affirmative, the Secretary of the Treasury issues a finding of dumping.

During fiscal 1976, the Commission completed 15 investigations under section 201(a) of the Antidumping Act; 4 others were in progress at

¹⁴19 U.S.C. 160 et seq.

¹⁵Under the Antidumping Act, decisions in which the Commissioners voting are evenly divided in their findings are deemed to be in the affirmative.

Antidumping inquiries completed, July 1, 1975-Sept. 30, 1976

Investigation No.	Articles concerned	Advice received from Treasury	Public hearing	Commissioners—			Commission's report	
				Found that "there is no reasonable indication of [injury]" (Treasury terminates its investigation)	Did not find that "there is no reasonable indication of [injury]" (Treasury continues its investigation)	Did not participate	To Secretary of Treasury	USITC Publication No.
AA1921-Inq.-2	New, on-the-highway, four-wheeled, passenger automobiles from Belgium, Canada, France, Italy, Japan, Sweden, the United Kingdom, and West Germany.	8- 7-75	8-19-75	Minchew Ablondi ¹	Leonard Moore Bedell Parker Ablondi ²	—	9- 8-75	739
AA1921-Inq.-3	Portland hydraulic cement, other than white non-staining cement, from Mexico.	11-18-75	12- 5-75	Minchew Ablondi ³	Leonard Moore Bedell Parker Ablondi ³	—	12-18-75	751
AA1921-Inq.-4	Multimetal lithographic plates from Mexico	4-22-76	5- 6-76	Leonard Minchew Moore Bedell Parker Ablondi	—	—	5-21-76	775
AA1921-Inq.-5	Monosodium glutamate from Korea	5-11-76	6- 1-76	—	Leonard Minchew Moore Bedell Parker Ablondi	—	6-10-76	778

¹On automobiles from Belgium, Canada, France, Sweden, and the United Kingdom.

²On automobiles from Japan, West Germany, and Italy.

³Concurred in part.

the end of the year. The Commission's determinations were affirmative in 4 cases¹⁵ and negative in 11 cases. Whenever the Commission made affirmative decisions, the Treasury Department was required to issue formal findings of dumping, and the described imports became subject to special dumping notices. The investigations are summarized in the table on the following page.

On September 30, 1976, the following investigations were in progress under the Antidumping Act:

Investigation No.	Articles concerned
AA1921-159	Tantalum electrolytic fixed capacitors from Japan.
AA1921-160	Knitting machines for ladies' seamless hosiery, from Italy.
AA1921-161	Portland hydraulic cement from Mexico.
AA1921-162	Melamine in crystal form from Japan.

Amendments to the Antidumping Act

The Trade Act of 1974 amended the Antidumping Act, 1921, in a number of respects. The Secretary of the Treasury is now authorized to forward to the Commission any investigations of alleged sales at less than fair value in which he believes 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 the subject merchandise. The Commission determines, within 30 days, whether there is no reasonable indication that an industry is being or is likely to be injured, or is prevented from being established. If the Commission finds no reasonable indication, it is required to so advise the Secretary, and the ongoing investigation shall be terminated.

During fiscal 1976, four such investigations were referred to the Commission; all were completed within the 30-day period. They are summarized in the following table.

Antidumping investigations completed, July 1, 1975-Sept. 30, 1976

Investigation No.	Articles concerned	Advice received from Treasury	Public hearing	Finding of Commission	Commissioners' votes			Commission's report	
					Affirmative	Negative	Not participating	To Secretary of Treasury	USITC Publication No.
AA1921-146	Lock-in amplifiers and parts thereof from the United Kingdom.	4- 2-75	5-20-75	Negative	—	Leonard Minchew Moore Bedell Parker Ablondi	—	7- 2-75	736
AA1921-147	Electric golf cars from Poland.	6-16-75	7-29-75 and 7-30-75	Affirmative	Leonard Minchew Bedell Parker Ablondi	Moore	—	9-16-75	740
AA1921-148	Vinyl clad fence fabric from Canada.	7-24-75	10-22-75	Negative	—	Leonard Minchew Moore Bedell Ablondi	Parker ¹	10-24-75	744
AA1921-149	Certain nonpowered hand tools from Japan.	9- 2-75	10-22-75 and 10-23-75	—do—	—	Leonard Minchew Moore Bedell Parker Ablondi	—	12- 2-75	748
AA1921-150	Birch three-ply door skins from Japan.	10-10-75	11-13-75	Affirmative	Leonard Minchew Moore Bedell	Parker Ablondi	—	1-12-76	754
AA1921-151	Butadiene acrylonitrile rubber from Japan.	12-29-75	2-11-76	Negative	—	Leonard Minchew Moore Bedell Parker Ablondi	—	3-29-76	764
AA1921-134A and 135A	Primary lead metal from Australia and Canada.	1- 5-76	2-24-76 to 2-26-76	Negative	—	Leonard Minchew Moore Bedell Parker Ablondi	—	4-21-76	772
AA1921-152	Water-circulating pumps from the United Kingdom.	2-27-76	4-20-76	Affirmative	Leonard Moore Bedell Parker	Minchew Ablondi	—	5-27-76	777
AA1921-153	Clear polymethyl methacrylate of pellet, powder, flake, granular, or similar forms from Japan.	3-19-76	5-11-76	Negative	—	Leonard Minchew Bedell Parker Ablondi	Moore ²	6-21-76	780
AA1921-154	Acrylic sheet from Japan	4-26-76	6- 8-76	Affirmative	Moore Bedell Parker	Leonard Minchew Ablondi	—	7-26-76	784
AA1921-155	Hollow or cored ceramic brick and tile from Canada.	4-30-76	6-15-76 and 6-16-76	Negative	—	Leonard Minchew Moore Bedell Parker Ablondi	—	7-29-76	785
AA1921-156, 157, and 158	Alpine ski bindings from Austria, Switzerland, and West Germany.	5-28-76	7-12-76	—do—	—	Leonard Minchew Moore Bedell Parker Ablondi	—	8-27-76	786

¹ Commissioner Parker abstained from voting to avoid any possibility or appearance of conflict of interest.

² Commissioner Moore did not vote in this case, and, pursuant to sec. 173 of the Trade Act of 1974, he is required to furnish reasons for not voting. His reasons are as follows:

(1) When the Chairman of the Commission called for the vote in this case on June 11, 1976, Commissioner Moore was fully occupied with preparing his dissenting opinion in investigation No. TA-201-13 (Round Stainless Steel Wire), which was required to be sent to the President by June 14, 1976.

(2) When Commissioner Moore had completed study of investigation No. AA1921-153 and was prepared to vote on the case, his colleagues were so widely dispersed in the United States and Europe that he decided that a reopening of the vote would have inconvenienced his colleagues and would have required an excessive expenditure of Federal funds.

(3) Further, Commissioner Moore's participation in the vote on this case could not have changed the result, since the other 5 Commissioners had voted unanimously in the negative.

