

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

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UNITED STATES INTERNATIONAL TRADE  
COMMISSION INVESTIGATIONS

Iron Blue Pigments

The following communication has been received from the United States Mission.

The United States International Trade Commission on 2 April 1976 recommended to the President that import relief be granted to the United States industry producing iron blue pigments. Iron blue pigments are used primarily in the production of printing inks and blue carbon paper.

Commissioners Will E. Leonard, Daniel Minchew, George M. Moore, Catherine Bedell, and Joseph D. Parker joined in the majority opinion, finding the iron blue pigment industry eligible for import relief under the Trade Act of 1974. Commissioner Italo H. Ablondi dissented. Commissioners Leonard and Minchew found the industry is presently suffering serious injury from increased imports of iron blue pigments. Commissioners Moore, Bedell and Parker found the industry threatened with serious injury.

The Commissioners voting in the affirmative recommended relief in the form of increased duties be imposed on imports of iron blue pigments over a five-year period. A duty of 18 per cent ad valorem would be levied during the first year of the relief, in addition to the current duty of 2.7 cents per pound. Each of the following four years, the ad valorem duty would be reduced by 3 percentage points (as a result the proposed compound duty would decline from 2.7 cents per pound plus 18 per cent ad valorem the first year to 2.7 cents plus 6 per cent the fifth year). After the fifth year, the duty would return to 2.7 cents per pound, the duty currently in effect. United States imports of iron blue pigments come mainly from the United Kingdom, Japan, and West Germany. In 1974, these imports totalled about 5,133,000 pounds and were valued at \$2,679,000. Imports provided only 9 per cent of

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domestic consumption in 1968, but by 1974, they had increased to 33 per cent. Domestic consumption of iron blue pigments in 1974 totalled about 15,779,000 pounds.

Executive agencies will analyze report and formulate a recommendation to the President. The President may accept, modify or reject the proposed new tariff arrangement. He will make a decision within sixty days.