

and valuable yellow pigment made its debut on the American market some fifteen years ago. The printing ink industry showed an early and great interest in Benzidine Yellow because of its adaptability to process printing. Used either alone or in combination with chrome yellow its use grew rapidly among ink makers, until today it is the most important organic yellow pigment manufactured in this country. The present product is much improved over earlier versions, yielding cleaner, stronger and softer colors, attesting to the patient, costly research that has been devoted to the product by American manufacturers.

DCB is identical to the 3.3' dichlorobenzidine which is a cycles intermediate for five varieties of benzidine yellow. The form sold in the United States is identical with that being imported. It is within the classification range of Tariff Schedules United States number 403.60, but only the hydrochloride is sold in the United States.

(b) *Importation*

Japan is the source of the complained-of imports of DCB. The sole maker of DCB in Japan is:

Wakayama Seika Industry Co., Ltd., 501-1 Kozatsuga, Wakayama City, Wakayama, Japan.

New York is the principal port of entry for the product. According to our best advices some eight importers are buying DCB from the above-mentioned manufacturer, five of which are known to us. They are:

Mitsui & Company, U.S.A. Inc., 200 Park Ave., New York, N.Y.

Biddle Sawyer Corporation, 64 Wall Street, New York, N.Y.

Aceto Chemical Company, Inc., 126-02 Northern Blvd., Flushing, New York.

Sakai Shoji, Inc., 230 Park Ave., New York, N.Y.

Sumitomo Shoji, Inc., 277 Park Ave., New York, N.Y.

The corporate relationship between these importing companies and Wakayama Seika Industries Co., Ltd., if any, is not known. This manufacturer exports to the United States approximately 50% of its total export volume, with West Germany, France and Southeast Asia absorbing most of the export balance. DCB prices to these other countries are not known.

According to a United States Import bulletin, the record for DCB pound imports into the United States from Japan, which is the only country exporting DCB to the United States, is as follows:

Year	Pounds Imported	
1961-----	None	
1962-----	13, 122	
1963-----	3, 802	
1964-----	(1)	Spotty coverage outside port of New York. Port of New York—under 25 pounds. Lakeway opinion, these 2 years Japanese product not acceptable quality in United States.
1965-----	(1)	
1966-----	192, 981	All ports reporting.
1967-----	² 250, 000	U.S. figures due about July 1, 1968.

¹ No record.

² Lakeway estimate.

2. (a) *United States market prices*

The average selling price for DCB in the United States during 1967 was \$1.29 net per pound F.O.B. plant. The average selling price for April 1968 was \$1.19 net F.O.B. plant. The cause of this loss of ten cents per pound is the dumping practice of the Japanese manufacturer and exporter. On a volume business of 1,100,000 pounds annually in DCB, this amounts to a loss of \$110,000 to the complainant, which is highly destructive to a company of its size.

(b) *Foreign market value*

Complainant is informed that the price per pound of DCB to a large domestic user in Japan is \$1.01, to a small domestic user \$1.06, and for the American export market \$0.81, at the Japanese port. In line with these figures is our further information that the Japanese prices in the home market are \$1.00 per pound in lots over one ton and \$1.0625 in lots under one ton. All exports to the United States have been in lots of over one ton. Delivery price to the American purchaser with duty paid ranges from \$1.15 to \$1.28 per pound, depending on location.

A further breakdown of the Japanese DCB business in the United States is as follows, according to complainant's information: