

**COMMISSION DECISION**

of 14 June 1982

**accepting undertakings given in connection with the anti-dumping procedure concerning cylinder vacuum cleaners originating in Czechoslovakia, the German Democratic Republic and Poland and terminating the procedure**

(82/398/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3017/79 of 20 December 1979 on protection against dumped or subsidized imports from countries not members of the European Economic Community<sup>(1)</sup>, and in particular Article 10 thereof,

After hearing the opinion expressed by the Advisory Committee set up under that Regulation,

Whereas, in July 1981, the Commission received a complaint lodged by the Association of Manufacturers of Domestic Electrical Appliances (AMDEA) on behalf of the Conseil européen de la construction électrodomestique, representing a major part of the Community production of cylinder vacuum cleaners; whereas the complaint contained evidence of the existence of dumping in respect of like products originating in Czechoslovakia, the German Democratic Republic and Poland and of material injury resulting therefrom;

Whereas the said evidence was sufficient to justify initiating an investigation;

Whereas the Commission accordingly announced, by a notice published in the *Official Journal of the European Communities*<sup>(2)</sup>, the initiation of proceedings concerning imports of cylinder vacuum cleaners originating in Czechoslovakia, the German Democratic Republic and Poland, and commenced an investigation of the matter at Community level;

Whereas the Commission officially so advised the exporters and importers known to be concerned;

Whereas the Commission has given the parties directly concerned the opportunity to make known their views in writing and to be heard orally, and to

meet so that opposing views might be presented and arguments put forward in rebuttal;

Whereas the majority of the parties concerned have taken this opportunity;

Whereas, since Czechoslovakia, the German Democratic Republic and Poland are not market economies, the normal value in the complaint was based on the price at which a like product from Spain was sold to the United Kingdom; whereas the exporters from the countries concerned contested this basis for establishing the normal value claiming that there were only very small quantities of a non-comparable model of cylinder vacuum cleaner being exported to the United Kingdom which did not allow a proper comparison with the vacuum cleaners exported by them;

Whereas the Commission decided that the normal value might be more suitably determined by reference to the prices at which like products were actually sold for consumption on the domestic market of Portugal, and therefore contacted two producers in Portugal, Hoover Electrica Portuguesa Lda and Siemens Ivora, who agreed to cooperate in the examination of the facts; whereas the Commission subsequently carried out investigations at the Lisbon premises of these two companies; whereas allowances were made in the normal value thus established to take account of differences in quantities sold and of differences in duties;

Whereas, in order to arrive at a preliminary determination of the existence of dumping, the Commission verified all information it deemed to be necessary by having Universal Foreign Trade Enterprise, Warsaw, Poland and Rotel AG, Aarburg, Switzerland, the exporters of Polish cylinder vacuum cleaners to the Community, Merkuria Foreign Trade Corporation, Prague, Czechoslovakia and Heim-Electric Volkseigner Außenhandelsbetrieb, Berlin, German Democratic Republic, present substantiating evidence of their export prices at the Commission's offices in Brussels; whereas these export prices were compared with the normal value as established above, whereas these comparisons were generally made at the ex-factory level for sales made during the period 1 January to 31 December 1981;

<sup>(1)</sup> OJ No L 339, 31. 12. 1979, p. 1.

<sup>(2)</sup> OJ No C 245, 25. 9. 1981, p. 2.

Whereas the investigation on dumping showed that there were varying dumping margins depending on the model exported and the destination within the EEC. These ranged as follows :

1. with respect to Merkuria Foreign Trade Corporation (Czechoslovakia) : 0 to 81 % ;
2. with respect to the Heim-Electric Volkseigener Außenhandelsbetrieb (German Democratic Republic) : 0 to 73 % ;
3. with respect to Universal Außenhandelsunternehmen Poland, via Rotel AG, Switzerland : 0 to 72 %.

