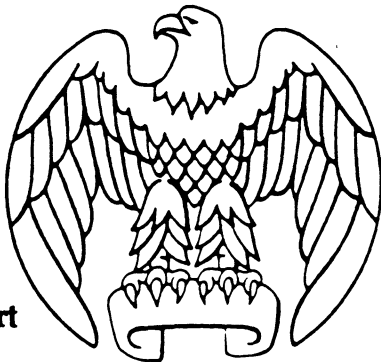


**United States  
International  
Trade  
Commission**

**Annual Report  
1980**



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International  
Trade  
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**Annual Report  
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**COMMISSIONERS**

Bill Alberger, *Chairman*  
Michael J. Calhoun, *Vice Chairman*  
Catherine Bedell  
Paula Stern  
Alfred E. Eckes, Jr.  
Eugene J. Frank

Kenneth R. Mason  
*Secretary to the Commission*

Address all communications to  
United States International Trade Commission  
Washington, D.C. 20436

**USITC PUBLICATION 1084**

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Members of the Commission on September 30, 1980, left to right: Commissioners Michael J. Calhoun, Bill Alberger, Catherine Bedell, Paula Stern, and George M. Moore.

The International Trade Commission completed one of the heaviest caseloads in its 65-year history during fiscal year 1980. It was, perhaps, the Commission's busiest year ever. The Commission's caseload increased sharply over that in fiscal year 1979, when 62 investigations were completed. In fact, the Commission's caseload more than doubled during fiscal year 1980 with the completion of 142 investigations. These included 108 antidumping and countervailing duty and 13 unfair trade practice cases.

Statutorily mandated, import-related investigations continued to constitute the largest segment of our workload. Our unusually wide range of activities during fiscal year 1980 was a direct outgrowth of the Commission's expanded responsibilities resulting from the passage of the Trade Act of 1974 and the Trade Agreements Act of 1979. One of the major Commission programs currently underway is our work on the Harmonized Commodity Code, now being negotiated in Brussels. This is the largest nomenclature-related activity undertaken by the Commission since the formulation of the revised Tariff Schedules of the United States in 1962. Moreover, in response to requests from the President and the Congress, the Commission continued to broaden its investigative scope to bring its commodity and economic expertise to bear on a number of specific trade issues and provide a sound body of factual material to put at the disposal of those responsible for formulating and implementing U.S. trade policy.

In summary, during 1980 we charted a course of action that allowed us to produce high-quality work on a constantly increasing number of investigations. That the Commission met the challenges before it with a modest rise in staff is attributable to the pride and professionalism of the men and women who worked with the Commission.



Bill Alberger  
*Chairman*



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Sec. 406 "market disruption" cases .....	2
Sec. 603 preliminary investigation .....	1
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Total .....	142

**Other Activities**

Publications issued (in addition to reports on investigations):	
Synthetic organic chemicals, production and sales .....	13
Benzenoid chemicals, imports .....	1
Responses to requests from Members of Congress and congressional committees .....	1,300
Import and export transactions analyzed .....	97,000
Library transactions:	
Volumes in collection .....	76,200
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Reports prepared on proposed legislation .....	55
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# introduction to the USITC

rutiny of the commodities it investi-  
search, investigative, determinative,  
its role as an independent agency  
s. To get the facts and to insure that  
extensive fieldwork was completed,  
ere held in Washington, D.C.

Commission has broad powers to

); foreign trade and its effect on  
oyment, and consumption; and  
. products.

to contribute to the development of  
a manner that is soundly based and  
cerned. By statute, the Commission  
at the request of the President, the  
Senate, or the Committee on Ways  
Representatives.

rs about 400 individuals who repre-  
s, including attorneys, economists,  
its, and data system programers.  
er facts and evaluate data to assist  
tions.

a broad range of responsibilities,

nd recommending appropriate im-  
ustries.

practices in import trade, including  
items at less than fair value or the  
e production or export was subsi-  
ent.

e and tariff issues relating to U.S.

ent of uniform statistical data to  
port, export, and domestic produc-

pinions and comments on trade  
des technical and factual informa-  
blic hearings and by other means,  
ed parties such as labor, industry,  
mers are represented, considered,  
Commission's technical assistance  
he Congress.



# **pictorial profile**

Fiscal year 1980 marked a milestone in the 64-year history of the United States International Trade Commission. The agency's caseload soared to a record level with the completion of 142 investigations. More than three-fourths of these import-related cases (108) involved antidumping and countervailing duty investigations and stemmed from the Commission's expanded role under the Trade Agreements Act of 1979. The year also was distinguished by petitions requesting import relief from basic industries—like steel and automobiles—that had a significant impact on the domestic economy. The completed investigations directly involved about \$4.5 billion in trade from the countries affected and indirectly involved over \$7.5 billion in import trade.

### Carbon steel

(1) During a year conspicuous for its high public visibility, the Commission completed a preliminary antidumping investigation on carbon steel products from Belgium, the Federal Republic of Germany, France, Italy, Luxembourg, the Netherlands, and the United Kingdom.

(2) The opening round in the United States Steel Corporation complaints started with delivery of petitions and documentation to the historic USITC building. The multibillion dollar cases represented a massive volume of trade and concerned five product lines from the European Community countries.

(3) The corporation's counsel John J. Mangan brought the multiple cartons of petitions to the Office of the USITC Secretary for processing by docket chief Ruby Dionne.



2

3



4a

(4) A standing-room-only audience attended the investigative conference, chaired by Director of Operations Charles Ervin, which gave opposing parties an opportunity to present pertinent facts and data.

4b



3





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(5) Congressional witnesses included Representatives Adam Benjamin, D.-Ind., (6) John H. Buchanan, D.-Ala., and (7) Joseph M. Gaydos, D.-Pa.. (8) Governor of West Virginia John D. Rockefeller, IV, and (9) Chairman of the Ohio House steel task force Tom Carney also testified.

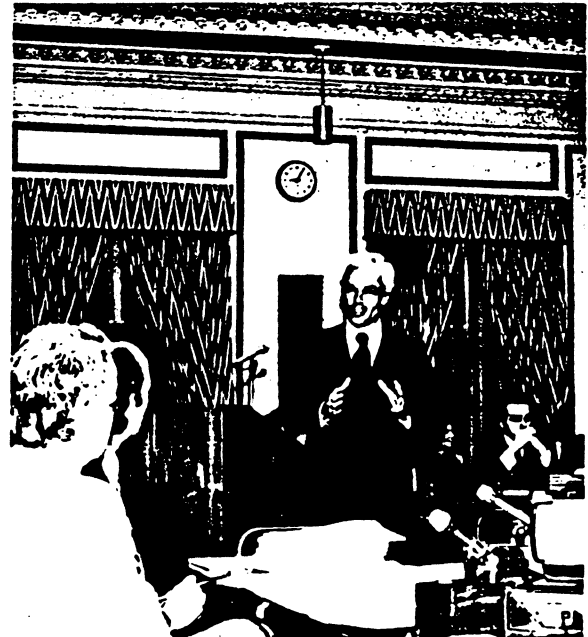
(10) Trade attorney Alfred R. McCauley made the presentation on behalf of firms opposed to the petitions for import relief, augmented by (11) comments from counsel David Houlihan.

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### Anhydrous ammonia

(1) World-renowned industrialist Dr. Armand Hammer, seated, right, testified during the Commission's March 20, 1980, hearing concerning alleged market disruption by imports of anhydrous ammonia from the U.S.S.R. The Occidental Petroleum Corporation board chairman appeared at the second of two such USITC investigations completed during the fiscal year.



2a



2b

### Mushrooms

(2) Senator Richard S. Schweiker, right, and Representative Richard T. Schulze, Republicans of Pennsylvania, were in the vanguard of witnesses requesting import relief for the Keystone State's mushroom producers and processors. The "escape clause" investigative hearing was held in Washington, D.C., on July 31, 1980.

10

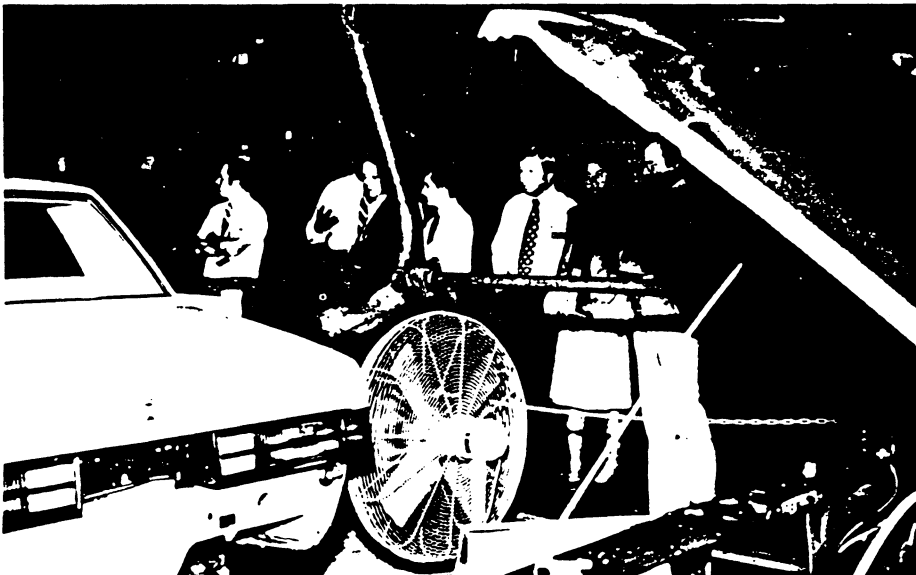
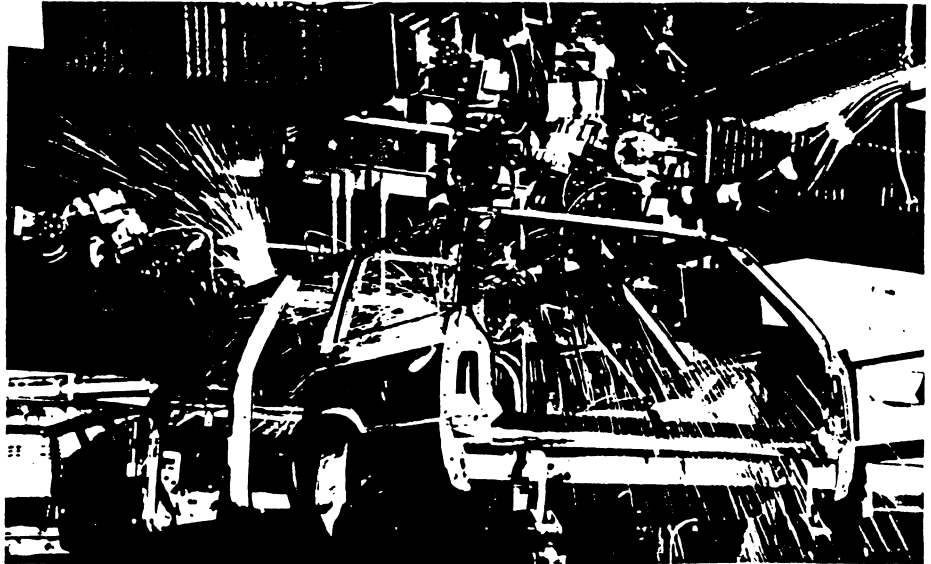
### Portable electric typewriters

(3) Washington, D.C., attorney H. William Tanaka gives rapt attention to Commission questioning at the April 22, 1980, hearing concerning imports of portable electric typewriters from Japan. The antidumping investigation alleged that the imported products materially injured the domestic industry.



## Automobiles

(1-4) The eyes of the world trading community were upon the Commission as it conducted an investigation on imported motor vehicles, chassis, and bodies under the Trade Act of 1974. The United Automobile Workers and Ford Motor Co. sought import quotas and higher duties on cars and trucks in their "escape clause" petitions filed with the USITC. The Commission's investigation of the \$78 billion domestic market began on June 30, 1980, and was in progress as the fiscal year ended. Commissioners and investigative staff, seeking firsthand facts about the domestic industry, visited U.S. auto manufacturing plants in Wisconsin, Michigan, and New Jersey.



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13

## Roses

(1, 2) The subject was roses—fresh cut roses, to be precise—during the Commission's "escape clause" investigation of allegations by some 250 U.S. producers that imported roses were a substantial cause or threat of serious injury to the domestic industry. The exhibits were undoubtedly the most beautiful commodities examined by the Commissioners during the year.



The U.S. International Trade Commission is authorized by law to investigate all aspects of international trade involving the United States. During fiscal 1980, investigations were conducted under provisions of the Trade Agreements Act of 1979, the Trade Act of 1974, the Tariff Act of 1930, and the Antidumping Act, 1921.

### TRADE AGREEMENTS ACT OF 1979<sup>1</sup>

The Trade Agreements Act of 1979 contains a new tariff nomenclature for benzenoid chemicals with rates of duty adjusted to reflect the adoption by the United States of a revised system of customs valuation based principally upon transaction value. Under section 225 of the act, the President is authorized to proclaim modification of the article descriptions in subparts B and C of part 1 of schedule 4 of the Tariff Schedules of the United States in order to transfer articles within those provisions. The President may not make such modification unless the Commission determines that (1) the chemical or product was not valued for customs purposes on the basis of the American selling price upon entry into the United States during a period determined by the Commission to be representative, and (2) a rate of duty provided for in such subparts, other than the rate of duty that would apply but for this section, is more appropriate and representative for such chemical or product.

On August 10, 1979, the Commission instituted an investigation under section 225 of the Trade Agreements Act of 1979 (investigation No. 225-1), with respect to the dutiable status of certain benzenoid chemical imports from Switzerland and the European Community following receipt of a request from the United States Trade Representative.

The Commission reviewed lists of chemicals provided by Switzerland and the European Community with regard to the U.S. customs treatment of each chemical during 1976, 1977, and 1978. Following the review, the Commission determined which chemicals satisfied the criteria stated under section 225 and submitted its findings in a report to the President and the United States Trade Representative on January 7, 1980.

### TRADE ACT OF 1974<sup>2</sup>

#### Advice to the President

Section 101<sup>3</sup> 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 131<sup>4</sup> 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 consumers.

On October 26, 1979, and April 7, 1980, the Commission received

<sup>1</sup> Public Law 96-39, approved July 26, 1979.

<sup>2</sup> Public Law 93-618, approved Jan. 3, 1975.

<sup>3</sup> 19 U.S.C. 2111.

<sup>4</sup> 19 U.S.C. 2151.



from the United States Trade Representative lists of articles for possible trade-agreement negotiation. The lists included fresh, chilled, or frozen vegetables. The Commission instituted investigations Nos. TA-131(b)-3 and TA-131(b)-4 on November 6, 1979, and April 14, 1980, respectively, to provide the President with the required information and advice. The Commission transmitted its confidential reports on the respective investigations to the President on December 20, 1979, and June 16, 1980.

Section 503<sup>5</sup> of the Trade Act 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 December 7, 1979, the United States Trade Representative furnished the Commission with a list of certain articles to be considered for inclusion in the Generalized System of Preferences. The Commission initiated investigations Nos. TA-503(a)-6 and 332-107 on December 20, 1979, and transmitted its confidential report to the President on March 10, 1980.

### Relief From Injury Caused by Import Competition

Section 201<sup>6</sup> of the Trade Act of 1974 provides means whereby relief may be sought for the purpose of facilitating orderly adjustment to import competition. A trade association, firm, certified or recognized union, or group of workers or other entity which is representative of an industry may file a petition for import relief. 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 a 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. If the President does not provide relief in the form recommended by the Commission, the Congress can, by approval of a concurrent resolution, override the President's action; under section 203(c)(2) the President is then required to implement the Commission's recommended relief.

During fiscal 1980, the Commission completed five investigations under section 201 within the 6-month statutory time limit. Table 1 shows information on the investigations completed during the year.

One section 201 investigation was in progress at the close of the year, No. TA-201-44, on certain motor vehicles and certain chassis and bodies therefor. The Commission instituted the investigation on June 30, 1980, following the receipt, on June 12, 1980, of a petition for import relief filed by the International Union, United Automobile, Aerospace, & Agricultural Implement Workers of America. On August 4, 1980, the Commission received a petition for similar import relief from the Ford Motor Co. Notice of the Ford petition and the Commission's consideration of Ford as a competitor in the investigation already underway was published in the *Federal Register* of August 21, 1980.

Section 203(i)(2)<sup>7</sup> 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 is to terminate by reason of the expiration of the initial period therefor, the Commission shall advise the President of its judgment as to the probable economic effect on such industry of such termination.

During fiscal 1980, the Commission, upon receipt of a request from the domestic indus-

<sup>5</sup> 19 U.S.C. 2463.

<sup>6</sup> 19 U.S.C. 2251.

<sup>7</sup> 19 U.S.C. 2253(i)(2).

Table 1.—Investigations completed under sec. 201 of the Trade Act of 1974, fiscal year 1980

Investigation No.	Article concerned	Petitioner or requester	Petition or request filed	Public hearing	Finding of Commission	Commissioners' votes			Commission's report	
						Affirmative	Negative	Not participating	To the President	USITC Publication No.
TA-201-39...	Nonelectric cooking ware.	The General Housewares Corp.	5- 4-79	9- 6-79 and 9- 7-79	Affirmative <sup>1</sup>	Parker <sup>2</sup> Alberger <sup>2</sup> Moore <sup>2</sup> Bedell <sup>2</sup> Stern <sup>2</sup>	—	—	11-13-79	1008
TA-201-40...	Leather wearing apparel.	The National Outerwear Sportswear Association, Amalgamated Clothing & Textile Workers Union, International Ladies' Garment Workers Union, United Food & Commercial Workers Union, and Tanners' Council of America, Inc.	7-24-79	11- 6-79 and 11- 7-79	Affirmative <sup>3</sup>	Bedell <sup>4</sup> Alberger <sup>4</sup> Moore <sup>4</sup> Stern <sup>4</sup>	—	—	1-24-80	1030
TA-201-41...	Certain fish..	Fishermen's Marketing Association of Washington, Inc., Seattle, Wash., and the Coast Druggers Association, Westport, Wash.	8-20-79	11-13-79 and 11-14-79	Negative	—	Alberger Moore Stern	Bedell <sup>4</sup>	1-29-80	1028
TA-201-42...	Fresh cut roses.	Roses, Inc.....	11-15-79	2-25-80 to 2-27-80	Negative	—	Bedell Alberger Moore Stern Calhoun	—	4- 3-80	1059
TA-201-43...	Mushrooms..	American Mushroom Institute.	3-14-80	6- 9-80 and 6-10-80	Affirmative	Alberger <sup>4</sup> Calhoun <sup>4</sup> Moore <sup>7</sup> Stern <sup>4</sup>	—	Bedell <sup>4</sup>	8-14-80	1089

<sup>1</sup> On Jan. 2, 1980, the President decided to grant import relief in the form of increased tariffs on imports of porcelain-on-steel cookware for 4 years. The President will provide relief by proclaiming additional tariffs on all U.S. imports of porcelain-on-steel cookware valued at or below \$2.25 per pound, except teakettles. These additional tariffs will be 20, 20, 15, and 10 cents per pound in the first, second, third, and fourth years of the import period, respectively. As required by law, these tariffs will be proclaimed by Jan. 17, 1980. The current tariff on porcelain-on-steel cookware is 3.3 percent ad valorem.

