

TABLE 3.—IMPORTS OF CONSUMER ELECTRONIC PRODUCTS AS SHARE OF U.S. MARKET  
[In percent]

|                     | 1964 | 1966 | 1967 | 1st quarter,<br>1968 |
|---------------------|------|------|------|----------------------|
| TV.....             | 7.3  | 12.0 | 14.0 | 11.0                 |
| Radios (home).....  | 58.3 | 71.7 | 74.4 | 77.8                 |
| Phonographs.....    | 31.4 | 40.1 | 43.3 | 30.0                 |
| Tape recorders..... | 86.4 | 76.4 | 82.5 | 85.3                 |

Source: Derived from import and market data compiled by marketing services department, Electronic Industries Association.

Radios, 74 percent of the market was supplied by foreign produced radios in 1967 and you see the ratio for the other products. Why are we interested in the imports of consumer electronic products since we do not manufacture them?

Because they consist merely of an assembly of components, of tubes and transistors, and resistors and capacitors and inductors, and loudspeakers.

The importation of sets is a very major part of the importation of the components. One of the gentlemen asked the first witness today what has happened to the production of radios in the last 20 years?

Gentlemen, in 1947 the American market consisted of 20 million sets, all of which were made in America; in 1967, 20 years later, 40 million sets, only 8 million of which were made in America. The components industry 20 years ago supplied all of the components for 20 million sets. Twenty years later we supplied part of the components for 8 million sets.

All of the growth in the radio market has gone to imports and most of the market that was held in 1947 has gone to imports.

Look please if you would at table 4. In textiles you are familiar with the fact that the ratio of imports to domestic consumption is calculated by determining the square yard equivalent of fabric that comes in in the form of shirts and garments as well as the fabric imported as fabric.

TABLE 4.—TOTAL U.S. IMPORTS (DIRECT AND INDIRECT) OF ELECTRONIC COMPONENTS, 1964-67  
[in millions of units]

| Class of component              | 1964    | 1966    | 1967    | Percent of<br>change<br>1964-67 |
|---------------------------------|---------|---------|---------|---------------------------------|
| Active components:              |         |         |         |                                 |
| Receiving tubes.....            | 67.7    | 111.8   | 85.0    | +25.5                           |
| TV picture tubes.....           | 0.8     | 1.6     | 2.0     | +147.2                          |
| Transistors.....                | 149.9   | 681.6   | 532.8   | +255.4                          |
| Rectifiers and diodes.....      | 105.6   | 383.8   | 484.6   | +358.8                          |
| Passive components:             |         |         |         |                                 |
| Capacitors, electrolytic.....   | 199.8   | 617.3   | 473.8   | +137.1                          |
| Capacitors, fixed.....          | 785.6   | 1,616.1 | 1,692.6 | +115.4                          |
| Resistors, fixed.....           | 1,019.3 | 2,377.6 | 2,238.8 | +119.6                          |
| Inductors and transformers..... | 259.7   | 551.7   | 506.1   | +94.9                           |
| Other components:               |         |         |         |                                 |
| Controls.....                   | 55.6    | 169.9   | 90.3    | +62.5                           |
| Loudspeakers.....               | 25.3    | 55.5    | 48.0    | +89.5                           |
| Record changers.....            | 2.3     | 4.6     | 4.1     | +79.3                           |

Source: Appendix table 1.

In similar fashion the marketing services department of EIA, which is a division that serves all the other divisions statistically, has calcu-