Commissioner Leonard, who was Chairman of the Commission at this time, and Commissioner Ablondi note that with respect to the reasons for Commissioner Moore's not participating

(1) They (Commissioners Leonard and Ablondi) were also occupied with preparing an opinion in investigation No. TA-201-13 (Round Stainless Steel Wire) when the vote on No. AA1921-153

1976 (this is not unusual; an opinion in one or more investigations often must be prepared simultaneously with a vote being taken on one or more other investigations) and

(2) Commissioners Leonard and Ablondi were available for a vote at all times subsequent to June 11 through the date on which the report on No. AA1921-153 had to be delivered

inconvenienced by any reopening of the vote.

Litigation Arising From Investigations Conducted Under the Antidumping Act

In a complaint filed with the Customs Court on September 2, 1975, and now pending in that court, Voss International Corp. asserted, inter alia, that the injury determination of the Commission in investigation No. AA1921-91 (Asbestos Cement Pipe From Japan) is invalid. On May 18, 1976, complainant filed a motion for summary judgment on the above-described cause of action. Acting on behalf of the Commission, the Department of Justice filed a cross motion for partial summary judgment as to the above-described cause of action, asserting that the Commission's determination of injury was valid as a matter of law. On August 25, 1976, the court ordered that the case be remanded to the Commission. On September 28, 1976, the Commission voted to decline to reconsider its determination in its investigation because the Commission made a valid determination of injury pursuant to section 201(a) of the Antidumping Act, 1921, as amended.

On July 23, 1975, SCM Corp. brought an action against the United States International Trade Commission and others seeking, inter alia, to compel the Commission to set aside a negative determination of injury in investigation No. AA1921-145 (Portable Electric Typewriters From Japan). On August 15, 1975, the court dismissed the case for lack of subject-matter jurisdiction, and on August 19, 1975, plaintiff filed a notice of appeal, which was pending at the close of the transition period.

SECTION 22 OF THE AGRICULTURAL ADJUSTMENT ACT, AS AMENDED

Section 22¹⁶ of the Agricultural Adjustment Act, as amended, provides that —

Whenever the Secretary of Agriculture has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken . . . by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall so advise the President, and, if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made by the United States

¹⁶7 U.S.C. 624.

International Trade Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify.

Pursuant to a request of the President, dated March 26, 1976, the Commission conducted investigation No. 22-40 on dried milk mixtures. A public hearing was held on May 25, 1976, and the report (USITC Publication 783) was transmitted to the President on July 21, 1976. The Commission (Commissioners Leonard and Ablondi dissenting) found that certain of the subject articles were being, or were practically certain to be, imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the price-support program of the U.S. Department of Agriculture for milk, or to reduce substantially the amount of products processed in the United States from domestic milk.

Commissioners Minchew, Moore, Bedell, and Parker recommended a modification of the article description in item 950.19¹⁷ of the TSUS. Commissioners Leonard and Ablondi recommended the termination of item 950.19.

The President also sought the Commission's advice with respect to a recommendation he received from the Secretary of Agriculture that the \$10 aggregate value limitation¹⁸ for the exclusion of certain articles (except cotton and cotton waste)¹⁹ from quota restrictions should be adjusted, and that the authority for making such an adjustment and any further adjustments which may become necessary in the future should be vested in the Secretary of Agriculture.

The President requested that the Commission's advice on this recommendation include the amounts of any increases deemed appropriate in the limitation at the present time. The Commission unanimously recommended that the monetary limitation be raised to \$25. The Commission (Commissioners Bedell and Parker dissenting) recommended that the authority for making further adjustment in this limit not be vested in the Secretary of Agriculture.

¹⁷Certain dried milk mixtures which are prohibited from importation into the United States.

¹⁸As provided for in headnote 2(b) of pt. 3 of the Appendix to the Tariff Schedules of the United States.

¹⁹If imported as samples for taking orders, for the personal use of the importer, or for research.

In addition to its statutory obligations to conduct public investigations, the Commission assists the legislative and executive branches of Government and also answers many inquiries from the public (about 800 this year). As the international economic research arm of the Government, it maintains a 66,000-volume library, which subscribes to about 1,200 periodicals. This facility houses not only publications in international trade and U.S. tariff and commercial policy, but also many business and technical journals. In addition, the Commission's Office of the General Counsel maintains a law library and a comprehensive file of documents on legislation affecting U.S. trade.

TRADE AGREEMENTS PROGRAM

The Commission regularly assists the executive branch of the Government in work connected with the trade agreements program. Assistance is provided to the President primarily through the Office of the Special Representative for Trade Negotiations (STR),¹ the executive branch center for many trade-agreement activities. Substantial Commission assistance is also given directly to particular executive departments, such as the Departments of State, Commerce, Labor, Agriculture, and Treasury, which have responsibilities in the program, and to other White House offices, such as the Council on International Economic Policy and the President's Economic Policy Board.

Under section 163(b) of the Trade Act of 1974, the Commission is to submit a yearly report to Congress on the operation of the trade agreements program. The 26th report, covering calendar year 1974, was issued in fiscal year 1976.

The Commission's work as it related to the trade agreements program during fiscal 1976 fell into three major areas. The first consisted of assembling tariff, commodity, and statistical information in support of activities associated with the current round of multilateral trade negotiations or the program's daily operation. The second involved technical assistance to the STR in work related to implementation and operation of the Generalized System of Preferences (GSP). The third involved technical assistance to the STR in conducting the interagency executive branch review of certain reports which the Commission submits to the President.

¹The Special Trade Representative is a chief representative of the United States at trade-agreement negotiations, to whom the President has delegated many of his functions under the Trade Act of 1974 (Executive Order 11846, Mar. 27, 1975). A member of his staff serves as Chairman of the Trade Policy Staff Committee, which obtains information and advice from Government agencies and other sources and recommends policies and actions to the Special Representative. The U.S. International Trade Commission is represented on the Trade Policy Staff Committee, but does not vote and does not participate in decisions on policy matters because it is the policy research and factfinding agency for both Congress and the executive branch.

Multilateral Trade Negotiations

A seventh round of comprehensive multilateral trade negotiations (MTN) under the auspices of the General Agreement on Tariffs and Trade (GATT) opened in September 1973. The negotiations were in progress in Geneva, Switzerland, throughout the period covered by this report. The Commission provided technical assistance to the STR in several areas of the preparation for, and conduct of, the negotiations. Commission staff participated in the public hearings held throughout the United States in the summer and fall of 1975 by the Trade Policy Staff Committee as part of the administration's preparation for the negotiations. A computerized file of U. S. tariff rates and a series of numerous computer tabulations on U. S. imports were prepared for the U. S. delegation in Geneva. Technical assistance was regularly provided to many of the Washington-based task forces which provide support for the U. S. delegation, including extensive assistance in assembling statistics and other data for the U. S. offer on tropical products. Commission staff and Commissioners participated in Geneva meetings of the MTN negotiating groups, and in January 1976 a member of the Commission staff joined the permanent U. S. MTN delegation in Geneva. In addition to the above activities, the Commission began a number of long-range research projects to provide information on topics which the STR had indicated would be helpful for future conduct of the negotiations, which are expected to continue at least through 1977.

