



Consuming Industries
Trade Action Coalition

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CITAC Connections

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BYRD SUBSIDIES GROW IN 2002

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The U.S. Customs Service released its latest tally of companies to which it sent "Byrd Amendment" payouts: refunds of antidumping or countervailing duties to U.S. producers who supported the petitions that gave rise to the duties. This is the second round of such disbursements under the Continued Dumping and Subsidy Offset Act of 2000, the refund program's more formal name. In fiscal year 2002, payouts totaled \$329.9 million, up from \$231.2 million in fiscal year 2001. (It is worth noting that Byrd Amendment proponents, during the brief time Congress considered the amendment, argued that it would have a minimal impact on the U.S. budget as payments would total only about \$39 million/year.)

Once again, the steel and steel products industry was the biggest winner of cash payments from the Federal Treasury. In total, these producers received \$164.9 million. Two ball bearings manufacturers — Torrington (\$72.5 million) and The Timken Company (\$53.9 million) — led the parade to the bank, accounting for 77 percent of the steel products total.

Huge winners also included several candle manufacturers. Candle-Lite took home \$39.2 million, more than half the total distributed in a candles case against China. In all, U.S. candle manufacturers made off with \$69.5 million in Byrd subsidies. U.S. producers of a variety of food products, from apple juice concentrate to crawfish meat and pasta, also received government bounties.

In January a World Trade Organization (WTO) Appellate Body ruled that the Byrd Amendment violated U.S. international trade obligations by going beyond measures authorized by WTO agreements to counteract dumping and subsidies. The Administration recommended in the budget it just submitted to Congress that the Byrd Amendment be repealed. This recommendation triggered a letter to the President signed by 70 Senators who said the Appellate Body went beyond its mandate by ruling against the law. Consuming industries, which are disadvantaged by the incentive

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the Byrd Amendment provides potential petitioners in trade remedy cases to launch such cases

against products consuming industries must import, are firmly on the side of repeal.

Leading Byrd Jackpot Winners: Round Two

(Distributions in Fiscal Year 2002)

Torrington	Ball bearings	\$72,508,841
The Timken Company	Ball bearings	53,929,371
Candle-Lite	Candles	39,177,072
Micron Technology	Computer chips	14,413,121
Home Fragrance Holdings, Inc.	Candles	11,969,900
Zenith Electronics	Televisions	9,016,052
E. I. du Pont de Nemours	Chemicals & related prod.	8,460,636
Muench-Kreuzer Candle	Candles	6,351,191
Eramet Marietta, Inc.	Manganese metal	6,274,365
United States Steel	Steel	5,899,197
General Wax & Candle	Candles	4,560,848
AK Steel Corporation	Steel	4,501,279
Wellman	Polyester fibers	4,365,048
Reed Candle Company	Candles	4,116,390
Lumi-Lite Candle	Candles	2,720,197
Maverick Tube	Steel	2,709,258
New World Pasta	Pasta	2,523,457
American Italian Pasta	Pasta	2,350,117
Green Tree Chemical Technologies	Industrial nitrocellulose	2,307,574
Brake Parts	Brake rotors	2,252,166
Carpenter Technology	Steel	2,151,669
Total, All Recipients of Disbursements		\$329,871,464

Byrd Jackpot Winners: Breakdown by Sector

(Distributions in Fiscal Year 2002)

Steel and steel products	\$164,948,240	Salmon	261,675
Consumer Products	\$86,198,046	Sugar	17,276
<i>Petroleum wax candles</i>	69,536,244	<i>Non-frozen apple juice concentrate</i>	1,355
<i>Television receivers</i>	9,016,052	Other Products	\$58,901,652
<i>Cookware</i>	3,135,070	<i>Computer chips</i>	14,413,121
<i>Cased pencils</i>	2,738,136	<i>Fibers</i>	13,855,250
<i>Sparklers</i>	895,772	<i>Silicon metal and magnesium</i>	9,317,896
<i>Natural bristle paint brushes</i>	689,338	<i>Chemical products</i>	4,977,520
<i>Paper clips, hand tools</i>	187,435	<i>Brake parts</i>	4,262,938
Food Products	\$19,823,526	<i>Iron construction castings</i>	3,354,610
<i>Crawfish tail meat</i>	7,468,892	<i>Industrial belts</i>	3,140,412
<i>Pasta</i>	7,214,887	<i>Rubber</i>	2,288,264
<i>Preserved mushrooms</i>	2,617,609	<i>Industrial forklifts</i>	1,970,106
<i>Frozen concentrated OJ</i>	1,175,453	<i>Brass sheet and strip</i>	995,771
<i>Garlic, fresh</i>	535,685	<i>Flat panel displays</i>	322,200
<i>Canned pineapple</i>	530,693	<i>Cement</i>	3,564

Source: The Trade Partnership from U.S. Customs Service data.