## **COMMITTEE ON WAYS AND MEANS**

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515
December 8, 2006

Office of the Secretary Int'l Trade Commussion

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Mr. Daniel R. Pearson, Chairman U.S. International Trade Commission 500 E Street, SW Washington, DC 20436

Dear Mr. Chairman:

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U.S. AND TOTAL CHRISTION

It has come to the attention of the Committee on Ways and Means that U.S. canned fruit industries, consisting of growers and processors of canned peaches (H.S. 2008.70.20), canned pears (H.S. 2008.40.00), and canned fruit mixtures (H.S. 2008.92.90), are concerned about how imports of such products are affecting the conditions of competition in the U.S. market for their products.

A significant problem for this Committee and the affected U.S. canned fruit industries is the lack of information about the canned fruit sectors of certain major supplier countries to the U.S. market, especially those that both grow and process peaches and pears (including China, Greece, and Spain), both at the grower and processor levels. In order to assess more fully the nature and extent of competition between principal foreign supplier countries and U.S. industries, both now and in the future, the Committee needs additional information concerning the canned peach, canned pear, and canned fruit mixture industries.

Accordingly, the Committee requests that the International Trade Commission institute an investigation under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) and provide a report on conditions of competition between the canned peach, canned pear, and canned fruit mixture industries in the United States and principal foreign supplier countries (such as China, Greece, Spain, and Thailand). Special effort should be made, including field work if practicable, to collect data from the aforementioned supplying countries that are new entrants to the global canned fruit sector and/or have little published historical data.

The Committee requests that the Commission provide in its report, to the extent possible, data and analysis separately for (1) canned peaches, (2) canned pears, and (3) canned fruit mixtures, with any overlap among the industries clearly identified, covering the period 2003-2005. For each of the three products, the Committee requests that the Commission, to the extent practicable, provide the following information and analysis:

• an overview of the canned peach, canned pear, and canned fruit mixture industries in the United States and major supplier countries (such as the named countries above), including production of fresh peaches and pears for processing, planted acreage and new plantings, processing volumes, processing capacity, and consumption;

- information on U.S. and foreign supplier imports and exports of canned peaches, canned pears, and canned fruit mixtures, as well as the market segments in which U.S. imports are being sold (e.g., retail, food service sector, or other);
- a description of principal trade practices and government programs and measures affecting production of the products (especially in China, Greece, and Spain); and,
- a comparison of the strengths and weaknesses of these foreign competitor canned fruit industries and the U.S. industries (including industry structure, input cost and availability, processing technology, product innovation, government programs, exchange rates, and pricing, and marketing regimes), and steps the respective industries are taking to increase their competitiveness.

The Commission should report the results of the investigation no later than 12 months after receipt of this letter. The Committee intends to make the report available to the public in its entirety. Therefore, I request that the report not include any confidential business information.

Thank you for your assistance on this matter.

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Chairman

Sincerely,



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TO:

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H.S. House of Representatives

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