The Commission continued to supply the GATT Secretariat in Geneva with compilations of data on U. S. imports, tariffs, and trade-agreement obligations. Most of this was part of a continuing compilation of trade and tariff information to provide basic data for the multilateral trade negotiations. Since virtually all international tariff and trade work is conducted in terms of the product classifications of the Customs Cooperation Council Nomenclature (formerly called the Brussels Tariff Nomenclature (BTN)), the Commission regularly provides the GATT Secretariat with information on the concordance between the Tariff Schedules of the United States (TSUS) and the BTN. This concordance is continuously being updated at the Commission.

Work required for the regular operation of the trade agreements program, apart from MTN activities, included, inter alia, assembly of information detailing the interest of Japan in U. S. imports of products on which the United States has taken escape-clause or other actions to limit imports. The information was for use in a series of continuing consultations with Japan on the balance of concessions between the United States and Japan under the GATT, and the effect which certain U. S. escape-clause actions have had on that balance. Work was also done on new protocols which have been proposed to expand the product coverage of the Agreement on the Importation of Educational, Scientific and Cultural Materials (the Florence Agreement) and on a proclamation to restore the rate of duty on certain brandy to a much higher level. That higher level had been imposed a number of years ago as retaliation against actions by the European Community affecting U. S. exports of poultry. In 1974, the retaliatory rate on brandy valued not over \$17 per gallon was terminated and the concession rate restored pending action by the European Community to improve conditions for entry of U. S. poultry into the European market. The improved entry conditions did not materialize.

Generalized System of Preferences

The Trade Act of 1974 gave the President authority to establish a Generalized System of Preferences under which eligible articles that are the product of designated beneficiary developing countries can be imported into the United States free of duty. The Special Trade Representative and the Secretary of State are jointly responsible for the administration of the GSP. Several months of preparatory work in which the Commission participated extensively culminated in the issuance of Executive Order 11888, which implemented the GSP effective January 1, 1976. The Commission provided technical assistance in a detailed inter-agency review of the Commission's advice on the probable economic effect of granting GSP duty-free treatment on individual articles, as well as assistance in preparation of the order implementing the GSP. In addition, Commission personnel worked on establishing a system for monitoring GSP imports and did the major part of

the work entailed in application of the "competitive need" criteria set out in section 504 of the Trade Act. For the first and second executive branch reviews of the operation of GSP, part of which consisted of public hearings held by the Trade Policy Staff Committee, the STR was supplied technical data on U. S. production of and trade in almost 200 articles on which petitions had been submitted for a modification of their GSP status.

Executive Branch Review of Commission Reports

Many of the reports which the Commission submits to the President under various statutes, such as section 201 of the Trade Act of 1974, involve matters on which action by the President would affect trade-agreement obligations of the United States. Executive branch review of these reports for the purpose of formulating executive branch recommendations to the President is usually centered in the office of the Special Trade Representative. The Commission provides technical assistance in the review process, including such supplemental information as may be required. During the period covered by this report the Commission submitted nine reports to the President on investigations which were instituted as a result of petitions for import relief under section 201 of the Trade Act. These reports required eventual action by the President.² Following the President's decision not to impose import restrictions in the footwear case, the Commission undertook to assist in monitoring developments in footwear trade through the monthly submission of statistical data on imports and U. S. production. With respect to the specialty steels case, the Commission provided data to assist in negotiations for orderly marketing agreements, aided in the preparation of the President's proclamation imposing quotas on imports, and later, at the request of the President, established an elaborate reporting system for monitoring domestic production and trade in specialty steels.

²The reports concerned investigations in which a majority of the Commission found that a domestic industry was being seriously injured by imports, or threatened with serious injury, or in which the Commission was evenly divided on the question of injury. The products involved were asparagus, stainless steel and alloy tool steel, slide fasteners and parts, footwear, stainless steel table flatware, mushrooms, iron blue pigments, shrimp, and honey.

UNIFORM STATISTICAL DATA ON IMPORTS, EXPORTS, AND PRODUCTION

The enactment of the Trade Act of 1974 significantly enlarged the Commission's activities and responsibilities for developing methods to provide improved statistics. The act seeks to promote the achievement of comparability of statistics on domestic production, imports, and exports published by the Federal Government and used by the Commission in its analyses of international trade matters and by Government and business in general. It also provides that consideration be given to the formulation of an international statistical reporting system.

Activities Under Section 484(e) of the Tariff Act of 1930

Section 608(a) of the Trade Act of 1974 amended section 484(e)³ of the Tariff Act of 1930 by providing for comparability of U. S. import, production, and export data, as follows:

(e) **Statistical Enumeration.** — The Secretary of the Treasury, the Secretary of Commerce, and the United States International Trade Commission are authorized and directed to establish from time to time for statistical purposes an enumeration of articles in such detail as in their judgment may be necessary, comprehending all merchandise imported into the United States and exported from the United States, and shall seek, in conjunction with statistical programs for domestic production, to establish the comparability thereof with such enumeration of articles. All import entries and export declarations shall include or have attached thereto an accurate statement specifying, in terms of such detailed enumeration, the kinds and quantities of all merchandise imported and exported and the value of the total quantity of each kind of article.

During fiscal year 1976 the Commission provided a detailed comparison of the three systems indicating the extent of product detail currently included in each general category and providing a basis for identifying the extent of product comparability currently existing among the three systems. It was then necessary to determine the extent of product refinement or detail which should be provided for on a comparable basis among the three or between any two of the systems. For this purpose the Commission staff and the staffs of the other agencies involved held over 235 interagency meetings and reached agreement on 189

³19 U.S.C. 1484(e).

of the 212 subparts which make up the enumeration. Work was also begun on the preparation of a series of four tables for public comment indicating the proposed revisions to each of the three systems involved and the levels of product comparability thereby obtained. During fiscal year 1976 the Commission completed approximately 90 percent of the tables for which it is responsible.

Section 608(b) of the Trade Act of 1974 provides as follows:

(b) In carrying out the responsibilities under section 484(e), Tariff Act of 1930 and other pertinent statutes, the Secretary of Commerce and the United States International Trade Commission shall conduct jointly a study of existing commodity classification systems with a view to identifying the appropriate principles and concepts which should guide the organization and development of an enumeration of articles which would result in comparability of United States import, production, and export data. The Secretary and the United States International Trade Commission shall submit a report to both Houses of Congress and to the President with respect to such study no later than August 1, 1975.

During the first part of fiscal year 1976 the Secretary of Commerce and the Commission formulated and submitted the above-mentioned report to the Senate, the House of Representatives, and the President.

Harmonized Commodity Code

Pursuant to section 608(c) of the Trade Act of 1974, in fiscal year 1975 the Commission undertook an investigation under section 332(g) of the Tariff Act of 1930 which would provide the basis for —

(1) a report on the appropriate concepts and principles which should underlie the formulation of an international commodity code adaptable for modernized tariff nomenclature purposes and for recording, handling, and reporting of transactions in national and international trade, taking into account how such a code could meet the needs of sound customs and trade reporting practices reflecting the interests of United States and other countries, such report to be submitted to both Houses of Congress and to the President as soon as feasible, but in any event, no later than June 1, 1975; and

(2) full and immediate participation by the United States International Trade Commission in the United States contribution to technical work of the Harmonized Systems [sic] Committee under the Customs Cooperation Council to assure the recognition of the needs of the United States business community in the development of a Harmonized Code reflecting sound principles of commodity identification and specification and modern producing methods and trading practices. . . .

The Commission submitted the above-mentioned report to the Congress and the Presi-

dent on June 1, 1975.⁴ In addition, the Commission has participated in the U.S. contribution to the technical work of the Harmonized System Committee by preparing comments on the parts of the Harmonized Code dealing with paper and paper products, footwear, articles of nonmetallic minerals, ceramic and glass articles, and tools and machinery, and by providing technical assistance to the U.S. delegate to the Harmonized System Committee at Committee sessions. In an effort to afford all interested parties an opportunity to participate in the Commission's role in drafting these comments to the Harmonized Code, the Commission held hearings on the various chapters throughout the year.

Statistical Data

New statistical data on the valuation of U.S. imports became available for the first time in 1975, pursuant to the requirements of section 609 of the Trade Act of 1974. This data, including f.a.s. value,⁵ total charges in moving goods from foreign ports to the U.S. port of unloading, and c.i.f. value⁶ were added to basic data files used for analytical work at the Commission. A special type of data was obtained containing information on the import transactions of related parties. A study of related-party transactions in U.S. import trade is contemplated; the special data will also be incorporated into analytical data for Commission investigations and other Commission studies.

A program to collect and maintain a sample of about 1 percent of the customs entry documents

⁴U.S. Congress, House Committee on Ways and Means, *Concepts and Principles Which Should Underlie the Formulation of an International Commodity Code: Communication From the Chairman, U.S. International Trade Commission . . .*, H. Doc. No. 94-175 (94th Cong., 1st sess.), 1975.

⁵The f.a.s. value represents the transaction value of imports at the foreign port of exportation. It is based on the purchase price, i.e., the actual transaction value, and generally includes all charges incurred in placing the merchandise alongside the carrier at the port of exportation in the country of exportation.

⁶The c.i.f. value represents the value of imports at the first port of entry in the United States. It is based on the purchase price and includes all freight, insurance, and other charges (excluding U.S. import duties) incurred in bringing the merchandise from the country of exportation and generally placing it alongside the carrier at the first port of entry in the United States. If the merchandise was acquired in a transaction between related parties, the purchase price used in deriving the c.i.f. value is based on an arm's-length equivalent transaction price, i.e., a price which would exist between unrelated buyers and sellers.

filed at each U. S. port was continued in cooperation with the U. S. Customs Service. This information is used in studies of the Commission related to trade agreements, in work by the staff on comparability of import, export, and production data, and in investigations. Other Government agencies which have requested access to this file include the Departments of the Treasury, Labor, and Agriculture.

The Commission staff continued its efforts toward improvement of accuracy of import statistics through consultation with the Bureau of the Census on matters of statistical reporting. Several problems regarding the availability of data and specific cases of misreporting were investigated jointly and corrected. Plans were made for further cooperative effort, including a review and revision of the computer edit programs used by Census. The ultimate aim of this effort is an improvement in the quality of trade data used by the Commission in its investigations and other work on current trade matters and by others in industry and Government.

The Commission added substantially to the statistical data obtained, compiled, or made available for analysis of international trade. Special data files were developed on trade under the GSP, imports under the provisions of TSUS items 806.30 and 807.00, and import transactions of related parties. U. S. import and export data were compiled to update the Trade Agreement Digests through 1975. These digests provide basic economic and statistical data for commodities subject to possible duty reductions in the current (seventh) round of trade negotiations under the GATT. Statistical information in the form of tabulations or data tapes was made available to the Special Trade Representative, the Department of State, and congressional committees.

Regular programs continued for the analysis of individual import transactions based on entry documents for the Port of New York and statistical documents at the Census Bureau headquarters at Suitland, Md. About 115,000 transactions were included in the analyses. These programs were expanded in fiscal year 1976 to include analysis of export transactions. About 36,000 shippers' export declarations were reviewed, mainly in connection with developing a commodity classifica-

tion system which provides comparability of U. S. import and export data.

PREPARATION OF THE TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED

The *Tariff Schedules of the United States Annotated* (TSUSA) is published periodically by the Commission. The TSUSA contains the classifications used for reporting import data by commodity and by supplying countries. The schedules delineate some 11,000 commodity classifications for which import statistics are collected. At appropriate intervals the TSUSA is updated to reflect the effects of legislation, Presidential proclamations carrying out trade-agreement concessions, and other modifications of the schedules.

In September 1975, the Commission issued supplement 2 to the 1975 TSUSA; work on this supplement was begun in fiscal 1975.

The Commission published the ninth (1976) edition of the TSUSA in November 1975. The 1976 TSUSA reflects (1) supplements 1 and 2 to the eighth edition (1975); (2) Executive Order 11888 implementing the Generalized System of Preferences; (3) Public Laws 94-108 and 94-120; (4) statistical annotations, effective January 1, 1976 (formulated pursuant to sec. 484(e), Tariff Act of 1930); (5) a new Bureau of the Census reporting system (Schedule C-1) to facilitate the compilation of separate import data for all countries and territories designated as beneficiary developing countries under the GSP; and (6) a new U.S. International Trade Commission reference index of economic communities and organizations, free-trade areas, marketing blocks, and other special trading groups in terms of Schedule C-1 country or territory designation.

By the close of fiscal year 1976, supplements 1 and 2 to the 1976 TSUSA had been issued, and supplement 3 had been delivered to the Government Printing Office for publication.

PERIODIC REPORTS ON COMMODITIES

Synthetic Organic Chemicals

The Commission has regularly prepared annual and monthly reports on synthetic organic chemicals, plastics, and resin materials. The annual reports have been published since 1918; the

monthly production reports evolved from studies of hundreds of organic chemicals begun during World War I.

Government uses of these data reportedly include trade adjustment assistance by the Department of Labor, planning and investigations by the Food and Drug Administration, possible concessions in trade negotiations by the STR, and monitoring the economy (particularly the chemical industry) by the Council on Wage and Price Stability. The business community, including industry, consultants, and financial analysts, also reportedly use these data extensively.

To increase the usefulness of the data and the timeliness of their publication, automatic data processing will be used to prepare and print the 1975 annual report for the first time.

