

**NON CONFIDENTIAL SUMMARY OF
APPLICATION FOR EXTENSION OF
THE SAFEGUARD MEASURE IN
IMPLEMENTATION ON IMPORTS OF
SPECTACLE FRAMES**

1. GENERAL INFORMATION ABOUT THE APPLICATION

1.1. Applicants

The application for extension of the safeguard measure which is in implementation in imports of spectacle frames was filed by 12 domestic producers.

1.2. Representation of domestic production

Among the applicants, the domestic producers which provided the Undersecretariat with accurate data produce almost half of spectacle frames produced in Turkey.

1.3. Definition and customs tariff subheading of the subject goods

The subject goods are defined as spectacle frames which are classified under the customs tariff schedule as following.

POSITION NO	DESCRIPTION
9003.11.00.00.00	-- Spectacle frames made by plastic articles
9003.19.00.00.00	-- Spectacle frames made by other articles

2. IMPORTS OF SUBJECT GOODS

2.1 Course of total imports

Overall data on imports of spectacle frames are illustrated below and import data by countries of origin are given in ANNEX-I.

Year	Quantity (piece)	Value (USD)	(USD/ piece)	Change in pcs. (%)	Period	Quantity (piece)	Value (USD)	(USD/ piece)	Change in pcs. (%)
2010	2.908.379	35.347.487	12,2	-	2010(1-6)	947.559	13.224.127	14,0	-
2011	3.253.829	43.460.622	13,4	11,9	2011(1-6)	1.549.842	20.086.599	13,0	63,6
2012	2.795.123	43.381.669	15,5	-14,1	2012(1-6)	1.320.907	19.870.895	15,0	-14,8
2013	-	-	-	-	2013(1-6)	1.066.756	21.367.075	20,0	-19,2

Following an increase in 2011 by 12%, quantity of imports decreased in 2012 by 14%. Average unit price of imported products decreased since 2010.

2.2 Ratio of imports to domestic production

Imports/Dom.Production	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
%	81	86	75	52	81	59	55

After an increase in 2011, ratio of imports to domestic production (in terms of quantity) decreased in 2012 and the first half of 2013.

2.3 Market share of imported and domestically produced goods

Market share (%)	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
Market share of domestically produced goods	52	51	56	63	52	58	64
Market share of imported goods	48	49	44	37	48	42	36

Domestically produced goods increased their market share from 52% in 2010 to 56% in 2012.

3. DETAILS OF DOMESTIC PRODUCTION OF SUBJECT GOODS

Details of domestic production were compiled by bringing together the economic figures of 8 domestic producers which provided accurate information as part of the inquiry.

3.1 Consumption

Consumption	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
Pcs.	6.108.379	6.653.829	6.395.123	2.547.559	3.249.842	3.120.907	2.966.756

Yearly consumption of spectacle frames has been over 6 million pieces since 2010.

3.2 Production

Production	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
Pcs.	1.414.162	1.447.308	1.847.829	737.022	732.389	919.847	1.074.828

Yearly total production of the producers (8 domestic producers which provided accurate information) increased since 2010. This trend continued in the first half of 2013.

3.3 Capacity and Capacity Utilization Rate (CUR)

Capacity and CUR	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
Capacity (pcs.)	7.458.600	7.458.600	22.988.064	3.729.300	3.729.300	11.494.032	11.677.457
CUR (%)	19	19	8	20	20	8	9

The yearly production capacity of the producers (8 domestic producers which provided accurate information) increased drastically because of the investments of plastic injection machines in 2012. As this couldn't be met by an increase in production, capacity utilization rate decreased to the level of 8-9% after 2012.

3.4 Domestic sales

Domestic Sales	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
Pcs.	1.252.683	1.301.147	1.779.265	651.365	647.594	742.994	1.059.743

Similar to production figures, domestic sales of the producers (8 domestic producers which provided accurate information) increased since 2010.

3.5 Inventories

Inventories	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
Pcs.	167.394	299.763	338.206	92.478	248.029	459.789	322.998

End of the year inventories of the producers (8 domestic producers which provided accurate information) increased after 2010. On the other hand, there is a decrease in inventories by 30% in the first half of 2013 compared to the same period of 2012

3.6 Employment

Employment	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
Number of Persons	188	200	219	186	176	208	300

The employment figures of domestic producers (8 domestic producers which provided accurate information) have risen since 2010.

3.7 Productivity

Productivity	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
Pcs./Person	7.522	7.237	8.423	3.962	4.161	4.414	3.577

The productivity figures of the producers (8 domestic producers which provided accurate information) indicate an increase in 2012 following the decrease in the previous year. However in the first half of 2013, the figures fell again.

3.8 Profitability

Profitability	2010	2011	2012	2010(1-6)	2011(1-6)	2012(1-6)	2013(1-6)
%	9,9	5,6	6,4	8,8	5,0	6,2	7,1

Average profitability rate of the producers (8 domestic producers which provided accurate information) decreased in 2011. However it increased steadily in the next periods.

4. CONCLUSION

Safeguard measure started to be applied on the imports of subject goods starting from 5/3/2008. While imports figure decreased significantly after this date, it started to increase in 2010 by reaching about 3.2 million pieces in 2011. The quantity of imports started to decrease after 2011. 80% of imported products have Chinese origin currently.

Some economic figures of domestic producers indicate a positive trend after 2010. However, inventories, capacity utilization rate and profitability figures have not had positive and stable trend.

Consequently, the characteristics of imports continue to cause serious injury and the threat of serious injury while domestic producers are still in adjustment process. Within this circumstance, domestic producers demand the extension of current safeguard measure.

