

## COMMISSION DECISION

of 12 February 1986

terminating the anti-dumping proceeding concerning imports of electronic typewriters manufactured by Nakajima All Precision Co. Ltd and originating in Japan

(86/34/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2176/84 of 23 July 1984 on protection against dumped or subsidized imports from countries not members of the European Economic Community (<sup>1</sup>) and in particular Article 9 thereof,

After consultation within the Advisory Committee as provided for under the above Regulation,

Whereas :

## A. Provisional action

1. The Commission, by Regulation (EEC) No 2812/85 (<sup>2</sup>), imposed a provisional anti-dumping duty on imports of electronic typewriters manufactured by Nakajima All Precision Co Ltd (Nakajima) and originating in Japan.

## B. Subsequent procedure

2. Following the imposition of the provisional duty, Nakajima and one unrelated importer requested and were granted an opportunity to be heard by the Commission. The Commission informed them in detail of the facts on which it based its provisional findings. Nakajima and the unrelated importer also made written submissions making known their views on the findings.

3. Upon its request, Nakajima was also informed of the essential facts and considerations on the basis of which it was intended to recommend the imposition of a definitive duty and the definitive collection of amounts secured by way of a provisional duty. It was granted a period within which it could make representations subsequent to these disclosure meetings. Its comments were taken into consideration.

4. In view of the fact that a considerable amount of time has elapsed since the initiation of the proceeding in March 1984 and that the provisional findings were based on a 12-month period prior to that initiation and that the proceeding with regard to Nakajima had in the meantime been terminated and then re-opened,

it was considered appropriate to base the definitive findings on an updated period of investigation. The period therefore chosen was 1 May 1984 to 30 April 1985. To this end Nakajima submitted all relevant data and supporting documentation.

## C. Normal value

5. As had already been established provisionally, it was finally found that Nakajima's sales on the domestic Japanese market were not sufficiently large to allow the determination of normal value on that basis. Consequently, normal value for all models of electronic typewriters was established on the basis of constructed value.

Nakajima claimed again that a profit margin lower than that referred to in recital 16 of Council Regulation (EEC) No 1698/85 (<sup>3</sup>) and recital 8 of Regulation (EEC) No 2812/85 should be used and justified this claim on the basis of Nakajima's particular structure.

For this purpose, Nakajima submitted evidence which showed that Nakajima, contrary to all other Japanese firms involved in the proceeding concerning electronic typewriters from Japan, was basically a factory only without a conventional sales force or sales structure for any of the very limited number of products it manufactured. Nakajima only sold to a handful of customers worldwide.

It was therefore considered unreasonable to apply to Nakajima the same profit margin, as that referred to in Regulation (EEC) No 1698/85, which was determined for a firm with completely different characteristics.

No other exporter involved in this proceeding for which a profit margin on its domestic sales could be established was structured in a way comparable to Nakajima.

In view of the foregoing, Nakajima proposed that a profit margin of 26 % on turnover should be used for the determination of normal value. In view of the company's performance and its pricing policy this margin was considered reasonable.

Nakajima submitted further evidence with regard to certain other aspects of the normal value computation,

(<sup>1</sup>) OJ No L 201, 30. 7. 1984, p. 1.

(<sup>2</sup>) OJ No L 266, 9. 10. 1985, p. 5.

(<sup>3</sup>) OJ No L 163, 22. 6. 1985, p. 1.

especially cost elements, direct and indirect labour and research and development. After examination, the data submitted were found acceptable.

#### D. Export price

6. Export prices have been definitively determined on the basis of the prices actually paid by the importers in the Community.

#### E. Dumping margin

7. The definitive comparison made at ex-factory level between normal value and export price on a transaction by transaction basis, shows the existence of dumping in respect of exports to the Community of electronic typewriters manufactured by Nakajima, the margin of dumping being equal to the amount by which the normal value as established exceeds the price for export to the Community. The weighted average dumping margin for all exports to the Community was found to be 1,48 %.

In view of the characteristics of the market for the product concerned, this dumping margin should be regarded as *de minimis*.

8. Consequently no protective action should be taken against imports of electronic typewriters manufactured by Nakajima,

HAS DECIDED AS FOLLOWS:

#### *Sole Article*

The anti-dumping proceeding in respect of electronic typewriters manufactured by Nakajima All Precision Co. Ltd originating in Japan is hereby terminated.

Done at Brussels, 12 February 1986.

*For the Commission*

Willy DE CLERCQ

*Member of the Commission*