Annual reports.—The 58th annual report on U.S. production and sales of synthetic organic chemicals, covering calendar year 1974, was released by the Commission on July 20, 1976.⁷

Fourteen groups of chemicals were involved:

- Tar and tar crudes
- Crude products from petroleum
and natural gas for chemical conversion
- Cyclic intermediates
- Dyes
- Organic pigments
- Medicinal chemicals
- Flavor and perfume materials
- Plastics and resin materials
- Rubber-processing chemicals
- Elastomers (synthetic rubber)
- Plasticizers
- Surface-active agents
- Pesticides and related products
- Miscellaneous cyclic and acyclic
organic chemicals.

Separate preliminary reports for each of the 14 groups were issued in the period June–September 1976; these reports, when revised and combined, will constitute the 1975 annual report.

Approximately 800 manufacturers report data on some 8,000 chemical products to the Commission; these data form the bases of the preliminary reports and the annual report. Also included in the annual report are a directory of manufacturers for each of the named chemicals and chemical products and a summary table covering im-

⁷*Synthetic Organic Chemicals, United States Production and Sales, 1974*, USITC Publication 776, 1976.

ports of related products (i.e., benzenoid intermediates, dyes, medicinal chemicals, and other finished coal-tar products). The data in the summary table are from another Commission publication, *Imports of Benzenoid Chemicals and Products*, and are obtained by analyzing invoices covering most of the general imports of benzenoid chemicals.

Monthly reports.—The monthly production reports (Series C/P) add timeliness to the Commission's statistics. A report, containing production data for the selected synthetic organic chemicals, plastics, and resins (trend-setting indicator materials), is issued for each month at a date approximately 5 weeks thereafter.

Quantitative Determinations

As required by statute, Executive order, or Presidential proclamation, the Commission submitted annual reports during fiscal 1976 on U.S. consumption of watch movements,⁸ brooms,⁹ and knives, forks, and spoons with stainless steel handles.¹⁰

ASSISTANCE TO THE CONGRESS

In fiscal year 1976 a substantial part of the Commission's activity continued to involve responses to requests from the Congress on tariff and trade matters.

During the period the Commission submitted 41 reports on proposed legislation involving tariffs and international trade (see app. B). Attorneys and commodity analysts furnished technical information at a number of congressional hearings.

ASSISTANCE TO EXECUTIVE DEPARTMENTS AND AGENCIES

Pursuant to section 334 of the Tariff Act of 1930, the Commission cooperated with other Government agencies on matters of common interest concerning international trade and customs and tariff policy. During fiscal 1976 the Commission worked extensively with established

⁸Public Law 89-805 (80 Stat. 1521, 1522); Public Law 89-241 (79 Stat. 948, 949).

⁹Executive Order 11377 implements headnote 3 to schedule 7, pt. 8, subpt. A, of the TSUS.

¹⁰Presidential Proclamation 4076 implements headnote 2(c) to pt. 2, subpt. D, of the Appendix to the TSUS.

committees in the Bureau of the Census and the Customs Service. Commission staff members also served on the following permanent interdepartmental committees (in addition to other committees previously mentioned in this report):

- Technical Committee on Standard Industrial Classification
- Interagency Committee on Automatic Data Processing
- Federal Committee on International Statistics
- U. S. Metric Study Committee
- Interagency Committee To Identify and Classify Cheeses and Other Dairy Products Offered for Importation
- Commodity Advisory Committees under the Office of Emergency Preparedness
- Interagency Advisory Committee on Customs Cooperation Council Matters.

The Commission supplied statistics, background information, and analyses on various commodities to many different Federal departments and agencies, including the Departments of State, Defense, Agriculture, Commerce, Labor, Justice, Health, Education, and Welfare, and Interior, and the Environmental Protection Agency. In addition, the Commission worked with the Federal Energy Administration in the areas of petroleum and petrochemicals.

ASSISTANCE TO THE PUBLIC

Over the years, industry, the press, technical societies, business men and women, lawyers, representatives of consumer interests, unions, State and local legislators, students, teachers, and others have consistently turned to the Commission for factual and technical information and data on a broad range of subjects involving international trade. Fiscal year 1976 saw a sizable growth in requests. The Commissioners and the professional staff members—commodity-industry analysts, lawyers, international economists, accountants, and librarians — replied to

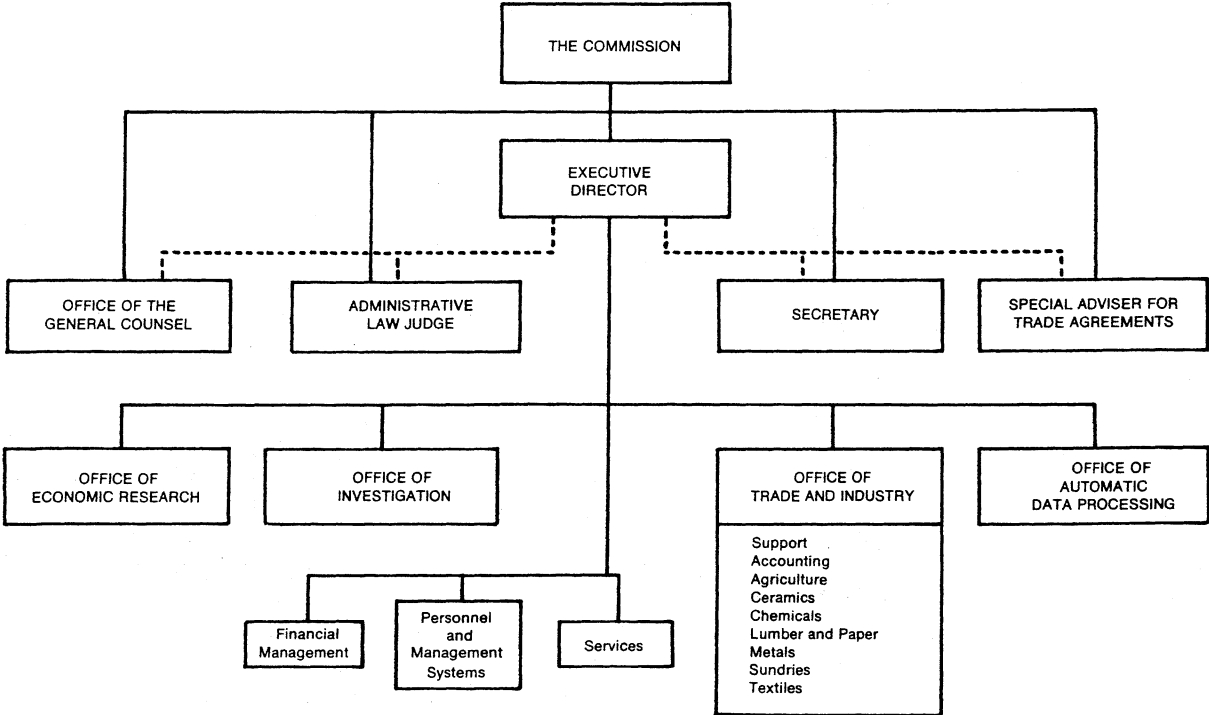
numerous requests. Commissioners or staff members often responded orally or informally to inquiries at meetings of trade associations and other professional groups. Commissioners and staff spoke to many groups in all parts of the country acquainting them with the work of, and the services which could be supplied by, the USITC. During fieldwork to gather data required for the work of the Commission, and especially at the regional hearings, Commissioners and staff members frequently received requests for information, which they supplied orally or by mail after returning to Washington. The Commission also periodically publishes trade data used by private trade groups. The Commission strongly believes that the public, as well as the executive and legislative branches, is entitled to access to as much information as possible compiled by the Commission.