ANNEX-I: IMPORT STATISTICS BY COUNTRY OF ORIGIN

Country	2010				2011				2012				2013(1-9)			
	Quantity (Pcs.)	Value (USD)	Unit Price (USD/pcs.)	Quantity Share (%)	Quantity (Pcs.)	Value (USD)	Unit Price (USD/pcs.)	Quantity Share (%)	Quantity (Pcs.)	Value (USD)	Unit Price (USD/pcs.)	Quantity Share (%)	Quantity (Pcs.)	Value (USD)	Unit Price (USD/pcs.)	Quantity Share (%)
CHINA	2,551,683	22,290,612	9	87,7	2,854,416	26,729,174	9	87,7	2,316,578	26,645,163	12	82,9	1,370,349	18,461,925	13	80,8
ITALY	187,029	5,987,895	32	6,4	214,850	7,958,486	37	6,6	219,962	8,442,573	38	7,9	151,363	6,773,322	45	8,9
FRANCE	56,827	3,140,631	55	2,0	60,054	3,828,031	64	1,8	58,610	3,600,655	61	2,1	40,267	2,413,407	60	2,4
GERMANY	28,115	1,118,544	40	1,0	34,310	1,729,291	50	1,1	33,116	1,506,737	45	1,2	27,105	1,063,651	39	1,6
INDIA	2,554	11,435	4	0,1	9,374	40,463	4	0,3	104,154	430,091	4	3,7	26,597	110,376	4	1,6
HONG KONG	15,103	95,452	6	0,5	9,134	68,070	7	0,3	2,164	18,688	9	0,1	22,827	314,444	14	1,3
AUSTRIA	22,276	1,365,453	61	0,8	26,173	1,714,151	65	0,8	22,079	1,386,164	63	0,8	21,005	1,352,827	64	1,2
JAPAN	12,211	567,704	46	0,4	7,172	604,564	84	0,2	14,175	613,315	43	0,5	12,798	801,370	63	0,8
SPAIN	1,835	74,679	41	0,1	698	19,101	27	0,0	2,874	110,961	39	0,1	6,378	149,282	23	0,4
UK	2,359	64,521	27	0,1	2,061	49,813	24	0,1	2,633	55,302	21	0,1	3,703	122,052	33	0,2
SLOVENIA	0	0	-	0,0	2,400	22,867	10	0,1	259	6,639	26	0,0	3,171	48,612	15	0,2
LUXEMBOURG	244	33,816	139	0,0	2,039	64,458	32	0,1	1,330	16,768	13	0,0	1,985	34,776	18	0,1
GREECE	2,337	14,466	6	0,1	1,296	10,062	8	0,0	3,071	37,867	12	0,1	1,844	16,894	9	0,1
DENMARK	3,289	198,313	60	0,1	766	124,502	163	0,0	1,442	227,142	158	0,1	1,797	241,533	134	0,1
SOUTH KOREA	10,131	142,130	14	0,3	8,761	121,543	14	0,3	7,768	120,544	16	0,3	1,373	20,705	15	0,1
USA	440	7,265	17	0,0	10,216	137,965	14	0,3	564	3,895	7	0,0	1,243	19,234	15	0,1
EGYPT	0	0	-	0,0	0	0	-	0,0	0	0	-	0,0	590	2,361	4	0,0
NETHERLANDS	3,313	98,062	30	0,1	2,889	70,900	25	0,1	1,064	7,543	7	0,0	452	3,488	8	0,0
VIETNAM	1,600	61,651	39	0,1	161	8,700	54	0,0	103	4,587	45	0,0	386	19,479	50	0,0
SWITZERLAND	0	0	-	0,0	0	0	-	0,0	799	57,595	72	0,0	300	3,624	12	0,0
TAIWAN	2,356	31,373	13	0,1	3,739	77,209	21	0,1	354	7,743	22	0,0	270	1,355	5	0,0
BELGIUM	60	10,114	169	0,0	178	11,213	63	0,0	98	19,303	197	0,0	70	13,231	189	0,0
FINLAND	10	148	15	0,0	0	0	-	0,0	0	0	-	0,0	0	0	-	0,0
IRAN	1,000	801	1	0,0	0	0	-	0,0	0	0	-	0,0	0	0	-	0,0
ISRAEL	195	10,150	52	0,0	217	14,828	68	0,0	251	16,860	67	0,0	0	0	-	0,0
ARGENTINA	12	249	21	0,0	0	0	-	0,0	0	0	-	0,0	0	0	-	0,0
MALAYSIA	3,400	22,023	6	0,1	2,497	12,747	5	0,1	0	0	-	0,0	0	0	-	0,0
BULGARIA	0	0	-	0,0	348	37,773	109	0,0	0	0	-	0,0	0	0	-	0,0
CANADA	0	0	-	0,0	20	416	21	0,0	0	0	-	0,0	0	0	-	0,0
SLOVAKIA	0	0	-	0,0	60	4,295	72	0,0	11	450	41	0,0	0	0	-	0,0
CZECH REP.	0	0	-	0,0	0	0	-	0,0	1,565	39,216	25	0,1	0	0	-	0,0
PORTUGAL	0	0	-	0,0	0	0	-	0,0	37	5,389	146	0,0	0	0	-	0,0
SWEDEN	0	0	-	0,0	0	0	-	0,0	26	330	13	0,0	0	0	-	0,0
UAE	0	0	-	0,0	0	0	-	0,0	36	149	4	0,0	0	0	-	0,0
POLAND	0	0	-	0,0	0	0	-	0,0	0	0	-	0,0	0	0	-	0,0
TOTAL	2,908,379	35,347,487	12	100,0	3,253,829	43,460,622	13	100,0	2,795,123	43,381,669	16	100,0	1,695,873	31,987,948	19	100,0