COMMISSION DECISION

of 18 April 1988

terminating the investigation under Article 13 (10) of Regulation (EEC) No 2176/84 concerning certain typewriters assembled or produced in the Community with regard to TEC Elektronik-Werk GmbH and Brother Industries (UK) Ltd

(88/226/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 form countries not members of the European Economic Community (1), as amended by Regulation (EEC) No 1761/87 (2), and in particular Article 13 (10) thereof,

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

Whereas :

A. Procedure

(1) In July 1987, the Commission received a complaint lodged by CETMA, the Committee of European Typewriter Manufactures, on behalf of French, German and Italian producers of electronic typewriters whose collective output constitutes practically all Community production of the product in question. The complaint contained sufficient evidence to the effect that following the opening of the investigation on electronic typewriters originating in Japan (3), which led to the adoption of Council Regulation (EEC) No 1698/85 (4) imposing a definitive anti-dumping duty on imports of those products, a number of companies were assembling electronic typewriters in the Community under the conditions referred to in Article 13 (10) of Regulation (EEC) No 2176/84. After consultations, the Commission accordingly announced, by notice published in the *Official Journal of the European Communities* (5), the initiation of an investigation, under the said Article 13 (10), concerning electronic typewriters assembled in the Community by the following companies :

— Silver Reed International (Europe) Ltd, Watford, United Kingdom

— Brother Industries (UK) Ltd, Wrexham, United Kingdom

— Kyushu Matsushita (UK) Ltd, Newport, United Kingdom

— Sharp Manufacturing Company of UK Ltd, Wrexham, United Kingdom

— Canon Bretagne SA, Liffré, France

— TEC Elektronik-Werk GmbH, Braunschweig, Germany.

(2) The Commission so advised the companies concerned, the representatives of Japan and the complainants and gave the parties directly concerned the opportunity to make known thier views in writing and to request a hearing.

(3) All the companies concerned as well as the complainants made their views knows in writing, requested and were granted hearings by the Commission.

(4) No submissions were made by purchases of electronic typewriters assembled in the Community. The Commission sought and verified all information it deemed necessary for the purpose of the assessmant of the character of the alleged assembly operations and carried out investigations at the premised of the following companies :

— Astec Europe Ltd, Stourbridge, United Kingdom

— Brother Industries (UK) Ltd, Wrexham, United Kingdom

— Canon Bretagne SA, Liffré, France

— Kyushu Matsushita (UK) Ltd, Newport, United Kingdom

— Sharp Manufacturing Company of UK Ltd, Wrexham, United Kingdom.

Furthermore, the Commission carried out an investigation at the premises of a supplier of subassemblies to some of the companies involved. Because it is not directly involved in this investigation, this company requested that its name be withheld. Given the circumstances, this request appears to be justified.

(5) The period of investigation was form 1 January to 31 July 1987.

(1) OJ No L 201, 30. 7. 1984, p. 1.
(2) OJ No L 167, 26. 6. 1987, p. 9.
(3) OJ No C 83, 24. 3. 1984, p. 4.
(4) OJ No L 163, 22. 6. 1985, p. 1.
(5) OJ No C 235, 1. 9. 1987, p. 2.

B. Relationship or association with exporter

(6) All companies referred to under point 1 were found to be wholly owned subsidiaries of Japanese exporters of electronic typewriters which are subject to the definitive anti-dumping duty imposed by Regulation (EEC) No 1698/85.

C. Production

(7) All companies started their assembly operations after the initiation of the anti-dumping proceeding concerning the imports of electronic typewriters originating in Japan on 24 March 1984.

TEC Elektronik-Werk GmbH

(8) TEC ceased assembling electronic typewriters in the Community before the beginning of the investigation.

D. Parts

(9) The value of parts used in the assembly was generally determined on the basis of the companies' purchase prices of these parts when delivered to the factories in the Community.

(10) It was found that, for all companies referred to under point 1, except TEC and Brother, the weighted average value of Japanese parts for all models produced was more than 60 % of the total value of parts. Consequently and after taking into consideration the circumstances of each case, the extension of the anti-dumping duty imposed by Regulation (EEC) No 1698/85 to certain typewriters assembled in the Community by these companies referred to under point 1 except TEC and Brother.

Brother Industries (UK) Ltd

(11) Brother requested that cif values be used. This request had to be rejected since the relevant value is that of the parts and materials as they are used in the assembly operations, that is on an into-factory, duty-paid basis.

(12) Brother claimed that some subassembled items which were used for some models were of Community origin. It was found that these items were assembled in the Community, partly from parts imported from Japan. After investigation, it was concluded that some of these subassemblies did not fulfil the conditions of Article 5 of Council Regulation (EEC) No 802/68 [1]. The assembly operation carried out in the Community was of an unsubstantial nature compared with the manufacture of the components which was performed in Japan. These items thus not of Community origin.

(13) It was found however, that the weighted average value of Japanese parts for all models produced by Brother was less than 60 % of the total value of parts.

E. Termination of the investigation

(14) In these circumstances, therefore, the investigation should be terminated without the extension of the anti-dumping duty with regard to TEC-Elektronik GmbH and Brother Industries (UK) Ltd.

(15) No objections to this course were raised in the Advisory Committee.

(16) The complainant was informed of the facts on the basis of which the Commission intended to terminate the investigation and did not comment,

HAS DECIDED AS FOLLOWS:

Sole Article

The investigation under Article 13 (10) of Regulation (EEC) No 2176/84 concerning electronic typewriters, whether or not incorporating calculating mechanisms falling within CN codes 8469 10 00, ex 8469 21 00, ex 8469 29 00 and ex 8470 90 00, originating in Japan, is hereby terminated with regard to TEC Elektronik-Werk GmbH and Brother Industries (UK) Ltd.

Done at Brussels, 18 April 1988.

For the Commission

Willy DE CLERCQ

Member of the Commission

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[1] OJ No L 148, 28. 6. 1968, p. 1.