Freedom of Information Act Litigation

On April 1, 1975, suit was brought against the Commission in the U. S. District Court for the District of Columbia (Civil Action No. 75-0465) seeking declaratory judgment to set aside the records search fee provided for in subsection 201.20(a) of the Commission's Rules of Practice and Procedure with respect to an alleged violation of section 552(a)(4)(A) of the Freedom of Information Act. In response to this suit, on July 21, 1975, the Commission promulgated in final form an amended subsection 201.20(a) of its Rules of Practice and Procedure (40 F. R. 31211) after providing for public comment in a notice of proposed rulemaking (40 F. R. 23478).

On the basis of the amendment, which overcame the basis of the suit, the Government moved that the court dismiss the subject suit for mootness.

UNITED STATES INTERNATIONAL TRADE COMMISSION



ORGANIZATION OF THE COMMISSION

On September 30, 1976, the U.S. International Trade Commission was composed of 6 Commissioners and 385 staff members.¹ The chart on page 20 depicts the Commission's organization at the end of fiscal 1976.²

Membership of the Commission

As provided in the Tariff Act of 1930, as amended, the six Commissioners of the U.S. International Trade Commission are Presidential appointees who are confirmed by the Senate. Commissioners' terms are 9 years in length; one term expires each 18 months. Not more than three Commissioners may belong to the same political party. The Trade Act of 1974 provides that the Commissioner whose term is next to expire shall serve as Chairman during the final 18 months of his term, and the Commissioner whose term is second to expire shall serve as Vice Chairman. During fiscal 1976 *Will E. Leonard* served as Chairman, and *Daniel Minchew* served as Vice Chairman.

The following Commissioners served during fiscal year 1976:

Commissioner Will E. Leonard, Democrat of Louisiana. Mr. Leonard's term expires December 16, 1976.

Commissioner Daniel Minchew, Democrat of Georgia. Mr. Minchew's term expires June 16, 1978.

Commissioner George M. Moore, Republican of Maryland. Mr. Moore's term expires December 16, 1982.

Commissioner Catherine Bedell, Republican of Washington. Mrs. Bedell's term expires June 16, 1984.

Commissioner Joseph O. Parker, Republican of Virginia. Mr. Parker's term expires December 16, 1979.

Commissioner Italo H. Ablondi, Democrat of New York. Mr. Ablondi's term expires June 16, 1981.

Executive Staff of the Commission

Office of Executive Director
Irving I. Raines, *Executive Director*

Office of Investigation
Edward P. Furlow, *Director*
Charles W. Ervin, *Deputy Director*

Office of Economic Research
George N. Ecklund, *Director*
Vacant, *Deputy Director*

¹Temporary employees not included.

²An extensive Commission reorganization will be implemented on Jan. 1, 1977, that will enable a somewhat smaller staff to more effectively respond to Presidential, congressional, and public requests. The various staff sections will gain the strength and flexibility necessary to assume the additional responsibilities given to the Commission in the Trade Act of 1974.

Office of the General Counsel
Russell N. Shewmaker, *General Counsel*

Office of Trade and Industry
Robert A. Cornell, *Director*
Aaron H. Chesser, *Deputy Director*

Support
Joseph L. Williams, *Chief*

Accounting Division
Victor R. Christensen, *Chief*

Commodity Divisions:

Agriculture
Leonard E. Jensen, *Chief*

Ceramics
William E. Wright, *Chief*

Chemicals
Aimison Jonnard, *Chief*

Lumber and Paper
Vacant, *Chief*

Metals
Charles W. Daiker, *Chief*

Sundries
Selma L. Coble, *Chief*

Textiles
Larry B. Clayton, *Chief*

Office of the Secretary
Kenneth R. Mason, *Secretary*

Special Adviser for Trade Agreements
William T. Hart, *Special Adviser*

Administrative Law Judge
Myron R. Renick, *Judge*

Office of Automatic Data Processing
Michael J. Olsavsky, *Director*

Personnel and Management Systems
Charles R. Ramsdale, *Director*

Financial Management
Edward C. Wallington, Jr., *Chief*

Services
Robert A. Kliefoth, *Chief*

The Executive Director is the chief executive official reporting to the Commission. He is responsible for insuring the implementation of policies adopted by the Commission.

The Secretary serves the Commission in the general conduct of its business and is an official point of contact, in general, with other Government agencies and the public. The Special Adviser for Trade Agreements acts as the Commission's liaison with the President's Special Representative for Trade Negotiations and advises the Commission on trade agreements. The General Counsel is the Commission's chief legal officer and also acts as liaison officer with the Senate and the House of Representatives on legal matters.

The Director of Investigation, the General Counsel, and the Directors of the Office of Economic Research and the Office of Trade and Industry serve as the Staff Coordinating Committee to assist in carrying out the Commission's day-to-day activities involving legal, investigative, and general research duties. The Office of Automatic Data Processing provides support to the Commission staff by increasing the utility of available data.

Within the Office of Trade and Industry there are seven divisions which specialize in commodity groups. During the conduct of an investigation, it has been Commission practice to form a team consisting of a commodity-industry analyst from the Office of Trade and Industry and an economist from the Office of Economic Research. This team may then draw support as required from the legal, accounting, data processing, or other sections.

EMPLOYMENT AND APPROPRIATIONS

People are the Commission's greatest resource. In fiscal year 1976, average employment in terms of man-years was 398, 8 percent above that in fiscal 1975. For fiscal year 1977 the Commission requested a cut in personnel because of the planned reorganization, which provides for better direction and higher motivation along with the assumption of greater responsibility. The tabulation on the following page shows the number of permanent full-time officers and employees of the U.S. International Trade Commission, by organizational units, at the end of fiscal years 1976 and 1975.

