

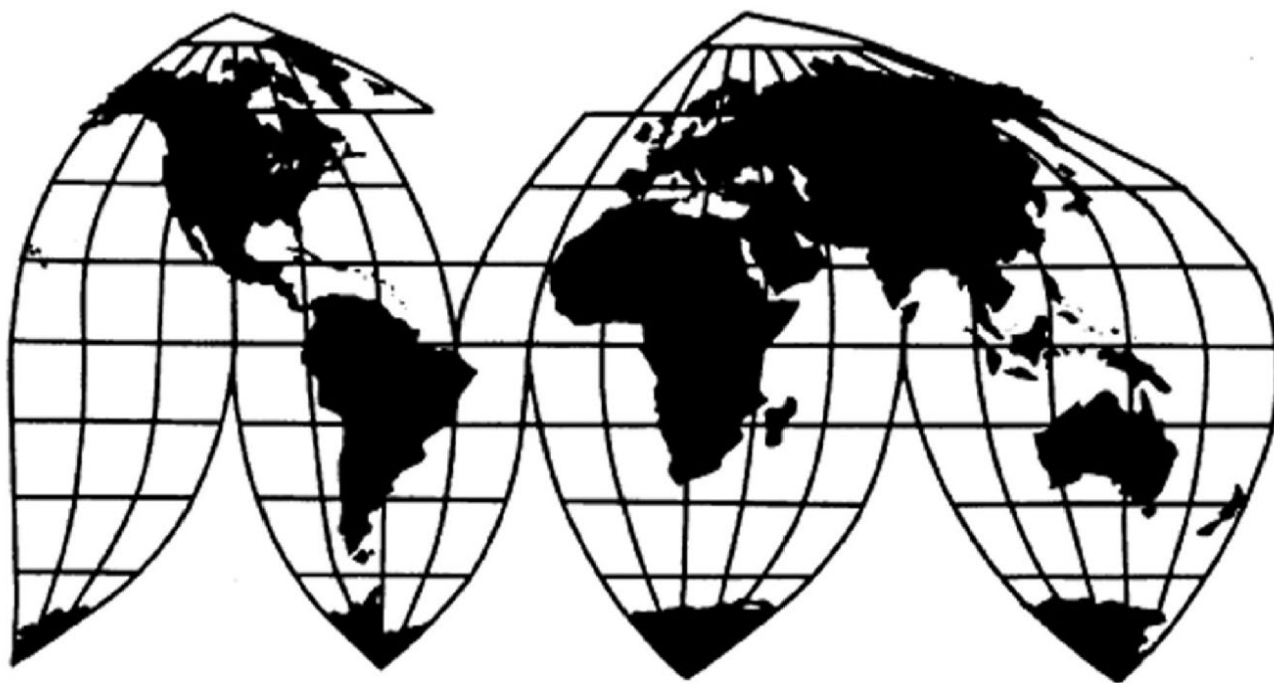
N-Cyclohexylbenzothiazole-2-Sulfenamide from China

Investigation Nos. 701-TA-797 and 731-TA-1793 (Preliminary)

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U.S. International Trade Commission



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Jennifer Catalano, Accountant

Edgar Altamirano, Statistician

Henry Smith, Attorney

Anthony Famiglietti, Attorney

Mary Messer, Supervisory Investigator

**Address all communications to
Secretary to the Commission
United States International Trade Commission
Washington, DC 20436**

U.S. International Trade Commission

Washington, DC 20436
www.usitc.gov

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Note.—Information that would reveal confidential operations of individual firms may not be published. Such information is identified by brackets ([]) in confidential reports and is deleted and replaced with asterisks (***) in public reports. Zeroes, null values, and undefined calculations are suppressed and shown as em dashes (—) in tables. If using a screen reader, we recommend increasing the verbosity setting.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-797 and 731-TA-1793 (Preliminary)

N-Cyclohexylbenzothiazole-2-Sulfenamide (“CBS”) from China

DETERMINATIONS

On the basis of the record¹ developed in the subject investigations, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of N-Cyclohexylbenzothiazole-2-Sulfenamide (“CBS”) from China, provided for in subheading 2934.20.80 of the Harmonized Tariff Schedule of the United States, that are alleged to be sold in the United States at less than fair value (“LTFV”) and imports of the subject merchandise from China that are alleged to be subsidized by the government of China.²

COMMENCEMENT OF FINAL PHASE INVESTIGATIONS

Pursuant to section 207.18 of the Commission’s rules, the Commission also gives notice of the commencement of the final phase of its investigations. The Commission will issue a final phase notice of scheduling, which will be published in the *Federal Register* as provided in § 207.21 of the Commission’s rules, upon notice from the U.S. Department of Commerce (“Commerce”) of affirmative preliminary determinations in the investigations under §§ 703(b) or 733(b) of the Act, or, if the preliminary determinations are negative, upon notice of affirmative final determinations in those investigations under §§ 705(a) or 735(a) of the Act. Parties that filed entries of appearance in the preliminary phase of the investigations need not enter a separate appearance for the final phase of the investigations. Any other party may file an entry of appearance for the final phase of the investigations after publication of the final phase notice of scheduling. Industrial users, and, if the merchandise under investigation is sold at the retail level, representative consumer organizations have the right to appear as parties in Commission antidumping and countervailing duty investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives,

¹ The record is defined in § 207.2(f) of the Commission’s Rules of Practice and Procedure (19 CFR 207.2(f)).

² 91 FR 32941 (June 2, 2026); 91 FR 32946, (June 2, 2026).

who are parties to the investigations. As provided in section 207.20 of the Commission's rules, the Director of the Office of Investigations will circulate draft questionnaires for the final phase of the investigations to parties to the investigations, placing copies on the Commission's Electronic Document Information System (EDIS, <https://edis.usitc.gov>), for comment.

BACKGROUND

On May 7, 2026, Lanxess Corporation, Pittsburgh, Pennsylvania filed petitions with the Commission and Commerce, alleging that an industry in the United States is materially injured or threatened with material injury by reason of subsidized and LTFV imports of CBS from China. Accordingly, effective May 7, 2026, the Commission instituted countervailing and antidumping duty investigation Nos. 701-TA-797 and 731-TA-1793 (Preliminary).

Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of May 12, 2026 (91 FR 25923). The Commission conducted its conference on May 28, 2026. All persons who requested the opportunity were permitted to participate.

Views of the Commission

Based on the record in the preliminary phase of these investigations, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of N-cyclohexylbenzothiazole-2-sulfenamide (“CBS”) from China that are allegedly sold in the United States at less than fair value and allegedly subsidized by the government of China.

I. The Legal Standard for Preliminary Determinations

The legal standard for preliminary antidumping and countervailing duty determinations requires the Commission to determine, based upon the information available at the time of the preliminary determinations, whether there is a reasonable indication that a domestic industry is materially injured or threatened with material injury, or that the establishment of an industry is materially retarded, by reason of the allegedly unfairly traded imports.¹ In applying this standard, the Commission weighs the evidence before it and determines whether “(1) the record as a whole contains clear and convincing evidence that there is no material injury or threat of such injury; and (2) no likelihood exists that contrary evidence will arise in a final investigation.”²

II. Background

LANXESS Corporation (“Lanxess” or “Petitioner”), a domestic producer of CBS, filed the petitions in these investigations on May 7, 2026. Petitioner appeared at the staff conference with counsel and submitted a postconference brief. No respondents participated in the staff conference or filed postconference briefs.

Data Coverage. U.S. industry data are based on the questionnaire response of the Petitioner, which accounted for all U.S. production of CBS in 2025.³ U.S. import data are based on adjusted official U.S. import statistics using HTS statistical reporting number 2934.20.8000.⁴

¹ 19 U.S.C. §§ 1671b(a), 1673b(a) (2000); *see also American Lamb Co. v. United States*, 785 F.2d 994, 1001-04 (Fed. Cir. 1986); *Aristech Chem. Corp. v. United States*, 20 CIT 353, 354-55 (1996). No party argues that the establishment of an industry in the United States is materially retarded by the allegedly unfairly traded imports.

² *American Lamb Co.*, 785 F.2d at 1001; *see also Texas Crushed Stone Co. v. United States*, 35 F.3d 1535, 1543 (Fed. Cir. 1994).

³ *See* Confidential Staff Report (“CR”), INV-YY-084 (June 12, 2026) and *N-Cyclohexylbenzothiazole-2-Sulfenamide (“CBS”) from China*: Inv. Nos. 701-TA-797 and 731-TA-1793 (Preliminary), USITC Pub. 5757 (June 2026) (“PR”) at 3.1 & Table 3.1.

⁴ CR/PR at 1.4. The Commission issued importer questionnaires to 17 firms believed to be importers of subject merchandise and received useable questionnaire responses from four firms, representing approximately *** percent of U.S. imports of CBS from China and approximately *** percent of U.S. imports of CBS from nonsubject sources in 2025 under HTS subheading 2934.20.8000, a basket category containing in-scope CBS as well as out-of-scope merchandise. CR/PR at 4.1. For the purpose of measuring imports, staff adjusted the official U.S. import statistics. The adjustments made to (Continued...)

Chinese industry data are based on the questionnaire response of one reseller/exporter of merchandise from China in 2025.⁵

III. Domestic Like Product

In determining whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports of the subject merchandise, the Commission first defines the “domestic like product” and the “industry.”⁶ Section 771(4)(A) of the Tariff Act of 1930, as amended (“the Tariff Act”), defines the relevant domestic industry as the “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”⁷ In turn, the Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation.”⁸

By statute, the Commission’s “domestic like product” analysis begins with the “article subject to an investigation,” *i.e.*, the subject merchandise as determined by Commerce.⁹ Therefore, Commerce’s determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is “necessarily the starting point of the Commission’s like product analysis.”¹⁰ The Commission then defines the domestic like product in light of the imported articles Commerce has identified.¹¹ The decision regarding the

official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs’ import records include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified “No” questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS. *Id.* at 4.1 n.2. Accordingly, we find for purposes of this preliminary phase that adjusted official import statistics as described above and presented in the staff report are the best information available regarding subject import volumes.

⁵ CR/PR at 7.3.

⁶ 19 U.S.C. § 1677(4)(A).

⁷ 19 U.S.C. § 1677(4)(A).

⁸ 19 U.S.C. § 1677(10).

⁹ 19 U.S.C. § 1677(10). The Commission must accept Commerce’s determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value. *See, e.g., USEC, Inc. v. United States*, 34 Fed. App’x 725, 730 (Fed. Cir. 2002) (“The ITC may not modify the class or kind of imported merchandise examined by Commerce.”); *Algoma Steel Corp. v. United States*, 688 F. Supp. 639, 644 (Ct. Int’l Trade 1988), *aff’d*, 865 F.3d 240 (Fed. Cir.), *cert. denied*, 492 U.S. 919 (1989).

¹⁰ *Cleo Inc. v. United States*, 501 F.3d 1291, 1298 (Fed. Cir. 2007); *see also Hitachi Metals, Ltd. v. United States*, 949 F.3d 710, 715 (Fed. Cir. 2020) (the statute requires the Commission to start with Commerce’s subject merchandise in reaching its own like product determination).

¹¹ *Cleo*, 501 F.3d at 1298 n.1 (“Commerce’s {scope} finding does not control the Commission’s {like product} determination.”); *Hosiden Corp. v. Advanced Display Mfrs.*, 85 F.3d 1561, 1568 (Fed. Cir. 1996) (the Commission may find a single like product corresponding to several different classes or kinds (Continued...))

appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of “like” or “most similar in characteristics and uses” on a case-by-case basis.¹² No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.¹³ The Commission looks for clear dividing lines among possible like products and disregards minor variations.¹⁴ The Commission may, where appropriate, include domestic articles in the domestic like product in addition to those described in the scope.¹⁵

In its notice of initiation, Commerce defined the imported merchandise within the scope of these investigations as follows:

The product subject to this investigation is N-Cyclohexylbenzothiazole-2-sulfenamide (CBS), an organic compound also known as N-cyclohexyl-2-benzothiazolesulfenamide, N-(1,3- benzothiazol-2-ylsulfanyl) cyclohexanamine and N-cyclohexylbenzothiazol-2-sulphenamide. It may additionally be termed Accelerator CZ, CBTS, Thiohexam, HIP4, Curax, DURAX, Conaca, Conach, Conacs, or Celacs. A CBS assay or sample most commonly reflects a concentration of 94 to 99 percent.

CBS is most commonly in the form of an off-white or light gray powder, oiled powder, or granule, though CBS imported in a different color or form is included in the scope. CBS typically has a melting point of 90 to 110°C and a molecular weight of 264.4 g/mol. CBS may be imported in a solution of benzene, ethanol, or acetone. CBS has the chemical

defined by Commerce); *Torrington Co. v. United States*, 747 F. Supp. 744, 748–52 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991) (affirming the Commission’s determination defining six like products in investigations where Commerce found five classes or kinds).

¹² See, e.g., *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Torrington Co. v. United States*, 747 F. Supp. 744, 749 n.3 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991) (“every like product determination ‘must be made on the particular record at issue’ and the ‘unique facts of each case’”). The Commission generally considers a number of factors including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. See *Nippon*, 19 CIT at 455 n.4; *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996).

¹³ See, e.g., S. Rep. No. 96-249 at 90-91 (1979).

¹⁴ See, e.g., *Nippon*, 19 CIT at 455; *Torrington*, 747 F. Supp. at 748-49; see also S. Rep. No. 96-249 at 90-91 (Congress has indicated that the like product standard should not be interpreted in “such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not ‘like’ each other, nor should the definition of ‘like product’ be interpreted in such a fashion as to prevent consideration of an industry adversely affected by the imports under consideration.”).

¹⁵ See, e.g., *Pure Magnesium from China and Israel*, Inv. Nos. 701-TA-403 and 731-TA-895-96 (Final), USITC Pub. 3467 at 8 n.34 (Nov. 2001); *Torrington*, 747 F. Supp. at 748-49 (holding that the Commission is not legally required to limit the domestic like product to the product advocated by the petitioner, co-extensive with the scope).

formula $C_{13}H_{16}N_2S_2$ and is assigned the Chemical Abstract Service (CAS) registry No. 95-33-0.

The scope also includes CBS that is commingled with CBS from sources not subject to this investigation.