<sup>2</sup> Recommended that an increased rate of duty with respect to porcelain-on-steel cooking ware, valued not over \$2.25 per pound net weight, be imposed for a 5-year period so that the domestic industry will have an opportunity to adjust to whatever competitive conditions exist after the termination of import relief. Specifically, the Commission recommended that the additional duty should be 25 cents a pound for the first 2 years, dropping to 20 cents a pound in the third year, 15 cents a pound in the fourth year, and 10 cents a pound in the fifth year. This would be in addition to the existing duty, which is 1 cent a pound plus 2.5 percent ad valorem.

<sup>3</sup> On Mar. 24, 1980, the President decided to deny import relief to domestic producers of leather wearing apparel. The President based his decision on statutory national economic considerations, including the inflationary impact and the ineffectiveness of import relief as a means to promote adjustment.

<sup>4</sup> Recommended to the President the imposition of additional rates of duty with respect to these coats and jackets of leather as follows: First year, 25 percent ad valorem; second year, 20 percent ad valorem; and third year, 15 percent ad valorem. These additional rates of duty apply only to those coats and jackets entering the United States valued at not over \$150 each. The Commission also unanimously determined that other wearing apparel of leather, such as vests, shirts, pants, and shorts, is not being imported in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing articles like or directly competitive with the imported articles.

<sup>5</sup> Commissioner Bedell did not participate in the vote in order to avoid any possibility or appearance of conflict of interest.

<sup>6</sup> Recommended that in order to prevent or remedy serious injury, it is necessary to impose quantitative restrictions on U.S. imports of mushrooms, prepared or preserved, for the 3-year period commencing July 1, 1980. Such quantitative restrictions should be established at 86 million pounds (drained weight) for the first year, to be increased by 9.7 percent in each subsequent year. The actual levels are as follows: First year, 86 million pounds (drained weight); second year, 94 million pounds (drained weight); and third year, 103 million pounds (drained weight).

<sup>7</sup> Voted quota amounts for a 5-year period of 78 million pounds in the first 2 years; 10 percent above the 78 million in the third year; and 10 percent above the fourth-year amount in the fifth year.

try,<sup>8</sup> conducted one section 203 investigation. The request for the investigation (No. TA-203-6) was received on December 17, 1979, and the public hearing was held on March 5 and 6, 1980. In the Commission's report,<sup>9</sup> which was transmitted to the President on May 20, 1980, Commissioners Alberger, Calhoun, Moore, and Stern advised the President that termination of the import relief in effect with respect to color television receivers from Taiwan and the Republic of Korea would have an adverse impact on the domestic industry producing such articles. The Commissioners also advised the President that termination of the import relief in effect with respect to color television receivers from Japan would have little, if any, adverse impact on the domestic industry. Commissioner Bedell did not participate in the vote in order to avoid any possibility or appearance of conflict of interest.

By Proclamation No. 4769 of June 30, 1980, the President extended the temporary quantitative limitations on color television receivers and certain subassemblies thereof, the products of the Republic of Korea and Taiwan. The proclamation was issued pursuant to the President's decision to extend orderly marketing agreements covering such products.

#### Litigation Arising in Connection With Section 201 of the Trade Act of 1974

Litigation begun in 1977 challenging the validity of orderly marketing agreements negotiated by the President limiting footwear imports from Taiwan and the Republic of Korea was completed in fiscal 1980. (*Sneaker Circus, Inc., et al. v. Carter, et al.*, 457 F. Supp. 771 (E.D.N.Y. 1978), *aff'd* 614 F.2d 1290 (2d Cir.

<sup>8</sup> Allied Industrial Workers of America, International Union; American Flint Glass Workers Union of North America; Communications Workers of America; Corning Glass Works; Glass Bottle Blowers' Association of the United States and Canada; Independent Radionic Workers of America; Industrial Union Department, AFL-CIO; International Association of Machinists; International Brotherhood of Electrical Workers; International Union of Electrical, Radio & Machine Workers; Owens-Illinois, Inc.; United Furniture Workers of America; United Steelworkers of America; Wells-Gardner Electronics Corp.; and Sprague Electric Co.

<sup>9</sup> *Color Television Receivers and Subassemblies: Report to the President on Investigation No. TA-203-6* . . . , USITC Publication 1068, 1980.

1979.) The Commission was named as a party in that action. Plaintiffs had alleged, among other things, that the Commission had not followed proper procedures in, and did not have a proper basis for, determining that "good cause" existed within the meaning of section 201(e) of the Trade Act of 1974 (19 U.S.C. 2251(e)) for instituting a new footwear investigation within 1 year of completing an earlier investigation. The U.S. District Court for the Eastern District of New York found for the Government on the merits, finding among other things that the Commission had acted properly in deciding the good-cause question. The U.S. Court of Appeals for the Second Circuit affirmed the district court's action.

#### Market Disruption Investigations

Section 406<sup>10</sup> of the Trade Act of 1974 provides, in part, that upon the filing of a petition, upon request of the President or the United States Trade Representative, upon resolution of either the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, or on its own motion, the Commission shall make an investigation to determine, with respect to imports of an article which is the product of a Communist country, whether market disruption exists with respect to an article produced by a domestic industry.

Two market disruption investigations on imports of anhydrous ammonia from the Soviet Union were conducted by the Commission during the fiscal year. They are summarized in table 2.

#### East-West Trade Statistics Monitoring System

Section 410<sup>11</sup> of the Trade Act of 1974 requires the Commission to establish and maintain a program to monitor trade between the United States and the 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 four reports on East-West trade to the Congress in fiscal 1980 pursuant to section 410 of the Trade Act of 1974. The 20th quarterly report was also submitted to the East-West Foreign Trade Board.

<sup>10</sup> 19 U.S.C. 2436.

<sup>11</sup> 19 U.S.C. 2440.

Table 2.—Investigations completed under sec. 406 of the Trade Act of 1974, fiscal year 1980

Investigation No.	Article concerned	Petitioner or requester	Petition or request filed	Public hearing	Finding of Commission	Commissioners' votes			Commission's report	
						Affirmative (causing market disruption)	Negative (not causing market disruption)	Not participating	To the President	USITC Publication No.
TA-406-5	Anhydrous ammonia from the U.S.S.R.	Agrico Chemical Co., CF Industries, Inc., Felmont Oil Corp., First Mississippi Corp., W. R. Grace & Co., International Minerals & Chemical Corp., Mississippi Chemical Corp., Olin Corp., Terra Chemicals International, Inc., Union Oil Co. of Calif., Vistron Corp., and Wycon Chemical Co.	7-11-79	8-29-79 to 8-31-79	Affirmative <sup>1</sup>	Parker <sup>2</sup> Moore <sup>2</sup> Bedell <sup>2</sup>	Alberger <sup>2</sup> Stern <sup>2</sup>	—	10-11-79	1006
TA-406-6	Anhydrous ammonia from the U.S.S.R.	The President.....	1-18-80	3- 3-80	Negative	Bedell Moore	Alberger Stern Calhoun	—	4-11-80	1051

<sup>1</sup> On Dec. 11, 1979, the President determined that the imposition of a quota on imports of anhydrous ammonia from the U.S.S.R. is not currently in the national economic interest.

<sup>2</sup> Recommended a 3-year quota on U.S. imports of anhydrous

ammonia from the U.S.S.R. for the years 1980-82 as follows: 1980, 1,000,000 short tons; 1981, 1,100,000 short tons; and 1982, 1,300,000 short tons.

<sup>3</sup> Recommended that no remedy was appropriate.

On January 2, 1980, the East-West Foreign Trade Board was abolished and its functions were transferred to the Trade Policy Committee. The 21st, 22d, and 23d quarterly reports were submitted to the Trade Policy Committee. The four reports are as follows:

1. *20th Quarterly Report to the Congress and the East-West Foreign Trade Board on Trade Between the United States and the Nonmarket Economy Countries During July-September 1979* (December 1979, USITC Publication 1026).
2. *21st Quarterly Report to the Congress and the Trade Policy Committee on Trade Between the United States and the Nonmarket Economy Countries During 1979* (March 1980, USITC Publication 1055).
3. *22d Quarterly Report to the Congress and the Trade Policy Committee on Trade Between the United States and the Nonmarket Economy Countries During January-March 1980* (June 1980, USITC Publication 1081).
4. *23d Quarterly Report to the Congress and the Trade Policy Committee on Trade Between the United States and the Nonmarket Economy Countries During April-June 1980* (September 1980, USITC Publication 1097).

#### Preliminary Investigations Under Section 603<sup>12</sup> of the Trade Act of 1974

During fiscal year 1980, the Commission conducted two investigations under section 603

<sup>12</sup> 19 U.S.C. 2482.

of the Trade Act of 1974. Investigation No. 603-TA-5, on calcium pantothenate from Japan, was instituted on February 12, 1980, to investigate certain aspects of the calcium pantothenate market in the United States and to determine whether charges by Syntex Corp. might merit a section 337 investigation, in spite of the paucity of hard information in the complaint. On August 8, 1980, it was determined that there are no unfair methods of competition or unfair acts in the importation and sale of the product by Mitsui & Co., Alps Pharmaceutical, or other companies, 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 was recommended that the section 603 investigation be terminated and that the Commission not reconsider its vote not to institute a section 337 investigation on the basis of the matters alleged in the Syntex complaint.

Investigation No. 603-TA-6, on steel jacks from Canada, was instituted on April 23, 1980, to investigate whether imports of the product from Canada are the subject of a combination or conspiracy to fix prices at unfairly low levels for the purpose of monopolizing trade and commerce in the United States. As the fiscal

year ended, final Commission action on a proposed consent order was pending.

## TARIFF ACT OF 1930

### Countervailing Duty Investigations

#### Section 303.

Section 303<sup>12</sup> of the Tariff Act of 1930 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 it is imported directly from the country of production or otherwise and whether it 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.

<sup>12</sup> 19 U.S.C. 1303.

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.

During fiscal year 1980, the Commission instituted and concluded two preliminary and three final investigations under section 303. They are summarized in table 3. Investigation No. 303-TA-14 (Final), on plastic animal identification tags from New Zealand, instituted on August 1, 1980, was pending as the fiscal year closed.

#### Title VII.

The Trade Agreements Act of 1979 established title VII of the Tariff Act of 1930, which contained additional countervailing duty provisions. Effective January 1, 1980, the new statute added the requirement of a Commission determination regarding injury to a domestic industry before imposition of countervailing duties. It extends the benefit of a Commission injury determination to subsidy cases involving dutiable merchandise provided that the merchandise originates in a signatory to the Subsidies Code of the General Agreement on Tariffs and Trade.

In general, upon the filing of a petition with the Department of Commerce, the Commission conducts

Table 3.—Countervailing duty investigations completed under sec. 303(b) of the Tariff Act of 1930, fiscal year 1980

Investigation No.	Article concerned	Preliminary investigation			Final investigation				
		(a) Request received (b) Conference (c) Report to Secretary of Commerce	Finding that "there is no reasonable indication [of injury]" (Commerce terminates its investigation)	Finding that "there is a reasonable indication [of injury]" (Commerce continues its investigation)	USITC Publica- tion No.	(a) Advice received (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative	USITC Publica- tion No.
303-TA-11 <sup>1</sup>	Nonrubber footwear components from India.	—	—	—	—	—	—	—	—
303-TA-12 <sup>2</sup>	Pig iron from Brazil.....	—	—	—	—	—	—	—	—
303-TA-13	Certain public works castings from India.	(a) 2-19-80 (b) 3-17-80 (c) 4- 3-80	—	Bedell Alberger Moore Stern Calhoun	1056	(a) 5-28-80 (b) 8-27-80 and 8-28-80 (c) 9-16-80	Calhoun Moore Bedell Stern	Alberger	1098
303-TA-14	Plastic animal identification tags from New Zealand.	(a) 8- 1-80 (b) 8-22-80 (c) 9-15-80	—	Alberger Calhoun <sup>3</sup> Moore <sup>3</sup> Bedell <sup>3</sup> Stern <sup>3</sup>	1094	—	—	—	—

<sup>1</sup> Because investigation No. 303-TA-11 had not been completed at the time the new countervailing duty provisions became effective (Jan. 1, 1980), the investigation was terminated and reinstated as investigation No. 701-TA-1 (Final) pursuant to sec. 102 of the Trade Agreements Act of 1979.

<sup>2</sup> Because investigation No. 303-TA-12 had not been completed at the time the new countervailing duty provisions became effective

(Jan. 1, 1980), the investigation was terminated and reinstated as investigation No. 701-TA-2 (Final) pursuant to sec. 102 of the Trade Agreements Act of 1979.

<sup>3</sup> Determined that there is a reasonable indication that an industry in the United States is materially injured or is threatened with material injury.

a preliminary investigation to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of subsidized imports.

The Commission, after an affirmative determination by the Department of Commerce, conducts a final investigation to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry is materially retarded, by reason of subsidized imports.

Preliminary investigations must be completed within 45 days of the filing of the petition. Final investigations must be completed within 120 days after an affirmative preliminary Commerce determination or 45 days after an affirmative final Commerce determination, whichever occurs later, or within 75 days after an affirmative final Commerce determination preceded by a negative preliminary Commerce determination.

If the Commission's determination in the preliminary investigation is affirmative, Commerce continues its investigation and makes a finding of whether imports are subsidized. If the Commission's determination is negative, Commerce terminates its investigation.

If the Commission's determination in the final investigation is affirmative, Commerce issues an order under which a countervailing duty is imposed on the subsidized articles. If the Commission's determination is negative, no such order is issued and no countervailing duty is collectible.

During fiscal 1980, the Commission completed 63 countervailing duty investigations under title VII, which are summarized in table 4. A preliminary investigation, No. 701-TA-64, on certain glass-lined steel storage tanks and glass-lined steel pressure vessels, and parts thereof from France, instituted on September 2, 1980, was pending as the fiscal year ended.

#### Litigation Arising From Countervailing Duty Investigations

The only litigation arising from a countervailing duty investigation during fiscal 1980 was *Henkel Corp. v. United States* (Court No. 80-6-00910), an appeal to the Customs Court from the Commission's negative determination in investigations Nos. 701-TA-11-19 and 701-TA-22-30 (Dextrines and Soluble or Chemically Treated Starches Derived From Corn or Potato Starch). The Commission determined that the domestic industry is not materially injured or

threatened with material injury by reason of subsidized imports from the European Community. The appeal alleges various errors on the part of the Commission, which the Commission denied in an answer filed on August 4, 1980.

#### 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 the act are usually broader in scope and focus than other statutory investigations conducted by the Commission.

Section 332<sup>14</sup> 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 relationships 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.

During fiscal 1980, eight investigations under section 332 of the Tariff Act of 1930 were completed by the Commission, as shown in table 5. The 15 investigations which were in progress at the close of fiscal 1980 are summarized in table 6.

<sup>14</sup> 19 U.S.C. 1332.

Table 4.—Countervailing duty investigations completed under title VII of the Tariff Act of 1930, fiscal year 1980

Investigation No.	Article concerned	Preliminary investigation			Final Investigation			Not participating	USITC Publication No.
		(a) Request received (b) Conference (c) Report to Secretary of Commerce	Finding that "there is no reasonable indication [of injury]" (Commerce terminates its investigation)	Finding that "there is a reasonable indication [of injury]" (Commerce continues its investigation)	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative		
701-TA-1	Unlaced leather footwear uppers from India.	—	—	—	(a) 1- 1-80 (b) 2- 4-80 (c) 3- 4-80	—	Bedell Alberger Moore Stern Calhoun	—	1045
701-TA-2	Pig iron from Brazil...	—	—	—	(a) 1- 1-80 (b) 2- 6-80 (c) 3-11-80	Bedell Alberger Moore Stern Calhoun	—	—	1048
701-TA-3	Frozen potato products from Canada.	(a) 1- 1-80 (b) 1-29-80 (c) 2-11-80	Bedell Alberger Moore Stern Calhoun	—	—	—	—	—	1035
701-TA-4 and 701-TA-5	Taps, cocks, valves, and similar devices and parts thereof from Italy and Japan.	—	—	—	(a) 1- 1-80	—	—	—	(*)
701-TA-6	Viscose rayon staple fiber from Austria and Japan.	—	—	—	(a) 1- 1-80	—	—	—	(*)
701-TA-7	Weighing machinery and scales from Japan.	—	—	—	(a) 1- 1-80 (b) 4-14-80 (c) 4-24-80	—	Bedell Alberger Moore Stern Calhoun	—	1063
701-TA-8	Rifles, shotguns, and combination shotguns and rifles from Brazil.	—	—	—	(a) 1- 1-80	—	—	—	(*)
701-TA-9	Malleable pipe fittings of iron or steel from Japan.	—	—	—	(a) 1- 1-80	—	—	—	(*)
701-TA-10	Ferroalloys from Brazil.	—	—	—	(a) 1- 1-80	—	—	—	(*)
701-TA-11 through 701-TA-19	Dextrines and soluble or chemically treated starches derived from corn starch from Belgium, Denmark, the Federal Republic of Germany, France, Ireland, Italy, Luxembourg, the Netherlands, and the United Kingdom.	—	—	—	(a) 1- 1-80 (b) 4- 9-80 (c) 5- 1-80	—	Bedell Alberger Moore Stern Calhoun	—	1061
701-TA-20	Certain chains and parts thereof from Japan.	(a) 1- 1-80 (b) 2- 1-80 (c) 2-11-80	Bedell Alberger Moore Stern Calhoun	—	—	—	—	—	1039
701-TA-21	Fresh cut roses from the Netherlands.	(a) 1- 3-80 (b) 1-31-80 (c) 2-12-80	Bedell Alberger Moore Stern Calhoun	—	—	—	—	—	1041
701-TA-22 through 701-TA-30	Dextrines and soluble or chemically treated starches derived from potato starch from Belgium, Denmark, the Federal Republic of Germany, France, Ireland, Italy, Luxembourg, the Netherlands, and the United Kingdom.	—	—	—	(a) 1- 1-80 (b) 4- 9-80 (c) 5- 1-80	—	Bedell Alberger Moore Stern Calhoun	—	1061

See footnotes at end of table.

