industries as a whole, and the parts and components industry in particular, are viable, prosperous industries in need of no protection from imports.

Notwithstanding this, the Parts Division asserts a claim of import-caused injury and offers its own data to show such injury. We turn now to an analysis of their data.

(*a*) *Units versus value*

As previously indicated, the Parts Division asserts that the only relevant data are those relating to domestic sales, exports and imports of consumer electronic products and parts and components for such products. We have already demonstrated the unrealistic nature of such assertion.

But even in the narrow statistical vein in which they choose to force this discussion, the Parts Division finds it is expedient and necessary to concoct new rules for presenting what they consider are the relevant statistics. They argue that import data, to be really meaningful, cannot be expressed in value figures; one must look at imports in terms of units. Moreover, they say, each consumer product imported must be counted twice: (1) As a product, (2) as a composite of component parts. Thus, you first count an imported radio as one radio unit, then you count the same radio as an import of so many receiving tubes, so many capacitors, so many diodes, etc.

The objective of computing import data in terms of units rather than value is quite transparent. A presentation in units is more impressive than one in value. 2,377,600,000 units is more frightening than $24 million.

Counting finished products twice—as products and as composites of components—is equally sticky. The resulting inflation of the figures serves to permit more flowery narrative than would otherwise be the case.

The Parts Division knows that in a hearing dealing with trade policy, the relevant consideration is the balance of trade. They also know that trade balances are always expressed in values, not in units. It is somewhat amateurish to go against this accepted practice of discussing trade questions and to resort to unorthodox statistical plays in order to arrive at exaggerated results.[2]

While we have difficulty in corroborating some of the unit figures used by the Parts Division, especially those which purport to be conversion of imported products into their components, the use of unit figures in analyzing imports of consumer electronic products is particularly misleading. In stating imports in terms of units, the Parts Division forcefully implies that each imported unit displaces a U.S.-produced unit. This is not so—and they know it .

We demonstrated in our principal statement to the Committee that the bulk of the consumer electronic products imported into the United States complement what can be, and is, made in the United States. We showed that whereas the average unit value of U.S.-produced radios in 1966 was $30, the average unit value of imported radios was $5.75. Similarly, a U.S.-produced television receiver in 1966 was valued at $204 per unit; imported receivers were valued at $78.39 per unit. Phonographs of U.S. make averaged $45.00 per unit; of foreign make $10.61.

We respectfully submit that these value spreads of 300, 400, or 500 percent are conclusive evidence that the products in question are commercially different. The imported radio or television receiver or phonograph does not displace a U.S.-made product. The import find their own market and serve that market. If the imports were not available, these markets would dry-up. U.S. products would not fill the resulting void.

The premise for the unit-statistical approach is, therefore, wrong. The drama of numbers running into the hundreds of millions and billions is dissipated.

Thus, even in the self-serving, narrow frame of reference which the Parts Division has created here, their unit statistics prove nothing. They should be relegated to the "useless" information file where they belong.

(*b*) *Employment data*

The Parts Division points to the fact that while the electronic components industry employed 396,300 workers in October 1966, employment in April of 1968 was 350,400. This they say represents a loss of 45,900 jobs.[3]

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[2] Moreover, the Parts Division's "unit" trade balance approach is glaringly deficient. Nowhere do they express U.S. exports in terms of unit.

[3] The Bureau of Labor Statistics employment figure for April 1968 is 375,100 (see table on following page). This figure reduces the alleged "job loss" to 21,200.