CBS powder, oiled powder, and granules are classified under subheading 2934.20.8000, Harmonized Tariff Schedule of the United States (HTSUS). Imports of CBS may also be classified under subheadings 3812.10.1000 and 3812.10.5000, HTSUS. Although the HTSUS and CAS numbers are provided for convenience and customs purposes, the written description of the scope is dispositive.¹⁶

A. Product Description

CBS is a chemical accelerator used for rubber vulcanization. CBS belongs to the sulfenamide family. It has a molecular weight of 264.41 g/mol and a density of 1.27 g/cm³ when it is in its crystalline form at room temperature. CBS is a cream-colored granule or powder with a melting range of 93°C to 100°C. U.S. producer Lanxess offers CBS in powdered and granule form in 20 kilogram paper bags and flexible intermediate bulk containers.¹⁷

CBS has become one of the most commonly used accelerators in the rubber industry because of its reliable curing behavior and the physical properties it imparts to the vulcanized rubber.¹⁸ CBS is primarily used in the production of tires, but it is also used in the production of other rubber products such as buffers, hoses, belts, technical moldings, and rubber extrusions. Manufacturers of rubber tires can formulate proprietary blends that include CBS and other accelerators such as tetramethylthiuram disulfide ("TMTD"), 2-mercaptobenzothiazole ("MBT"), diphenylguanidine, or other non-accelerator ingredients such as wax, oil, antioxidants, plasticizers, and fillers.¹⁹

CBS is synthesized by an oxidative condensation reaction of either sodium 2-mercaptobenzothiazole ("NaMBT") or MBT with cyclohexylamine. During the synthesis, NaMBT or MBT is mixed in an oxidation tank with cyclohexylamine in a solvent and cooled to 35°C, and then an oxidative agent is added until the reaction is completed. Common oxidizing agents are hydrogen peroxide, sodium hypochlorite, or oxygen. CBS is purified using filtration, hot water washing, and centrifugal drying and hot air blowing. The resulting product is a granule that can be further processed by milling into a powder or adding oil to create an oiled form.²⁰

¹⁶ *N-Cyclohexylbenzothiazole-2-Sulfenamide From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 91 Fed. Reg. 32941, 32945-46 (Dep't of Comm. June 2, 2026); *N-Cyclohexylbenzothiazole-2-Sulfenamide From the People's Republic of China: Initiation of Countervailing Duty Investigation*, 91 Fed. Reg. 32946, 32949 (Dep't of Comm. June 2, 2026).

¹⁷ CR/PR at 1.7-8.

¹⁸ CR/PR at 1.9.

¹⁹ CR/PR at 1.9-10.

²⁰ CR/PR at 1.10. Oil is added to CBS as a safety precaution to suppress dust. See Conference Transcript, EDIS Doc. 883873 at 37 (Pawlikowski).

B. Petitioner's Arguments

Petitioner argues that the Commission should define a single domestic like product, coextensive with the scope.²¹ Petitioner contends that CBS possesses physical characteristics distinct from other chemicals, including other sulfenamides, and is used for a narrow range of end uses. According to Petitioner, all forms of CBS, whether oiled, dry powder, or granule, exhibit the same functional characteristics in end use as a vulcanization accelerator to finished rubber products.²² Further, Petitioner points to Lanxess' product catalog to support its claim that Lanxess' CBS products, in all forms, have the identical chemical composition, CAS number, structure, density, initial melting point, and packaging.²³ According to Petitioner, Lanxess uses oil to coat the granule or powder to reduce the dust that can arise from handling, but the small amount of oil does not change the chemical concentration, CAS number, or other physical characteristics of the merchandise.²⁴

Petitioner also alleges that: (1) there is a high degree of interchangeability of CBS from any source due to the fact that purchasers of CBS require suppliers to undergo a qualification process involving testing and plant trials;²⁵ (2) CBS is sold through similar channels of distribution regardless of source, which is mainly to tire manufacturers or distributors that resell to tire manufacturers;²⁶ (3) customers and producers perceive CBS from different sources as functionally equivalent;²⁷ (4) all CBS is produced using the same fundamental production process and similar facilities and expertise, using a standard chemical reaction involving sodium MBT, cyclohexylamine, and an oxidizing agent, and, regardless of purity or grade, all CBS can be manufactured on the same production lines with the same employees;²⁸ and (5) prices of CBS present along a price continuum depending on volume of sales, delivery terms, and other terms of sale, and particular grades are sold in the same general range of prices.²⁹

C. Analysis and Conclusion

Based on the record, we define a single domestic like product, coextensive with the scope, consisting of all CBS, regardless of form.

Physical Characteristics and Uses. The record indicates that all forms of CBS share the same physical characteristics and uses. CBS is a cream-colored granule or powder³⁰ with a chemical formulation of $C_{13}H_{16}N_2S_2$, a melting range of 93°C to 100°C, and a molecular weight of

²¹ Petition at 15; Pet. Postconf. Br. at 9; CR/PR at 1.11.

²² Pet. Postconf. Br. at 4.

²³ Pet. Postconf. Br. at 4-5, Exh. 3.

²⁴ Pet. Postconf. Br. at 5.

²⁵ Pet. Postconf. Br. at 6-7.

²⁶ Pet. Postconf. Br. at 7.

²⁷ Pet. Postconf. Br. at 7-8.

²⁸ Pet. Postconf. Br. at 8-9.

²⁹ Pet. Postconf. Br. at 9.

³⁰ See CR/PR at 1.8. Although Lanxess can produce CBS in any granule or powder form, oil coated or not, Lanxess only sold *** during the POI. Pet. Postconf. Br. at Exh. 1 at 6. The different forms of CBS have the same chemical composition, technical name, CAS Number, and chemical structure. *Id.*

264.41 g/mol and a density of 1.27 g/cm³ when in its crystalline form at room temperature. CBS is used as a chemical accelerator for rubber vulcanization primarily to produce tires, but also for other rubber products.³¹

Manufacturing Facilities, Production Processes, and Employees. The record indicates that all CBS, regardless of form, is produced in the same facilities using similar manufacturing methods, on the same equipment, and by the same employees. CBS is synthesized by an oxidative condensation reaction of either NaMBT or MBT with cyclohexylamine. During the synthesis, NaMBT or MBT is mixed in an oxidation tank with cyclohexylamine in a solvent and cooled to 35°C, and then an oxidative agent is added until the reaction is completed. Common oxidizing agents are hydrogen peroxide, sodium hypochlorite, or oxygen. Lanxess uses *** as the oxidizing agent, but the oxidative agent can vary depending on the producer's preference, with hydrogen peroxide seen as less environmentally harmful than some of the other oxidative agents. CBS is purified using filtration, hot water washing, and centrifugal drying and hot air blowing. The resulting product is a granule that can be further processed by milling into a powder or adding oil to create an oiled form. Lanxess' production of CBS is performed on dedicated equipment using a continuous process.³²

Channels of Distribution. Domestically produced CBS is sold primarily to tire manufacturers, with a small portion sold to distributors and end users.³³

Interchangeability. All CBS has the same chemical composition but may be produced in different forms (e.g., granular and powder).³⁴ Petitioner contends that once a purchaser of CBS has qualified a supplier, the CBS produced by that supplier is interchangeable with the CBS produced by all other suppliers qualified by that purchaser.³⁵ Lanxess and responding importers reported that there are no substitutes that perform as well as CBS as an accelerator.³⁶

Producer and Customer Perceptions. Petitioner asserts that customers and producers perceive CBS from different sources, regardless of form, as functionally equivalent. Purchasers evaluate CBS from a source based on whether it meets required specifications and whether it passes qualification, after which products from that source are perceived as equivalent to other qualified sources' products.³⁷ Manufacturers of rubber tires can formulate proprietary blends that include CBS and other accelerators such as tetramethylthiuram disulfide, 2-mercaptobenzothiazole ("MBT"), diphenylguanidine, or other non-accelerator ingredients such as wax, oil, antioxidants, plasticizers, and fillers.³⁸

Price. Petitioner contends that the price of CBS falls on a continuum, with small differences in price based on the volume of sales, delivery terms, or other terms of sale.³⁹

³¹ See CR/PR at 1.7-10.

³² See CR/PR at 1.10-11.

³³ CR/PR at Table 2.1; Pet. Postconf. Br. at 7.

³⁴ CR/PR at 1.7-8.

³⁵ Pet. Postconf. Br. at 6.

³⁶ CR/PR at 2.8.

³⁷ Postconf. Br. at 7-8.

³⁸ CR/PR at 1.9-10.

³⁹ Pet. Postconf. Br. at 9.

Conclusion. For the purposes of the preliminary phase of these investigations, we define a single domestic like product consisting of all CBS, coextensive with the scope in these investigations. Although domestically produced CBS can be sold in different forms – powdered or granule, and oiled or non-oiled – all forms of CBS share the same physical characteristics and uses. CBS is a cream-colored granule or powder with a chemical formulation of $C_{13}H_{16}N_2S_2$, a melting range of 93°C to 100°C, and a molecular weight of 264.41 g/mol and a density of 1.27 g/cm³ when it is in its crystalline form at room temperature.⁴⁰ CBS in all forms is used as a chemical accelerator for rubber vulcanization primarily for the production of tires.⁴¹ The CBS products that Lanxess offers, in all forms, have the identical chemical composition, CAS number, structure, density, initial melting point, and packaging.⁴² Whether supplied as granules or powder, oiled or non-oiled, CBS serves the same end use and delivers the same performance characteristics in those applications.⁴³

In addition, all domestically produced CBS is produced using the same manufacturing facilities, processes, and employees; sold primarily to tire manufacturers; priced on a continuum; and perceived by producers and customers as within a single product category. For these reasons, we find that no clear dividing lines exist and define a single domestic like product consisting of all CBS, coextensive with the scope.

IV. Domestic Industry

The domestic industry is defined as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”⁴⁴ In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll produced, captively consumed, or sold in the domestic merchant market.

Petitioner argues that the Commission should define the domestic industry as Lanxess, the only U.S. producer of CBS.⁴⁵ These investigations do not raise the issue of whether appropriate circumstances exist to exclude any domestic producers from the domestic industry pursuant to Section 771(4)(B) of the Tariff Act or any other domestic industry issues.⁴⁶ Consistent with our definition of the domestic like product, and in the absence of any contrary argument, we define the domestic industry to include the sole domestic producer of CBS, Lanxess.

⁴⁰ See CR/PR at 1.7-8.

⁴¹ See CR/PR at 1.7-10.

⁴² Pet. Postconf. Br. at 4-5, Exh. 3.

⁴³ Pet. Postconf. Br. at 4; Pet. Postconf. Br. at 8-9.

⁴⁴ 19 U.S.C. § 1677(4)(A).

⁴⁵ Petition at 15; Pet. Postconf. Br. at 9.

⁴⁶ Lanxess did not import or purchase subject merchandise during the POI. CR/PR at 3.1, 3.6. It is also not affiliated with any U.S. importer or exporter of subject merchandise. CR/PR at 3.1 & Table 3.2.

V. Negligible Imports

Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than 3 percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall be deemed negligible.⁴⁷

During the 12-month period preceding the filing of the petitions for which data are available – April 2025 through March 2026 – imports of CBS from China accounted for *** percent of total imports.⁴⁸ As subject imports are clearly above negligible levels, we find that imports of CBS from China subject to the antidumping and countervailing duty investigations are not negligible.

VI. Reasonable Indication of Material Injury by Reason of Subject Imports

A. Legal Standard

In the preliminary phase of antidumping and countervailing duty investigations, the Commission determines whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.⁴⁹ In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.⁵⁰ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”⁵¹ In assessing whether there is a reasonable indication that the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.⁵² No single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁵³

Although the statute requires the Commission to determine whether there is a reasonable indication that the domestic industry is “materially injured or threatened with

⁴⁷ 19 U.S.C. §§ 1671b(a), 1673b(a), 1677(24)(A)(i), 1677(24)(B); *see also* 15 C.F.R. § 2013.1 (developing countries for purposes of 19 U.S.C. § 1677(36)).

⁴⁸ CR/PR at 4.5 & Table 4.3. Although imports from China are subject to both antidumping and countervailing duty investigations, the volume of subject imports from China is the same with respect to both investigations. *See N-Cyclohexylbenzothiazole-2-Sulfenamide From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 91 Fed. Reg. 32941, 32945-46 (Dep’t of Comm. June 2, 2026); *N-Cyclohexylbenzothiazole-2-Sulfenamide From the People's Republic of China: Initiation of Countervailing Duty Investigation*, 91 Fed. Reg. 32946, 32949 (Dep’t of Comm. June 2, 2026).

⁴⁹ 19 U.S.C. §§ 1671b(a), 1673b(a).

⁵⁰ 19 U.S.C. § 1677(7)(B). The Commission “may consider such other economic factors as are relevant to the determination” but shall “identify each {such} factor ... and explain in full its relevance to the determination.” 19 U.S.C. § 1677(7)(B).

⁵¹ 19 U.S.C. § 1677(7)(A).

⁵² 19 U.S.C. § 1677(7)(C)(iii).

⁵³ 19 U.S.C. § 1677(7)(C)(iii).

material injury by reason of” unfairly traded imports,⁵⁴ it does not define the phrase “by reason of,” indicating that this aspect of the injury analysis is left to the Commission’s reasonable exercise of its discretion.⁵⁵ In identifying a causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic industry. This evaluation under the “by reason of” standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.⁵⁶

In many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry. Such economic factors might include nonsubject imports; changes in technology, demand, or consumer tastes; competition among domestic producers; or management decisions by domestic producers. The legislative history explains that the Commission must examine factors other than subject imports to ensure that it is not attributing injury from other factors to the subject imports, thereby inflating an otherwise tangential cause of injury into one that satisfies the statutory material injury threshold.⁵⁷ In performing its examination, however, the Commission need not isolate the injury caused by other factors from injury caused by unfairly traded imports.⁵⁸ Nor does

⁵⁴ 19 U.S.C. §§ 1671b(a), 1673b(a).

⁵⁵ *Angus Chemical Co. v. United States*, 140 F.3d 1478, 1484-85 (Fed. Cir. 1998) (“{T}he statute does not ‘compel the commissioners’ to employ {a particular methodology}.”), *aff’g*, 944 F. Supp. 943, 951 (Ct. Int’l Trade 1996).

⁵⁶ The Federal Circuit, in addressing the causation standard of the statute, observed that “[a]s long as its effects are not merely incidental, tangential, or trivial, the foreign product sold at less than fair value meets the causation requirement.” *Nippon Steel Corp. v. USITC*, 345 F.3d 1379, 1384 (Fed. Cir. 2003). This was further ratified in *Mittal Steel Point Lisas Ltd. v. United States*, 542 F.3d 867, 873 (Fed. Cir. 2008), where the Federal Circuit, quoting *Gerald Metals, Inc. v. United States*, 132 F.3d 716, 722 (Fed. Cir. 1997), stated that “this court requires evidence in the record ‘to show that the harm occurred “by reason of” the LTFV imports, not by reason of a minimal or tangential contribution to material harm caused by LTFV goods.’” See also *Nippon Steel Corp. v. United States*, 458 F.3d 1345, 1357 (Fed. Cir. 2006); *Taiwan Semiconductor Industry Ass’n v. USITC*, 266 F.3d 1339, 1345 (Fed. Cir. 2001).