Table 4.—Countervailing duty investigations completed under title VII of the Tariff Act of 1930, fiscal year 1980—Continued

Investigation No.	Article concerned	Preliminary investigation			Final investigation			Not participating	USITC Publication No.
		(a) Request received (b) Conference (c) Report to Secretary of Commerce	Finding that "there is no reasonable indication [of injury]" (Commerce terminates its investigation)	Finding that "there is a reasonable indication [of injury]" (Commerce continues its investigation)	(a) Advice received from Commerce (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative		
701-TA-31 through 701-TA-39.	Hams and pork shoulders, cooked and packed in airtight containers, from Belgium, Denmark, the Federal Republic of Germany, France, Ireland, Italy, Luxembourg, the Netherlands, and the United Kingdom.	—	—	—	(a) 1- 7-80 (b) 6- 4-80 (c) 7- 3-80	—	Alberger Calhoun Moore Bedell Stern	—	1082
701-TA-40.....	Fish, fresh, chilled, or frozen, whether or not whole, but not otherwise prepared or preserved, from Canada.	—	—	—	(a) 1- 7-80 (b) 4-21-80 (c) 5-14-80	—	Alberger Moore Stern Calhoun	Bedell <sup>7</sup>	1066
701-TA-41.....	Handbags of leather from Brazil.	—	—	—	(a) 1- 7-80	—	—	—	(*)
701-TA-42 through 701-TA-50.	Tomatoes from Belgium, Denmark, the Federal Republic of Germany, France, Ireland, Italy, Luxembourg, the Netherlands, and the United Kingdom.	—	—	—	(a) 2- 5-80 (b) 5- 9-80 (c) 5-29-80	—	Bedell Alberger Moore Stern Calhoun	—	1076
701-TA-51.....	Butter cookies from Denmark.	—	—	—	(a) 1- 7-80 (b) 5-16-80 (c) 6-18-80	—	Alberger Calhoun Moore Bedell Stern	—	1077
701-TA-52 through 701-TA-60.	Certain nonquota cheese from Belgium, Denmark, the Federal Republic of Germany, France, Ireland, Italy, Luxembourg, the Netherlands, and the United Kingdom.	—	—	—	(a) 1- 7-80 (b) 5-21-80 (c) 6-24-80	—	Alberger Calhoun Moore Bedell Stern	—	1079
701-TA-61.....	Certain nonquota cheese from Norway.	—	—	—	(a) 1- 7-80	—	—	—	(*)
701-TA-62 and 701-TA-63. <sup>10</sup>	Textiles and textile products of cotton from Pakistan.	—	—	—	(a) 3-17-80 (b) 6-27-80 (c) 7-14-80	—	Alberger Calhoun Moore Bedell Stern	—	1086
701-TA-64.....	Certain glass-lined steel storage tanks and glass-lined steel pressure vessels, and parts thereof, from France.	(a) 9- 2-80 (b) 9-24-80	—	—	—	—	—	—	( <sup>11</sup> )

<sup>1</sup> See also investigation No. 303-TA-11.

<sup>2</sup> See also investigation No. 303-TA-12.

<sup>3</sup> Terminated Feb. 12, 1980.

<sup>4</sup> Terminated Feb. 29, 1980.

<sup>5</sup> Terminated Mar. 14, 1980.

<sup>6</sup> Terminated Mar. 24, 1980.

<sup>7</sup> Commissioner Bedell did not participate in the vote in order to avoid any possibility or appearance of conflict of interest.

<sup>8</sup> Terminated Mar. 5, 1980.

<sup>9</sup> Terminated Mar. 27, 1980.

<sup>10</sup> This case was incorrectly numbered; should be investigation No. 104-TAA-1.

<sup>11</sup> Terminated Oct. 6, 1980.



Table 5.—Investigations completed under sec. 332 of the Tariff Act of 1930, fiscal year 1980

Investigation No.	Subject	Origin	USITC Publication	
			No.	Date
332-91	United States exports to the Soviet Union: Past trends, recent developments, and future prospects.	Motion of the Commission	—	( <sup>1</sup> )
332-94	Annual and quarterly statistical reports providing certain information on stainless steel and alloy tool steel.	Request from the President (Presidential Proclamation 4445).	1014	November 1979
			1038	February 1980
			1053	March 1980
			1054	March 1980
332-95	Annual and quarterly statistical reports providing certain information on color television receivers.	Request from the President (Presidential Proclamation 4511).	1012	November 1979
			1036	February 1980
			1050	March 1980
			1067	May 1980
332-102	Competitive factors influencing world trade in integrated circuits.	Request from the Subcommittee on International Trade of the Committee on Finance and the Subcommittee on International Finance of the Committee on Banking, Housing, and Urban Affairs, United States Senate.	1013	November 1979
332-105	Casein and its impact on the domestic dairy industry.	Request from the House Committee on Ways and Means.	1025	December 1979
332-106	Identification of chemicals for the new tariff nomenclature for certain benzenoid chemicals.	Request from the United States Trade Representative.	1073	July 1980
			1074	July 1980 <sup>2</sup>
332-107 and TA-503(a)(6)	President's list of articles which may be designated as eligible articles for purposes of the Generalized System of Preferences.	Request from the United States Trade Representative.	—	( <sup>3</sup> )
332-110	Study of the economic effects of the eruptions of Mount St. Helens.	Request of the House Committee on Ways and Means.	1096	September 1980 <sup>4</sup>

<sup>1</sup> Terminated Feb. 4, 1980; no report issued.

<sup>2</sup> Submitted to the United States Trade Representative, Apr. 21, 1980 (in confidence). The United States Trade Representative requested that certain items be expanded and released to the public—USITC Publications 1073 and 1074. The report is available through

the Government Printing Office, July 1980.

<sup>3</sup> Submitted to the United States Trade Representative, Mar. 10, 1980 (in confidence).

<sup>4</sup> Submitted to the House Committee on Ways and Means.

## Unfair Trade Practices

Section 337<sup>15</sup> 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. If the Commission determines that there is a violation of section 337, it has the power to issue an order excluding imports from entry into the United States and/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. There is a statutory time limit of 12 months (18 months for more complicated cases) in these investigations.

Under the Tariff Act of 1930, as amended by the Trade Act of 1974, section 337 cases under Commission investigation must be adjudicated in conformity with the formal notice and hear-

ing provisions of the Administrative Procedure Act (5 U.S.C. 551). The presiding officer, who in most cases is one of two Commission administrative law judges, conducts the hearing and renders a written recommended determination or decision, including findings of fact and conclusions of law on all contested issues, on the basis of the record in each case. In the performance of his or her adjudicative functions under the Administrative Procedure Act and consistent with the Commission's Rules of Practice and Procedure, the presiding officer holds prehearing conferences, issues subpoenas, rules on the evidence, and generally regulates the course of the hearing in accordance with the strict statutory time limits prescribed in section 337 proceedings. The Commission, after considering the presiding officer's recommended determination, based on the evidence on the record, then issues a remedy where the Commission finds violation and where such remedy would be in the public interest.

<sup>15</sup> 19 U.S.C. 1337.

Table 6.—Investigations under sec. 332 of the Tariff Act of 1930 pending on Sept. 30, 1980

Investigation No.	Subject	Origin	USITC Publication	
			No.	Date
332-73.....	Formulation of an international commodity code.	Sec. 608(c)(1) of the Trade Act of 1974.....	—	—
332-84.....	Quarterly statistical reports providing certain information on canned and frozen mushrooms.	Requests from the President.....	1018 1043	November 1979 February 1980
332-93.....	Annual and quarterly statistical reports providing certain information on non-rubber footwear.	Request from the President (Presidential Proclamation 4510).	1019 1044 1072 1091	November 1979 March 1980 May 1980 August 1980
332-96.....	Report on consumption of watches and watch movements, or modules.	Public Law 89-805 and the Tariff Schedules of the United States.	—	March 1980
332-97.....	Report on consumption of broom corn brooms.	Public Law 89-241 and Executive Order 11377.....	1049	March 1980
332-103.....	Quarterly and annual surveys of certain bolts, nuts, and large screws of iron or steel.	Request from the President (Presidential Proclamation 4632).	1020 1042 1052 1070 1093	November 1979 February 1980 March 1980 May 1980 August 1980
332-108.....	Study of the Multifiber Arrangement.	Motion of the Commission.....	—	—
332-109.....	Study of the petrochemical industries in the countries of the northern portion of the Western Hemisphere.	Request from the United States Trade Representative.....	—	—
332-111.....	Annual and semiannual surveys on nonelectric cooking ware of steel.	Request from the President (Presidential Proclamation 4713).	—	( <sup>1</sup> )
332-112.....	Annual and quarterly statistical reports providing certain information on color television receivers and certain subassemblies thereof.	Request from the President (Presidential Proclamation 4769).	1090 1095	August 1980 September 1980
TA-131(b)-5, TA-503(a)-7, and 332-113.	Probable economic effects of possible tariff reductions under section 124 of the Trade Act of 1974 and designation of certain articles as eligible articles for purposes of the Generalized System of Preferences.	Request from the United States Trade Representative.....	—	—
332-114.....	Study of production techniques and product specialization within U.S. industries.	Instituted by the Commission on its own motion.....	—	—
332-115.....	The effectiveness of escape-clause relief in promoting adjustment to import competition.	Instituted by the Commission on its own motion.....	—	—
332-116.....	Study of the effect of the enlargement of the European Community on U.S. trade.	Instituted by the Commission on its own motion.....	—	—
332-117.....	Study of the operation of export restraint agreements.	Instituted by the Commission on its own motion.....	—	—

<sup>1</sup> Submitted to the United States Trade Representative, Aug. 21, 1980 (in confidence).

Section 337 cases typically involve complex patent infringement and antitrust issues relating to alleged unfair acts or methods of competition incidental to the importation of articles into the United States or their sale, 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. Final Commission deci-

sions in these cases, which adopt, modify, or reverse the presiding officer's recommended determinations, are subject to disapproval within 60 days by the President for policy reasons and are thereafter appealable to the U.S. Court of Customs and Patent Appeals.

During fiscal 1980, the Commission concluded 13 investigations under section 337, which are summarized in table 7. The 20 investigations pending on September 30, 1980, are summarized in table 8.

Table 7.—Investigations completed under sec. 337 of the Tariff Act of 1930, fiscal year 1980

Article concerned	Complainant	Complaint filed	Date of publication of notice in <i>Federal Register</i> and No.	Public hearing	Finding and remedy of Commission	Date orders issued	USITC Publication No.
Certain plastic fastener assemblies.	Dennison Manufacturing Co., Framingham, Mass.	6-30-77	8-11-77, 377-TA-36	—	Terminated; no violation.	3-20-80	—
Certain apparatus for the continuous production of copper rod.	Southwire Co., Carrollton, Ga.	4-11-78	5-22-78, 337-TA-52	9-25-79	Violation; cease and desist order. <sup>1</sup>	11-23-79	1017
Pump top insulated containers.	Aladdin Industries, Inc., Nashville, Tenn.	9-25-78; 10-6-78 (amendment)	11-9-78, 377-TA-59	10-12-79	Violation; exclusion order. <sup>2</sup>	11-9-79	1010
Certain automatic crankpin grinders.	Landis Tool Co., Waynesboro, Pa.	11-15-78; 11-29-78 and 12-1-78 (amendments)	12-15-78, 337-TA-60	10-29-79	Violation; no remedy. <sup>3</sup>	12-17-79	1022
Certain compact cyclotrons with a pre-septum.	Cyclotron Corp., Berkeley, Calif.	11-20-78	12-28-78, 337-TA-61	—	Terminated; consent orders. <sup>4</sup>	12-21-79	1024
Certain rotary scraping tools.	Thompson Tool Co., Inc., Norwalk, Conn.	12-5-78; 12-21-78 and 1-3-79 (amendments)	1-10-79, 337-TA-62	—	Violation; exclusion order. <sup>5</sup>	1-10-80	1027
Certain precision resistor chips.	Vishay Intertechnology, Inc., Malvern, Pa.	12-15-78	1-17-79, 337-TA-63 <sup>6</sup>	—	Terminated. <sup>7</sup> . . . . .	5-9-80	—
Certain precision resistor chips.	Societe Francaise de L'Electro-Resistance, Nice, France.	3-30-79; 4-16-79 (amendment)	6-1-79, 337-TA-65 <sup>6</sup>	—	Terminated. <sup>7</sup> . . . . .	5-9-80	—
Certain plastic molding apparatus and components thereof.	I. P. Container Corp., Paterson, N.J.	4-5-79; 4-20-79 (amendment)	5-10-79, 337-TA-66	—	Terminated. <sup>7</sup> . . . . .	2-14-80	1032
Certain surveying devices. . . . .	Gammon Reel, Inc., San Francisco, Calif.	5-17-79; 6-4-79 (amendment)	7-5-79, 337-TA-68	5-7-80	Violation; exclusion order. <sup>8</sup>	7-7-80	1085
Certain coat hanger rings. . . . .	International Coat Hanger Manufacturing Co., Garden Grove, Calif.	6-6-79; 6-25-79 (amendment)	7-18-79, 337-TA-70	—	Terminated. <sup>7</sup> . . . . .	5-14-80	—
Certain anaerobic impregnating compositions, and components therefor.	Loctite Corp., Newington, Conn.	7-19-79	8-31-79, 337-TA-71	—	Terminated; no violation.	5-27-80	1075
Certain compressed-air-powered tire changers, and components thereof.	Hennessey Industries, Inc., Elk Grove Village, Ill.	10-1-79; 10-18-79 (amendment)	337-TA-73 <sup>9</sup>	—	—	—	—

<sup>1</sup> Violation against Fried. Krupp GmbH and Krupp International; no violation against Western Electric Co., American Telephone & Telegraph Co., and Nassau Recycle Corp.

<sup>2</sup> The President took no action; exclusion order became final on Jan. 9, 1980.

<sup>3</sup> Commission determined that the public-interest factors enumerated in subsecs. (d) and (f) of the statute preclude the imposition of a remedy.

<sup>4</sup> The President took no action; consent order agreement final Feb. 24, 1980.

<sup>5</sup> The President took no action; exclusion order became final on Mar. 10, 1980.

<sup>6</sup> The Administrative Law Judge, pursuant to the authority delegated to her by the Commission on May 1, 1979, consolidated investigations Nos. 337-TA-63 and 337-TA-65.

<sup>7</sup> Settlement agreement.

<sup>8</sup> The President took no action; exclusion order became final on Sept. 7, 1980.

<sup>9</sup> Notice of investigation was never issued; complaint withdrawn.

### Litigation Arising From Investigations Conducted Under Section 337

On January 12, 1979, Richard L. Stevenson, complainant in investigation No. 337-TA-37 (Certain Skateboards and Platforms Therefor), appealed to the U.S. Court of Customs and

Patent Appeals the Commission's determination that there was no violation of section 337 in the importation or sale of certain skateboards in the United States. The Commission had found that the patent at issue in the investigation was invalid. On December 20, 1979, the court reversed the Commission's determination

Table 8.—Investigations under sec. 337 of the Tariff Act of 1930 pending on Sept. 30, 1980

Article concerned	Complainant	Complaint filed	Date of publication of notice in <i>Federal Register</i> and No.	Public hearing
Certain cathode sputter coated glass transparencies.	PPG Industries, Inc., Pittsburgh, Pa....	1-14-80; 2-12-80 (amendment)	2-27-80, 337-TA-79	—
Certain plastic bouquet holders.....	Lomey Manufacturing Corp., Deer Park, N.Y.	1-18-80; 2- 7-80 (amendment)	3- 5-80, 337-TA-80	—
Certain hollow fiber artificial kidneys.	Cordis-Dow Corp., Miami, Fla.....	2- 6-80	4- 2-80, 337-TA-81	—
Certain headboxes and paper-making machine forming sections for the continuous production of paper, and components thereof.	Beloit Corp., Beloit, Wis.....	2-21-80	4- 8-80, 337-TA-82	—
Certain adjustable window shades and components thereof.	Newell Window Furnishings Co., Freeport, Ill.	4- 7-80	5-29-80, 337-TA-83	—
Chlorofluorohydrocarbon drycleaning process, machines and components therefor.	Research Development Co., Minneapolis, Minn.	4-17-80	6-11-80, 337-TA-84	—
Certain slide fastener stringers and machines and components thereof for producing such slide fastener stringers.	Talon Division of Tectron, Inc., Meadville, Pa.	5- 9-80	6-13-80, 337-TA-85	8-15-80
Certain high-voltage circuit interrupters and components thereof.	Westinghouse Electric Corp., Pittsburgh, Pa.	2-16-79; 3- 9-79 (amendment)	3-28-79, 337-TA-64 <sup>1</sup>	—
Certain inclined-field acceleration tubes and components thereof.	High Voltage Engineering Corp., Burlington, Mass.	5-17-79; 6- 1-79 (amendment)	6-27-79, 337-TA-67	3-12-80; 11-25-80
Certain airtight cast-iron stoves.....	Jotul, Inc., Oslo, Norway; Kristia Associates, Portland, Maine; and Jotul Stove Dealers of the United States.	5-23-79; 6-14-79 (amendment)	7-12-79, 337-TA-69	—
Certain turning machines and components thereof.	The Warner & Swasey Co., Cleveland, Ohio.	9-13-79	10-24-79, 337-TA-72	—
Certain rotatable photograph and card display units, and components thereof.	Roto-Photo Co., Inc., Chicago, Ill., and Aaron H. Schneider, Skokie, Ill.	10-15-79; 11- 5-79 (amendment)	10-21-79, 337-TA-74	10-17-80
Certain large video matrix display systems, and components thereof.	Stewart-Warner Corp., Chicago, Ill.....	10-25-79	6-19-80, 337-TA-75	—
Certain food slicers and components thereof.	Prodyne Enterprises, Inc., Montclair, Calif.	11- 5-79; 11-26-79 and 11-30-79 (amendments)	12-21-79, 337-TA-76	—
Certain computer forms feeding tractors and components thereof.	Precision Handling Devices, Inc., Assonet, Mass.	12-19-79; 1- 9-80 and 1-10-80 (amendments)	1-30-80, 337-TA-77	—
Certain poultry disk picking machines and components thereof.	Stork-Gamco, Inc., Gainesville, Ga.....	1- 8-80; 1-21-80 (amendment)	2-27-80, 337-TA-78	—
Certain shell brim hats.....	Zwicker Knitting Mills, Appleton, Wis.	5-16-80; 5-28-80 and 6-11-80 (amendments)	6-25-80, 337-TA-86	—
Certain coin-operated audiovisual games and components thereof.	Midway Manufacturing Co., Franklin Park, Ill.	5-22-80; 6- 9-80 (amendment)	6-25-80, 337-TA-87	—
Certain spring assemblies and components thereof, and methods for their manufacture.	Kuhlman Corp., Troy, Mich.....	6-23-80; 7- 8-80	8- 8-80, 337-TA-88	—
Certain apparatus for the continuous production of copper rod.	Southwire Co., Carrollton, Ga.....	7-29-80; 8- 1-80 and 8- 5-80 (amendments)	8-13-80, 337-TA-89	—

<sup>1</sup> Suspended until conclusion of the Patent and Trademark Office reissue.

of no violation and remanded the case to the Commission for action consistent with its opinion. (*Stevenson v. U.S. International Trade Commission et al.*, Appeal No. 79-12.) At the close of the fiscal year, the remanded investigation was pending before the Commission.

