

Ottawa, Wednesday, December 19, 1990

IN THE MATTER OF a request made under subsection 76(2) of the *Special Import Measures Act* for a review of the finding of material injury made by the Canadian Import Tribunal on March 18, 1986, in Inquiry No. CIT-12-85, respecting:

**RUBBER HOCKEY PUCKS, WITH THE EXCEPTION OF SPONGE RUBBER
PUCKS, ORIGINATING IN OR EXPORTED FROM
CZECHOSLOVAKIA AND THE GERMAN DEMOCRATIC REPUBLIC**

DECISION

On July 13, 1990, the Canadian International Trade Tribunal issued a notice of expiry (LE-90-006) requesting views on whether the aforementioned finding should be reviewed. Having considered representations both for and against a review of the finding, the Tribunal has decided, pursuant to subsection 76(3) of the *Special Import Measures Act*, that a review is not warranted.

Charles A. Gracey

Charles A. Gracey
Presiding Member

Robert J. Bertrand, Q.C.

Robert J. Bertrand, Q.C.
Member

W. Roy Hines

W. Roy Hines
Member

Robert J. Martin

Robert J. Martin
Secretary

Ottawa, Wednesday, December 19, 1990

IN THE MATTER OF a request made under subsection 76(2) of the *Special Import Measures Act* for a review of the finding of material injury made by the Canadian Import Tribunal on March 18, 1986, in Inquiry No. CIT-12-85, respecting:

**RUBBER HOCKEY PUCKS, WITH THE EXCEPTION OF SPONGE RUBBER
PUCKS, ORIGINATING IN OR EXPORTED FROM
CZECHOSLOVAKIA AND THE GERMAN DEMOCRATIC REPUBLIC**

STATEMENT OF REASONS

BACKGROUND

The Canadian International Trade Tribunal (the Tribunal), on July 13, 1990, in a notice of expiry (LE-90-006), gave notice that the finding of the Canadian Import Tribunal (Inquiry No. CIT-12-85) of March 18, 1986, with respect to material injury caused by the dumping of rubber hockey pucks originating in or exported from Czechoslovakia and the German Democratic Republic, was scheduled to expire on March 17, 1991. Interested parties requesting or opposing a review of the finding were invited to file submissions addressing, with respect to the subject goods, 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 shares and profits, and the likelihood of resumed dumping, in Canada and elsewhere, by exporters in Czechoslovakia and the German Democratic Republic.

The subject goods are rubber hockey pucks used in playing ice hockey. Rubber hockey pucks for ice hockey practice and game pucks are generally black in colour, measure 1 in. in height, 3 in. in diameter and weigh between 5.5 and 6 oz. (156 to 170 g). They may be plain or have printing or decals on one or both sides.

The Tribunal has considered four submissions. Viceroy Rubber & Plastics Limited (Viceroy) requested a review and continuation of the finding. The two other Canadian producers of hockey pucks, GenCorp Canada Inc. and Baron Caoutchouc Ltée, submitted that they were not going to request a review.

Pragoexport Foreign Trade Company, the Czechoslovakian exporter, and Omnitrade Limited, the Canadian importer of Czechoslovakian hockey pucks, made a joint submission opposing the initiation of a review.

Viceroy argued that if the finding were allowed to expire, the net result to Canadian producers would be a large loss in volume of hockey pucks sold as well as a large decrease in price per unit. Viceroy also argued that dumping would resume because of a strong presence of Czechoslovakian pucks in the Canadian market in the last two seasons.

REASONS FOR THE DECISION

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

The Tribunal has examined the views that were submitted by Viceroy, and does not find them to be sufficient in scope to provide an acceptable basis on which to undertake a review of the finding. Viceroy's allegation that the dumping in Canada of rubber pucks would resume if the finding were allowed to expire was based on its perception of a strong presence of Czechoslovakian pucks in the Canadian market over the past two years. Import data obtained from Statistics Canada and enforcement data show that since the finding, imports from Czechoslovakia have been minimal and that there have been no imports from the German Democratic Republic. Viceroy provided no other information relating, for example, to exports of pucks or like goods from the subject countries to other markets, which would provide a basis for assessing whether the subject countries were likely to resume dumping if the finding were to expire.

Viceroy's assertion that the industry would be materially injured if the subject countries resumed dumping was only supported by an estimate of the Canadian market for pucks in 1989. To assess the performance of the industry, and particularly whether it will be materially injured by resumed dumping, the Tribunal needs more comprehensive information on levels and trends in production, sales, prices and profits.

Since the only party requesting a review to continue the finding has not provided sufficient facts and information to justify the initiation of a review and in particular has not substantiated its allegations that there was a likelihood of resumption of dumping and of material injury as a result of a resumption of dumping, the Tribunal is not satisfied, at this time, that a review of the finding is warranted.

Charles A. Gracey
Charles A. Gracey
Presiding Member

Robert J. Bertrand, Q.C.
Robert J. Bertrand, Q.C.
Member

W. Roy Hines
W. Roy Hines
Member