⁵⁷ SAA at 851-52 (“{T}he Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.”); S. Rep. 96-249 at 75 (1979) (the Commission “will consider information which indicates that harm is caused by factors other than less-than-fair-value imports.”); H.R. Rep. 96-317 at 47 (1979) (“in examining the overall injury being experienced by a domestic industry, the ITC will take into account evidence presented to it which demonstrates that the harm attributed by the petitioner to the subsidized or dumped imports is attributable to such other factors;” those factors include “the volume and prices of nonsubsidized imports or imports sold at fair value, contraction in demand or changes in patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and productivity of the domestic industry”); accord *Mittal Steel*, 542 F.3d at 877.

⁵⁸ SAA at 851-52 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports.”); *Taiwan Semiconductor Industry Ass’n*, 266 F.3d at 1345 (“{T}he (Continued...)”).

the “by reason of” standard require that unfairly traded imports be the “principal” cause of injury or contemplate that injury from unfairly traded imports be weighed against other factors, such as nonsubject imports, which may be contributing to overall injury to an industry.⁵⁹ It is clear that the existence of injury caused by other factors does not compel a negative determination.⁶⁰

Assessment of whether material injury to the domestic industry is “by reason of” subject imports “does not require the Commission to address the causation issue in any particular way” as long as “the injury to the domestic industry can reasonably be attributed to the subject imports.”⁶¹ The Commission ensures that it has “evidence in the record” to “show that the harm occurred ‘by reason of’ the LTFV imports,” and that it is “not attributing injury from other sources to the subject imports.”⁶² The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed “rigid adherence to a specific formula.”⁶³

Commission need not isolate the injury caused by other factors from injury caused by unfair imports Rather, the Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.” (emphasis in original)); *Asociacion de Productores de Salmon y Trucha de Chile AG v. United States*, 180 F. Supp. 2d 1360, 1375 (Ct. Int’l Trade 2002) (“{t}he Commission is not required to isolate the effects of subject imports from other factors contributing to injury” or make “bright-line distinctions” between the effects of subject imports and other causes.); see also *Softwood Lumber from Canada*, Inv. Nos. 701-TA-414 and 731-TA-928 (Remand), USITC Pub. 3658 at 100-01 (Dec. 2003) (Commission recognized that “{i}f an alleged other factor is found not to have or threaten to have injurious effects to the domestic industry, i.e., it is not an ‘other causal factor,’ then there is nothing to further examine regarding attribution to injury”), citing *Gerald Metals*, 132 F.3d at 722 (the statute “does not suggest that an importer of LTFV goods can escape countervailing duties by finding some tangential or minor cause unrelated to the LTFV goods that contributed to the harmful effects on domestic market prices.”).

⁵⁹ S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47.

⁶⁰ See *Nippon Steel Corp.*, 345 F.3d at 1381 (“an affirmative material-injury determination under the statute requires no more than a substantial-factor showing. That is, the ‘dumping’ need not be the sole or principal cause of injury.”).

⁶¹ *Mittal Steel*, 542 F.3d at 876 & 78; see also *id.* at 873 (“While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured ‘by reason of’ subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology.”) citing *United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its decision in *Swiff-Train v. United States*, 793 F.3d 1355 (Fed. Cir. 2015), the Federal Circuit affirmed the Commission’s causation analysis as comporting with the Court’s guidance in *Mittal*.

⁶² *Mittal Steel*, 542 F.3d at 873 (quoting from *Gerald Metals*, 132 F.3d at 722), 877-79. We note that one relevant “other factor” may involve the presence of significant volumes of price-competitive nonsubject imports in the U.S. market, particularly when a commodity product is at issue. In appropriate cases, the Commission collects information regarding nonsubject imports and producers in nonsubject countries in order to conduct its analysis.

⁶³ *Nucor Corp. v. United States*, 414 F.3d 1331, 1336, 1341 (Fed. Cir. 2005); see also *Mittal Steel*, 542 F.3d at 879 (“*Bratsk* did not read into the antidumping statute a Procrustean formula for determining whether a domestic injury was ‘by reason’ of subject imports.”).

The question of whether the material injury threshold for subject imports is satisfied notwithstanding any injury from other factors is factual, subject to review under the substantial evidence standard.⁶⁴ Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.⁶⁵

B. Conditions of Competition and the Business Cycle

The following conditions of competition inform our analysis of whether there is a reasonable indication of material injury by reason of subject imports.

1. Demand Conditions

CBS is used as an input to produce tires and other rubber products.⁶⁶ As such, domestic demand for CBS is tied to the demand for these downstream products, especially tires.⁶⁷

Most firms which responded to the Commission's questionnaire reported that demand has fluctuated upward since January 1, 2023.⁶⁸ *** reported that overall demand steadily increased during the POI. Of the four U.S. importers that provided a response regarding demand, two reported that demand fluctuated upward, one reported no change, and one reported that demand steadily decreased.⁶⁹ The U.S. producer and all importers reported that there are no substitute products that perform as well as CBS as an accelerator.⁷⁰

Apparent U.S. consumption of CBS increased *** percent overall from 2023 to 2025, increasing from *** metric tons in 2023 to *** metric tons in 2024, and decreasing slightly to *** metric tons in 2025; apparent U.S. consumption was *** percent lower in interim 2026 at *** metric tons, compared to *** metric tons in interim 2025.⁷¹

2. Supply Conditions

The domestic industry was the second largest supplier of the market in 2023 to 2025. Its share of apparent U.S. consumption declined overall by *** percentage points from 2023 to 2025, decreasing from *** percent in 2023 to *** percent in 2024 and to *** percent in 2025; its share was *** percentage points higher in interim 2026 at *** percent, than in interim 2025 at *** percent.⁷²

⁶⁴ We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

⁶⁵ *Mittal Steel*, 542 F.3d at 873; *Nippon Steel Corp.*, 458 F.3d at 1350, citing *U.S. Steel Group*, 96 F.3d at 1357; S. Rep. 96-249 at 75 ("The determination of the ITC with respect to causation is ... complex and difficult, and is a matter for the judgment of the ITC.").

⁶⁶ CR/PR at 2.7.

⁶⁷ CR/PR at 2.7.

⁶⁸ See CR/PR at 2.8.

⁶⁹ CR/PR at Table 2.5. Lanxess reported that the market is not subject to business cycles. *Id.* at 2.7. Two importers, *** indicated that the market is subject to business cycles, with *** reporting that automobile production influences demand for CBS, and *** reporting that demand is linked to tire sales volumes. *Id.*

⁷⁰ CR/PR at 2.8.

⁷¹ CR/PR at Table 4.4, Table C.1.

⁷² CR/PR at Table 4.4; Table C.1

The domestic industry's practical capacity remained stable during the POI, at *** metric tons in each full year of the POI; it was *** metric tons in interim 2025 and interim 2026.⁷³ The domestic industry's capacity utilization increased overall by *** percentage points from 2023 to 2025, increasing from *** percent in 2023 to *** percent in 2024, and decreasing to *** percent in 2025; the domestic industry's capacity utilization was *** percent in interim 2026, compared to *** percent in interim 2025.⁷⁴ Lanxess ***.⁷⁵

Subject imports were the largest source of supply from 2023 to 2025 and their share of apparent U.S. consumption increased overall by *** percentage points – increasing from *** percent in 2023 to *** percent in 2024, and declining slightly to *** percent in 2025.⁷⁶ Subject imports' share of apparent U.S. consumption was *** percent in interim 2026, compared to *** percent in interim 2025.⁷⁷

Nonsubject imports were the smallest source of supply from 2023 to 2025, and their share of apparent U.S. consumption by quantity increased overall by *** percentage points, decreasing from *** percent in 2023 to *** percent in 2024, and increasing to *** percent in 2025.⁷⁸ Nonsubject imports' share of apparent U.S. consumption was *** percent in interim 2026, compared to *** percent in interim 2025. The largest sources of nonsubject imports during the POI were ***.⁷⁹

U.S. producer Lanxess and all responding importers reported that they had not experienced supply constraints since January 1, 2023.⁸⁰

3. Substitutability and Other Conditions

Based on the record in the preliminary phase of these investigations, we find that there is a high degree of substitutability between the domestic like product and subject imports.⁸¹ Lanxess reported that domestically produced CBS is *** interchangeable with corresponding subject imports from China.⁸² All four responding importers reported that domestically produced CBS and subject imports from China were always or frequently interchangeable with one another.⁸³

Based on the record in the preliminary phase of these investigations, we find that price is an important factor in purchasing decisions for CBS, among other important factors. The most often cited top three factors firms consider in their purchasing decisions for CBS were quality, availability, and delivery times.⁸⁴ Lanxess reported that differences other than price

⁷³ CR/PR at Table 3.4.

⁷⁴ CR/PR at Table 3.4.

⁷⁵ CR/PR at Table 3.3.

⁷⁶ CR/PR at Tables 4.4, C.1.

⁷⁷ CR/PR at Tables 4.4, C.1.

⁷⁸ CR/PR at Tables 4.4, C.1.

⁷⁹ CR/PR at 2.4.

⁸⁰ CR/PR at 2.4.

⁸¹ CR/PR at 2.8.

⁸² CR/PR at Table 2.7.

⁸³ CR/PR at Table 2.8.

⁸⁴ CR/PR at 2.9; *see also* CR/PR at Table 2.6. Responding firms indicated that CBS accounts for *** percent of the cost of producing new tires. *Id.* at 2.7.

between domestic and imported product were *** significant in their sales.⁸⁵ However, two U.S. importers reported that factors other than price were either always or frequently significant, and two reported that factors other than price were sometimes significant, when comparing domestically produced CBS to imports from China.⁸⁶

U.S. producer Lanxess reported that *** its commercial shipments in 2025 were sold from inventory, with lead times averaging *** days.⁸⁷ U.S. importer *** reported that *** of its shipments were sold from U.S. inventory, with lead times averaging *** days.⁸⁸ U.S. importer *** reported that *** of its shipments were produced to order, with lead times averaging *** days.⁸⁹

Lanxess reported making the vast majority of its sales of CBS in 2025 through short-term contracts.⁹⁰ It reported that ***.⁹¹ U.S. importers reported selling *** percent of their U.S. shipments through short-term contracts.⁹² Firms reported setting prices on a *** or *** basis.⁹³ Petitioner reports that purchasers of CBS, primarily tire manufacturers, require suppliers to obtain qualification, and the process can take between six months to two years, depending on the manufacturer.⁹⁴

The main raw materials used in the production of CBS are sodium 2-mercaptobenzothiazole, cyclohexylamine, and hydrogen peroxide.⁹⁵ Lanxess' raw material unit costs declined by *** percent from 2023 to 2025, declining from \$*** per metric ton in 2023 to \$*** per metric ton in 2024, and to \$*** per metric ton in 2025; Lanxess' raw material cost was *** percent lower in interim 2026, at \$*** per metric ton, compared to \$*** per metric ton in interim 2025.⁹⁶ Lanxess' cost of raw materials as a share of total cost of goods sold ("COGS") declined slightly overall by *** percentage points from 2023 to 2025, increasing from *** percent in 2023 to *** percent in 2024, and decreasing to *** percent in 2025; this ratio was *** percent in interim 2026, compared to *** percent in interim 2025.⁹⁷

⁸⁵ CR/PR at Table 2.9.

⁸⁶ CR/PR at Table 2.10.

⁸⁷ CR/PR at 2.9.

⁸⁸ CR/PR at 2.9.

⁸⁹ CR/PR at 2.9.

⁹⁰ CR/PR at 5.2. Lanxess sold *** percent of its commercial U.S. shipments in 2025 through short term contracts, and *** percent through spot sales. CR/PR at Table 5.2.

⁹¹ CR/PR at 5.2.

⁹² CR/PR at Table 5.2.

⁹³ CR/PR at Table 5.1.

⁹⁴ Pet. Postconf. Br. at 6.

⁹⁵ See CR/PR at Table 6.3; see also CR/PR at 6.6.

⁹⁶ CR/PR at Table 6.1.

⁹⁷ CR/PR at Table 6.1.

During the POI, Lanxess increased its export shipments significantly,⁹⁸ which it reported was necessary to maintain its fixed unit production costs as its U.S. shipments declined due to increased volumes of subject imports.⁹⁹ Nevertheless, Lanxess indicated that ***.¹⁰⁰

Beginning in February 2025, imports of subject merchandise were subject to varying levels of additional tariffs under the International Emergency Economic Powers Act (“IEEPA”).¹⁰¹ It was announced on February 20, 2026, that tariffs initiated under IEEPA and the associated duties imposed under IEEPA were no longer in effect.¹⁰²

C. Volume of Subject Imports

Section 771(7)(C)(i) of the Tariff Act provides that the “Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.”¹⁰³

The volume of subject imports increased irregularly by *** percent from 2023 to 2025, increasing from *** metric tons in 2023 to *** metric tons in 2024, and slightly decreasing to *** metric tons in 2025.¹⁰⁴ The volume of subject imports was *** metric tons in interim 2026 compared to *** metric tons in interim 2025.¹⁰⁵ Subject imports’ share of apparent U.S. consumption increased irregularly by *** percentage points from 2023 to 2025, increasing from *** percent in 2023 to *** percent in 2024 and decreasing to *** percent in 2025; subject imports’ share of apparent U.S. consumption was *** percent in interim 2026 compared to *** percent in interim 2025.¹⁰⁶

Based on the record of the preliminary phase of these investigations, we find that the volume of subject imports, and the increase in that volume, are significant in absolute terms and relative to U.S. consumption.¹⁰⁷

⁹⁸ See CR/PR at Table 3.6. Lanxess’ export shipments were *** percent of its total shipments by quantity in 2023, *** percent in 2024, and *** percent in 2025; export shipments were *** percent of Lanxess’ total shipments in interim 2026 compared to *** percent in interim 2025.

⁹⁹ CR/PR at 2.8; *see also* Pet. Postconf. Br. Responses to Staff Questions at Exhibit 1-4. Lanxess asserts that its exports are often sold at *** prices than the price levels in the United States, which it attributes to “China’s low-price leadership in foreign markets{.}” Pet. Postconf. Br. Responses to Staff Questions at Exhibit 1-13.

¹⁰⁰ See CR/PR at 2.8.

¹⁰¹ CR/PR at 1.6. CBS from China is not subject to additional duties under section 301 of the Trade Act of 1974, and was included in a list of products not subject to tariffs under section 122 of the Trade Act of 1974. *Id.* at 1.6 n.14. Section 122 authorizes the President to impose a temporary import surcharge for a period not exceeding 150 days unless it is extended by an act of Congress. *Id.*

¹⁰² CR/PR at 1.7.

¹⁰³ 19 U.S.C. § 1677(7)(C)(i).

¹⁰⁴ CR/PR at Tables 4.2 and C.1.

¹⁰⁵ CR/PR at Table 4.2.