On April 16, 1979, Hale Fire Pump Co., a complainant in investigation No. 337-TA-43 (Certain Centrifugal Trash Pumps), appealed the Commission's determination that a patent in issue had not been infringed and that there was no violation of section 337. On February 7, 1980, the Court of Customs and Patent Appeals affirmed the Commission's determination of no violation. (*Hale Fire Pump Co. v. U.S. International Trade Commission et al.*, Appeal No. 79-21.)

On May 10, 1979, Refractarios Monterrey S.A., a respondent in investigation No. 337-TA-41 (Certain Ceramic Tile Setters), appealed to the Court of Customs and Patent Appeals the Commission's refusal to review a Commission administrative law judge's order that certain evidentiary matters should remain confidential under a protective order. Both the Commission and Ferro Corp., complainant in the Commission's investigation, moved to dismiss the appeal for lack of subject-matter jurisdiction. That motion was granted by the court on October 11, 1979. (*Refractarios Monterrey S.A. v. U.S. International Trade Commission and Ferro Corporation*, Appeal No. 79-22.) On January 8, 1980, Refractarios Monterrey S.A. petitioned the U.S. Supreme Court to review the Court of Customs and Patent Appeals' decision. That petition was denied by the Supreme Court on March 24, 1980.

Astra-Sjuco, AB, Medline Industries, and Caring International Division of Medline Industries appealed from the adverse determination and order of the Commission in investigation No. 337-TA-56 (Certain Thermometer Sheath Packages), issued July 25, 1979. On August 28, 1980, the Court of Customs and Patent Appeals affirmed the Commission's finding of a violation of section 337. (*Astra Sjuco, AB, et al. v. U.S. International Trade Commission and Steridyne Corporation*, Appeal No. 80-3.)

On August 27, 1979, Sealed Air Corp., complainant in investigation No. 337-TA-54 (Cer-

tain Multicellular Plastic Film), appealed to the Court of Customs and Patent Appeals the Commission's determination that respondent Tong Seae Industrial Co., Ltd., a foreign manufacturer and exporter of multicellular plastic film, was not in violation of section 337. The Commission had found that the process used by Tong Seae to manufacture multicellular plastic film abroad would not, if practiced in the United States, infringe complainant's process patent. (*Sealed Air Corp. v. U.S. International Trade Commission et al.*, Appeal No. 79-35.) On October 26, 1979, Unipak (H.K.) Ltd., a foreign manufacturer and exporter of multicellular plastic film and a respondent in investigation No. 337-TA-54, appealed to the Court of Customs and Patent Appeals the Commission's determination that it was in violation of section 337. (*Unipak (H.K.) Ltd. v. U.S. International Trade Commission et al.*, Appeal No. 80-4.) Unipak's appeal was subsequently limited by the court to the issue of whether that firm was subject to the jurisdiction of the U.S. International Trade Commission. At the close of the fiscal year, both appeals were pending before the court.

On December 31, 1979, Aladdin Industries, Inc., complainant in investigation No. 337-TA-59 (Pump Top Insulated Containers), appealed to the Court of Customs and Patent Appeals the Commission's finding that there was no violation of section 337 in the importation and sale of certain pump top insulated containers that allegedly copied Aladdin's trade dress. The Commission did find a violation of section 337 by reason of the importation and sale of pump top insulated containers that infringed a valid U.S. patent owned by Aladdin. On June 4, 1980, the court dismissed Aladdin's appeal in response to a motion to dismiss filed by that firm. (*Aladdin Industries, Inc. v. U.S. International Trade Commission*, Appeal No. 80-12.)

On November 6, 1979, FMC Corp. filed a petition for a writ of mandamus and a writ of prohibition with the Court of Customs and Patent Appeals. FMC's petition requested that the Commission be prohibited from serving copies of a notice of investigation naming 44 of FMC's customers as respondents in connection with a section 337 proceeding arising from a com-

plaint filed with the Commission by Hennessey Industries, Inc. The court, having temporarily restrained service of the notice pending its decision on FMC's petition, denied the petition on February 14, 1980. (*FMC Corp. v. U.S. International Trade Commission*, Appeal No. 80-6.)

Landis Tool Division of Litton Industrial Products, Inc., filed a petition for a writ of mandamus with the Court of Customs and Patent Appeals on December 28, 1979. Landis' petition alleged that the Commission, by denying Landis the opportunity to rebut evidence submitted by the respondents in connection with the public-interest phase of investigation No. 337-TA-60 (Certain Automatic Crankpin Grinders), had violated Landis' right of due process. The court denied Landis' petition on February 14, 1980. (*Landis Tool Division of Litton Industrial Products, Inc. v. U.S. International Trade Commission et al.*, Appeal No. 80-10.)

On January 21, 1980, Syntex Agribusiness, Inc., filed a petition for a writ of mandamus with the Court of Customs and Patent Appeals. The petition, which alleged that the Commission had abused its discretion by not instituting an investigation pursuant to section 337 on the basis of a complaint filed by Syntex, requested the court to direct the Commission to commence an investigation. The petition was denied by the court on April 1, 1980. On February 24, 1980, Syntex also filed an appeal with the court pursuant to section 337(c) raising essentially the same issues as were in the petition. That appeal was dismissed by the court on July 31, 1980. (*Syntex Agribusiness, Inc. v. U.S. International Trade Commission et al.*, Appeal No. 80-13.)

On May 9, 1979, Southwire Co., the complainant in investigation No. 337-TA-52 (Certain Apparatus for the Continuous Production of Copper Rod), filed an appeal in the Court of Customs and Patent Appeals seeking review of the Commission's decision to grant the motion of respondents American Telephone & Telegraph Co., Western Electric Co., Inc., and Nassau Recycle Corp. (collectively "Bell") for summary judgment. In granting that motion, the Commission had determined that as a matter of law Southwire had licensed its U.S. Letters Patents 3,317,994, 3,672,430, and 3,710,423 to

Bell, and therefore there could be no section 337 violation in connection with Bell's use of those patents (Appeal No. 79-25). On August 16, 1979, Southwire filed a second appeal, seeking review of the Commission's decision to grant Bell's motion for summary judgment. In granting that motion, the Commission had determined that as a matter of law Southwire had licensed its U.S. Letters Patent 4,129,170 to Bell, and therefore there could be no violation of section 337 by Bell with respect to that patent (Appeal No. 79-31). On September 11, 1980, the court affirmed the Commission's determinations in both cases.

On December 28, 1979, Krupp International, Inc., and Fried. Krupp GmbH ("Krupp"), respondents in investigation No. 337-TA-52, filed a petition for a writ of mandamus with the Court of Customs and Patent Appeals. Krupp asked that the court order the Commission to issue an advisory opinion regarding the cease and desist orders issued against Krupp as a result of the final Commission determination in the investigation. On March 5, 1980, the court dismissed Krupp's petition (Appeal No. 80-11).

Several other appeals regarding the final determination of the Commission in investigation No. 337-TA-52 were also filed. On January 22, 1980, American Telephone & Telegraph Co., Western Electric Co., and Nassau Recycle Corp. filed an appeal with the Court of Customs and Patent Appeals regarding the Commission's determination that U.S. Letters Patent 4,129,170 was valid (Appeal No. 80-14). Krupp filed a separate appeal regarding the same patent on the same day (Appeal No. 80-15). The court dismissed both appeals on March 26, 1980, on the ground that none of the appellants had been adversely affected by the Commission's determination concerning the patent in question.

On February 19, 1980, Krupp appealed from those portions of the Commission's final determination that it had not previously challenged in Appeal No. 80-15 (Appeal No. 80-19). On February 29, 1980, Southwire Co. cross-appealed those aspects of the Commission's decision as to which no section 337 violation was found (Appeal No. 80-21). Both appeals were pending at the end of the fiscal year.

Krupp and Bell also filed appeals asserting that the Commission issued erroneous findings with respect to the patents and trademarks at issue in Southwire's cross-appeal (Appeals Nos. 80-23 and 80-26). On June 4, 1980, the Court of Customs and Patent Appeals dismissed those appeals on the ground that Krupp and Bell had not shown that they were adversely affected by those parts of the determination they were appealing.

On April 28, 1980, the Commission decided to institute an advisory opinion proceeding regarding the cease and desist orders issued in investigation No. 337-TA-52. On May 23, 1980, Southwire filed an appeal (Appeal No. 80-30) challenging the Commission's right to conduct such a proceeding and asking that the Court of Customs and Patent Appeals order the Commission to reopen the investigation. Southwire withdrew that appeal on September 9, 1980.

In connection with Commission investigation No. 337-TA-69 (Certain Airtight Cast-Iron Stoves), respondent Oriental Kingsworld Industrial Co., on March 24, 1980, filed a petition in the Court of Customs and Patent Appeals for a writ of mandamus to dismiss the investigation for lack of jurisdiction (Appeal No. 8-24). Subsequent to filing that petition, Oriental Kingsworld reached a settlement agreement and was terminated as a party respondent in the investigation. On September 18, 1980, Appeal No. 80-24 was dismissed by the court.

The Commission also filed briefs in two Federal district court actions involving requests for injunctions that would have had the effect of preventing the filing of a section 337 complaint or of staying an ongoing section 337 investigation. In *Franklin Cast Products v. Energy Harvesters Corp.*, Civil Action No. 80-013 (D.R.I.) the plaintiffs sought a temporary restraining order that would have prevented Energy Harvesters from filing a complaint with the Commission pursuant to section 337. On June 9, 1980, the Commission filed a brief as an amicus curiae in that case, requesting that the court not issue the requested order. On July 21, 1980, Franklin withdrew its application for the temporary restraining order.

On September 2, 1980, the Commission argued in the U.S. District Court for the Cen-

tral District of California that an injunction should not issue in *Cordis-Dow Corp. v. Terumo America, Inc.*, Civil Action No. 78-3713-WPG. Terumo had sought an injunction which would have prevented complainant Cordis-Dow from proceeding in Commission investigation No. 337-TA-81 (Certain Hollow Fiber Artificial Kidneys). After hearing oral argument, the court refused to grant the requested injunction.

## ANTIDUMPING INVESTIGATIONS

### Antidumping Act, 1921

#### *Provisions of the Antidumping Act*

Section 201(a)<sup>16</sup> 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, and the described imports become subject to special dumping duties.

The Antidumping Act was repealed, effective January 1, 1980, by the Trade Agreements Act of 1979. The 1979 act established new antidumping provisions, which are set forth in title VII of the Tariff Act of 1930. The new provisions became effective January 1, 1980. All investigations underway as of that date were terminated and reinstated under the new provisions.

The Commission completed 10 antidumping investigations and 1 inquiry during fiscal year 1980 under the provisions of the Antidumping Act. In investigation No. AA1921-159 (Tantalum Electrolytic Fixed Capacitors From Japan), a 1976 Commission determination under the act was remanded by the U.S. Customs Court on March 27, 1980. The Commission found in the negative on August 6, 1980, following reconsideration of its earlier determination. Commissioners Alberger, Calhoun, and Stern voted in

<sup>16</sup> 19 U.S.C. 160 et seq.

the negative, and Commissioners Moore and Bedell voted in the affirmative. The Commission's determination was sent to the Customs Court on August 25, 1980. The remainder of the completed investigations are summarized in table 9.

The inquiry, No. AA1921-Inq.-29 (Coke From West Germany), resulted in a Commission finding of no reasonable indication of injury from such imports. The unanimous finding by Commissioners Parker, Alberger, Moore, Bedell, and Stern was forwarded to the Secretary of the Treasury on November 16, 1979.

*Litigation arising from investigations conducted under the Antidumping Act.*—As noted in the Commission's annual reports for 1978 and 1979, in a complaint filed with the U.S. Customs Court during 1973, Border Brokerage Co., Inc., asserted that the injury determination of the Commission in investigation No. AA1921-39 (Carbon Steel Bars and Shapes From Canada) was invalid. On October 11, 1979, the court dismissed the action. Plaintiff appealed the dismissal to the U.S. Court of Customs and Patent Appeals, and oral argument on the appeal was pending at the close of the fiscal year.

Another case which was noted in the annual reports for 1978 and 1979 was the challenge to the Commission's injury determination in investigation No. AA1921-92 (Elemental Sulfur From Mexico). Pasco Terminals, Inc., appealed the Customs Court's dismissal of the action to the Court of Customs and Patent Appeals, and oral argument on the appeal was pending at the close of the fiscal year.

The 1977, 1978, and 1979 annual reports contained references to the complaints of Armstrong Bros. Tool Co. et al., filed with the Customs Court on September 26, 1977. Those complaints asserted, inter alia, that the negative determinations of the Commission in investigations Nos. AA1921-141 (Wrenches, Pliers, Screwdrivers, and Metal-Cutting Snips and Shears From Japan) and AA1921-149 (Chisels, Punches, Hammers, Sledges, Vises, C-Clamps, and Battery Terminal Lifters From Japan) were invalid.

On January 28, 1980, the Customs Court affirmed the Commission's negative determination in investigation No. AA1921-141 (*Armstrong Bros. Tool Co. et al. v. United States*, Court No. 77-8-02005), and on March 27, 1980, the court

Table 9.—Antidumping investigations completed under the Antidumping Act, 1921, fiscal year 1980

Investigation No.	Article 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.
AA1921-206, 207, 208, and 209.	Titanium dioxide from Belgium, France, the United Kingdom, and the Federal Republic of Germany.	8- 7-79	9-27-79 and 9-28-79	Negative	Parker	Alberger Moore Bedell Stern	—	11-15-79	1009
AA1921-210.....	Certain marine radar systems from the United Kingdom.	8-17-79	10-10-79	Negative	—	Parker Alberger Moore Bedell Stern	—	11-19-79	1016
AA1921-211.....	Sodium acetate from Canada....	10- 1-79	11-27-79	Negative	—	Parker Alberger Moore Bedell Stern	—	12-21-79	1023
AA1921-212 and AA1921-214. <sup>1</sup>	Spun acrylic yarn from Japan and Italy.	10-22-79 and 12-17-79	1-22-80	—	—	—	—	—	—
AA1921-213 <sup>2</sup> .....	Sugar from Canada.....	11- 5-79	2-13-80	—	—	—	—	—	—

<sup>1</sup> These investigations are transition cases in that investigations Nos. AA1921-212 and AA1921-214, underway on Jan. 1, 1980, the effective date of the new antidumping provisions, were terminated, and investigations Nos. 731-TA-1 (Final) and 731-TA-2 (Final) were instituted.

<sup>2</sup> This investigation is a transition case in that investigation No. AA1921-213, underway on Jan. 1, 1980, the effective date of the new antidumping provisions, was terminated, and investigation No. 731-TA-3 (Final) was instituted.



affirmed the Commission's negative determination in investigation No. AA1921-149 (*Armstrong Bros. Tool Co. et al. v. United States*, Court No. 77-8-02004). The decisions in both cases were appealed to the Court of Customs and Patent Appeals. On August 7, 1980, that court affirmed the Customs Court's decision upholding the Commission's determination in investigation No. AA1921-141 (*Armstrong Bros. Tool Co. et al. v. United States*, Appeal No. 80-20). The appeal of the court's decision upholding the Commission's determination in investigation No. AA1921-149 was dismissed at appellants' request on August 13, 1980 (*Armstrong Bros. Tool Co. et al. v. United States*, Appeal No. 80-29).

On the same date that the Armstrong complaints were filed, Sprague Electric Co. filed a complaint with the Customs Court challenging the Commission's negative determination in investigation No. AA1921-159 (Tantalum Electrolytic Fixed Capacitors From Japan). On March 27, 1980, the court remanded the case to the Commission for the taking of a new vote in light of corrected import statistics. On May 23, 1980, the court modified its earlier directive by ordering the Commission to consider in its deliberations the plans of one Japanese manufacturer to increase productive capacity for, and exportation to the United States of, a particular type of tantalum electrolytic fixed capacitor. On August 6, 1980, the Commission, by a 3-to-2 vote, again made a negative determination. At the close of the fiscal year, that determination was before the Customs Court.

In 1975, the Commission determined under the Antidumping Act, 1921, that an industry in the United States is not being or likely to be injured, or prevented from being established, by reason of sales of portable electric typewriters in the United States at less than fair value. The determination, in investigation No. AA1921-145 (Portable Electric Typewriters From Japan), was appealed. The issue involved is whether the Commission correctly interpreted the term "injury," as it appears in the Antidumping Act, 1921, in making its negative injury determination. A motion to dismiss on the ground that the appeal is moot following the affirmative determination in the 1980 investiga-

tion on electric typewriters was denied. The case was pending before the Customs Court at the end of the fiscal year. (*SCM Corp. v. United States*, Court No. 77-4-00553.)

## Title VII of the Tariff Act of 1930

### *Provisions of title VII.*

In general, upon the filing of a petition with the Department of Commerce, the Commission conducts a preliminary investigation to determine whether there is a reasonable indication that an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports allegedly sold or likely to be sold at less than fair value.

The Commission, after an affirmative determination by the Department of Commerce, conducts a final investigation to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry is materially retarded, by reason of imports sold or likely to be sold at less than fair value.

Preliminary investigations must be completed within 45 days of the filing of the petition. Final investigations must be completed within 120 days after an affirmative preliminary Commerce determination or 45 days after an affirmative final Commerce determination, whichever occurs later, or within 75 days after an affirmative final Commerce determination preceded by a negative preliminary Commerce determination.

If the Commission's determination in the preliminary investigation is affirmative, Commerce continues its investigation and makes a finding of whether imports are being sold or are likely to be sold at less than fair value. If the Commission's determination is negative, Commerce terminates its investigation.

If the Commission's determination in the final investigation is affirmative, Commerce issues an order under which a dumping duty is imposed on the articles sold at less than fair value. If the Commission's determination is negative, no such order is issued and no dumping duty is collectible.

During fiscal 1980, the Commission completed 28 antidumping investigations under title VII of the Tariff Act of 1930. These are summarized in table 10. Such investigations pending as of September 30, 1980, are shown in table 11.

