GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

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UNITED STATES - SECTION 337 OF THE TARIFF ACT OF 1930

Recourse by Canada to Article XXIII:1

The following communication, dated 4 September 1987, has been received from the Permanent Mission of Canada, with the request that it be circulated to contracting parties.

In light of the decision on 3 August 1987 by the United States International Trade Commission to initiate an investigation under Section 337 of the Tariff Act of 1930 as amended with respect to a complaint filed against imports from Canada of certain cellular mobile telephones and sub-assemblies and component parts, Canada has requested the United States to enter into Article XXIII consultations under the General Agreement. Canadian authorities are of the view that the use, in this and other cases, of Section 337 for determining patent infringements by imports represents treatment of imported products less favourable than that accorded to products of United States origin and thereby constitutes a denial of national treatment within the meaning of Arcicle III of the GATT. Canadian authorities are of the view that this action nullifies and impairs benefits accruing to Canada under the General Agreement.