¹⁰⁶ CR/PR at Tables 4.4 and C.1. The ratio of subject imports to U.S. production was *** percent in 2023, *** percent in 2024, and *** percent in 2025; it was *** percent in interim 2026 compared to *** percent in interim 2025. CR/PR at Table 4.2.

¹⁰⁷ Subject import volume and market share were lower in interim 2026 than in interim 2025. The interim periods were limited to three-month periods, January to March.

D. Price Effects of the Subject Imports

Section 771(7)(C)(ii) of the Tariff Act provides that, in evaluating the price effects of subject imports, the Commission shall consider whether –

(I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.¹⁰⁸

As discussed in section VI.B.3 above, we find that there is a high degree of substitutability between subject imports and domestically produced CBS, and that price is an important factor in purchasing decisions, among other factors.

The Commission collected quarterly quantity and f.o.b. pricing data from U.S. producers and importers of one pricing product shipped to unrelated customers during the POI.¹⁰⁹ One U.S. producer and *** importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.¹¹⁰ Pricing data reported by these firms accounted for approximately *** percent of U.S. producers' U.S. shipments of CBS, and *** percent of reported imports from China in 2025.¹¹¹

These pricing data show that subject imports undersold the domestic like product in all 13 instances, at margins ranging up to *** percent and averaging *** percent.¹¹²

In addition, two importers provided purchase cost data for subject merchandise that they imported for their own use or repackaging during the POI. Purchase cost data reported by these firms accounted for *** percent of reported imports from China in 2025.¹¹³

The purchase cost data indicate that landed duty-paid costs for subject imports from China were below the sales prices of the domestic like product in seven of nine instances, at price-cost differentials averaging *** percent, and were above the sales price of the domestic like product in the remaining two of nine instances, at price-cost differentials averaging *** percent.¹¹⁴ There were *** metric tons of subject merchandise in quarters where landed duty-paid costs for subject imports from China were below the sales prices of the domestic like product, compared to *** metric tons in quarters where landed duty-paid costs for subject imports from China were above the sales prices of the domestic like product.¹¹⁵

¹⁰⁸ 19 U.S.C. § 1677(7)(C)(ii).

¹⁰⁹ The one pricing product was:

Product 1. CBS accelerator in bulk packaging of at least 20kg per package, assay 94% or greater, in granules.

CR/PR at 5.3.

¹¹⁰ CR/PR at 5.3.

¹¹¹ CR/PR at 5.3.

¹¹² CR/PR at Table 5.6.

¹¹³ CR/PR at 5.3.

¹¹⁴ CR/PR at Table 5.7.

¹¹⁵ CR/PR at Table 5.7.

We recognize that import purchase cost data may not reflect the total cost of importing, and therefore requested that importers provide additional information regarding the costs and benefits of importing CBS themselves. One of the four importers reported that it incurred additional costs beyond the landed duty-paid costs associated with importing CBS. This importer estimated that the total additional costs incurred was approximately *** percent for logistics management described as ***.¹¹⁶ Given that the subject import purchase costs were, on average, *** percent below domestic sales prices, these additional costs amounted to less than the average price-cost differential of *** percent.¹¹⁷

We have considered information concerning lost sales. The Commission sent a lost sales/lost revenue survey to seven firms. Four purchasers responded and their reported purchases were equivalent to approximately *** percent of apparent U.S. consumption over the POI.¹¹⁸ Of four responding purchasers, two reported that, since 2023, they had purchased imported CBS from China instead of the domestic like product.¹¹⁹ Those two purchasers reported that subject import prices were lower than those of the domestic like product, and that price was the primary reason to purchase *** metric tons of subject imports during the POI instead of the domestic like product.¹²⁰ The total volume of lost sales is equal to approximately *** percent of total subject imports over the POI and approximately *** percent of consumption over the POI.¹²¹

Based on the high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions, the pricing data showing universal underselling by volume that increased over the POI, the evidence of significant lost sales on the basis of subject imports being lower priced, and the purchase-cost data likewise showing that subject import costs were primarily lower than domestic prices, we find that subject imports undersold the domestic like product to a significant degree throughout the POI. This underselling contributed to cumulated subject imports capturing market share from the domestic industry from 2023 to 2025. During this period, subject imports gained *** percentage points of market share, which came mostly at the expense of the domestic industry, which lost *** percentage points of market share.¹²²

We have also considered whether subject imports depressed domestic producer prices or prevented price increases that would have otherwise occurred to a significant degree. Prices

¹¹⁶ CR/PR at 5.3. LDP import value does not include any potential additional costs that a purchaser may incur by importing rather than purchasing from another importer or U.S. producer. CR/PR at 5.7, n.9.

¹¹⁷ One importer reported saving between *** percent of the purchase price by importing CBS rather than purchasing it from a U.S. importer, and saving *** percent of the purchase price compared to compared to purchasing the product from a U.S. producer. CR/PR at 5.4.

¹¹⁸ *Derived from* CR/PR at Table C.1.

¹¹⁹ CR/PR at 5.12. Of the responding purchasers, one reported steadily decreasing purchases from domestic producer, one reported increasing purchases, one reported purchases from the domestic producer steadily increasing, and one reported no change. *Id.*

¹²⁰ CR/PR at Table 5.10. This total represents *** percent of total subject imports over the POI (*** metric tons). *Derived from* CR/PR at Table C.1.

¹²¹ *Derived from Id.* at Tables 5.10 and C.1.

¹²² CR/PR at Table 4.4.

for CBS declined over the POI. From January 1, 2023, to March 31, 2026, the U.S. producer's sales prices for product 1 decreased by *** percent, while over the same period, sales prices for subject imports decreased by *** percent for product 1.¹²³

As the domestic industry's prices declined over the POI, its net sales average unit value ("AUV") decreased and its per-unit COGS decreased. The domestic industry's net sales AUV decreased by *** per metric ton, or by *** percent, from 2023 to 2025, from \$*** per metric ton in 2023 to \$*** per metric ton in 2024 and to \$*** per metric ton in 2025; it was *** percent higher in interim 2026 at \$*** per metric ton than in interim 2025 at \$*** per metric ton.¹²⁴ The industry's per-unit COGS decreased by *** per metric ton, or by *** percent from 2023 to 2025, from \$*** per metric ton in 2023 to \$*** per metric ton in 2024 and to \$*** per metric ton in 2025; it was *** percent lower in interim 2026 at \$*** per metric ton than in interim 2025 at \$*** per metric ton.¹²⁵ The domestic industry's COGS-to-net-sales ratio decreased by *** percentage points from 2023 to 2025, but remained more than *** percent through the entire POI, including the interim periods.¹²⁶

Overall, the record in the preliminary phase indicates that although the domestic industry's prices declined, its raw material costs declined by a similar percentage.¹²⁷ However, the record also indicates that the domestic industry was unable to raise prices to a sufficient level to cover its cost of production notwithstanding an increase in apparent U.S. consumption during the POI. Throughout the POI, the domestic industry operated at ***.¹²⁸ Accordingly, at this preliminary phase, we cannot conclude that subject imports did not depress or suppress domestic prices to a significant degree.

In sum, based on the record in the preliminary phase of these investigations, we find that subject imports significantly undersold the domestic like product during the POI, which contributed to subject imports taking *** percentage points of market share from the domestic

¹²³ CR/PR at Table 5.4. In a declaration, the Head of Lanxess' Americas Business Unit, stated that in negotiating CBS prices in September 2025, *** purchasers – *** reported that subject imports were significantly lower in price than CBS. See Declaration of Roy Varghese at ¶¶ 4-5, attached to Pet. Postconf. Br. as Exhibit 4.

Of the four responding purchasers, one reported that Lanxess had reduced prices to compete with lower-priced imports from China, and it estimated the price reduction was *** percent. CR/PR at 5.13.

¹²⁴ CR/PR at Tables 6.1, C.1. As mentioned above, the interim periods in these preliminary phase investigations are limited to three months. We intend to further analyze U.S. shipment prices in 2026 in any final phase of these investigations.

¹²⁵ CR/PR at Tables 6.1, C.1.

¹²⁶ CR/PR at Tables 6.1, C.1. The domestic industry's COGS-to-net-sales ratio was *** percent in 2023, *** percent in 2024, *** percent in 2025; *** percent in interim 2025, and *** percent in interim 2026. CR/PR at Table 6.1.

¹²⁷ The domestic industry's raw material costs decreased by *** per metric ton, or by *** percent from 2023 to 2025, while its net sales AUV decreased by *** per metric ton, or by *** percent. See CR/PR at Table 6.2. However, U.S. shipment prices for subject imports decreased by *** percent, which indicates that subject imports may have also contributed to the decrease in Lanxess' U.S. prices over that period. CR/PR at Table 5.4.

¹²⁸ CR/PR at Table C.1.

industry from 2023 to 2025 and we cannot conclude that subject imports did not depress or suppress domestic producer prices to a significant degree. Accordingly, based on the record of the preliminary phase of these investigations, we conclude that subject imports had significant price effects during the POI.

E. Impact of the Subject Imports¹²⁹

Section 771(7)(C)(iii) of the Tariff Act provides that the Commission, in examining the impact of the subject imports on the domestic industry, “shall evaluate all relevant economic factors which have a bearing on the state of the industry.” These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debt, research and development, and factors affecting domestic prices. No single factor is dispositive and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”¹³⁰

The record in the preliminary phase of these investigations indicates that while the domestic industry’s production slightly increased over the POI, its U.S. shipments decreased. The domestic industry’s employment indicators remained flat, or slightly improved, and its financial performance was poor throughout the POI.

The domestic industry’s practical capacity remained flat from 2023 to 2025, at *** metric tons, and in interim 2025 and interim 2026 at *** metric tons.¹³¹ The domestic industry’s production increased irregularly by *** percent from 2023 to 2025, increasing from *** metric tons in 2023 to *** metric tons in 2024 and then decreasing to *** metric tons in 2025; it was *** percent higher in interim 2026, at *** metric tons, than in interim 2025, at *** metric tons.¹³² The industry’s capacity utilization increased overall by *** percentage points from 2023 to 2025, increasing from *** percent in 2023 to *** percent in 2024 and decreasing to *** percent in 2025; it was *** percent in interim 2026 compared to *** percent in interim 2025.¹³³ The domestic industry’s U.S. shipments decreased by *** percent from 2023 to 2025, from *** metric tons in 2023 to *** metric tons in 2024 and to *** metric tons in 2025; the domestic industry’s *** metric tons of U.S. shipments in interim 2026, were greater than the *** metric tons in interim 2025.¹³⁴

Most of the domestic industry’s employment-related indicia remained steady. Its employment from 2023 to 2025 was *** production-related workers (“PRWs”), and was ***

¹²⁹ Commerce initiated investigations based on estimated dumping margins of 285.94 to 338.51 percent *ad valorem* for subject imports from China. *N-Cyclohexylbenzothiazole-2-Sulfenamide From the People’s Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 91 Fed. Reg. 32941, 32944 (Dep’t of Comm. June 2, 2026); CR/PR at 1.5.

¹³⁰ 19 U.S.C. § 1677(7)(C)(iii). This provision was amended by the Trade Preferences Extension Act of 2015, Pub. L. 114-27.

¹³¹ CR/PR at Tables 3.4, C.1.

¹³² CR/PR at Tables 3.4, C.1. As we noted above, given that short interim periods in this preliminary phase, we give less weight to interim data for assessing subject imports’ impact on the domestic industry.

¹³³ CR/PR at Tables 3.4, C.1.

¹³⁴ CR/PR at Tables 3.6, C.1.

PRWs in interim 2025 and interim 2026.¹³⁵ The domestic industry's total hours worked increased *** percent overall from 2023 to 2025, increasing from *** in 2023 to *** in 2024 and decreasing to *** in 2025; the total hours worked in interim 2026 were ***, was slightly lower than the *** hours worked in interim 2025.¹³⁶ Wages paid increased by *** percent from 2023 to 2025, from \$*** in 2023 to \$*** in 2024, and to \$*** in 2025; wages paid were \$*** in interim 2026 compared to \$*** in interim 2025. The domestic industry's productivity, measured in metric tons per 1,000 hours, increased overall by *** percent from 2023 to 2025, increasing from *** in 2023 to *** in 2024 and decreasing to *** in 2025; productivity was *** metric tons per 1,000 hours in interim 2026, compared to *** in interim 2025.¹³⁷ Hourly wages also increased overall by *** percent from 2023 to 2025, with a decrease from \$*** per hour in 2023 to \$*** per hour in 2024, and an increase to \$*** in 2025; hourly wages were \$*** per hour in interim 2026, compared to \$*** per hour in interim 2025.¹³⁸

The domestic industry's share of apparent U.S. consumption decreased by *** percentage points from 2023 to 2025, from *** percent in 2023 to *** percent in 2024 and to *** percent in 2025; it was higher in interim 2026 at *** percent, than in interim 2025, at *** percent.¹³⁹ End-of-period inventories increased *** percent overall from 2023 to 2025, increasing from *** metric tons in 2023 to *** metric tons in 2024 and decreasing to *** metric tons in 2025.¹⁴⁰ The domestic industry's ratio of end-of-period inventories to U.S. production increased slightly overall from 2023 to 2025, increasing from *** percent in 2023 to *** percent in 2024, and decreasing to *** percent in 2025; this ratio was *** percent in interim 2026 compared to *** percent in interim 2025.¹⁴¹

As demand increased, most of the domestic industry's financial indicators decreased from 2023 to 2025. Its net sales value decreased overall by *** percent from 2023 to 2025, increasing from \$*** in 2023 to \$*** in 2024 and decreasing to \$*** in 2025; net sales of \$*** in interim 2026 were lower than the \$*** in interim 2025.¹⁴² The domestic industry reported gross *** in 2023, \$*** in 2024 and \$*** in 2025; it reported a gross *** in interim 2026, compared to \$*** in interim 2025.¹⁴³ The domestic industry reported an operating *** in 2023, \$*** in 2024, and \$*** in 2025; it reported an operating *** in interim 2026, compared

¹³⁵ CR/PR at Tables 3.8, C.1.

¹³⁶ CR/PR at Tables 3.8, C.1.

¹³⁷ CR/PR at Tables 3.8, C.1.

¹³⁸ CR/PR at Tables 3.8, C.1.

¹³⁹ CR/PR at Tables 4.7, C.1.

¹⁴⁰ CR/PR at Table 3.7.

¹⁴¹ CR/PR at Table 3.7. The domestic industry's ratio of end-of-period inventories to U.S. shipments increased overall from 2023 to 2025, increasing from *** percent in 2023 to *** percent in 2024 and declining to *** percent in 2025; this ratio was *** percent in interim 2026 compared to *** percent in interim 2025. *Id.*

The domestic industry's ratio of end-of-period inventories to total shipments decreased overall from 2023 to 2025, increasing from *** percent in 2023 to *** percent in 2024 and decreasing to *** percent in 2025; this ratio was *** percent in interim 2026, compared to *** percent in interim 2025. *Id.*

¹⁴² CR/PR at Tables 6.1, C.1.