Two investigations instituted by the Commission during the fiscal year were subsequently terminated and reinstated to reflect the repeal of the Antidumping Act, 1921, and its replacement by title VII of the Tariff Act of 1930. Investigation No. 751-TA-1 (formerly No. AA1921-32 147A) concerned electric golf cars from Poland.

Table 10.—Antidumping investigations completed under title VII of the Tariff Act of 1930, fiscal year 1980

Investigation No.	Article concerned	Preliminary Investigation			Final Investigation			USITC Publication No.	
		(a) Request received (b) Conference Report to Secretary of Commerce	Finding that "there is no reasonable indication [of injury]" (Commerce investigation)	Finding that "there is a reasonable indication [of injury]" (Commerce investigation)	(a) Advice received (b) Hearing Report to Secretary of Commerce	Affirmative	Negative		Not participating
731-TA-1 and 731-TA-2 <sup>1</sup>	Spun acrylic yarn from Japan and Italy.	—	—	—	—	Bedell Alberger Moore Stern Calhoun	—	—	1046
731-TA-3 <sup>1</sup>	Sugars and sirups from Canada.	—	—	—	—	Alberger Moore Stern Calhoun	—	Bedell <sup>2</sup>	1047
731-TA-4	Countertop microwave ovens from Japan.	(a) 1-1-80 (b) 1-28-80 (c) 2-11-80	—	Bedell Alberger Moore Stern Calhoun	—	—	—	—	1033
731-TA-5 and 731-TA-6.	Rail passenger cars and parts thereof intended for use as original equipment in the United States from Italy and Japan.	(a) 1-1-80 (b) 1-29-80 (c) 2-11-80	Bedell Alberger Moore Stern Calhoun	—	—	—	—	—	1034
731-TA-7.	Certain electric motors from Japan.	(a) 1-1-80 (b) 1-30-80 (c) 2-11-80	—	Bedell Alberger Moore Stern	Calhoun*	—	—	—	1037
731-TA-8 through 731-TA-11.	Sodium hydroxide, in solution (liquid caustic soda), from the Federal Republic of Germany, France, Italy, and the United Kingdom.	(a) 1-1-80 (b) 1-31-80 (c) 2-12-80	Bedell Alberger Moore Stern Calhoun	—	—	—	—	—	1040
731-TA-12.	Portable electric typewriters from Japan.	—	—	—	—	Bedell Alberger Moore Stern	—	—	1062
731-TA-13 and 731-TA-14.	Melamine in crystal form from Austria and Italy.	—	—	—	—	Bedell Alberger Moore Stern Calhoun	—	—	1065
731-TA-15 <sup>2</sup>	Pipes and tubes of iron or steel from Japan.	(a) 2-28-80 (b) 3-24-80 (c) 4-14-80	Alberger Moore* Bedell <sup>3</sup> Stern	Calhoun	—	—	—	—	1058
731-TA-16.	Melamine in crystal form from the Netherlands.	(a) 1-1-80 (b) 4-11-80	—	—	—	—	—	—	( <sup>1</sup> )

<sup>1</sup> See footnotes at end of table.

Table 10.—Antidumping investigations completed under title VII of the Tariff Act of 1930, fiscal year 1980—Continued

Investigation No.	Article concerned	Preliminary investigation			Final investigation			USITC Publication No.	
		(a) Request received (b) Conference (c) Report to Secretary of Commerce	Finding that "there is no reasonable indication [of injury]" (Commerce terminates its investigation)	Finding that "there is a reasonable indication [of injury]" (Commerce continues its investigation)	(a) Advice received (b) Hearing (c) Report to Secretary of Commerce	Affirmative	Negative		Not participating
731-TA-17	Claims in airtight containers from Canada.	(a) 3- 5-80 (b) 3-31-80 (c) 4-18-80	Bedell Alberger Moore Stern Calhoun	—	—	—	—	—	1060
731-TA-18	Carbon steel products from Belgium.	(a) 3-21-80 (b) 4-17-80 and 4-18-80 (c) 5- 5-80	Alberger <sup>1, 10</sup> Stern <sup>1, 10</sup> Calhoun	Bedell Alberger <sup>1, 12</sup> Moore Stern <sup>1, 12</sup> Calhoun	—	—	—	—	1064
731-TA-19	Carbon steel products from the Federal Republic of Germany.	(a) 3-21-80 (b) 4-17-80 and 4-18-80 (c) 5- 5-80	Alberger <sup>10</sup>	Bedell Alberger <sup>1, 11, 12</sup> Moore Stern Calhoun	—	—	—	—	1064
731-TA-20	Carbon steel products from France.	(a) 3-21-80 (b) 4-17-80 and 4-18-80 (c) 5- 5-80	Alberger <sup>10</sup>	Bedell Alberger <sup>1, 11, 12</sup> Moore Stern Calhoun	—	—	—	—	1064
731-TA-21	Carbon steel products from Italy. <sup>13</sup>	(a) 3-21-80 (b) 4-17-80 and 4-18-80 (c) 5- 5-80	Alberger <sup>10</sup> Stern <sup>1, 10, 11</sup>	Bedell Alberger <sup>10</sup> Moore Calhoun	—	—	—	—	1064
731-TA-22	Carbon steel products from Luxembourg. <sup>14</sup>	(a) 3-21-80 (b) 4-17-80 and 4-18-80 (c) 5- 5-80	—	Bedell Alberger Moore Stern Calhoun	—	—	—	—	1064
731-TA-23	Carbon steel products from the Netherlands. <sup>15</sup>	(a) 3-21-80 (b) 4-17-80 and 4-18-80 (c) 5- 5-80	Alberger <sup>10</sup> Stern <sup>1, 10, 11</sup>	Bedell Alberger <sup>10</sup> Moore Stern Calhoun	—	—	—	—	1064

731-TA-24.....Carbon steel products from the United Kingdom.	(a) 3-21-80 (b) 4-17-80 and 4-18-80 (c) 5- 5-80	Alberger, <sup>1</sup> <sup>10</sup> <sup>11</sup> Stern <sup>2</sup> <sup>10</sup> <sup>11</sup>	Bedell Alberger, <sup>1</sup> Moore Stern, <sup>2</sup> Calhoun	1064
731-TA-25.....Anhydrous sodium metasilicate from France.	(a) 5-15-80 (b) 6-13-80 (c) 6-30-80	—	Alberger, <sup>1</sup> Calhoun, <sup>2</sup> Moore Bedell Stern	1080
731-TA-26.....Certain steel wire nails from Korea.	—	—	—	1088
731-TA-27.....Menthol from Japan.....	(a) 6-11-80 (b) 7-10-80 (c) 7-28-80	Alberger Calhoun Stern	Moore Bedell	1087
731-TA-28.....Menthol from the People's Republic of China.	(a) 6-11-80 (b) 7-10-80 (c) 7-28-80	Stern	Alberger Calhoun Moore Bedell	1087

<sup>1</sup> These investigations are transition cases in that investigations Nos. AA1921-212 and AA1921-214 were terminated.

<sup>2</sup> This investigation is a transition case in that investigation No. AA1921-213 was terminated.

<sup>3</sup> Commissioner Bedell did not participate in the vote in order to avoid any possibility or appearance of conflict of interest.

<sup>4</sup> Commissioner Calhoun did not participate in the vote because he was a new Commissioner and unfamiliar with the rules on conflict of interest.

<sup>5</sup> On June 16, 1980, the Commission ordered that its determination be reopened.

<sup>6</sup> Commissioners Moore and Bedell, having relied upon the erroneous data in their original affirmative determination, changed their determination on June 24, 1980.

<sup>7</sup> On Apr. 25, 1980, Commerce notified the Commission that "melamine in crystal form from the Netherlands is not being sold at less than fair value," thus terminating investigation No. 731-TA-16.

<sup>8</sup> Hot-rolled sheet.

<sup>9</sup> Cold-rolled sheet.

<sup>10</sup> Galvanized sheet.

<sup>11</sup> Plates.

<sup>12</sup> Plates, shapes, and sections.

<sup>13</sup> Plates, hot-rolled sheet, cold-rolled sheet, and galvanized sheet only.

<sup>14</sup> Plates, shapes, and sections only.

<sup>15</sup> Chairman Alberger found only reasonable indication of material injury.

<sup>16</sup> Vice Chairman Calhoun found both material injury and threat thereof.

**Table 11.—Antidumping investigations under title VII of the Tariff Act of 1930 pending on Sept. 30, 1980**

Investigation No.	Article concerned	Request received
<b>45-day cases:</b>		
731-TA-29 (Preliminary).	Asphalt roofing shingles from Canada.	8-21-80
731-TA-30 (Preliminary).	Montan wax from East Germany.	9- 8-80
731-TA-31, 32, and 33 (Preliminary).	Barium carbonate and strontium carbonate from the Federal Republic of Germany and strontium nitrate from Italy.	9- 9-80
731-TA-34 (Preliminary).	Portable electric nibblers from Switzerland.	9-10-80
<b>120-day cases:</b>		
731-TA-4 (Final)...	Countertop microwave ovens from Japan.	7-10-80
731-TA-7 (Final)....	Certain electric motors from Japan.	6-17-80
731-TA-25 (Final)...	Anhydrous sodium metasilicate from France.	8-29-80

The Commission, consisting of Commissioners Bedell, Alberger, Moore, Stern, and Calhoun, made a unanimous negative determination and issued its report (USITC Publication 1069) on May 20, 1980.

Investigation No. 751-TA-2 (formerly No. AA1921-66A), on television receiving sets from Japan, was instituted as a review of a previous Commission determination at the request of the Sanyo Electric Co., Ltd., and Sanyo Electric, Inc. The Commission's determination was pending at the close of the fiscal year.

*Litigation arising from antidumping investigations conducted under title VII.*—In a complaint filed with the Customs Court on March 24, 1980, the Budd Co., Railway Division, asserted that the Commission's failure to find a reasonable indication of material injury in investigations Nos. 731-TA-5 and 731-TA-6 (Rail Passenger Cars and Parts Thereof Intended for Use as Original Equipment in the United States From Italy and Japan) was invalid. (*The Budd Company, Railway Division v. United States*, Court No. 80-3-00505.) The complaint was pending court action at the close of the fiscal year.

In a complaint filed with the Customs Court on April 4, 1980, an attorney representing the interests of importers in a review investigation being conducted under section 751 of the Tar-

iff Act applied to the court for an order directing the Commission to disclose, under protective order, confidential business information submitted by domestic parties in the Commission's review investigation concerning Electric Golf Cars From Poland, investigation No. 751-TA-1 (formerly No. AA1921-147A). Plaintiff argued that section 777(c)(2) of the Tariff Act required such disclosure. The Commission defended on the grounds that an attorney representing importers seeking the revocation of an outstanding dumping finding was not a "petitioner," i.e., a domestic concern seeking anti-dumping relief, within the meaning of section 777(c)(2) of the act. On April 30, 1980, the court agreed with the Commission and ruled that the term "petitioner" had a precise legal meaning in title VII. Thus, the Commission was not directed to provide protective order access to confidential submissions in proceedings conducted under section 751 of the act. See, *In Re: U.S. International Trade Commission Investigation No. AA1921-147A (Electric Golf Cars From Poland)*, C.D. 4854, Court No. 80-4-00580.

On August 13, 1980, in investigation No. 731-TA-26 (Final) (Certain Steel Wire Nails From Korea), the Commission determined that any injury suffered by the domestic steel wire nail industry was not the result of imports of steel wire nails from Korea at less than fair value. Complainants Armco, Inc., and CF & I Steel Corp. appealed to the Customs Court (*Armco, Inc. v. United States*, Court No. 80-9-01436) shortly before the close of the fiscal year.

*Asahi Chemical Industry Co., Ltd., et al. v. United States* (Court No. 80-5-00755) involves an appeal from a Commission determination in investigation No. 731-TA-1 (Preliminary) (Spun Acrylic Yarn From Japan) that an industry in the United States is being materially injured by reason of imports of spun acrylic yarn from Japan found by the Treasury Department to be sold or likely to be sold at less than fair value. Plaintiffs assert that the Commission determination is not supported by substantial evidence on the record. They claim, among other things, that the Commission failed to consider the bilateral United States-Japan textiles agreement<sup>36</sup> should have considered data on a quarterly

basis, should not have aggregated imports from Japan and Italy, failed to separate injury caused by imports from Japan from injury by all imports, and improperly attributed U.S. plant closings and unemployment to imports from Japan. The Department of Justice, which represents the Commission and the Departments of Commerce and the Treasury in this action, denied plaintiffs' allegations.

On May 6, 1980, Atlantic Sugar, Ltd., and Redpath Sugars, Ltd., Canadian manufacturers and exporters of refined sugar, appealed to the Customs Court the Commission's affirmative determination in investigation No. 731-TA-3 (Final) (Sugars and Sirups From Canada). That appeal (*Atlantic Sugar, Ltd., et al. v. United States*, Court No. 80-5-00754) was pending at the close of the fiscal year.

On April 9, 1980, the Commission determined in investigation No. 731-TA-15 (Preliminary) (Pipes and Tubes of Iron or Steel From Japan) that there was no reasonable indication that an industry in the United States is materially injured or threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of the importation from Japan of three of the four classes of pipes and tubes of iron or steel from Japan allegedly sold at less than fair value. This determination was challenged in a complaint filed in the Customs Court by Babcock & Wilcox Co., Beaver Falls, Pa., alleging that the Commission's preliminary determination was arbitrary, capricious, and otherwise not in accordance with the law (*Babcock & Wilcox Co. v. United States*, Court No. 80-5-00772). On June

16, 1980, the Commission reopened its determination with respect to the fourth class of pipe and tube and, on June 24, 1980, determined that an industry in the United States is not injured or threatened with material injury. Babcock & Wilcox Co. thereupon filed a second complaint, alleging that the reopened determination was arbitrary, capricious, and otherwise not in accordance with the law. Plaintiff moved for consolidation of the two actions, and the Commission did not oppose the motion. At the close of the fiscal year, the two actions had been consolidated, but no further action had occurred in the Customs Court.

Melamine Chemicals, Inc., appealed to the Customs Court from the Commission's determination in investigations Nos. 731-TA-13, 731-TA-14, and 731-TA-16 (Melamine in Crystal Form From Austria, Italy, and the Netherlands). In those investigations, the Commerce Department, after initially making a final determination of no sales at less than fair value, issued a second final determination that dumping margins were present on melamine imported from Austria, Italy, and the Netherlands. The Commission unanimously concluded that the dumping margins caused no injury to the domestic industry. On appeal, Melamine Chemicals argued that the Commission lacked sufficient evidence to conclude that the dumping margins did not result in material injury (*Melamine Chemicals, Inc. v. United States*, Court Nos. 80-6-00818, 80-6-00879, and 80-6-00880). The Commission filed an answer on August 2, 1980. The case was pending before the Customs Court at the close of the fiscal year.



## 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 United States Trade Representative (USTR),<sup>1</sup> the executive branch center for trade-agreement activities. Substantial Commission assistance is also given directly to particular executive departments, such as the Departments of State, Commerce, Labor, Agriculture, and the Treasury, which have responsibilities in the program.

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 29th report, covering calendar year 1977, was published in fiscal 1980, and the 30th report, covering calendar year 1978, was completed during fiscal 1980 and published shortly after the close of the year.

The Commission's work relating to the trade agreements program during fiscal 1980 fell into six major areas. The first was the preparation of Presidential proclamations to implement the tariff concessions granted by the United States in the Multilateral Trade Negotiations (MTN) and certain bilateral agreements concluded in 1979. The second concerned work related to the issuance by the USTR of a list of items to be considered for possible tariff reduction in trade negotiations under the tariff reduction authority delegated to the President in section 124 of the Trade Act of 1974 (the "residual authority" provision). The third involved technical assistance to the USTR in work related to the operation of the Generalized System of Preferences (GSP). The fourth consisted of assisting USTR and the Congress in preparing legislation associated with implementation of the MTN agreement on customs valuation and certain related tariff concessions. The fifth involved the assembly of tariff, commodity, and statistical information in support of activities associated with the trade agreements program's daily operation, including the activities of the several new committees established in connection with implementation of the major nontariff measure agreements which came out of the MTN. The sixth involved tech-

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<sup>1</sup> The United States Trade Representative has primary responsibility for development, coordination, and implementation of U.S. international trade policy, including commodity matters and, to the extent they are related to international trade policy, direct investment matters. Under Executive Order No. 12188, issued Jan. 2, 1980, the USTR is designated as chief representative of the United States for all activities under the auspices of the General Agreement on Tariffs and Trade; activities in the Organization for Economic Cooperation and Development when trade or commodity issues are the primary issues under consideration; negotiations in the United Nations Conference on Trade and Development and other multilateral institutions when trade or commodity issues are the primary issues under consideration; other bilateral or multilateral negotiations when trade, including East-West trade, or commodities are the primary issue under consideration; negotiations under secs. 704 and 734 of the Tariff Act of 1930; negotiations concerning direct investment incentives and disincentives and bilateral investment issues concerning barriers to investment.

A member of the USTR's 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 Trade 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 the Commission is the policy research and factfinding agency for both Congress and the executive branch.



nical assistance to the USTR in conducting the interagency executive branch review of certain reports which the Commission submits to the President.

### **Implementation of Tariff Concessions**

Tariff concessions granted by the United States in trade agreements are implemented by Presidential proclamations which modify the Tariff Schedules of the United States (TSUS) accordingly. The tariff concessions made by the United States in the MTN and in certain bilateral agreements negotiated concurrently with the MTN were implemented by three proclamations. Work on these proclamations, which was begun in May 1979 by the Office of Executive Liaison and Special Advisor for Trade Agreements and the Office of Tariff Affairs, was completed in fiscal 1980. Signed by the President on December 11, 1979, the first of these proclamations, No. 4707, was by far the largest and most complex such proclamation ever issued. It provided for the implementation of most of the MTN concessions, which were contained in the Geneva (1979) Protocol to the General Agreement on Tariffs and Trade (GATT), and for the implementation of concessions contained in bilateral agreements with Hungary, Mexico, Romania, and Taiwan. The second proclamation, signed by the President on January 4, 1980, and issued as Proclamation No. 4711, provided for implementation of concessions contained in agreements with Indonesia, Trinidad and Tobago, and countries forming the Cartagena Agreement. The third proclamation, which was also of major proportion and complexity, implemented the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (the Customs Valuation Code) and the tariff concessions contained in the Geneva (1979) Protocol which were tied to the effective date for the United States of the new standards for customs valuation established in the valuation code. Signed by the President on June 28, 1980, and issued as Proclamation No. 4768, it also carried out certain bilateral agreements with the European Community, Switzerland, and Indonesia.