Position description or activity	Sept. 30, 1976	June 30, 1975
Commissioners	6	6
Offices of the Commissioners	17	11
Office of the Executive Director	6	4
Financial Management Division	9	8
Services Division:		
Services	12	11
Library	9	7
Graphics	7	9
Office of Personnel and Management Systems:		
Personnel	8	8
Management	3	3
Office of Automatic Data Processing	12	13
Office of the Secretary	10	7
Office of the General Counsel	37	24
Office of Economic Research	40	42
Office of Investigation	20	22
Office of Special Adviser for Trade Agreements	9	10
Office of Trade and Industry	190	196
Total	391	381

The U.S. International Trade Commission submits its budget to the President for transmittal to the Congress. During fiscal year 1976, appropriated funds made available to the Commission amounted to \$10,400,000. Reimbursements received totaled \$32,298, making available a grand total of \$10,432,298. Obligations for fiscal years 1976 and 1975 were as follows:

Item	Fiscal year 1976	Fiscal year 1975
Salaries and personnel benefits	\$7,760,233	\$6,866,133
Travel and transportation	188,547	134,957
Rentals and communications service	893,823	617,411
Other services	504,255	469,671
Printing and reproduction	81,360	122,552
Equipment, supplies, and materials	433,881	400,135
Total	9,862,119	8,610,859

RELOCATION OF A PORTION OF THE COMMISSION STAFF

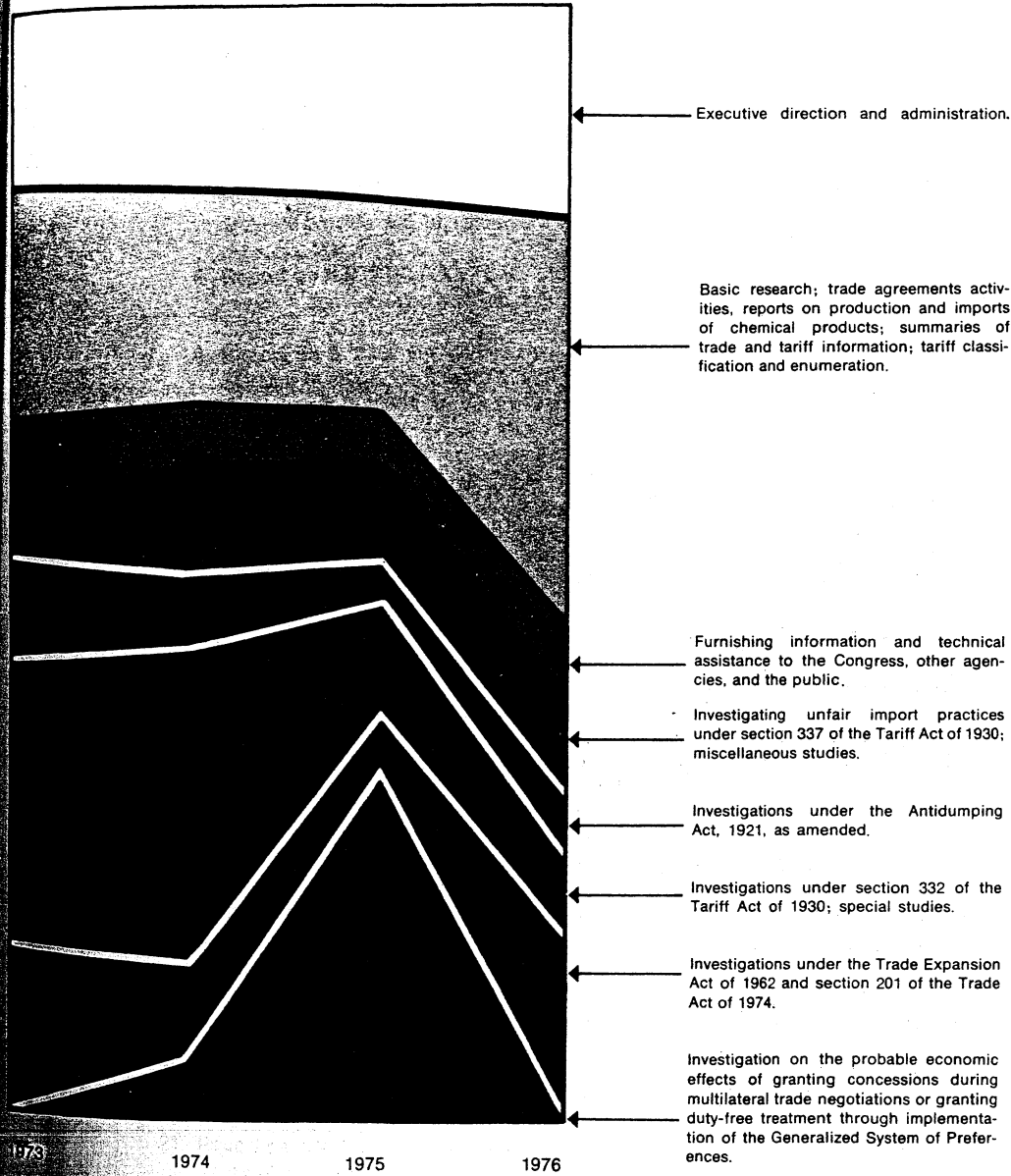
The conclusion of fiscal 1976 found the Commission employees occupying two locations, primarily because of damage caused by subway construction. While the historic United States International Trade Commission Building, at 701 E Street NW,³ is being repaired from damage apparently caused in February 1975 by the construction of a subway tunnel under 7th Street, 152 employees are located in the Bicentennial Building, at 600 E Street NW. Units located within the Bicentennial Building are the Office of Economic Research, the Administrative Law Judge, the Office of Automatic Data Processing, the Accounting Division, the Agriculture Division, the Chemicals Division, and the Sundries Division.

The completion of repairs to the Commission building and the finalization of reorganization plans will cause further shifting of personnel during fiscal 1977. It is planned that part of the Bicentennial Building will house some agency offices for the next several years.

³The building was built from 1839 to 1869 under the supervision of Thomas U. Walter, one of the architects of the Capitol. The Commission took up quarters in the building in 1921 after such individuals and agencies as the Postmaster General, the General Land Office, the Bureau of Education, the National Selective Draft Board, and General John J. Pershing.