Whereas, in order to arrive at a preliminary determination of the existence of injury, the Commission contacted a number of agents and importers and carried out investigations at the premises of the House of Carmen Ltd, London, United Kingdom ; whereas the Commission also carried out investigations at the premises of the main complainant Community producers, namely, in the United Kingdom, Hoover Ltd, Perivale Greenford, Middlesex ; Electrolux Ltd, Luton, Bedfordshire ; BSR Ltd, Halesowen, West Midlands ; in France, Moulinex, Bagnolet SA, Hoover, Paris ; Electrolux SA, Senlis ; in the Netherlands, Verenigde FAM Fabrieken BV, Maarsen ; and in Italy, Montenz SpA, Trezzano ; General Lux SaS, Cormano and Alfatec SpA, Peschiera Borromeo ;

Whereas, with regard to the injury caused to the Community industry, the evidence available to the Commission shows that total imports from the countries concerned into the Community of the cylinder vacuum cleaners in question rose from approximately 272 000 units in 1979 to 354 000 units in 1981 ;

Whereas, in the absence of separate production and import figures relating to cylinder vacuum cleaners alone, it is difficult to gauge exactly the size of the Community market for such units ; whereas, nevertheless, the best information available suggests that the total Community market has remained relatively static from 1979 to 1981 ; whereas the market share held by imports of cylinder vacuum cleaners originating in the countries concerned in the Community rose from 5.4 % in 1979 to 7 % in 1981 ; whereas this is sufficient to disrupt the Community market for cylinder vacuum cleaners ;

Whereas the resale prices in the Community of dumped cylinder vacuum cleaners originating in the countries concerned undercut those of like units produced by Community manufacturers by 3 to 53 % ;

Whereas the consequent impact on the Community industry is characterized by depression of Community

prices or prevention of price increases which otherwise would have occurred ;

Whereas most of the complainant Community firms are consequently making considerably reduced profits or losses on cylinder vacuum cleaners, and the profitability of this industry as a whole is, therefore, at risk ; whereas the best information available suggests that since 1979 there has been a reduction of 15 % in the numbers employed in the manufacture of cylinder vacuum cleaners and an increase in short-time working ;

Whereas, however, the Fachverband Elektro-Hausgeräte had indicated to the Commission that while German producers supported the complaint made by AMDEA they did not consider themselves to be injured by East European imports, the amount of which in the Federal Republic of Germany amounted to less than 2 % of total Community imports ; whereas the main Community producer in the Netherlands had stated that it did not support the complaint ;

Whereas, nevertheless, the Commission has determined that injury in the Community was suffered by the rest of the Community industry which represented a major part of the Community production of cylinder vacuum cleaners ;

Whereas the preliminary examination of the facts shows that there is dumping of cylinder vacuum cleaners exported by the Merkuria Foreign Trade Corporation (Czechoslovakia), the Heim-Electric Volkseigener Außenhandelsbetrieb (German Democratic Republic), and by Rotel AG (Switzerland), on behalf of Universal Foreign Trade Enterprise (Poland), and that these dumped imports have in themselves consequences which have to be considered as causing material injury to a Community industry ;

Whereas the exporters concerned were informed of the main findings of the preliminary investigation and commented on them ; whereas undertakings were consequently offered by Merkuria, Heim-Electric and Rotel AG concerning imports originating in Czechoslovakia, the German Democratic Republic and Poland ;

Whereas the effect of the said undertakings will be to increase import prices to a level necessary to eliminate injury ; whereas these increases in no case exceed the dumping margin ;

Whereas the Commission has, therefore, determined that it is not now necessary to take protective action in respect of imports originating in Czechoslovakia, the German Democratic Republic and Poland ;

Whereas, in these circumstances, the undertakings offered are considered acceptable and the procedures concerning Czechoslovakia, the German Democratic Republic and Poland may, therefore, be terminated without imposition of anti-dumping duties,

HAS DECIDED AS FOLLOWS:

*Article 1*

The Commission hereby accepts the undertakings given in connection with the anti-dumping procedure concerning cylinder vacuum cleaners (Common Customs Tariff subheading 85.06 ex A (NIMEXE code

ex 85.06-10), originating in Czechoslovakia, the German Democratic Republic and Poland.

*Article 2*

The anti-dumping procedure concerning imports of cylinder vacuum cleaners originating in Czechoslovakia, the German Democratic Republic and Poland is hereby terminated.

Done at Brussels, 14 June 1982.

*For the Commission*

Wilhelm HAFERKAMP

*Vice-President*

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