### **Preparation for Residual Authority Negotiations**

During the 2-year period following expiration of the basic tariff reduction authority delegated to the President in section 101 of the Trade Act of 1974 (i.e., January 3, 1980, through January 2, 1982), the President may, under provisions of section 124 of the 1974 act, enter into trade agreements for further duty reductions of up to 20 percent, so long as such reductions (1) do not result in rates lower than those that would have resulted if the full basic authority under section 101 had been used, and (2) the value of imports covered by new concessions in any 1-year period does not exceed 2 percent of the value of U.S. imports for the most recent 12-month period for which statistics are available.

Early in 1980, Commission staff began work to assist the USTR in identifying the items in the Tariff Schedules of the United States which would be subject to possible further duty reductions under the residual authority of section 124, and to select from the list of such items those which would be subsequently issued in a public notice, in conformity with section 131(a) of the Trade Act of 1974, as articles being considered for possible duty modification. The notice, listing 1,562 items, was published in the *Federal Register* on August 8, 1980, and submitted to the Commission with a request for advice on the probable economic effects of the tariff reductions authorized by section 124 on the domestic industries producing like or directly competitive articles and on consumers.

### **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. Executive Order No. 11888 implemented the GSP effective January 1, 1976; the United States Trade Representative and the Secretary of State are jointly responsible for its administration. The Executive order has been modified several times to change the list of articles receiving GSP treat-

ment and the list of beneficiary countries. During fiscal year 1980, the Commission again provided technical assistance in the interagency review leading to these modifications, as well as assistance in preparation of the orders implementing the changes. The Commission provided its advice on 30 items as to the probable economic effects of the elimination of import duties under the GSP on U.S. industries producing like or directly competitive articles and on consumers. In addition, Commission personnel assisted in 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 seventh executive branch review of the operation of the GSP, parts of which consisted of public hearings held by the Trade Policy Staff Committee (TPSC), the USTR was supplied technical data on U.S. production of and trade in more than 72 articles on which petitions had been submitted for a modification of their GSP status. Commission personnel were also instrumental in the preparation of the Executive orders which had to be issued concurrently with the three proclamations implementing tariff concessions in order to make simultaneous related or consequential changes in the GSP.

At the end of the fiscal year, the Commission was preparing advice on the probable economic effects of eliminating import duties under GSP on 363 items. The list was submitted to the Commission at the same time as the request for advice on the residual authority items. The Commission had also begun work in anticipation of a request expected from USTR early in fiscal 1981 for probable economic effects advice on an additional list of over 65 items.

#### **Legislation Approving the Customs Valuation Protocol**

The Trade Agreements Act of 1979 authorized the President to accept the MTN agreement relating to customs valuation, which had been submitted to the Congress in the spring of 1979. Subsequent to enactment of the Trade Agreements Act in July 1979, however, further negotiations proceeded in Geneva to resolve

remaining differences between developed and developing countries on certain elements in the agreement. These negotiations resulted, in November 1979, in a protocol interpreting certain aspects of the valuation agreement, particularly as they applied to developing countries. Commission staff assisted USTR and congressional staff in preparing legislation to approve and implement the protocol and to make certain technical amendments to title II of the Trade Agreements Act of 1979, which is the part of that act dealing with the customs valuation agreement and related tariff concessions.

#### **Assistance in Miscellaneous Trade Agreements Activities**

The Commission regularly provides technical assistance to USTR in the day-to-day operation of many areas of the trade agreements program, including the activities related to the implementation and operation of the various MTN agreements on nontariff measures. A Commission staff member chairs an interagency Technical Group under the TPSC Aircraft Subcommittee, which handles matters under the Agreement on Trade in Civil Aircraft, and acts as the U.S. spokesman at Geneva meetings of the Technical Subcommittee of the Aircraft Committee, which is composed of representatives of signatories to the aircraft agreement. Staff members participate in bilateral consultations on particular trade issues, such as compensation for U.S. import relief actions, operation of the United States-Canadian automobile agreement, and interpretation of U.S. procedures under the Antidumping and Subsidies Codes. Commission staff also participate in Geneva meetings of the committees established under these codes.

In the summer of 1980 the GATT Council approved a proposal developed in the GATT Committee on Tariff Concessions to establish a loose-leaf system as a means of keeping an up-to-date version of each country's schedule of tariff concessions under the GATT. The Commission began the preparation of the loose-leaf version of schedule XX (the U.S. schedule of GATT concessions) in 1980 and expects to finish the project in mid-1981.

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 various activities under the GATT. Since virtually all international tariff and trade work is conducted in terms of the product classifications of the Customs Cooperation Council Nomenclature (CCCN), the Commission regularly provides the GATT Secretariat with information on the concordance between the TSUS and the CCCN. This concordance is continuously being updated at the Commission.

#### 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 United States Trade Representative. The Commission provides technical assistance in the review process, including such supplemental information as may be required.

#### UNIFORM STATISTICAL DATA ON IMPORTS, EXPORTS, AND PRODUCTION

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

Section 608(a) of the Trade Act of 1974 and Public Law 95-106 amended section 484(e)<sup>2</sup> 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 achieving international harmonization of trade statistics, 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 1980, the Committee for Statistical Annotation of Tariff Schedules, which is made up of delegates of the Secretary of the Treasury and the Secretary of Commerce and which is chaired by a delegate of the Commission, considered 33 requests for statistical annotations to the *Tariff Schedules of the United States Annotated* (TSUSA) and 40 requests for modifications to Schedule B in order to improve the comparability of U.S. import and export data and for other reasons. As a result of these requests, the Committee created 96 new TSUSA items and provided 146 new Schedule B items.

#### 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—

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 . . . .

Since the institution of this investigation in January 1975, the Commission has prepared comments on 77 chapters of the Harmonized Code. During fiscal year 1980, the Commission prepared comments on 27 chapters and did preliminary work on 43 chapters. Commission representatives have participated as members of the U.S. delegation to the Harmonized System

<sup>2</sup> 19 U.S.C. 1484(e).

Committee at all sessions of the Committee since the institution of this investigation, including three sessions during fiscal 1980. Commission representatives have also participated in technical bilateral consultations with European Community (EC) representatives with a view to developing compromise proposals with the EC. These consultations have enabled the United States to gain acceptance of its proposals in the Harmonized System Committee meetings and have been instrumental in enabling the Committee to adhere to its schedule of completion of the system.

#### PREPARATION OF THE *TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED*

The *Tariff Schedules of the United States Annotated* is published periodically by the Commission. It contains the classifications used for reporting import data by commodities 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 and Executive orders, and other modifications of the schedules.

During fiscal 1980 the Commission published the 11th (1980) edition of the *TSUSA* reflecting the myriad changes to the tariff schedules negotiated during the Multilateral Trade Negotiations. Three supplements to the 1980 edition were issued during fiscal 1980.

#### PERIODIC REPORTS ON COMMODITIES

##### Synthetic Organic Chemicals

The Commission has regularly prepared annual and monthly reports on synthetic organic chemicals, plastics materials, medicinal chemicals, pesticides, and other organic chemical products. 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 monitoring of toxic substances by the Environmental Protection Agency and the National Institute for Occupational Safety and Health, trade adjustment assistance by the Department of Labor, planning and investigations by the Food and Drug Administration, trade negotiations by the Office of the United States Trade Representative, mobilization studies by the Department of Commerce, assurance of petrochemical feedstock supplies by the Department of Energy, and monitoring of 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 uses these data extensively.

*Annual reports.*—The 62d annual report on U.S. production and sales of synthetic organic chemicals, covering calendar year 1978, was released by the Commission on October 29, 1979.<sup>3</sup> Also during fiscal year 1980, the Commission prepared the 63d annual report, covering calendar year 1979. Fifteen groups of chemicals were involved:

- Tar and tar crudes
- Primary 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 end-use chemicals and chemical products
- Miscellaneous cyclic and acyclic chemicals.

Approximately 750 manufacturers report data to the Commission on some 8,000 chemical products; these data form the base for the annual report. Also included in the annual report is a directory of manufacturers for each of the named chemicals and chemical products. The data for another annual Commission publication, *Imports of Benzenoid Chemicals and*

<sup>3</sup> *Synthetic Organic Chemicals, United States Production and Sales, 1978*, USITC Publication 1001, 1979.

*Products*, 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 91 selected synthetic organic chemicals, plastics and resins, and other trend-setting indicator materials, is issued for each month at a date approximately 6 weeks after the month covered by the report.

#### Annual and Quarterly Reports on Commodities—Quantitative Determinations

As required by statute, Executive order, or Presidential proclamation, the Commission continued to submit annual and quarterly reports during fiscal year 1980 on several commodities.

Annual reports were submitted on U.S. consumption of watch movements<sup>4</sup> and brooms.<sup>5</sup>

In 1976, after receiving the Commission's report on stainless steel and alloy tool steel (investigation No. TA-201-5), the President imposed quantitative restrictions on stainless steel and alloy tool steel for a period of 3 years and implemented a monitoring program administered by the Commission.<sup>6</sup> The quotas, which were due to expire on June 13, 1979, were extended to February 13, 1980.<sup>7</sup> In fiscal year 1980, the Commission issued two quarterly reports<sup>8</sup> covering U.S. producers' production, shipments, employment, man-hours, and prices. Two annual reports<sup>9</sup> were also issued during the year. One covered U.S. importers' prices, unshipped orders, and inventories; the other covered U.S. producers' profit, unshipped orders, inventories, capacity, capital expendi-

tures, and research and development expenditures.

In conformance with the provisions of the orderly marketing agreement negotiated with the Government of Japan limiting the export of color television receivers and certain sub-assemblies thereof from Japan to the United States for a period of 3 years, which expired on June 30, 1980, the Commission issued three quarterly reports in fiscal year 1980. These reports show aggregate monthly data provided by U.S. producers of color TV receivers on production, shipments, inventories, imports, employment, man-hours, prices, and other economic factors indicative of conditions in the U.S. industry.<sup>10</sup> In addition, the Commission issued the third of the required annual reports showing quarterly data on profit and capacity and annual data on capital expenditures for U.S. producers, and quarterly data on prices, orders, and inventories for importers.<sup>11</sup> These periodic reports ceased with the expiration of the orderly marketing agreement with Japan but were reinstated in conformance with new orderly marketing agreements limiting exports of color television receivers from the Republic of Korea and Taiwan. These reports, two of which were released in fiscal year 1980, will continue through May 1982 for the duration of the new orderly marketing agreements, unless modified or terminated earlier by the President.<sup>12</sup>

Following receipt of the Commission's report on mushrooms in January 1977 (investigation No. TA-201-10), the President determined that import relief was not in the national economic interest. However, he decided to monitor import competition in the domestic market for canned mushrooms. Accordingly, pursuant to section 332(g) of the Tariff Act of 1930, the President requested the Commission to prepare quarterly statistical reports on U.S. production, sales, inventories, imports, exports, and appar-

<sup>4</sup> Public Law 89-805 (80 Stat. 1521, 1522); unnumbered USITC publication, 1980.

<sup>5</sup> Public Law 89-241 (79 Stat. 948, 949); Executive Order No. 11377 implements headnote 3 to schedule 7, pt. 8, subpt. A, of the TSUS; USITC Publication 1049, 1980.

<sup>6</sup> Presidential Proclamation No. 4445 implements headnote 2(g)(i) and (ii) of pt. 2, subpt. A, of the Appendix to the Tariff Schedules.

<sup>7</sup> Presidential Proclamation No. 4665 extended the quotas to Feb. 13, 1980.

<sup>8</sup> Third calendar quarter 1979, USITC Publication 1014, 1979; fourth calendar quarter 1979, USITC Publication 1036, 1980.

<sup>9</sup> Annual report on U.S. importers for calendar year 1979, USITC Publication 1054, 1980; annual report on U.S. producers for calendar year 1979, USITC Publication 1053, 1980.

<sup>10</sup> Third calendar quarter 1979, USITC Publication 1012, 1979; fourth calendar quarter 1979, USITC Publication 1036, 1980; first calendar quarter 1980, USITC Publication 1067, 1980.

<sup>11</sup> Annual report for calendar year 1979, USITC Publication 1050, 1980.

<sup>12</sup> Second calendar quarter 1980 (Preliminary), USITC Publication 1090, 1980; second calendar quarter 1980 (Final), USITC Publication 1095, 1980.

ent consumption of canned mushrooms. These quarterly reports are to be continued until the Commission is notified by USTR that they are no longer required. The Commission issued two such quarterly reports in fiscal 1980.<sup>13</sup>

After considering the Commission's report on footwear (investigation No. TA-201-18), the President decided not to impose the tariff-rate-quota remedy recommended by the Commission for the injury it found, but rather to negotiate orderly marketing agreements limiting the export of certain footwear from Taiwan and the Republic of Korea to the United States. On June 24, 1977, he announced such agreements covering certain footwear shipped to the United States for the 4 years ending June 30, 1981.<sup>14</sup> The President announced that the Commission would issue quarterly reports showing monthly data on U.S. production, imports for consumption, apparent consumption, employment, and prices. It would also conduct annual surveys of domestic producers with respect to profit, orders, capacity, inventories, prices, capital expenditures, and research and development expenditures, and annual surveys of importers with respect to prices, orders, and inventories.

During fiscal year 1980, the Commission issued an annual survey of footwear producers and importers<sup>15</sup> and four quarterly surveys.<sup>16</sup> The quarterly and annual reports are to continue for the duration of the orderly marketing agreements.

On January 6, 1979, the President, after receiving the Commission's recommendations in connection with investigation No. TA-201-37, imposed duty increases on bolts, nuts, and large screws of iron or steel.<sup>17</sup> The increases

are scheduled to remain in effect for 3 years. The Commission is currently monitoring the fastener industry to determine the effects of the increased duties and in fiscal year 1980 published one annual<sup>18</sup> and four quarterly reports.<sup>19</sup> The annual report covered U.S. producers' profits, unfilled orders, inventories, capital expenditures, and capacity, and U.S. importers' unfilled orders, inventories, and prices. The quarterly reports provided data on U.S. production, shipments, imports, exports, apparent consumption, employment, man-hours, and prices.

On January 16, 1980, the President, after receiving the Commission's recommendations in connection with investigation No. TA-201-39, imposed duty increases on certain nonelectric cooking ware of steel.<sup>20</sup> The increases are scheduled to remain in effect for 4 years. The Commission is currently monitoring this segment of the nonelectric cooking ware industry to determine the effects of the increased duties and has prepared one annual and one semi-annual report for the President.<sup>21</sup> The annual report, for calendar year 1979, covered data on profits, capital expenditures, capacity, and capacity utilization. The semiannual report, covering the last half of 1979 and the first half of 1980, showed data on U.S. production, U.S. producers' domestic, export, and total shipments, imports, apparent U.S. consumption, employment, and man-hours.

### Other Periodic Reports

The compilation and publication of the following two series of data began some years ago in response to congressional and general public interest. Series A relates to all motor vehicles (i.e., passenger automobiles, trucks, buses, and so forth) and is published annually, in the spring; Series B relates to new passenger automobiles only and is published annually,

<sup>13</sup> Third calendar quarter 1979, USITC Publication 1018, 1979; fourth calendar quarter 1979, USITC Publication 1043, 1980. The next two quarterly reports in fiscal 1980 were suspended at the request of the USTR because the Commission was conducting an investigation under sec. 201 of the Trade Act of 1974 (No. TA-201-43) on the same product.

<sup>14</sup> Presidential Proclamation No. 4510, June 22, 1977, implements headnote 3(k) to pt. 2, subpt. A, of the Appendix to the Tariff Schedules.

<sup>15</sup> Annual report for calendar years 1978 and 1979, USITC Publication 1071, 1980.

<sup>16</sup> Third calendar quarter 1979, USITC Publication 1019, 1979; fourth calendar quarter 1979, USITC Publication 1044, 1980; first calendar quarter 1980, USITC Publication 1072, 1980; second calendar quarter 1980, USITC Publication 1091, 1980.

<sup>17</sup> Presidential Proclamation No. 4632 implements headnote 4(a) and (b) of pt. 2, subpt. A, of the Appendix to the Tariff Schedules.

<sup>18</sup> Annual report on U.S. producers and U.S. importers for calendar year 1979, USITC Publication 1052, 1980.

<sup>19</sup> Third calendar quarter 1979, USITC Publication 102, 1979; fourth calendar quarter 1979, USITC Publication 1042, 1980; first calendar quarter 1980, USITC Publication 1070, 1980; second calendar quarter 1980, USITC Publication 1093, 1980.

<sup>20</sup> Presidential Proclamation No. 4713.

<sup>21</sup> Due to the small number of firms in this industry, these reports were not made public.

in the fall. Series A was published in fiscal year 1980, and Series B was completed and awaiting printing at the close of fiscal year 1980.

*Automotive Trade Statistics, 1964-79: U.S. Factory Sales, Imports, Exports, Apparent Consumption, and Trade Balances With Canada and All Other Countries (Series A-Motor Vehicles)*, USITC Publication 1078, June 1980.

*Automotive Trade Statistics, 1964-79: U.S. Factory Sales, Retail Sales, Imports, Exports, Apparent Consumption, Suggested Retail Prices, and U.S. Bilateral Trade Balances With the Eight Major Producing Countries (Series B: Passenger Automobiles)*, USITC Publication 1102, October 1980.

#### SUMMARIES OF TRADE AND TARIFF INFORMATION

The Commission periodically publishes a series of summaries of trade and tariff information to provide the Congress, the courts, Government agencies, foreign governments, industrial institutions, research and trade organizations, and the general public with information on each of the commodities listed in the Tariff Schedules of the United States.

These summaries provide comprehensive coverage of product uses, manufacturing processes, and commercial practices, and include analysis of the numerous factors affecting U.S. and world trade in each commodity area.

The overall summary program will run several years, ultimately covering all items of the TSUS. In fiscal year 1980, the Commission issued the following summaries:

Title	Control No.	Release date
Dolls and Stuffed Toy Animals.....	7-5-7	July 1980
Handbags .....	7-1-8	September 1980
Electricity, Gas, and Liquid Supply and Production Meters.....	7-2-8	September 1980

#### ASSISTANCE TO THE CONGRESS

During fiscal year 1980, the Office of Congressional Liaison continued to provide liaison with the Congress, State and local governments, international organizations, and the independent Federal Government agencies. Responding to congressional inquiries remained a major activity of the Office: the Commission replied to an average of 36 written requests and 74 telephone inquiries each month. In addition, technical assistance was provided on 89 bills, and staff specialists participated at a number of congressional committee hearings.

The report on an investigation requested by the House Ways and Means Committee in June 1980 and conducted under section 332 of the Tariff Act of 1930, Study of the Economic Effects of the Eruptions of Mount St. Helens (No. 332-110), was transmitted to the committee on September 15, 1980. Also, the Commission continued its ongoing section 332 investigation on Formulation of an International Commodity Code (No. 332-73), as required by section 608(c)(1) of the Trade Act of 1974.