¹⁴³ CR/PR at Tables 6.1, C.1.

to \$*** in interim 2025.¹⁴⁴ The industry's ratio of operating income to net sales was accordingly *** throughout the POI, at *** percent in 2023, *** percent in 2024, and *** percent in 2025; it was *** percent in interim 2026 compared to *** percent in interim 2025.¹⁴⁵ The domestic industry reported a net *** throughout the POI, at *** in 2023, *** in 2024, and *** in 2025; the domestic industry's net *** was *** in interim 2026, compared to *** in interim 2025.¹⁴⁶ The industry's *** margin *** from 2023 to 2025, at *** percent in 2023, *** percent in 2024, and *** percent in 2025; it was *** percent in interim 2026 compared to *** percent in interim 2025.¹⁴⁷

The domestic industry's capital expenditures were \$*** in 2023, \$*** in 2024, and \$*** in 2025.¹⁴⁸ Its total net assets decreased overall by *** percent from 2023 to 2025, decreasing from \$*** in 2023 to \$*** in 2024 and to \$*** in 2025.¹⁴⁹ The industry's return on assets was *** percent in 2023, *** percent in 2024, and *** percent in 2025.¹⁵⁰ Lanxess reported negative effects on investments that it attributed to subject imports.¹⁵¹

Based on the current record, we find that a significant and increasing volume of subject imports undersold the domestic like product throughout the POI, which led to the domestic industry losing market share to subject imports. Furthermore, notwithstanding an increase in apparent U.S. consumption from 2023 to 2025, the domestic industry had declining U.S. shipments, and was ***. Accordingly, we conclude for purposes of these preliminary phase investigations that subject imports had a significant adverse impact on the domestic industry.

We have also considered whether there are other factors that may have had an impact on the domestic industry, to ensure that we are not attributing injury from such other factors to subject imports.

The presence of nonsubject imports in the U.S. market does not explain the injury we have attributed to subject imports. Nonsubject import volume increased by *** percent from 2023 to 2025,¹⁵² and while their market share increased by *** percentage points from 2023 to 2025, that was less than the *** percentage point market share increase by subject imports during the same period.¹⁵³ Furthermore, the AUVs of importers' U.S. shipments of nonsubject

¹⁴⁴ CR/PR at Tables 6.1, C.1.

¹⁴⁵ CR/PR at Tables 6.1, C.1.

¹⁴⁶ CR/PR at Tables 6.1, C.1.

¹⁴⁷ CR/PR at Tables 6.1, C.1.

¹⁴⁸ CR/PR at Tables 6.5, C.1. The domestic industry's capital expenditures were \$*** in interim 2025 and *** capital expenditures in interim 2026. *Id.* The domestic industry's research and development ("R&D") expenses were \$*** in 2023, \$*** in 2024, and \$*** in 2025. The domestic industry *** R&D expenses in the interim periods. *Id.*

¹⁴⁹ CR/PR at Tables 6.5, C.1. The domestic industry did not report its total assets for the interim periods.

¹⁵⁰ CR/PR at Table 6.5. The domestic industry did not report its return on assets for the interim periods.

¹⁵¹ CR/PR at Tables 6.7, 6.8.

¹⁵² CR/PR at Tables 4.2, 4.3, C.1.

¹⁵³ CR/PR at Table 4.4.

imports were significantly higher than the AUVs of importers' U.S. shipments of subject imports during the POI.¹⁵⁴

VII. Conclusion

For the reasons stated above, we determine that the record in these preliminary investigations does not contain clear and convincing evidence that there is no material injury, and cannot conclude that no likelihood exists that contrary evidence will arise in any final investigations. Therefore, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of subject imports of CBS from China that are allegedly sold in the United States at less than fair value and subsidized by the government of China.

¹⁵⁴ The AUV of U.S. shipments of nonsubject imports was \$*** per metric in 2023, \$*** per metric ton in 2024, and \$*** per metric ton in 2025; it was \$*** per metric ton interim 2026 compared to \$*** per metric ton than in interim 2025. CR/PR at Table C.1.

The AUV of U.S. shipments of subject imports was \$*** per metric in 2023, \$*** per metric ton in 2024, and \$*** per metric ton in 2025; it was \$*** per metric ton interim 2026 compared to \$*** per metric ton than in interim 2025. CR/PR at Table C.1.

Part 1: Introduction

Background

These investigations result from petitions filed with the U.S. Department of Commerce (“Commerce”) and the U.S. International Trade Commission (“USITC” or “Commission”) by Lanxess Corporation (“Lanxess”), Pittsburgh, Pennsylvania, on May 7, 2026, alleging that an industry in the United States is materially injured and threatened with material injury by reason of subsidized and less-than-fair-value (“LTFV”) imports of N-Cyclohexylbenzothiazole-2-Sulfenamide (“CBS”)¹ from China. Table 1.1 presents information relating to the background of these investigations.^{2 3}

Table 1.1 CBS: Information relating to the background and schedule of this proceeding

Effective date	Action
May 7, 2026	Petitions filed with Commerce and the Commission; institution of the Commission investigations (91 FR 25923, May 12, 2026)
May 27, 2026	Commerce’s notices of initiation (91 FR 32941, June 2, 2026; 91 FR 32946, June 2, 2026)
May 28, 2026	Commission’s conference
June 18, 2026	Commission’s vote
June 22, 2026	Commission’s determinations
June 29, 2026	Commission’s views

Statutory criteria

Section 771(7)(B) of the Tariff Act of 1930 (the “Act”) (19 U.S.C. § 1677(7)(B)) provides that in making its determinations of injury to an industry in the United States, the Commission—

shall consider (I) the volume of imports of the subject merchandise, (II) the effect of imports of that merchandise on prices in the United States for domestic like products, and (III) the impact of imports of such merchandise on domestic producers of domestic like products, but only in the context of production operations within the United States; and. . .

¹ See the section entitled “The subject merchandise” in Part 1 of this report for a complete description of the merchandise subject in this proceeding.

² Pertinent Federal Register notices are referenced in appendix A and may be found at the Commission’s website (www.usitc.gov).

³ A list of witnesses appearing at the conference is presented in appendix B of this report.

may consider such other economic factors as are relevant to the determination regarding whether there is material injury by reason of imports.

Section 771(7)(C) of the Act (19 U.S.C. § 1677(7)(C)) further provides that—⁴

In evaluating the volume of imports of merchandise, the Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States is significant.. . . In evaluating the effect of imports of such merchandise on prices, the Commission shall consider whether. . . (I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and (II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.. . . In examining the impact required to be considered under subparagraph (B)(i)(III), the Commission shall evaluate (within the context of the business cycle and conditions of competition that are distinctive to the affected industry) all relevant economic factors which have a bearing on the state of the industry in the United States, including, but not limited to. . . (I) actual and potential decline in output, sales, market share, gross profits, operating profits, net profits, ability to service debt, productivity, return on investments, return on assets, and utilization of capacity, (II) factors affecting domestic prices, (III) actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, (IV) actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and (V) in {an antidumping investigation}, the magnitude of the margin of dumping.

In addition, Section 771(7)(J) of the Act (19 U.S.C. § 1677(7)(J)) provides that—⁵

(J) EFFECT OF PROFITABILITY.—The Commission may not determine that there is no material injury or threat of material injury to an industry in the United States merely because that industry is profitable or because the performance of that industry has recently improved.

⁴ Amended by PL 114—27 (as signed, June 29, 2015), Trade Preferences Extension Act of 2015.

⁵ Amended by PL 114—27 (as signed, June 29, 2015), Trade Preferences Extension Act of 2015.

Organization of report

Part 1 of this report presents information on the subject merchandise, alleged subsidy rates/dumping margins, and domestic like product. Part 2 of this report presents information on conditions of competition and other relevant economic factors. Part 3 presents information on the condition of the U.S. industry, including data on capacity, production, shipments, inventories, and employment. Parts 4 and 5 present the volume of subject imports and pricing of domestic and imported products, respectively. Part 6 presents information on the financial experience of U.S. producers. Part 7 presents the statutory requirements and information obtained for use in the Commission's consideration of the question of threat of material injury as well as information regarding nonsubject countries.

Market summary

CBS is generally used to stabilize the rubber vulcanization process, primarily in the production of automotive and truck tires but also in other dynamically stressed rubber products including conveyor belts, technical moldings, hoses, footwear, cable sheathing, and insulation.⁶ The only U.S. producer of CBS is Lanxess, while the leading producers of CBS in China include ***.⁷ The leading U.S. importers of CBS from China are ***.⁸ Leading importers of CBS from nonsubject countries (primarily ***) include ***. Leading U.S. purchasers of CBS are firms that produce automotive and truck tires, including ***.

Apparent U.S. consumption of CBS totaled approximately *** in 2025. U.S. producer Lanxess' U.S. shipments of CBS totaled *** in 2025 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. imports from China totaled *** in 2025 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. imports from nonsubject sources totaled ***

⁶ Petitions, pp. 5, 11, and 16.

⁷ Petitions, pp. 3 and 28.

⁸ [Kemai (USA) imports subject merchandise from related producer Kemai in China. The manufacturer in China of product imported by Sovereign is Huatai]. Petitions, p. 28; and proprietary, Census-edited Customs' import records.

in 2025 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value.

Summary data and data sources

A summary of data collected in these investigations is presented in appendix C, table C.1. The Commission’s questionnaires collected data for the years 2023 to 2025 and interim periods January through March of 2025 (“interim 2025”) and January through March of 2026 (“interim 2026”). U.S. industry data are based on questionnaire response of one firm that accounted for all U.S. production of CBS during 2025. U.S. imports are based on data submitted in response to Commission questionnaires and adjusted official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000. The adjustments made to official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs’ import records include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified “No” questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS.

Previous and related investigations

CBS has not been the subject of any prior countervailing or antidumping duty investigations in the United States.

Nature and extent of alleged subsidies and sales at LTFV

Alleged subsidies

On June 2, 2026, Commerce published a notice in the Federal Register of the initiation of its countervailing duty investigation on CBS from China.⁹

⁹ For further information on the alleged subsidy programs see Commerce’s notice of initiation and related CVD Initiation Checklist. 91 FR 32946, June 2, 2026.

Alleged sales at LTFV

On June 2, 2026, Commerce published a notice in the Federal Register of the initiation of its antidumping duty investigation on CBS from China.¹⁰ Commerce has initiated an antidumping duty investigation based on estimated dumping margins of 338.51 percent (Brazil surrogate), 322.55 percent (Malaysia surrogate), and 285.94 percent (Mexico surrogate) for CBS from China.

The subject merchandise

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:¹¹

N-Cyclohexylbenzothiazole-2-sulfenamide (CBS), an organic compound also known as N-cyclohexyl-2-benzothiazolesulfenamide, N-(1,3-benzothiazol-2-ylsulfanyl) cyclohexanamine and N-cyclohexylbenzothiazol-2-sulphenamide. It may additionally be termed Accelerator CZ, CBTS, Thiohexam, HIP4, Curax, DURAX, Conaca, Conach, Conacs, or Celacs. A CBS assay or sample most commonly reflects a concentration of 94 to 99 percent.

CBS is most commonly in the form of an off-white or light gray powder, oiled powder, or granule, though CBS imported in a different color or form is included in the scope. CBS typically has a melting point of 90 to 110°C and a molecular weight of 264.4 g/mol. CBS may be imported in a solution of benzene, ethanol, or acetone. CBS has the chemical formula $C_{13}H_{16}N_2S_2$ and is assigned the Chemical Abstract Service (CAS) registry No. 95-33-0.

The scope also includes CBS that is commingled with CBS from sources not subject to this investigation.

¹⁰ 91 FR 32941, June 2, 2026.

¹¹ 91 FR 32941, June 2, 2026; 91 FR 32946, June 2, 2026.

Tariff treatment

N-cyclohexylbenzothiazole-2-sulfenamide (“CBS”) is currently imported under Harmonized Tariff Schedule of the United States (“HTS”) statistical reporting number 2934.20.8000. This tariff classification also contains products outside of the scope of these investigations. The general rate of duty is 6.5 percent for HTS subheading 2934.20.80.¹² Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Section 301 tariffs

CBS originating in China is not subject to an additional duty under section 301 of the Trade Act of 1974.¹³

Section 122 tariffs

CBS originating in China is not subject to tariffs initiated in February 2026 under section 122 of the Trade Act of 1974.¹⁴

Tariffs initiated under the International Emergency Economic Powers Act (“IEEPA”)¹⁵

Effective February 20, 2026, all tariffs initiated under IEEPA were terminated. Below is a history of the IEEPA tariffs relevant to CBS originating in China that were in effect until February 20, 2026.¹⁶

¹² The subject merchandise in this proceeding may also be imported under the following HTS statistical reporting numbers: 3812.10.1000 and 3812.10.5000. USITC, HTS (2026) Revision 9, Publication 5747, May 2026, pp. 29.140 and 38.14.

¹³ See also U.S. notes 20 and 31 to subchapter 3 of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2026) Revision 9, Publication 5747, May 2026, pp. 99.3.86 and 99.3.336.

¹⁴ CBS was included in a list of products not subject to section 122 tariffs. Section 122 authorizes the President to impose a temporary import surcharge for a period not exceeding 150 days unless such period is extended by an Act of the Congress. 91 FR 9339, February 25, 2026. See also HTS heading 9903.03.03 and U.S. note 2(aa)(ii) to subchapter 3 of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2026) Revision 9, Publication 5747, May 2026, pp. 99.3.51 to 99.3.55, and 99.3.404.

¹⁵ Multiple tariffs were enacted under the authority of the International Emergency Economic Powers Act (“IEEPA”), including tariffs that applied to countries that may not be subject in this proceeding. Tariffs specific to Canada, China, and Mexico were initiated in February 2025. Tariffs initiated in April 2025 under IEEPA were applied globally. Tariffs specific to Brazil were initiated in July 2025. Tariffs specific to India were initiated in August 2025 and terminated effective February 7, 2026. Tariffs under IEEPA were amended over time. All tariffs initiated under IEEPA were terminated effective February 20, 2026. 91 FR 9437, February 25, 2026.

¹⁶ 91 FR 9437, February 25, 2026.

