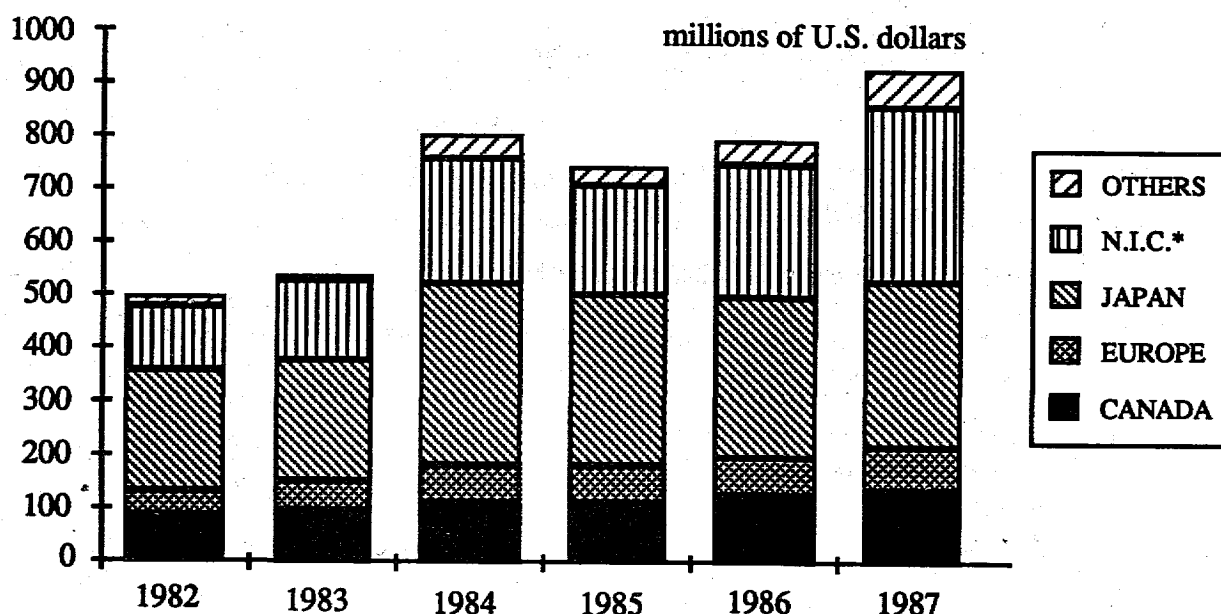


CHART 1
TOTAL U.S. IMPORTS OF SELECTED HARDWARE (FASTENER) PRODUCTS



* Selected Newly Industrialized Countries (South Korea, China, Taiwan)

Source: *U.S. General Imports and Imports for Consumption*, U.S. Department of Commerce

Of the five product groups under study, the fastest growing, at an average annual rate of 21%, is "Screws, except cap screws, with shanks not over 0.24 inch in diameter, of iron or steel" (Schedule A 6940235). The major supplier is Japan with over 64% of the 1987 import market (\$186 million [U.S.]); however, this share has dropped to 56.4% of the \$110.6 million (U.S.) of imports during the first half of 1988. The majority of the import growth has been captured by developing countries such as South Korea, China and Taiwan. These countries have increased their share from 6% in 1982 to over 30% in the first half of 1988. Canada has a minimal presence in this market with less than 3% share in 1982 and 1% share in 1987.