



Ottawa, Tuesday, October 22, 1996

IN THE MATTER OF a request, under subsection 76(2) of the *Special Import Measures Act*, for a review of the finding made by the Canadian International Trade Tribunal on March 13, 1992, in Inquiry No. NQ-91-005, concerning:

**FLAT WOODEN TOOTHPICKS ORIGINATING IN OR EXPORTED
FROM THE UNITED STATES OF AMERICA AND PRODUCED BY OR
ON BEHALF OF FORSTER MFG. CO. INC. OF WILTON, MAINE,
ITS SUCCESSORS AND ASSIGNS**

ORDER

On July 12, 1996, the Canadian International Trade Tribunal issued a notice of expiry (LE-96-003) requesting views on whether the aforementioned finding should be reviewed. Having considered representations both for and against a review of the finding, the Canadian International Trade Tribunal has decided, pursuant to subsection 76(3) of the *Special Import Measures Act*, that a review is not warranted.

Arthur B. Trudeau

Arthur B. Trudeau
Presiding Member

Robert C. Coates, Q.C.

Robert C. Coates, Q.C.
Member

Lyle M. Russell

Lyle M. Russell
Member

Susanne Grimes

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Acting Secretary

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TRIBUNAL: ARTHUR B. TRUDEAU, Presiding Member
 ROBERT C. COATES, Q.C., Member
 LYLE M. RUSSELL, Member

STATEMENT OF REASONS

BACKGROUND

The Canadian International Trade Tribunal (the Tribunal), on July 12, 1996, in Expiry No. LE-96-003, gave notice that its finding made on March 13, 1992, in Inquiry No. NQ-91-005,¹ concerning flat wooden toothpicks originating in or exported from the United States of America and produced by or on behalf of Forster Mfg. Co. Inc. of Wilton, Maine (Forster), its successors and assigns, was scheduled to expire on March 12, 1997. Persons or governments requesting or opposing the initiation of a review of the said finding were invited to file submissions providing supporting information with respect to the issues of supply and demand, the likelihood of material injury to domestic producers from resumed dumping, the effect of such imports on prices, production, sales, market share and profits and the likelihood of resumed dumping in Canada if the finding were allowed to expire.

The subject goods are flat wooden toothpicks. There are several types of toothpicks, including flat, round, frilled, coloured and plastic. Flat wooden toothpicks are made from white birch wood and normally measure about 2.20 in. in length, with a width of 0.10 in. at one end and a width of 0.05 in. at the tapered end.

The Tribunal received one submission requesting the initiation of a review from the sole domestic manufacturer of flat wooden toothpicks, L. Tanguay (1986) Inc. (Keenan/Tanguay). Keenan/Tanguay submitted that, if the finding were allowed to expire, Forster would resume dumping the subject goods in Canada, which would depress prices to 1991 levels and cause it injury.

The named exporter, Forster, and one importer, The Cowling Group of Companies, which includes Cowling & Braithwaite Co. Limited, made submissions opposing the initiation of a review.

1. *Finding*, March 13, 1992, *Statement of Reasons*, March 30, 1992.

ANALYSIS

When considering a request to review a finding pursuant to subsection 76(3) of the *Special Import Measures Act*,² the Tribunal needs to be satisfied, on the basis of the submissions available, that a review is warranted.

The Tribunal has examined Keenan/Tanguay's submission and does not find sufficient information to warrant a review of the finding.

In this case, the Tribunal considered whether the information provided gave an indication that the expiry of the finding would result in a resumption of dumping. Keenan/Tanguay submitted that Forster has been acquired by Diamond Brands Incorporated, of Cloquet, Minnesota (Diamond) and contends that Diamond has excess capacity which would cause it to dump the subject goods in Canada if the finding were allowed to expire. Keenan/Tanguay did not provide information that would support this allegation of excess capacity. In addition, Keenan/Tanguay did not provide information that would indicate whether Diamond even produces flat wooden toothpicks or that the finding, if continued, would apply to Diamond's exports to Canada. Keenan/Tanguay also submitted that, while Diamond has increased its prices in the United States, its export price to the Canadian market has not increased. However, Keenan/Tanguay provided no information in support of this allegation. It also alleged that Forster's prices in the United States were 60 percent lower than Keenan/Tanguay's Canadian price. This assertion was based on what Keenan/Tanguay described as Forster's US price list which was not provided. Moreover, the Tribunal notes that list prices do not necessarily indicate market prices.

In its notice of expiry, the Tribunal asked for other information that would indicate a likelihood of resumed dumping if the finding were to expire, for example, exports of the subject goods from the United States into other markets. However, Keenan/Tanguay's submission provided no information on this or other indicators for which information was requested in the Tribunal's notice of expiry.

The Tribunal also considered whether the information gave an indication that a resumption of dumping would result in injury to the domestic industry. Keenan/Tanguay submitted that it would be injured from a resumption of dumping because prices in the Canadian market would be depressed to 1991 levels. However, Keenan/Tanguay provided no information on Forster's or Diamond's prices in Canada, or the domestic industry's prices, to assist the Tribunal in assessing the extent of import competition in the market. Information in support of a claim of potential injury should include some information on levels and trends in production, sales, prices, margins and profits, as well as on any import competition that may give an indication that injury would result from a resumption of dumping.

2. R.S.C. 1985, c. S-15.

CONCLUSION

The Tribunal has decided, based on the submissions received, that a review of the finding is not warranted.

Arthur B. Trudeau
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Presiding Member

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