Country specific IEEPA tariffs

Effective February 4, 2025, CBS originating in China was subject to an additional 10 percent ad valorem duty under IEEPA, and on March 4, 2025, that additional duty increased to 20 percent ad valorem. However, effective November 10, 2025, that additional duty was reduced back to 10 percent. As noted previously, effective February 20, 2026, tariffs initiated under IEEPA and the associated duties imposed under IEEPA were terminated.¹⁷

Tariffs initiated in April 2025 under IEEPA

CBS originating in China was not subject to tariffs initiated in April 2025 under IEEPA. As noted previously, effective February 20, 2026, tariffs initiated under IEEPA and the associated duties imposed under IEEPA were terminated.¹⁸

The product

Description and applications

N-cyclohexylbenzothiazole-2-sulfenamide (CBS, $C_{13}H_{16}N_2S_2$)¹⁹ is a chemical accelerator used for rubber vulcanization.²⁰ CBS belongs to the sulfenamide family and has a benzothiazole group and cyclohexyl ring on the nitrogen (figure 1.1). It has a molecular weight of 264.41 g/mol and a density of 1.27 g/cm³ when it is in its crystalline form at room temperature.²¹ CBS

¹⁷ 90 FR 9121, February 7, 2025; 90 FR 11426, March 6, 2025; 90 FR 11463, March 7, 2025; 90 FR 50725, November 7, 2025; 91 FR 9437, February 25, 2026. See also HTS heading 9903.01.20 and U.S. note 2(s) and HTS heading 9903.01.24 and U.S. note 2(u) to subchapter 3 of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2026) Revision 9, Publication 5747, May 2026, pp. 99.3.3 to 99.3.4, 99.3.367 and 99.3.368.

¹⁸ CBS was included in a list of products in HTS U.S. note 2(v)(iii)(a) to subchapter III of chapter 99 that are not subject to tariffs initiated in April 2025 under IEEPA. 90 FR 15041, April 7, 2025; 91 FR 9437, February 25, 2026. See also HTS headings 9903.01.25 and 9903.01.32 and U.S. note 2(v)(iii)(a) to subchapter 3 of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2026) Revision 9, Publication 5747, May 2026, pp. 99.3.4 to 99.3.11, 99.3.368, and 99.3.369.

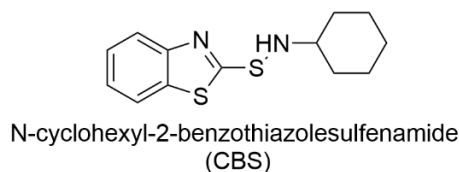
¹⁹ Chemical abstracts service (“CAS”) registry number 95-33-0. PubChem, “Accelerator CZ,” accessed May 29, 2026, <https://pubchem.ncbi.nlm.nih.gov/compound/Thiohexam>.

²⁰ Vulcanization is the crosslinking by sulfur that generates three-dimensional network structures in rubber and gives rubber products greater stability and mechanical strength. Crosslinking is a process in which rubber polymer segments from different molecules are interconnected by covalent linkages. Lusida Products, Inc., “Vulcanization & Accelerators,” accessed June 2, 2026, <https://lusida.com/wp-content/uploads/2018/11/DTechnicalNote-Vulcanization-Dec10.pdf>.

²¹ Larrañaga, M.D., Lewis, R.J., Sr. and Lewis, R.A. (2016). “C.” Hawley's Condensed Chemical Dictionary, Sixteenth Edition, p. 402, <https://doi.org/10.1002/9781119312468.ch3>.

is a cream-colored granule or powder with a melting range of 93°C to 100°C.²² U.S. producer Lanxess offers CBS in powdered and granule form in 20 kilogram paper bags and flexible intermediate bulk containers.²³ The physical characteristics of CBS make it well suited for accelerating the vulcanization process in rubber production, including in natural rubber, butadiene-styrene rubber, butadiene rubber, and isoprene rubber.²⁴

Figure 1.1 CBS: Chemical structure of N-cyclohexylbenzothiazole-2-sulfenamide



Source: Petitions, vol. 1, p. 7.

During the vulcanization process, CBS accelerates and promotes the rate of uniform sulfur crosslinking of rubber polymer chains (figure 1.2), while balancing processing safety and cure speed.²⁵ A key characteristic of CBS is that its delayed action and stability prevents premature curing²⁶ and increasing scorch safety.²⁷ The active sulfur from CBS needed to

²² Larrañaga, M.D., Lewis, R.J., Sr. and Lewis, R.A. (2016). "C." Hawley's Condensed Chemical Dictionary, Sixteenth Edition, p. 402, <https://doi.org/10.1002/9781119312468.ch3>.

²³ LANXESS, Functional Tire Additives Product Catalog, p. 8, accessed June 3, 2026, https://lanxess.com/-/media/project/lanxess/corporate-internet/products-and-solutions/industries/tire-and-rubber/11181_rch_bro_fta_en_a4_web-20230323.pdf?original=true&hash=F9C82DBB3BCF3D632F0F02988521F9B5.

²⁴ BenchChem, "Thiohexam," accessed May 29, 2026, <https://www.benchchem.com/product/b1215416>; Chemical Book, "N-Cyclohexyl-2-benzothiazolesulfenamide," accessed May 29, 2026, https://www.chemicalbook.com/ChemicalProductProperty_EN_CB9360750.htm.

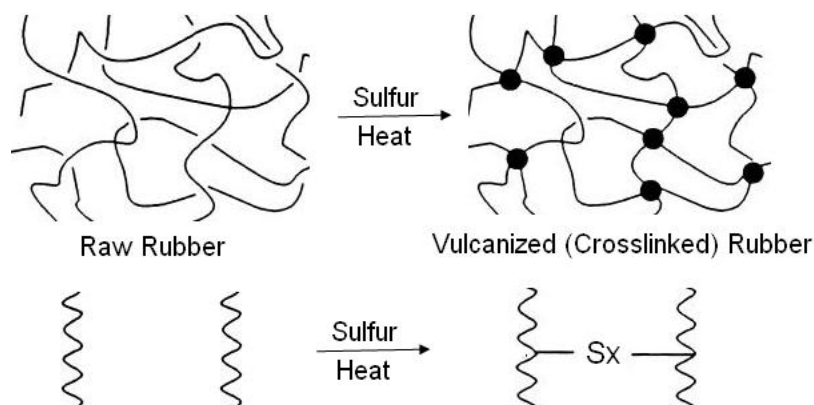
²⁵ BenchChem, "Thiohexam," accessed May 29, 2026, <https://www.benchchem.com/product/b1215416>.

²⁶ Curing is the process of treating a material with heat, chemical agents, or radiation to harden or solidify a material by chemical reaction, heat, or radiation. Vulcanization is a specific subset of curing that introduces sulfur crosslinks. Elastostar Rubber Corporation, "Curing Vs Vulcanization: What's the Difference Between Them?" accessed June 2, 2026, <https://elastostar.com/curing-vs-vulcanisation-whats-the-difference-between-them/>.

²⁷ Scorch safety refers to the delay in unintended, premature crosslinking during the preparation of rubber materials, which can occur at elevated temperatures, and would lead to processing issues and wasted material. NINGBO INNO PHARMCHEM CO., LTD., "Formulating with CBS Accelerator: Enhancing Rubber Compound Properties," accessed May 29, 2026, <https://www.nbinno.com/article/rubber-accelerator/formulating-with-cbs-accelerator-rubber-compounds-yv>.

crosslink the rubber polymer chains is not released until the rubber mixture reaches the vulcanization temperature, preventing premature crosslinking.²⁸

Figure 1.2 CBS: Crosslinking of rubber during the vulcanization process



Source: Lusida Products, Inc., "Vulcanization & Accelerators, <https://lusida.com/wp-content/uploads/2018/11/DTechnicalNote-Vulcanization-Dec10.pdf>.

CBS has become one of the most commonly used accelerators in the rubber industry because of its reliable curing behavior and the physical properties it imparts to the vulcanized rubber.²⁹ In addition, the use of CBS in the vulcanization process allows manufacturers to predictably produce higher quality finished goods.³⁰ CBS reduces curing times during manufacturing, and it increases the elasticity and durability of the finished rubber products.³¹

CBS is primarily used in the production of tires, but it is also used in the production of other rubber products such as buffers, hoses, belts, technical moldings, and rubber extrusions, among other rubber products.³² Manufacturers of rubber tires can formulate proprietary blends that include CBS and other accelerators such as tetramethylthiuram disulfide ("TMTD"),

²⁸ NINGBO INNO PHARMCHEM CO., LTD., "Understanding Rubber Accelerator CBS: Properties and Manufacturing," accessed May 29, 2026, <https://www.nbinno.com/article/rubber-accelerator/understanding-rubber-accelerator-cbs-properties-manufacturing-yv>.

²⁹ Rubber-Point, "Accelerator CBS (CZ)," accessed May 29, 2026, <https://rubber-point.com/products/accelerator/accelerator-cbscz/>.

³⁰ NINGBO INNO PHARMCHEM CO., LTD., "The Science Behind CBS: How It Boosts Rubber Performance," accessed May 29, 2026, <https://www.nbinno.com/article/plastic-additives/science-behind-cbs-boosts-rubber-performance-ys>.

³¹ Petitions, vol. 1, p. 5.

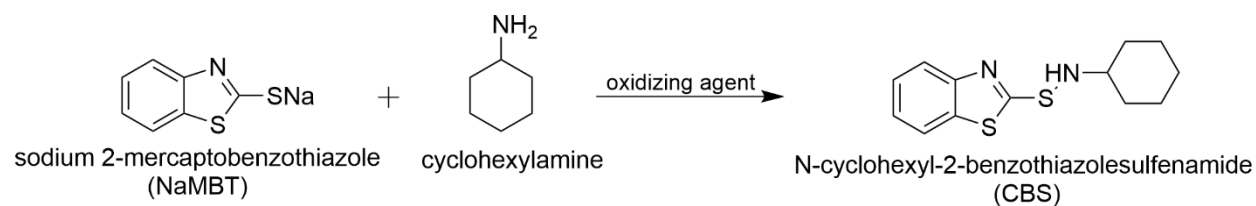
³² Petitions, vol. 1, pp. 5 and 11; conference transcript, pp. 36 (Presutti) and 53 (David).

2-mercaptobenzothiazole (“MBT”), diphenylguanidine, or other non-accelerator ingredients such as wax, oil, antioxidants, plasticizers, and fillers.³³

Manufacturing processes

CBS is synthesized by an oxidative condensation reaction of either sodium 2-mercaptobenzothiazole (“NaMBT”) or MBT with cyclohexylamine.³⁴ The petitioner’s production of CBS is done on dedicated equipment using a continuous process.³⁵ During the synthesis, NaMBT or MBT are mixed in an oxidation tank with cyclohexylamine in a solvent and cooled to 35°C, and then an oxidative agent is added until the reaction is completed (figure 1.3).³⁶ CBS is purified using filtration, hot water washing, and centrifugal drying and hot air blowing.³⁷ The resulting product is a granule that can be further processed by milling into a powder or adding oil to create an oiled form.³⁸

Figure 1.3 CBS: Synthesis of N-cyclohexylbenzothiazole-2-sulfenamide



Source: Adapted from Li et al, “Continuous Synthesis of N-Cyclohexyl-2-benzothiazole Sulfenamide with Microfluidics and Its Kinetic Study,” <https://pubs.acs.org/doi/10.1021/acs.iecr.1c02881>.

³³ Petitions, vol. 1, pp. 11 to 12.

³⁴ Bench Chem, “Thiohexam (N-Cyclohexyl-2-benzothiazolesulfenamide): A Technical Overview of its Synthesis and Industrial Application,” p. 2, accessed May 29, 2026, https://pdf.benchchem.com/1215/Thiohexam_N_Cyclohexyl_2_benzothiazolesulfenamide_A_Technical_Overview_of_its_Synthesis_and_Industrial_Application.pdf.

³⁵ Conference transcript, p. 21 (Varghese).

³⁶ Bench Chem, “Thiohexam (N-Cyclohexyl-2-benzothiazolesulfenamide): A Technical Overview of its Synthesis and Industrial Application,” pp. 2 to 4, accessed May 29, 2026, https://pdf.benchchem.com/1215/Thiohexam_N_Cyclohexyl_2_benzothiazolesulfenamide_A_Technical_Overview_of_its_Synthesis_and_Industrial_Application.pdf.

³⁷ Bench Chem, “Thiohexam (N-Cyclohexyl-2-benzothiazolesulfenamide): A Technical Overview of its Synthesis and Industrial Application,” p. 4, accessed May 29, 2026, https://pdf.benchchem.com/1215/Thiohexam_N_Cyclohexyl_2_benzothiazolesulfenamide_A_Technical_Overview_of_its_Synthesis_and_Industrial_Application.pdf.

³⁸ Conference transcript, pp. 32 (Cannon), 36 (Presutti and Varghese), and 37 (Pawlikowski).

The formation of the sulfur-nitrogen bond during the reaction requires an oxidative agent. Common oxidizing agents are hydrogen peroxide, sodium hypochlorite, or oxygen.³⁹ The oxidative agent can vary depending on the producer's preference, and hydrogen peroxide is seen as less environmentally harmful than some of the other oxidative agents. The petitioner uses*** as the oxidizing agent.⁴⁰ The petitioner notes that Chinese producers of CBS use language such as "green transformation" and "green development of the rubber industry" in their information about CBS, suggesting that Chinese producers of CBS likely use hydrogen peroxide in their production process.⁴¹

Domestic like product issues

No issues with respect to domestic like product have been raised in these investigations. The petitioner proposes a single domestic like product that is coextensive with the proposed scope. There were no respondent parties in these investigations.

³⁹ Bench Chem, "Thiohexam (N-Cyclohexyl-2-benzothiazolesulfenamide): A Technical Overview of its Synthesis and Industrial Application," p. 2, accessed May 29, 2026, https://pdf.benchchem.com/1215/Thiohexam_N_Cyclohexyl_2_benzothiazolesulfenamide_A_Technical_Overview_of_its_Synthesis_and_Industrial_Application.pdf.

⁴⁰ Petitioner's postconference brief, exh. 1, p. 15.

⁴¹ Petitions, vol. 1, pp. 9 to 10.

Part 2: Conditions of competition in the U.S. market

U.S. market characteristics

CBS is a rubber vulcanization agent, and CBS sold in the U.S. is primarily used in the production of tires. However, CBS can be used in other dynamically stressed rubber products including conveyor belts, technical moldings, hoses, footwear, cable sheathing, and insulation.¹

Only one responding importer, *** indicated that the market was subject to distinctive conditions of competition. Specifically, the firm reported that the CBS market is highly price competitive and “***.”

Apparent U.S. consumption of CBS somewhat fluctuated, but remained relatively stable, during January 2023 to March 2025. Overall, apparent U.S. consumption in 2025 was slightly higher than in 2023.

Impact of section 301 tariffs and new or modified tariffs

U.S. producers and importers were asked to report the impact of section 301 tariffs and new or modified tariffs on overall demand, supply, prices, or raw material costs. *** and a majority of importers reported no impacts of section 301 tariffs. *** the importers reported experiencing impacts from new or modified tariffs since January 2025; *** and *** reported that new or modified tariffs affected costs, with *** adding that tariff changes affected “***” for imported CBS.

Channels of distribution

U.S. producers and importers sold mainly to tire manufacturers, as shown in table 2.1.

