

March 15, 1968

Description of, and
Justification for
ADDITIONAL IMPORT CATEGORIES
Required for
METAL CUTTING and METAL FORMING MACHINE TOOLS

Submitted by the
National Machine Tool Builders' Association

- 1) TSUSA 6743000 Machine Tools for Cutting or Hobbing Gears,
Suggested Categories:
 - 1 a) SIC 3541-31 Gear Hobbers
 - 1 b) All Other Machine Tools for Cutting or Hobbing Gears

Justification: Imports of machine tools for cutting or hobbing gears have increased from \$1.4 million in 1964 to an estimated \$3.8 million in 1967.

In a recent survey on trade and tariffs, 94 responses were received from machine tool builders, representing 63.3 percent of all 1966 sales. Six respondents indicated that they produced items falling into TSUSA 6743000. When asked as to the most severe competition by foreign machine tools, gear hobbers were mentioned four times, all other items in this category twice. Gear hobbers were also mentioned twice among the items whose production may have to be discontinued, for which plans or production have been discontinued, or for which bids to the U.S. Government were lost to foreign manufacturers.

The significance of imports of this type is also indicated by the fact that Germany reports exporting to the United States in 1966 two categories of gear cutting machines (cylindrical and non-cylindrical) with a total value of \$2.4 million, and Japan reports hobbing machine exports of \$195,000

- 2) TSUSA 6743220 Drilling Machines
Suggested Categories:
 - 2 a) SIC 354121 Sensitive Drilling Machines
 - 2 b) SIC 354122 Vertical Drilling Machines
 - 2 c) SIC 354123 Radial Drilling Machines
 - 2 d) All Other Drilling Machines

Justification: Imports of drilling machines increased from \$1.5 million in 1964 to an estimated \$8.3 million in 1967.