

What we had been informed were the principal importers' objections and solutions for these objections follow :

1. *Alleged Objection.*—Importers have complained that organic chemicals previously appraised as non-competitive were subsequently classified as competitive by an Appraiser, without advance notice, thereby causing serious loss to the importer.

*Proposal.*—The Bureau of Customs should amend its regulations to provide that a non-competitive commodity will not be appraised as competitive without advance notice to the importer of 90 days. Such notice would be published in the Federal Register and also mailed to principal importers of the product by the Bureau of Customs.

2. *Alleged Objection.*—Domestic manufacturers file price information which is obsolete or false, and price information is sometimes filed on products no longer manufactured by the domestic industry.

*Proposal.*—Unless domestic manufacturers submit sworn price information every six months, a commodity shall be considered non-competitive. Although we believe the importers' allegation concerning false price information is without merit, we propose that penalties be attached to the intentional filing of false price information.

3. *Alleged Objection.*—Commodities not actually sold are classified as competitive if they are "offered for sale" by domestic manufacturers. This practice permits the domestic industry to nominally maintain products in their line simply to exclude imports.

*Proposal.*—Unless a product is actually sold by a domestic manufacturer in commercial quantities, it shall be classified as non-competitive. This proposal goes further than SOCMA's suggestion in 1964 that a product simply be "available for sale."

4. *Alleged Objection.*—Importers complain that there are long delays in obtaining analyses from the Bureau of Customs laboratory and that this disrupts import trade.

*Proposal.*—When the Bureau of Customs believes that its laboratory facilities are overtaxed, it should refer import samples to independent laboratories, a list of which can be submitted to both importers and the domestic industry for possible objection. The independent laboratory would then submit its report to the Appraiser, in confidence, and he would make appropriate decisions. This suggestion differs from one made by SOCMA in 1964 in that no "panel" of representatives of importers or domestic producers would be involved to arbitrate disputes. Rather, the independent laboratories would simply provide additional manpower which could be used by the Customs Laboratory at its discretion in order to expedite the processing of import analyses.

Messrs. Marra and Coleman indicated their general feeling that we had over-emphasized the importance of importers' complaints in connection with the administration of ASP. Most sophisticated importers, said Mr. Marra, know the market conditions in the United States and do not require advance notice of the competitive status of benzenoid products or the general price levels. Mr. Marra felt that some of our suggestions would make the Bureau of Customs administration of ASP a great deal easier.

Mr. Marra stressed the importance of the suggestion that requirements that a product be "available for sale" or "offered for sale" be stricken from the law in connection with determining whether a product is competitive or non-competitive. Mr. Marra felt this would simplify Customs' work and that it would remove the opportunity for an importer to complain that the ASPs upon which duties are based are not real prices.

In elaboration of this proposal, we suggested that in order to establish an ASP, a domestic manufacturer might be required to submit a sworn statement that actual commercial sales had taken place within some reasonable period prior thereto at the prices reflected in the statement. Messrs. Coleman and Doyle questioned the use of such a price at a later date when the market price of the product in question could have declined. Dr. Black and I both indicated that the price reflected in the manufacturer's statement would be used only to indicate to importers the approximate market level; it would still be open to the Bureau of Customs or importers to establish that market prices were lower at the time of exportation or entry into the United States. All of the Government representatives present felt that such a proposal was of real merit and should be explored further.

Mr. Marra felt that our proposal that a non-competitive commodity will not be appraised as competitive without ninety days advance notice was similarly