¹ Petitions, pp. 5, 11, and 16.

Table 2.1 CBS: Share of U.S. shipments by source, channel of distribution, and period

Shares in percent; interim is January through March

Source	Channel	2023	2024	2025	Interim 2025	Interim 2026
United States	Distributors	***	***	***	***	***
United States	Tire manufacturers	***	***	***	***	***
United States	End users	***	***	***	***	***
China	Distributors	***	***	***	***	***
China	Tire manufacturers	***	***	***	***	***
China	End users	***	***	***	***	***
Nonsubject sources	Distributors	***	***	***	***	***
Nonsubject sources	Tire manufacturers	***	***	***	***	***
Nonsubject sources	End users	***	***	***	***	***
All import sources	Distributors	***	***	***	***	***
All import sources	Tire manufacturers	***	***	***	***	***
All import sources	End users	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Geographic distribution

The U.S. producer reported selling CBS to the Midwest, Southeast, and Central Southwest regions of the United States (table 2.2). Importers reported selling to the Northeast, Midwest, Southeast, and Central Southwest regions of the United States. For U.S. producer, *** percent of sales were within 100 miles of their production facility, *** percent were between 101 and 1,000 miles, and *** percent were over 1,000 miles. Importers reported *** of their commercial shipments were between 101 and 1,000 miles of their U.S. point of shipment.

Table 2.2 CBS: Count of U.S. producer's and U.S. importers' geographic markets

Region	U.S. producers	China
Northeast	***	***
Midwest	***	***
Southeast	***	***
Central Southwest	***	***
Mountain	***	***
Pacific Coast	***	***
Other	***	***
All regions (except Other)	***	***
Reporting firms	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Other U.S. markets include AK, HI, PR, and VI.

Supply and demand considerations

U.S. supply

Table 2.3 provides a summary of the supply factors regarding CBS from the U.S. producer.

Table 2.3 CBS: Supply factors that affect the ability to increase shipments to the U.S. market

Quantity in metric tons; ratio and share in percent

Factor	Measure	United States
Capacity 2023	Quantity	***
Capacity 2025	Quantity	***
Capacity utilization 2023	Ratio	***
Capacity utilization 2025	Ratio	***
Inventories to total shipments 2023	Ratio	***
Inventories to total shipments 2025	Ratio	***
Home market shipments 2025	Share	***
Non-US export market shipments 2025	Share	***
Ability to shift production (firms reporting “yes”)	Count	***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: The responding U.S. producer accounted for all U.S. production of CBS in 2025. No foreign producers in China responded to the Commission’s questionnaire, although one re-exporter in China that accounted for *** percent of U.S. imports from China in 2025 provided data on its exports to the United States. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from China, please refer to Parts 3 and 7.

Domestic production

Based on available information, the U.S. producer of CBS has the ability to respond to changes in demand with large changes in the quantity of shipments of U.S.-produced CBS to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and the ability to shift shipments from alternate markets. U.S. producer Lanxess reported the ability to increase capacity to meet customer demand for CBS.² Factors mitigating this responsiveness of supply include limited available inventories and limited shelf life of CBS.³

² Conference transcript, p. 18 (Pressuti).

³ Conference transcript, p. 25 (Pawlikowski) and 67 (Varghese).

Subject imports from China

The Commission received one usable questionnaire from a re-exporter of CBS in China but did not receive a questionnaire response from any producers of CBS in China. Based on available information, producers of CBS from China have the ability to respond to changes in demand with large changes in the quantity of shipments of CBS to the U.S. market. The main contributing factors to this degree of responsiveness of supply is the large, *** availability of unused capacity,⁴ ability to shift exports,⁵ ability to shift production, the product interchangeability between CBS produced in the United States and that produced in China,⁶ and the ability to increase U.S. shipments.

Imports from nonsubject sources

Nonsubject imports accounted for *** percent of total U.S. imports in 2025. The largest sources of nonsubject imports during January 2023 to March 2026 were ***.

Supply constraints

The U.S. producer and *** responding importers reported that they had not experienced supply constraints since January 1, 2023.⁷

U.S. demand

Based on available information, the overall demand for CBS is likely to experience moderate changes in response to changes in price. The main contributing factors are the lack of substitute products and the small cost share of CBS in most of its end-use products. As an input in tire manufacturing, the demand for CBS in the United States follows tire manufacturing; indexed tire manufacturing prices and total vehicle sales are shown in table 2.4 and figure 2.1.

⁴ Petitioner's post-conference brief, p. 11 and Petitions, exh. I-2.

⁵ Conference transcript, p. 28 (Varghese).

⁶ Conference transcript, p. 14 (Pawlikowski).

⁷ Conference transcript, p. 45 (Horton).

Table 2.4 CBS: Demand driver: Tire manufacturing price index and total vehicle sales, by month

Index in percent, Jan 2023 = 100.0 percent

Month	Year	Tire manufacturing	Total vehicle sales
January	2023	100.0	100.0
February	2023	100.0	98.8
March	2023	100.1	99.8
April	2023	100.1	104.8
May	2023	99.4	101.8
June	2023	99.3	106.1
July	2023	99.1	104.2
August	2023	99.1	102.6
September	2023	99.1	103.5
October	2023	99.0	100.5
November	2023	98.9	100.8
December	2023	98.9	104.2
January	2024	98.9	99.4
February	2024	98.9	103.8
March	2024	98.8	103.5
April	2024	98.9	105.1
May	2024	98.3	104.5
June	2024	98.0	100.8
July	2024	98.3	104.3
August	2024	98.3	102.1
September	2024	98.3	104.4
October	2024	98.2	105.3
November	2024	97.9	108.0
December	2024	97.8	110.5

Table continued.

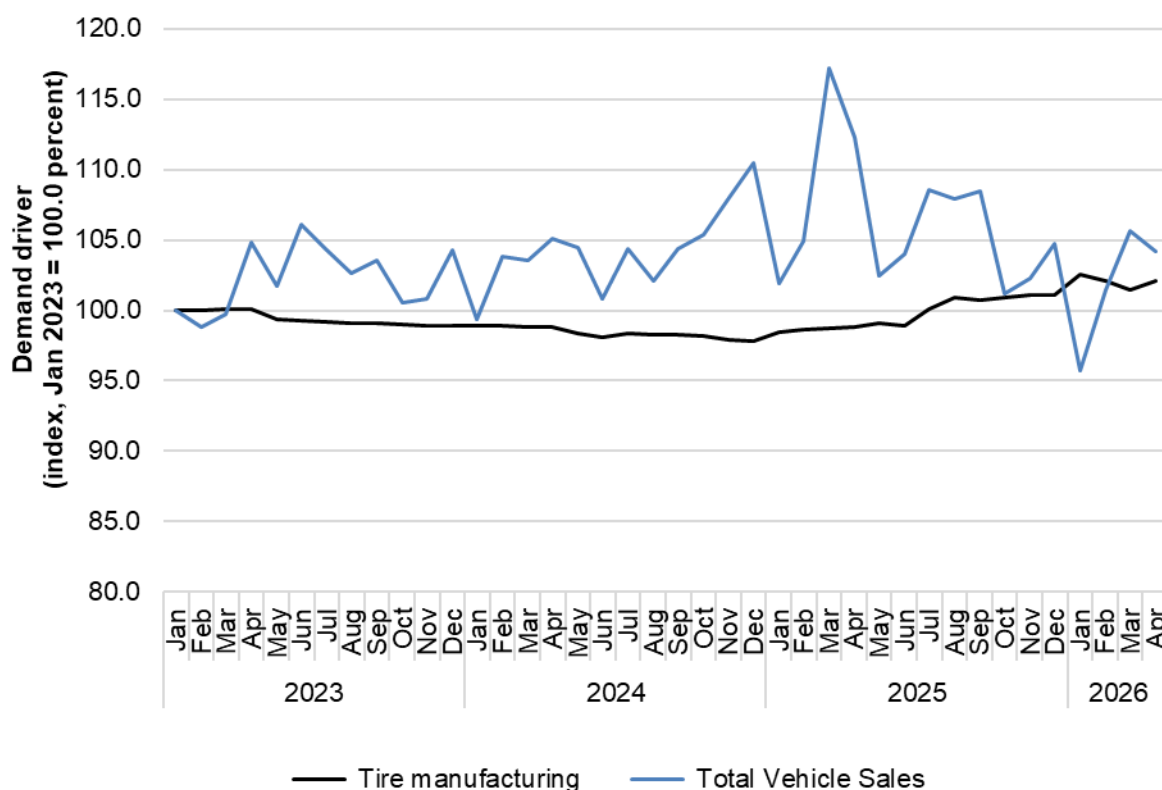
Table 2.4 (Continued) CBS: Demand driver: Tire manufacturing price index and total vehicle sales, by month

Index in percent, Jan 2023 = 100.0 percent

Month	Year	Tire manufacturing	Total vehicle sales
January	2025	98.5	101.9
February	2025	98.6	104.9
March	2025	98.7	117.2
April	2025	98.9	112.3
May	2025	99.1	102.5
June	2025	98.9	104.0
July	2025	100.0	108.6
August	2025	100.9	107.9
September	2025	100.7	108.5
October	2025	100.9	101.2
November	2025	101.1	102.2
December	2025	101.0	104.7
January	2026	102.6	95.7
February	2026	102.1	101.4
March	2026	101.5	105.6
April	2026	102.1	104.2

Source: U.S. Bureau of Labor Statistics, Producer Price Index by Industry: Tire Manufacturing {PCU3262132621}, retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/PCU3262132621>, June 4, 2026.

Figure 2.1 CBS: Demand driver: Tire manufacturing price index and total vehicle sales , by month



Source: U.S. Bureau of Labor Statistics, Producer Price Index by Industry: Tire Manufacturing {PCU3262132621}, retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/PCU3262132621>, June 4, 2026.

End uses and cost share

U.S. demand for CBS depends on the demand for U.S.-produced downstream products. Firms reported that CBS is used as an input to produce tires and rubber products.

According to responding firms, CBS accounts for a small share (i.e., approximately *** percent) of the cost of producing new tires. For producing rubber, *** reported a cost share of *** percent.

Business cycles

The U.S. producer reported the market is not subject to business cycles. Two importers *** indicated the market is subject to business cycles, with *** reporting that CBS demand is influenced by automotive production levels and general raw material market conditions. *** reported that demand is linked to tire sales volumes.

Demand trends

Most firms reported that U.S. demand for CBS has fluctuated upward since January 1, 2023 (table 2.5). The U.S. producer reported that it has “****” and that in order to maintain existing capacity utilization, the firm has “****.” Importer *** reported that although their firm has ***, there is no decrease in overall market demand.

Table 2.5 CBS: Count of firms’ responses regarding overall domestic and foreign demand, by firm type

Market	Firm type	Steadily increase	Fluctuate upward	No change	Fluctuate downward	Steadily decrease
Domestic demand	U.S. producer	***	***	***	***	***
Domestic demand	Importers	0	2	1	0	1
Foreign demand	U.S. producer	***	***	***	***	***
Foreign demand	Importers	0	3	0	0	0

Source: Compiled from data submitted in response to Commission questionnaires.

Substitute products

The U.S. producer and importers reported that there were no substitutes for CBS that perform as well as CBS as an accelerator.⁸

Substitutability issues

This section assesses the degree to which U.S.-produced CBS and imports of CBS from subject countries can be substituted for one another by examining the importance of certain purchasing factors and the comparability of CBS from domestic and imported sources based on those factors. Based on available data, staff believes that there is a high degree of substitutability between domestically produced CBS and CBS imported from subject sources.⁹ Factors contributing to this level of substitutability include high availability, short lead times for CBS from inventory, similar product quality, little preference for a particular country of origin, and apparently limited significant factors other than price. Factors reducing substitutability

⁸ Conference transcript, p. 24 (Pawlikowski).

⁹ The degree of substitution between domestic and imported CBS depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced CBS to the CBS imported from subject countries (or vice versa) when prices change. The degree of substitution may include such factors as quality differences (e.g., grade standards, defect rates, etc.), and differences in sales conditions (e.g., lead times between order and delivery dates, reliability of supply, product services, etc.).

include lead times for CBS produced to order and the product shelf life limiting long term inventories.

Factors affecting purchasing decisions

Most important purchase factors

Purchasers responding to lost sales lost revenue allegations¹⁰ were asked to identify the main purchasing factors their firm considered in their purchasing decisions for CBS (table 2.6).

Purchasers reported varied top factors considered in their purchasing decisions. Factors related to quality, availability, and delivery times were cited as top factors for most of the firms.

Table 2.6 CBS: Factors used in purchasing decisions as reported by purchasers, by firm and rank

Firm	First	Second	Third
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Lead times

CBS is primarily sold from inventory. The U.S. producer reported that *** percent of its 2025 commercial shipments were from inventory, with average lead times of *** days. U.S. importer *** reported that *** of its commercial shipments were from inventories. *** reported *** of its commercial shipments were from U.S. inventories, with lead times averaging *** days. *** reported that *** of its shipments were produced to order (with *** of lead time).

¹⁰ This information is compiled from responses by purchasers identified by the Petitioner to the lost sales lost revenue allegations. See Part 5 for additional information.

Comparison of U.S.-produced and imported CBS

In order to determine whether U.S.-produced CBS can generally be used in the same applications as imports from China, the U.S. producer and importers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in tables 2.7 to 2.8, firms mostly say CBS is frequently or often interchangeable.

Table 2.7 CBS: U.S. producer reporting the interchangeability between product produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. China	***	***	***	***
U.S. vs. other	***	***	***	***
China vs. other	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Table 2.8 CBS: Count of importers reporting the interchangeability between product produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. China	2	2	0	0
U.S. vs. other	2	2	0	0
China vs. other	2	2	0	0

Source: Compiled from data submitted in response to Commission questionnaires.

In addition, the U.S. producer and importers were asked to assess how often differences other than price were significant in sales of CBS from the United States, subject, or nonsubject countries. As seen in tables 2.9 to 2.10, the U.S. producer reported *** and all importers report there are sometimes, frequently, or always differences other than price.

Table 2.9 CBS: U.S. producer reporting the significance of differences other than price between product produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
United States vs. China	***	***	***	***
United States vs. other	***	***	***	***
China vs. other	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Table 2.10 CBS: Count of importers reporting the significance of differences between product produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
United States vs. China	1	1	2	0
United States vs. other	1	1	2	0
China vs. other	1	1	2	0

Source: Compiled from data submitted in response to Commission questionnaires.

Part 3: U.S. producer’s production, shipments, and employment

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the subsidies and dumping margins was presented in Part 1 of this report and information on the volume and pricing of imports of the subject merchandise is presented in Part 4 and Part 5. Information on the other factors specified is presented in this section and/or Part 6 and is based on the questionnaire response of Lanxess, which accounted for all U.S. production of CBS during 2025.