In response to specific requests by the Chairman of the Subcommittee on Trade of the House Ways and Means Committee, the Office of Economics completed two studies during fiscal 1980. In October 1979, the Commission submitted the first study, Extending Most-Favored-Nation Tariff Treatment to the People's Republic of China: Including Analysis of the Trade and Revenue Effects, 1980-84, for use during hearings on extending MFN to China. In February 1980 the Commission submitted a similar report, Extending Most-Favored-Nation Tariff Treatment to the Union of Soviet Socialist Republics: Including Analysis of the Trade and Revenue Effects, 1980-84.

During the year, 11 Members of Congress appeared as witnesses at hearings before the Commission, and written testimony on several cases being investigated by the Commission was received from additional Congressmen.

## ORGANIZATION OF THE COMMISSION

On September 30, 1980, the U.S. International Trade Commission was composed of 5 Commissioners and 401 staff members.<sup>1</sup> The chart on page 52 depicts the Commission's organization at the end of fiscal year 1980.

The Secretary serves the Commission in the conduct of its business and is an official point of contact, in general, with other Government agencies and the public. The Public Information Office is the unit in the Office of the Secretary responsible for media relations and consumer affairs. The Director, Office of Executive Liaison and Special Advisor for Trade Agreements, acts as the Commission's liaison with the President's United States Trade Representative and advises the Commission on trade agreements. The General Counsel is the Commission's chief legal officer. The Senior Advisor advises the Commission on a broad range of issues affecting all phases of Commission activity. The Chief Administrative Law Judge presides over section 337 case hearings. The Director, Office of Congressional Liaison, acts as the principal Commission contact with the Senate and the House of Representatives. The Director of Operations is in charge of carrying out the Commission's substantive day-to-day activities, including investigative duties. The Director of Administration is responsible for support, including Personnel, Finance, Services, and Production.

### Membership of the Commission

As provided in the Tariff Act of 1930, the six Commissioners of the U.S. International Trade Commission are Presidential appointees who are confirmed by the Senate. Their terms are 9 years in length, unless a Commissioner is appointed to fill an unexpired term, and they are not eligible for reappointment if they serve for more than 5 years. By provision of Public Law 95-106 the President is authorized to designate the Chairman and Vice Chairman for 2-year terms. The Chairman and Vice Chairman may not be of the same political party, nor may the President appoint two Commissioners of the same political party for two consecutive 2-year terms as Chairman. Not more than three Commissioners may belong to the same political party.

At the start of fiscal year 1980, Joseph O. Parker was Chairman; he served in this capacity until his retirement from Federal service effective December 31, 1979. Catherine Bedell was designated by the President to complete Mr. Parker's term and served as Chairman from January 1, 1980, to June 16, 1980. Bill Alberger was appointed by the President to a 2-year term as Chairman effective June 17, 1980; concomitantly, Michael J. Calhoun was designated as Vice Chairman. Bill Alberger served as Vice Chairman during fiscal year 1980 until he became Chairman.

<sup>1</sup> Temporary employees not included.



### Executive Staff of the Commission at the Close of Fiscal Year 1980

General Counsel .....	Michael H. Stein.
Director, Office of Executive Liaison and Special Advisor for Trade Agreements .....	William T. Hart.
Senior Advisor to the Commission .....	Russell N. Shewmaker. <sup>1</sup>
Secretary to the Commission .....	Kenneth R. Mason.
Director, Office of Congressional Liaison .....	George L. Hooper.
Chief Administrative Law Judge .....	Donald K. Duvall.
Administrative Law Judge .....	Janet D. Saxon.
Director, Office of Administration .....	Charles R. Ramsdale.
Chief, Finance and Budget Division .....	Edward C. Wallington, Jr.
Director of Personnel .....	Terry P. McGowan.
Chief, Services Division .....	Ronald P. Fox.
Chief, Production Division .....	Kenneth Will, Jr.
Director of Operations .....	Charles W. Ervin.
Director of Investigations .....	E. William Fry. <sup>2</sup>
Director, New York Field Office <sup>3</sup> .....	Walter S. Trezevant.
Director of Industries .....	Norris A. Lynch.
Chiefs of Divisions:	
Agriculture, Fisheries, and Forest Products .....	Edward P. Furlow.
Minerals and Metals .....	Larry L. Brookhart.
Energy and Chemicals .....	Aimison Jonnard.
Textiles, Leather Products, and Apparel .....	Reuben I. Schwartz.
Machinery and Equipment .....	Aaron H. Chesser.
General Manufactures .....	Vacant.
Director, Office of Economics .....	Norman S. Fieleke.
Director, Office of Data Systems .....	Michael J. Olsavsky.
Director, Office of Tariff Affairs .....	Eugene A. Rosengarden.
Public Information Officer .....	Harold W. Sundstrom.

<sup>1</sup> Mr. Shewmaker retired effective Jan. 16, 1981.

<sup>2</sup> Effective Jan. 18, 1980, the Investigative Staff and the Office of Legal Services were realigned into a single Office of Investigations.

<sup>3</sup> The New York Field Office was eliminated as a separate unit on Nov. 7, 1980. Mr. Trezevant was its Director at the close of fiscal year 1980.

The following Commissioners served during fiscal year 1980:

*Commissioner Joseph O. Parker*, Republican of Virginia. Mr. Parker left the Commission on December 31, 1979, following the expiration of his term on December 16, 1979.

*Commissioner George M. Moore*, Republican of Maryland. Mr. Moore, whose term was to expire December 16, 1982, resigned effective January 16, 1981.

*Commissioner Catherine Bedell*, Republican

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

*Commissioner Bill Alberger*, Democrat of Oregon. Mr. Alberger's term expires December 16, 1985.

*Commissioner Paula Stern*, Democrat of the District of Columbia. Dr. Stern's term expires June 16, 1987.

*Commissioner Michael J. Calhoun*, Independent of the District of Columbia. Mr. Calhoun's term expires December 16, 1988.

## Sources of Information

Inquiries should be directed to the specific organizational unit or to the Secretary, U.S. International Trade Commission, 701 E Street NW., Washington, D.C. 20436, phone 202-523-0161. Publications may be ordered 24 hours a day, 7 days a week, by calling 202-523-5178.

Facilities for research by the public are located in the Office of the Secretary and in the Commission Library.

In addition to its statutory obligations to conduct public investigations, the Commission assists the legislative and executive branches of Government and answers many inquiries from the news media and the public. As the international economic research arm of the Government, it maintains a 77,000-volume library, which receives about 2,400 periodicals. This facility houses not only publications on 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.

## EMPLOYMENT AND APPROPRIATIONS

In fiscal year 1980, average employment—in terms of work-years—was 412, about 6 percent above that of fiscal year 1979. The following tabulation shows the number of permanent full-time officers and employees of the Commission by organizational units at the close of fiscal year 1980:

Position or activity	Sept. 30, 1980
Commissioners .....	5
Offices of the Commissioners.....	18
Office of the Secretary.....	14
Office of Executive Liaison and Special Advisor for Trade Agreements .....	9
Office of the General Counsel.....	24
Office of Congressional Liaison.....	2

Position or activity—Con.	Sept. 30, 1980
Office of the Senior Advisor.....	2
Office of the Administrative Law Judge.....	7
Office of the Director of Administration.....	4
Finance and Budget Division.....	10
Personnel Division.....	12
Services Division.....	12
Production Division.....	20
Office of the Director of Operations.....	3
New York Field Office.....	5
Office of Investigations.....	41
Office of Industries.....	132
Office of Economics.....	32
Office of Data Systems.....	33
Office of Tariff Affairs.....	16
<b>Total .....</b>	<b>401</b>

The U.S. International Trade Commission submits its budget to the President for transmittal to the Congress. During fiscal year 1980, appropriated funds made available to the Commission amounted to \$15,530,000. Reimbursements received totaled \$20,000, making available a grand total of \$15,550,000. Obligations for fiscal years 1979 and 1980 were as follows:

Item	Fiscal year 1979	Fiscal year 1980
Salaries and personnel benefits.....	\$ 9,974,481	\$10,893,838
Travel and transportation.....	214,389	242,000
Rental and communications services....	1,060,399	1,137,385
Other services.....	645,776	919,455
Printing and reproduction.....	170,230	186,664
Equipment, supplies, and materials.....	500,680	753,660
<b>Total .....</b>	<b>12,565,955</b>	<b>14,133,002</b>

A majority of the Commission's employees are housed in the U.S. International Trade Commission Building, at 701 E Street NW.<sup>2</sup> Owing to space limitations, approximately 15 percent of the Commission's employees are located at the Dodge Center, 1010 Wisconsin Avenue NW., and the Bicentennial Building, at 600 E Street NW.

<sup>2</sup> The 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 occupants as the Postmaster General, the General Land Office, the Bureau of Education, the National Selective Draft Board, and General John J. Pershing.

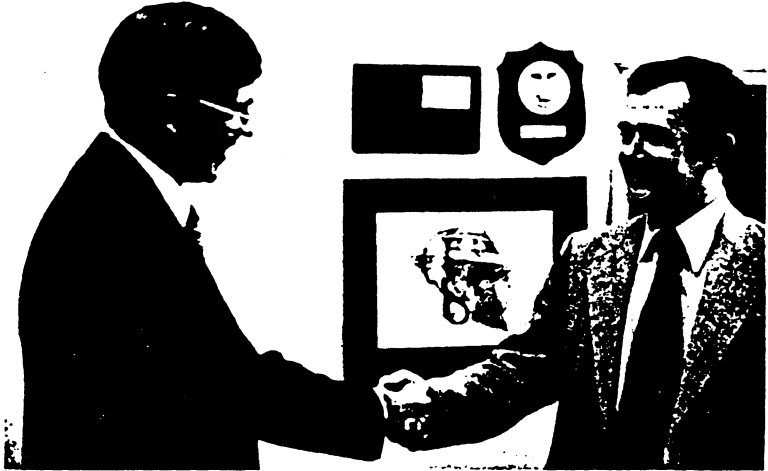


1

### Labor Accords

(1) The first contract between the Commission and the American Federation of Government Employees (AFGE) covering about two-thirds of the agency's 430 employees was negotiated and signed by the contracting parties on November 19, 1979. Commission Chairman Joseph O. Parker, left, and AFGE Local 2211 President John Reeder participated in the signing ceremony. Chairman Parker hailed the occasion as representing "a great step forward in our joint endeavors to carry out the public trust that is reposed in us." He also said the contract will "help us maintain the standard of excellence for which this agency is noted."

(2) Chairman Bill Alberger, right, and G. Ray Marshall, President, Graphics Art International Union, Local 98L, shake hands following the June 24, 1980, signing of a contract covering the nonsupervisory employees of the Graphics Section.



2



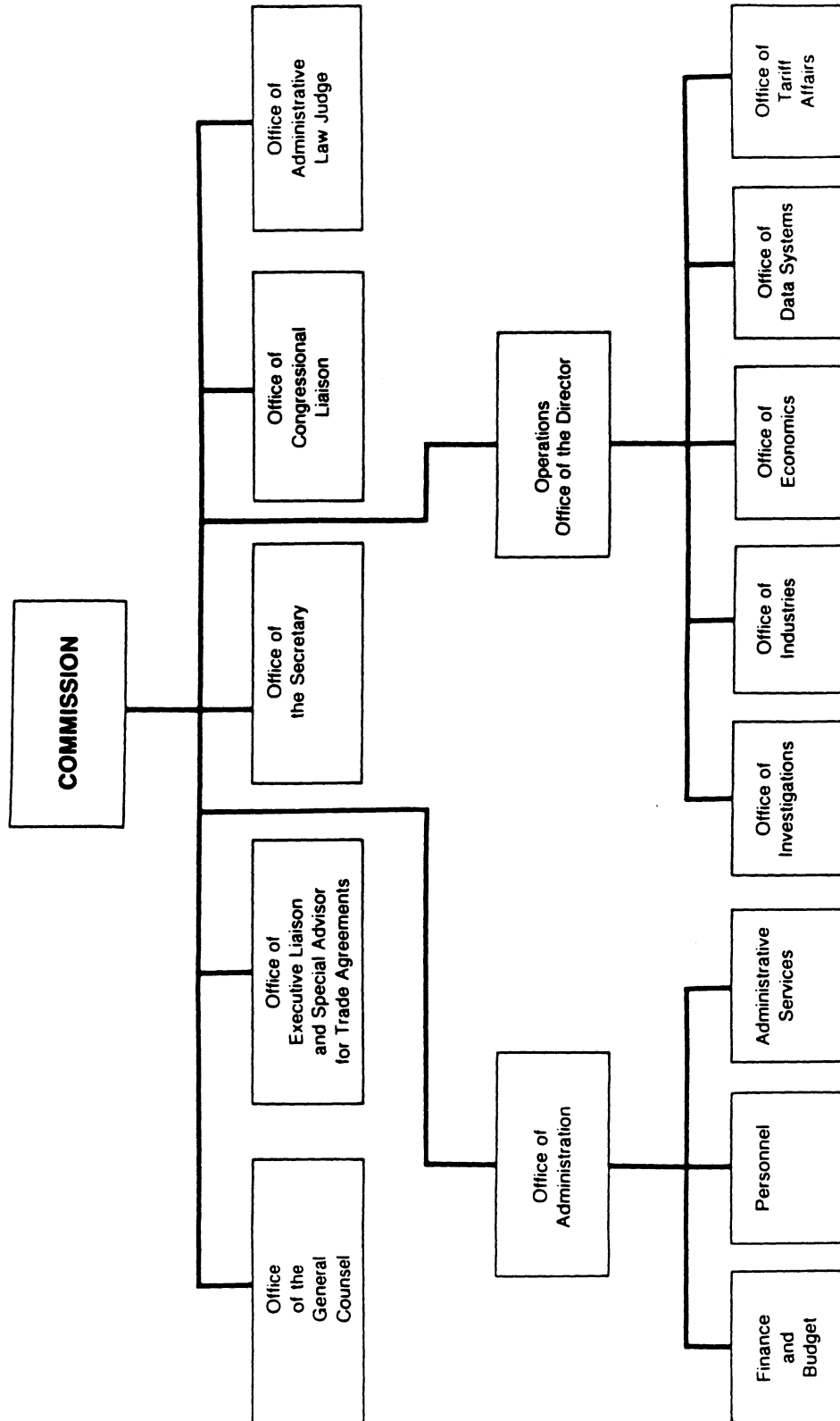
3

### Commission Meetings

(3) Generally held once or twice per week in room 117 of the USITC building. Commission meetings are the forum in which the Commissioners discuss agency business and vote on cases and other agency business. Normally Commission meetings are open to the public to observe. If a meeting is closed, as early as practical the Commission publishes and posts a notice containing a full explanation of the reasons for closing the meeting and a list of persons who are expected to attend.