**SUMMARY OF PRINCIPAL ACTIVITIES OF THE
UNITED STATES INTERNATIONAL TRADE COMMISSION,
FISCAL YEARS 1973-76**

Percentage distribution of employee compensation



appendix a

REPORTS SUBMITTED ON PROPOSED LEGISLATION

1. **Report on H.R. 4047** (Mr. Kemp).—For the relief of Jack R. Misner. August 15, 1975.
2. **Report on H.R. 6860** (Mr. Ullman).—To provide a comprehensive National Energy Conservation and Conversion Program. August 29, 1975.
3. **Report on H.R. 9200** (Mr. Burke—Mass., and Mr. Moakley).—To suspend until July 1, 1978, the duty on certain iron or steel strips used in the manufacture of razor blades. September 29, 1975.
4. **Report on S. 595** (Mr. Bartlett, et al.).—To amend section 2 of Public Law 88-482 which was enacted in 1964. November 17, 1975.
5. **Report on H.R. 9770** (Mr. Yatron).—To reduce for a 2-year period the duty on vanadium pentoxide. February 26, 1976.
6. **Report on S. 2118** (Mr. Fannin).—To amend the Tariff Schedules of the United States to provide a temporary suspension of duty on certain fig pastes. March 5, 1976.
7. **Report on H.R. 10831** (Mr. Hicks).—To amend the Tariff Schedules of the United States to provide duty-free treatment for softwood veneers imported for use in making plywood. March 18, 1976.
8. **Report on H.R. 2362** (Mr. White).—To extend from 8 months to 24 months the period in which domesticated animals may pasture in foreign countries and be accorded duty-free status upon reentry into the United States. March 18, 1976.
9. **Report on S. 2393** (Mr. Johnston).—To amend the Tariff Schedules of the United States with respect to jewelry. March 19, 1976.
10. **Report on H.R. 10689** (Mr. Waggonner).—To amend the Tariff Schedules of the United States with respect to jewelry. March 19, 1976.
11. **Report on H.R. 7956** (Mr. McHugh).—To apply to rail anchors the same tariff treatment that applies to rails. April 1, 1976.
12. **Report on H.R. 11321** (Mr. Vander Veen).—To suspend until July 1, 1977, the duty on certain elbow prostheses if imported for charitable therapeutic use, or for free distribution by certain public or private nonprofit institutions. April 1, 1976, and June 22, 1976.
13. **Report on H.R. 11113** (Mr. Lent).—To suspend until the close of January 3, 1979, the rate of duty on menadione dimethylpyrimidinol bisulphite (MPB). April 6, 1976.
14. **Report on H.R. 8124** (Mr. Burke—Mass.).—To amend the Tariff Schedules of the United States in order to change the customs treatment of certain woven fabrics of wool if products of an insular possession of the United States but imported into such possession as fabric for further processing. April 12, 1976.
15. **Report on H.R. 8656** (Mr. St. Germain).—To amend the Tariff Schedules of the United States in order to provide for the duty-free importation of loose glass prisms used in chandeliers. April 14, 1976, and June 22, 1976.
16. **Report on H.R. 9400** (Mr. Kemp).—To amend the Tariff Schedules of the United States with respect to the entry of horses. April 12, 1976.
17. **Report on H.R. 9401** (Mr. Kemp).—To continue to suspend for a temporary period the import duty on certain horses. April 21, 1976.
18. **Report on H.R. 11796** (Mr. Mikva and Mr. Rostenkowski).—To provide for the free entry of certain operatic sets for the Lyric Opera of Chicago, Chicago, Illinois. April 6, 1976.
19. **Report on H.R. 11605** (Mr. Ottinger and Mr. Richmond).—To suspend for a 3-year period the rate of duty on mattress blanks of rubber latex. April 22, 1976, and August 18, 1976.
20. **Report on H.R. 12254** (Mr. Rostenkowski).—To suspend the duties on certain bicycle parts and accessories until the close of December 31, 1979. May 4, 1976, and July 2, 1976.
21. **Report on H.R. 12033** (Mr. Schneebeli).—To continue until the close of June 30, 1979, the existing suspension of duties on manganese ore (including ferruginous ore) and related products. May 5, 1976.
22. **Report on H.R. 10176** (Mr. Mills).—To amend the Tariff Schedules of the United States with respect to the tariff treatment accorded to technologically advanced, high precision watches and watch movements. May 21, 1976.
23. **Report on H.R. 11259** (Mr. Corman and Mr. Stark).—To lower the duty on levulose until the close of December 31, 1977. May 26, 1976, and June 22, 1976.
24. **Report on H.R. 13034** (Mr. Pickle).—To amend section 102(a), section 461, Tariff Act of 1930, as amended (19 U.S.C. 1461). June 4, 1976.

25. **Report on H.R. 13033** (Mr. Pickle).—To provide the duty-free entry of articles for the use of the National Railroad Corporation in providing nationwide rail passenger service. June 10, 1976.
26. **Report on H.R. 11560** (Mr. Kock).—To amend the Tariff Schedules of the United States in order to require proof of liability insurance for automobiles entered into the United States for personal use by nonresidents and foreign government personnel, and for other purposes. June 18, 1976.
27. **Report on H.R. 12722** (Mr. Schneebeli).—To amend the Tariff Schedules of the United States to provide for mixed animal feeds containing soybeans. July 1, 1976.
28. **Report on H.R. 13331** (Mr. Annunzio and Mr. Burke—Mass.).—To increase for a 5-year period the duty on certain hand tools, and for other purposes. July 9, 1976.
29. **Report on H.R. 10612** (Mr. Ullman).—To amend the Internal Revenue Code of 1954. July 9, 1976.
30. **Report on S. 3270** (Mr. Packwood, et al.).—To amend the Tariff Schedules of the United States to provide for a lower rate of duty for certain fish netting and fish nets. July 12, 1976.
31. **Report on H.R. 9220** (Mr. Green and Mr. Conable).—To modernize and simplify customs procedures, and for other purposes. July 29, 1976.
32. **Report on H.R. 11694** (Mr. Hicks).—To reduce for a 5-year period the duty on certain soccer uniforms. August 11, 1976.
33. **Report on H.R. 2177** (Mr. Conable).—An Act to exempt from duty certain aircraft components and materials installed in aircraft previously exported from the United States where the aircraft is returned without having been advanced in value or improved in condition while abroad. August 19, 1976.
34. **Report on H.R. 13827** (Mr. Quie and Mr. Karth).—To amend the Tariff Schedules of the United States in order to eliminate all import duties on wool not finer than 46s, and for other purposes. August 23, 1976.
35. **Report on H.R. 7417** (Mr. Cleveland).—To amend the Trade Act of 1974 in order to provide for Federal reimbursement to States for unemployment insurance benefits paid to workers who are eligible for adjustment assistance benefits under such Act, and to repeal the provisions of law which reduce certain tax credits for employers in any State which does not enter into, or fulfill its commitments under, a Federal-State agreement regarding the administration of worker adjustment assistance benefits. August 24, 1976.
36. **Report on H.R. 13115** (Mr. Bauman, Mr. Hillis, and Mr. Findley).—To suspend until January 3, 1980, a portion of the duties on strontium nitrate. August 24, 1976.
37. **Report on H.R. 14048** (Mr. Burke—Mass.).—To extend until July 1, 1979, the duty-free treatment on copying lathes used for making rough or finished shoe lasts. August 31, 1976.
38. **Report on H.R. 12922** (Mr. DuPont).—To suspend until the close of June 30, 1977, the duty on certain doxorubicin hydrochloride antibiotics and for other purposes. August 30, 1976.
39. **Report on H.R. 10473** (Mr. Pickle).—To provide a comprehensive program to improve cargo security for property being transported in interstate and foreign commerce. September 3, 1976.
40. **Report on H.R. 13898** (Mr. Green).—To revise and reorganize the classification and the rates of duty on certain pipes and tubes and blanks therefor of iron or steel. September 8, 1976.
41. **Report on H.R. 14140** (Mr. Schneebeli).—To suspend until the close of June 30, 1979, the duty on concentrate of poppy straw used in producing codeine or morphine. October 5, 1976.