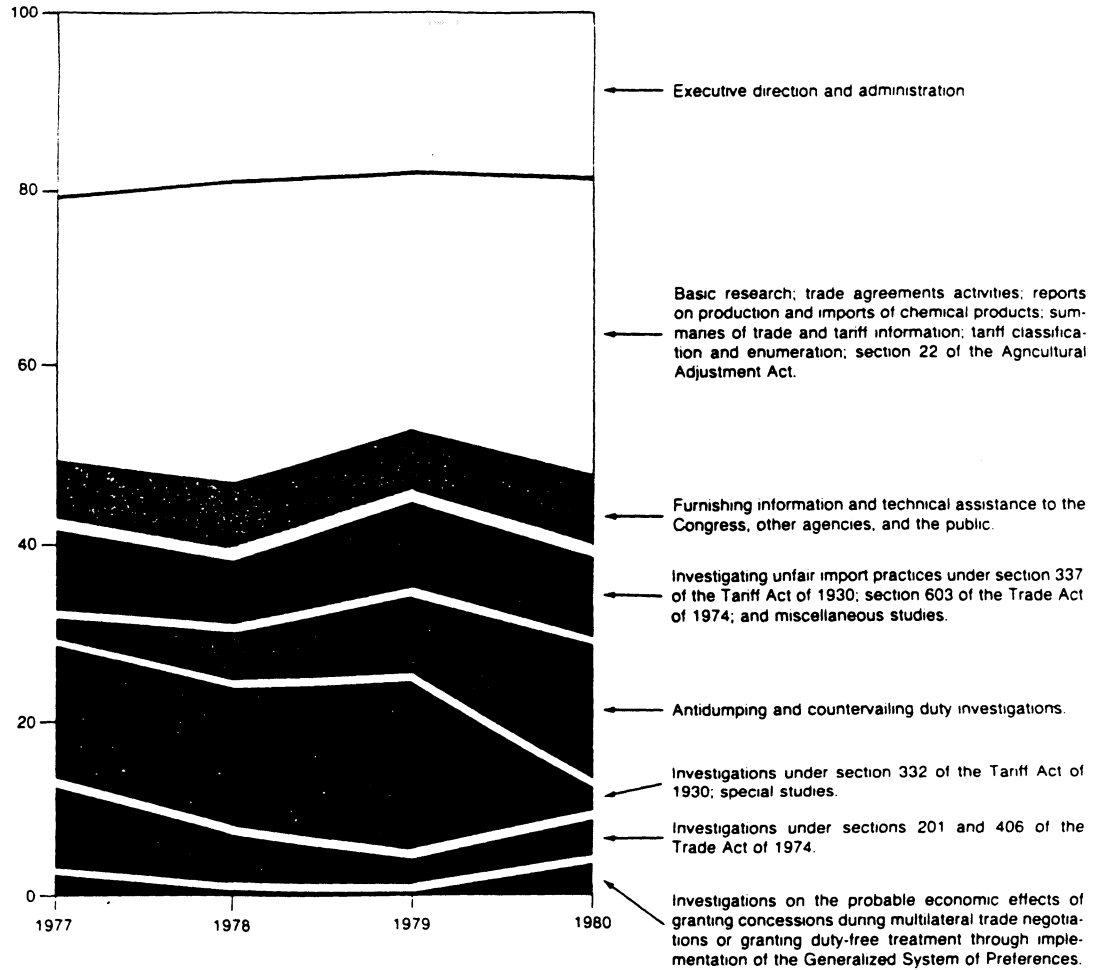


**UNITED STATES INTERNATIONAL TRADE COMMISSION**



SUMMARY OF PRINCIPAL ACTIVITIES OF THE  
U.S. INTERNATIONAL TRADE COMMISSION,  
FISCAL YEARS 1977-80

Percentage distribution of employee compensation





## REPORTS SUBMITTED ON PROPOSED LEGISLATION

1. H.R. 1212 (Mr. Fuqua)—For the relief of the University of Florida, Gainesville, Florida. October 15, 1979 (Finance Committee).
2. H.R. 1319 (Mr. Akaka)—To extend the period for duty-free entry of a 3.60-meter telescope and associated articles for the use of the Canada-France-Hawaii Telescope Project at Mauna Kea, Hawaii. October 15, 1979 (Finance Committee).
3. H.R. 2297 (Mr. Duncan of Tennessee)—To continue until the close of June 30, 1982, the existing suspension of duties on synthetic rutile. October 15, 1979 (Finance Committee).
4. H.R. 2492 (Mr. Jenkins)—To extend until July 1, 1984, the duty suspension on crude feathers and downs. October 31, 1979 (Finance Committee). Supplemental report, March 13, 1980 (Finance Committee); another report, October 31, 1980 (Finance Committee).
5. H.R. 2535 (Mr. Albosta)—To amend the Tariff Schedules of the United States to suspend for a temporary period the duty on certain alloy tool steels used for making chipper knives. November 5, 1979 (Finance Committee).
6. H.R. 2537 (Mr. Bauman)—To suspend until December 31, 1982, a portion of the duties on strontium nitrate. December 3, 1979 (Finance Committee).
7. H.R. 2703 (Mr. Shannon)—To provide duty-free treatment to certain dyeing and tanning materials. November 16, 1979 (Finance Committee).
8. H.R. 3046 (Mr. Fithian)—To suspend the duty on freight cars until the close of June 30, 1981. December 6, 1979 (Finance Committee).
9. H.R. 3122 (Mr. Vanik)—Relating to the tariff treatment of certain articles. October 23, 1979 (Ways and Means and Finance Committees).
10. H.R. 3207 (Mr. Rostenkowski)—To suspend the duties on certain bicycle parts and accessories until the close of June 30, 1983. October 31, 1979 (Finance Committee).
11. H.R. 3317 (Mr. Devine)—For the relief of Ohio Wesleyan University, Delaware, Ohio. October 30, 1979 (Finance Committee).
12. H.R. 3352 (Mr. Rostenkowski)—To provide for the temporary suspension of duty on the importation of fluorspar. December 3, 1979 (Finance Committee).
13. H.R. 3591 (Mr. Vander Jagt)—To reduce temporarily the duty on titanium sponge. November 6, 1979 (Finance Committee).
14. H.R. 3755 (Mr. McKinney)—For the relief of St. Paul's Episcopal Church, Riverside, Connecticut. October 30, 1979 (Finance Committee).
15. H.R. 4006 (Mr. Won Pat)—To apply duty-free treatment under certain circumstances to articles produced in the insular possessions of the United States, and for other purposes. March 31, 1980.
16. H.R. 4147 (Mr. Guarini)—To amend the Tariff Schedules of the United States to provide a temporary suspension of the duty on certain alloys of cobalt. November 16, 1979 (Finance Committee).
17. H.R. 4309 (Mr. Benjamin)—To amend the Tariff Schedules of the United States to provide for the proper classification of cold finished steel bars; and for other purposes. October 29, 1979 (Ways and Means and Finance Committees). Supplemental report, April 7, 1980 (Finance Committee).
18. H.R. 4385 (Mr. Neal)—For the relief of Wake Forest University, Winston-Salem, North Carolina. October 30, 1979 (Finance Committee).
19. H.R. 4738 (Mr. Philip M. Crane)—To reduce temporarily the duty on titanium sheet, plate, and other rolled titanium products. November 16, 1979 (Finance and Ways and Means Committees).
20. H.R. 4739 (Mr. Downey)—To suspend for a three-year period the duty on pillow buns of latex foam. November 5, 1979 (Finance Committee).
21. H.R. 4780 (Mr. Drinan)—To extend for two years the existing suspension of duty on synthetic tantalum/columbium concentrate. December 10, 1979.
22. H.R. 4800 (Mr. Drinan)—To extend duty-free treatment to synthetic tantalum/columbium concentrate. November 14, 1979 (Finance Committee).

appendix b



23. H.R. 4954 (Mr. Duncan of Tennessee)—To continue until the close of June 30, 1982, the existing suspension of duties on manganese ore (including ferruginous ore) and related products. November 21, 1979 (Finance Committee).
24. H.R. 5047 (Mr. Frenzel)—To provide for the temporary suspension of duty on the importation of color couplers and coupler intermediates used in the manufacture of photographic sensitized material (provided for in items 405.20 and 403.60, respectively). February 12, 1980.
25. H.R. 5047—An act to provide for the temporary suspension of certain duties, to extend certain existing suspensions of duties, and for other purposes.
  - Sec. 102. Foreign materials determinations relating to tariff treatment of products of insular possessions. August 4, 1980 (Finance Committee).
  - Sec. 103. Yarns of silk. August 4, 1980 (Finance Committee).
  - Sec. 104. Poppy straw extract. August 15, 1980 (Finance Committee).
  - Sec. 106. Entry of certain valuable wastes. August 1, 1980 (Finance Committee).
  - Sec. 107. Water chestnuts and bamboo shoots. August 21, 1980 (Finance Committee).
  - Sec. 108. Urethane curing agent (TMAB). July 30, 1980 (Finance Committee).
  - Sec. 109. Color couplers and color intermediates. September 2, 1980 (Finance Committee).
  - Sec. 110. Doxorubicin hydrochloride. August 21, 1980 (Finance Committee).
  - Sec. 111. Levulose. August 1, 1980 (Finance Committee).
  - Sec. 112. Flat knitting machines. August 1, 1980 (Finance Committee).
  - Sec. 113. Warp knitting machines. August 4, 1980 (Finance Committee).
26. H.R. 5065 (Mr. Lederer)—For the relief of the Chinese Cultural and Community Center of Philadelphia, Pennsylvania. November 16, 1979.
27. H.R. 5242 (Mr. Shumway)—To amend the Tariff Schedules of the United States with respect to the rates and duties for montan wax. March 5, 1980.
28. H.R. 5829 (Mr. Hamilton)—For the relief of the Foundry United Methodist Church. March 24, 1980 (Ways and Means Committee), and August 1, 1980 (Finance Committee).
29. H.R. 5875 (Mr. Mineta)—To amend the Tariff Schedules of the United States to repeal the duty on certain fieldglasses and binoculars. February 27, 1980.
30. H.R. 5952 (Mr. Schulze)—To continue until the close of June 30, 1982, the existing suspension of duties on concentrate of poppy straw. March 24, 1980.
31. H.R. 6089 (Mr. Frenzel)—To amend the Tariff Schedules of the United States to provide for a temporary change in the duty on unwrought lead, and for other purposes. February 25, 1980 (Finance Committee), and March 31, 1980 (Ways and Means Committee), and updated version, September 17, 1980 (Finance Committee).
32. H.R. 6269 (Mr. Evans of Delaware)—To extend the temporary suspension of duty on doxorubicin hydrochloride until the close of June 30, 1982. April 28, 1980.
33. H.R. 6278 (Mr. Shannon)—To suspend the duty on trimethylene glycol di-p-aminobenzoate until the close of December 31, 1982. April 9, 1980.
34. H.R. 6453 (Mr. Vanik)—To amend the Tariff Schedules of the United States regarding the rate of duty that may be proclaimed by the President with respect to sugar imports. April 11, 1980.
35. H.R. 6673 (Mr. Latta)—To suspend for a three-year period the duty on water chestnuts and bamboo shoots. March 24, 1980.
36. H.R. 6687 (Mr. Evans of the Virgin Islands)—To apply duty-free treatment under certain circumstances to articles produced in the insular possessions of the United States, and for other purposes. March 19, 1980.
37. H.R. 6975 (Mr. Ford of Tennessee)—To eliminate the duty on hardwood veneers. April 24, 1980 (Ways and Means Committee), and August 5, 1980 (Finance Committee).
38. H.R. 7004 (Mr. Schulze)—To permit until July 1, 1982, the duty-free entry of Tricot and Raschel warp knitting machines. May 6, 1980.
39. H.R. 7047 (Mr. Hollenbeck)—To suspend until January 1, 1984, the duty on certain flat knitting machines. May 21, 1980.
40. H.R. 7054 (Mr. Pickle)—To amend the Tariff Schedules of the United States in order to make the duty on plastic netting approximately equal to the duty now charged on the raw plastic from which the netting is made. May 21, 1980 (Ways and Means Committee), and updated version, August 19, 1980 (Finance Committee).
41. H.R. 7087 (Mr. Frenzel)—To increase the column 2 rate of duty (applicable to products of Communist countries) on anhydrous ammonia to 15 per centum ad valorem. May 22, 1980.
42. H.R. 7139 (Mr. Cotter)—To suspend for not exceeding one year the duty on certain wrapper tobacco. May 20, 1980 (Ways and Means Committee), and September 10, 1980 (Finance Committee).
43. H.R. 7145 (Mr. Jenkins)—To maintain at the present level the duty on levulose until the close of December 31, 1981. May 9, 1980.
44. H.R. 7167 (Mr. Nowak)—To amend the Tariff Schedules of the United States to permit the entry of certain valuable wastes resulting from the processing of merchandise admitted into the United States under bond. June 4, 1980.
45. H.R. 7173 (Mr. Schulze)—To extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk. May 21, 1980.
46. H.R. 7709 (Mr. Jones of Oklahoma)—To amend the Tariff Schedules of the United States to increase the quantity of cigarettes that may be accorded duty-free treatment if acquired in the insular possessions

- and entered by returning United States residents. August 22, 1980.
47. S. 1004 (Mr. Bentsen)—To suspend the duty on freight cars until the close of June 30, 1981. December 6, 1979.
  48. S. 1103 (Mr. Bentsen)—To amend the Tariff Schedules of the United States with respect to certain civil aircraft. November 23, 1979.
  49. S. 1536 (Mr. Heinz)—For the relief of the Chinese Cultural and Community Center, Philadelphia, Pennsylvania. November 16, 1979.
  50. S. 1738 (Mr. Matsunaga)—To amend the Tariff Schedules of the United States to repeal the duty on certain fieldglasses and binoculars. November 8, 1979.
  51. S. 1776 (Mr. Tower)—To impose quantitative restrictions on the importation of lamb meat. March 18, 1980.
  52. S. 1852 (Mr. DeConcini)—To provide for a temporary suspension of duty with respect to certain peppers. March 24, 1980.
  53. S. 2250 (Mr. Nelson)—To prohibit until January 1, 1982, the conversion of the rates of duty on certain unwrought lead to ad valorem equivalents. February 25, 1980.
  54. S. 2256 (Mr. Heinz)—To continue until the close of June 30, 1982, the existing suspension of duties on concentrate of poppy straw. March 24, 1980.
  55. S. 2509 (Mr. Heinz)—To permit until July 1, 1982, the duty-free entry of Tricot and Raschel warp knitting machines. May 6, 1980.



**KEY STATUTES INVOLVING THE  
U.S. INTERNATIONAL TRADE COMMISSION**

**Sec. 201, Trade Act of 1974 (Escape-Clause Investigations),  
Import Relief for Domestic Industries**

**When:** The Commission conducts investigations upon its own motion or upon petition on behalf of a firm, a group of workers, or other entity representative of an industry to determine whether an article is being imported 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.

**Duration:** The investigation must be completed not later than 6 months after being instituted.

**Finding:** If the Commission's finding is affirmative it must recommend a remedy to the President, who has discretion to take action to provide import relief, such as an increase in duties, the establishment of quantitative restrictions, the negotiation of orderly marketing agreements, or specified types of adjustment assistance to groups of workers, firms, or communities.

**Followup:** The Commission reports with respect to developments within an industry that has been granted import relief and advises the President of the probable economic effect of the reduction or the elimination of the tariff increase that has been granted.

**Sec. 337, Tariff Act of 1930  
(Investigations of Unfair Practices in Import Trade)**

**When:** The Commission, after receipt of a complaint under oath from an interested party or upon its own motion, conducts investigations to determine whether unfair methods of competition or unfair acts are occurring in the importation of articles into the United States or in their sale.

**Duration:** The investigation must be completed in no more than 1 year, or 18 months in a more complicated case, after the date of publication of notice of investigation in the *Federal Register*.

**Finding:** If the Commission determines that the importation of such articles is such that the effect or tendency is to destroy or substantially injure an efficiently and economically operated industry, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce, it may issue orders excluding the articles from entry or issue cease and desist orders. The President may disapprove these actions within 60 days after issuance of the Commission's determination.

**Sec. 703(a), Tariff Act of 1930 (Preliminary Countervailing Duty  
Investigations), Subsidized Imports**

**When:** The Commission, after the simultaneous filing of a proper petition with it and the Department of Commerce, conducts investigations to determine, on the basis of the best information available

to it at the time of the determination, whether there is a reasonable indication that an industry is materially injured, or is threatened with material injury, or the establishment of an industry is materially retarded, by reason of imports of the allegedly subsidized merchandise which is the subject of the investigation by Commerce.

**Duration:** The investigation must be completed within 45 days of the receipt of the petition.

**Finding:** If the Commission's determination is affirmative, Commerce continues its investigation.

**Sec. 705(b), Tariff Act of 1930 (Final Countervailing Duty Investigations), Subsidized Imports**

**When:** The Commission, after a preliminary determination by the Secretary of Commerce that imported articles are subsidized, conducts investigations to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of the subsidized merchandise.

**Duration:** The investigation must usually be completed within 120 days after an affirmative preliminary determination by the Secretary of Commerce or 45 days after an affirmative final determination by the Secretary of Commerce that a subsidy is being provided, whichever is longer.

**Finding:** If the Commission's determination is affirmative, the Secretary of Commerce imposes a countervailing duty on imports of the articles in question.

**Sec. 733(a), Tariff Act of 1930 (Preliminary Antidumping Investigations), Imports Marketed at Less Than Fair Value**

**When:** The Commission, after the simultaneous filing of a proper petition with it and the Department of Commerce, conducts investigations to determine, on the basis of the best information available to it at the time of the determination, whether there is a reasonable

indication that an industry is materially injured, or is threatened with material injury, or the establishment of an industry is materially retarded, by reason of imports of the allegedly dumped merchandise which is the subject of the investigation by Commerce.

**Duration:** The investigation must be completed within 45 days of receipt of the petition.

**Finding:** If the Commission's determination is affirmative, Commerce continues its investigation.

**Sec. 735(b), Tariff Act of 1930 (Final Antidumping Investigations), Imports Marketed at Less Than Fair Value**

**When:** The Commission, after a preliminary determination by the Secretary of Commerce that imported articles are being, or are likely to be, sold at less than fair value, conducts investigations to determine whether an industry in the United States is materially injured, or is threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports of the dumped merchandise.

**Duration:** The investigation must usually be completed within 120 days after an affirmative preliminary determination by the Secretary of Commerce or 45 days after an affirmative final determination by the Secretary of Commerce that the imported articles are being, or are likely to be, sold at less than fair value.

**Finding:** If the Commission's determination is affirmative, the Secretary of Commerce imposes a dumping duty on imports of the articles in question.

**Sec. 332, Tariff Act of 1930 (General-Purpose Investigations)**

**When:** Upon official request or upon its own motion, the Commission initiates a factfinding investigation on any matter involving tariffs and international trade. This broad provision allows the Commission to investigate trade matters of immediate concern to the Government and the public.

**Duration:** Unless otherwise directed, ~~the~~

Commission establishes an administrative deadline.

**Finding:** Unless the President or the Congress directs otherwise, the Commission's reports are made available to all interested parties, the general public, the President and executive departments, and the Congress.

#### **Sec. 22, Agricultural Adjustment Act, Import Interference With Agricultural Programs**

The Commission conducts investigations at the direction of the President to determine whether any articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to materially interfere with programs of the Department of Agriculture for agricultural commodities or products thereof, or to reduce substantially the amount of any product processed in the United States from such commodities or products, and makes findings and recommendations to the President. The President may restrict the imports in question by imposition of either import fees or quotas.

#### **OTHER AREAS OF INVOLVEMENT BY STATUTE**

##### **Bestowal of Bounties or Grants on Imports**

The Commission determines, with respect to any duty-free article on which the Secretary of the Treasury has determined that a bounty or grant is being paid, 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 article. (Sec. 303, Tariff Act of 1930; 46 Stat. 687.)

##### **Uniform Statistical Data**

The Commission, in cooperation with the Secretary of the Treasury and the Secretary of Commerce, establishes for statistical purposes an enumeration of articles imported into the United States and exported from the United States, and seeks to establish comparability of such statistics with statistical programs for domestic production.

In conjunction with such activities, the Commission and the Secretary of Commerce are to identify concepts underlying the formulation of an international commodity code for reporting transactions in international trade and to report thereon to the Congress. (Sec. 484(e), Tariff Act of 1930, 19 U.S.C. 1484(e); sec. 608, Trade Act of 1974.)

#### ***Tariff Schedules of the United States Annotated***

The Commission issues a publication containing U.S. tariff schedules and related material and considers questions concerning the arrangement of such schedules and the classification of articles. (Sec. 201, Tariff Classification Act of 1962, 76 Stat. 74; secs. 332(a) and 484(e), Tariff Act of 1930, 19 U.S.C. 1332(a) and 19 U.S.C. 1484(e).)

#### **Tariff Summaries**

The Commission prepares and publishes, from time to time, a series of summaries of trade and tariff information. These summaries contain descriptions (in terms of the Tariff Schedules of the United States) of the thousands of products imported into the United States, methods of production, and the extent and relative importance of U.S. consumption, production, and trade, together with certain basic factors affecting the competitive position and economic health of domestic industries. (Sec. 332, Tariff Act of 1930; 19 U.S.C. 1332.)

#### **Advice Concerning Trade Negotiations**

The Commission advises the President as to the probable economic effect on domestic industries and consumers of modification of duties and other barriers to trade which may be considered for inclusion in any proposed trade agreement with foreign countries. (Sec. 131, Trade Act of 1974; 19 U.S.C. 2151.)

#### **Generalized System of Preferences**

With respect to articles which may be considered for duty-free treatment when imported

from designated developing countries, the Commission advises the President as to the probable economic effect of the removal of duty on the domestic industry and on consumers. (Secs. 131 and 503, Trade Act of 1974; 19 U.S.C. 2151, 2163.)

#### **East-West Trade Monitoring System**

The Commission monitors imports into the United States from nonmarket economy countries and makes a report not less frequently than once each calendar quarter on the effect of such imports on the production of like or directly competitive articles in the United States

and on employment within the industry. (Sec. 410, Trade Act of 1974; 19 U.S.C. 2440.)

#### **Trade With Communist Countries**

The Commission makes investigations to determine whether increased imports of an article produced in a Communist country are causing market disruption in the United States. If the Commission's determination is in the affirmative, the President may take the same action as in a case involving injury to an industry, except that the action would apply only to imports of the article from the Communist country. (Sec. 406, Trade Act of 1974; 19 U.S.C. 2436.)