U.S. producer

The Commission issued a U.S. producer questionnaire to one firm based on information contained in the petitions, and Lanxess provided usable data on its operations. Table 3.1 lists the U.S. producer of CBS, its production location, position on the petitions, and share of total production.¹

Table 3.1 CBS: U.S. producer Lanxess, its position on the petitions, production location, and share of reported production, 2025

Firm	Position on petitions	Production location(s)	Share of production
Lanxess	Petitioner	Goose Creek, South Carolina	100.0

Source: Compiled from data submitted in response to Commission questionnaires.

Table 3.2 presents information on the U.S. producer’s ownership, and related and/or affiliated firms. As indicated in table 3.2, Lanxess’ parent company is located in Germany. It certified that it is not related to any importers or exporters of the subject merchandise from China into the United States, nor is it related to any other firms that are engaged in the production of CBS. In addition, as discussed in greater detail below, Lanxess certified that it did not directly import CBS from China into the United States or purchase CBS through U.S. importers.

Table 3.2 CBS: U.S. producer’s ownership, related and/or affiliated firms

Reporting firm	Relationship type and related firm	Details of relationship
Lanxess	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

¹ Lanxess testified that it “is the only manufacturer of CBS in the United States.” Conference transcript, p. 19 (Varghese).

There was no publicly available information on major developments in the U.S. CBS industry since January 1, 2023.

The producer in the United States was asked to report any change in the character of its operations or organization relating to the production of CBS since 2023. Lanxess indicated in its questionnaire that it had experienced such changes (table 3.3).

Table 3.3 CBS: U.S. producer's reported changes in operations, since January 1, 2023

Item	Firm name and narrative response on changes in operations
***	***

Source: Compiled from data submitted in response to Commission questionnaires.

U.S. production, capacity, and capacity utilization

Table 3.4 presents U.S. producer Lanxess' installed and practical capacity and production on the same equipment. Lanxess' installed overall capacity, practical overall capacity, and practical CBS capacity remained flat from 2023 to 2025.² The production line at Lanxess' Goose Creek, South Carolina facility used to produce CBS is dedicated entirely to the production of CBS³ and, as such, Lanxess' practical overall and practical CBS capacity, production, and capacity utilization are identical. Production of CBS increased initially from 2023 to 2024, then decreased from 2024 to 2025 to a level higher than reported in 2023. As capacity remained flat, the fluctuations in production resulted in practical CBS capacity utilization increasing from 2023 to 2024 before decreasing in 2025 to a level higher than in 2023. CBS production and capacity utilization were higher in interim 2026 compared with interim 2025 (figure 3.1).⁴

² Regarding the ability to reach installed overall capacity, Lanxess reported in its questionnaire response that, "****."

³ Conference transcript, p. 24 (Pawlikowski).

⁴ Lanxess testified that its Goose Creek, South Carolina facility's location is "in the hurricane belt, so to speak we do account for disruptions in an annual basis when we consider capacity." Conference transcript, p. 26 (Varghese).

Table 3.4 CBS: U.S. producer's installed and practical capacity and production on the same equipment as in-scope production, by period

Capacity and production in metric tons; utilization in percent; interim is January through March

Item	Measure	2023	2024	2025	Interim 2025	Interim 2026
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical CBS	Capacity	***	***	***	***	***
Practical CBS	Production	***	***	***	***	***
Practical CBS	Utilization	***	***	***	***	***

Figure 3.1 CBS: U.S. producer's capacity, production, and capacity utilization, by period

* * * * *

Source: Compiled from data submitted in response to Commission questionnaires.

Table 3.5 presents Lanxess’ reported narratives regarding practical capacity constraints.

Table 3.5 CBS: U.S. producer Lanxess’ reported capacity constraints since January 1, 2023

Item	Firm name and narrative response on constraints to practical overall capacity
***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Alternative products

Lanxess did not report production of other products on the same equipment used to produce CBS.⁵

U.S. producer’s U.S. shipments and exports

Table 3.6 presents U.S. producer Lanxess’ U.S. shipments, export shipments, and total shipments.

Table 3.6 CBS: U.S. producer Lanxess’ total shipments, by destination and period

Quantity in metric tons; value in 1,000 dollars; unit value in dollars per metric tons; share in percent; interim is January through March

Item	Measure	2023	2024	2025	Interim 2025	Interim 2026
U.S. shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
U.S. shipments	Share of quantity	***	***	***	***	***
Export shipments	Share of quantity	***	***	***	***	***
Total shipments	Share of quantity	100.0	100.0	100.0	100.0	100.0
U.S. shipments	Share of value	***	***	***	***	***
Export shipments	Share of value	***	***	***	***	***
Total shipments	Share of value	100.0	100.0	100.0	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “—”.

⁵ Conference transcript, p. 24 (Pawlikowski).

Lanxess' U.S. shipments in terms of quantity, value, and unit value decreased annually from 2023 to 2025, but were higher in interim 2026 compared with interim 2025.⁶ Conversely, the quantity of Lanxess' exports increased annually from 2023 to 2025 but were lower in interim 2026 compared with interim 2025. Although the trends in the U.S. producer's unit values for exports were similar to its trends in the unit values of U.S. shipments, the unit values of exports were lower than the unit values of U.S. shipments in every period examined.

U.S. shipments as a share of total shipments fell overall from 2023 to 2025, although the share of total shipments held by U.S. shipments was higher in interim 2026 than in interim 2025. During 2025, Lanxess' export shipments held a *** share of the firm's total shipments of CBS.⁷

U.S. producer's inventories

Table 3.7 presents U.S. producer Lanxess' end-of-period inventories and the ratio of these inventories to its production, U.S. shipments, and total shipments.

Table 3.7 CBS: U.S. producer Lanxess' inventories and their ratio to select items, by period

Quantity in metric tons; ratio in percent; interim is January through March

Item	2023	2024	2025	Interim 2025	Interim 2026
End-of-period inventory quantity	***	***	***	***	***
Inventory ratio to U.S. production	***	***	***	***	***
Inventory ratio to U.S. shipments	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

⁶ Lanxess reported ***.

⁷ According to its questionnaire response, Lanxess' principal export markets were ***. However, Lanxess noted in its postconference brief that it has exported its U.S.-produced CBS to 11 countries during the period examined in these investigations, with the European Union, Canada, and India being its largest export destination markets. Petitioner's postconference brief, exh. 1-12. Concerning its increases in exports of CBS, Lanxess explained that in order to fill its U.S. capacity to produce CBS and "to dilute our existing fixed costs, our only option was to increase our exports, although what we have recognized is that the revenue which we earn per ton of the same product in Europe is less than what we could earn in the United States." Conference transcript, p. 30 (Varghese). In its postconference brief, Lanxess explained further that "these export sales enabled Lanxess to increase its capacity utilization...Coupled with reductions in raw materials and other costs of goods sold, this enabled Lanxess to *** over the period of investigation. Nevertheless, operating losses were *** percent of sales in 2025." Petitioner's postconference brief, exh. 1-4.

Lanxess' inventories of CBS increased from 2023 to 2024, declined in 2025 to a level that was higher than in 2023, and were higher in interim 2026 than in interim 2025.⁸ Inventories of CBS as a ratio to U.S. production, U.S. shipments, and total shipments likewise increased from 2023 to 2024 before declining in 2025. The ratios of inventories to U.S. and total shipments were higher in interim 2026 than in interim 2025, while the ratio of CBS inventories to U.S. production was slightly lower in interim 2026 than in interim 2025.

U.S. producer's imports from subject sources

Lanxess reported that it has not imported CBS from any source since January 1, 2023.

U.S. producer's purchases of imports from subject sources

Lanxess reported that it has not purchased CBS from any source since January 1, 2023.

U.S. employment, wages, and productivity

Table 3.8 shows U.S. producer Lanxess' employment-related data.⁹ While the number of PRWs was unchanged during 2023 to 2025, the total hours worked, wages paid, hourly wages, and productivity increased overall from 2023 to 2025, and the unit labor costs declined overall. Over the interim periods, the number of PRWs remained unchanged, while the total hours worked and unit labor costs were lower in interim 2026 compared with interim 2025 and the wages paid, hourly wages, and productivity were higher.

⁸ The shelf life of CBS is reportedly one year after which it degrades in quality. Conference transcript, p. 25 (Pawlikowski). Lanxess testified that its inventories "are managed pretty heavily" because neither it nor its customers "want to hold excess inventory and affect the cash flow. So, in case there is an issue with old stock, which is not being used . . . then there is a discussion, a testing, then we can see whether we can extend the shelf life by another six months or so. But there is a process involved in that." Conference transcript, p. 67 (Varghese).

⁹ Recruiting a workforce for CBS requires a "considerable" time period of "rigorous" training, which "can take a long time" for workers to be fully qualified to operate the CBS parts of a plant. Conference transcript, p. 26 (Varghese).

Table 3.8 CBS: U.S. producer's employment related information, by item and period

Interim is January through March

Item	2023	2024	2025	Interim 2025	Interim 2026
Production and related workers (PRWs) (number)	***	***	***	***	***
Total hours worked (1,000 hours)	***	***	***	***	***
Hours worked per PRW (hours)	***	***	***	***	***
Wages paid (\$1,000)	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***
Productivity (metric tons per 1,000 hours)	***	***	***	***	***
Unit labor costs (dollars per metric ton)	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Part 4: U.S. imports, apparent U.S. consumption, and market shares

U.S. importers

The Commission issued importer questionnaires to 17 firms believed to be importers of subject CBS, as well as to the U.S. producer of CBS.¹ Usable questionnaire responses were received from four companies, representing approximately *** percent of U.S. imports from China and approximately *** percent of U.S. imports from nonsubject sources in 2025 under HTS subheading 2934.20.8000, a “basket” category.² Table 4.1 lists all responding U.S. importers of CBS from China and other sources, their locations, and their shares of U.S. imports, in 2025.

Table 4.1 CBS: U.S. importers, their headquarters, and share of imports within each source, 2025
Share in percent

Firm	Headquarters	China	Nonsubject sources	All import sources
Kumho	Macon, GA	***	***	***
Michelin	Greenville, SC	***	***	***
Nokain Tyres	Dayton, TN	***	***	***
Sovereign	Akron, OH	***	***	***
All firms	Various	100.0	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “—”.

Note: Nokain Tyres reported ***. The manufacturer *** of CBS imported by Sovereign is ***. Sovereign certified that it ***.

¹ The Commission issued questionnaires to those firms identified in the petitions; staff research; and proprietary, Census-edited Customs’ import records.

² Coverage was calculated using adjusted official U.S. import statistics. The adjustments made to official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs’ import record include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified “No” questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS.

U.S. imports

Table 4.2 presents data for U.S. imports of CBS from China and all other sources. From 2023 to 2025, imports of CBS from both China and nonsubject sources increased overall both in terms of volume and value, while unit values decreased overall. Specifically, subject imports from China increased from 2023 to 2024 (as the unit value increased), before declining in 2025 to a level above that reported in 2023 (as the unit value decreased to a level slightly below that reported in 2023). Imports and the unit values of imports of CBS from both China and nonsubject sources in interim 2026 were lower than interim 2025. Throughout the period of investigation, the unit values of subject imports from China were consistently lower than the unit values of imports from nonsubject sources and subject U.S. imports of CBS from China consistently made up the large majority share of total imports of CBS. Although the share of total U.S. imports held by China declined overall from 2023 to 2025, the share of imports of CBS from China were higher in interim 2026 than the same period in 2025. The ratio of subject imports of CBS from China to U.S. production increased overall from 2023 to 2025, with imports from China reaching *** of U.S. production in 2025. However, the ratio of imports from China to U.S. production in interim 2026 (***) were less than half the ratio of imports to U.S. production in interim 2025 (**).

Table 4.2 CBS: U.S. imports, by source and period

Quantity in metric tons; value in 1,000 dollars; unit value in dollars per metric tons; interim is January through March

Source	Measure	2023	2024	2025	Interim 2025	Interim 2026
China	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
China	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
China	Unit value	***	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***	***
All import sources	Unit value	***	***	***	***	***

Table continued.

Table 4.2 (Continued) CBS: Share of U.S. imports by source and period

Shares and ratio in percent; ratio represents the ratio to U.S. production; interim is January through March

Source	Measure	2023	2024	2025	Interim 2025	Interim 2026
China	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0
China	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0
China	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***

Source: Adjusted official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000, accessed May 15, 2026. The adjustments made to official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs' import records include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified "No" questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS. Imports are based on the imports for consumption data series. Import values are the landed duty-paid value.

Note: Share of quantity is the share of U.S. imports by quantity; share of value is the share of U.S. imports by value; ratio are U.S. imports to production.

Figure 4.1 CBS: U.S. import quantities and average unit values, by source and period

* * * * *

Source: Adjusted official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000, accessed May 15, 2026. The adjustments made to official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs' import records include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified "No" questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS. Imports are based on the imports for consumption data series. Import values are the landed duty-paid value.

Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.³ Negligible imports are generally defined in the Act, as amended, as imports from a country of merchandise corresponding to a domestic like product where such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petition or the initiation of the investigation. However, if there are imports of such merchandise from a number of countries subject to investigations initiated on the same day that individually account for less than 3 percent of the total volume of the subject merchandise, and if the imports from those countries collectively account for more than 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period, then imports from such countries are deemed not to be negligible.⁴ Imports from China accounted for *** percent of total imports of CBS by quantity from April 2025 through March 2026.⁵

³ Sections 703(a)(1), 705(b)(1), 733(a)(1), and 735(b)(1) of the Act (19 U.S.C. §§ 1671b(a)(1), 1671d(b)(1), 1673b(a)(1), and 1673d(b)(1)).

⁴ Section 771 (24) of the Act (19 U.S.C § 1677(24)).

⁵ As of the writing of this report, adjusted official import statistics are unavailable for April 2026 (i.e. the month immediately preceding the filing of the petitions on May 7, 2026). Therefore, data from the last available 12 months (April 2025 through March 2026) prior to the petition are presented. Imports from China accounted for *** percent of total imports of CBS by quantity during the eleven-month period from May 2025 through March 2026.

Table 4.3 CBS: U.S. imports in the twelve-month period from April 2025 through March 2026

Quantity in metric tons; share in percent

Source of imports	Quantity	Share of quantity
China	***	***
Nonsubject sources	***	***
All import sources	***	100.0

Source: Adjusted official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000, accessed May 15, 2026. The adjustments made to official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs' import records include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified "No" questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS. Imports are based on the imports for consumption data series.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

Apparent U.S. consumption and market shares

Quantity

Table 4.4 presents data on apparent U.S. consumption and U.S. market shares by quantity for CBS. Total apparent consumption by quantity of CBS from all sources increased overall from 2023 to 2025.⁶ While apparent U.S. consumption increased, the share held by U.S. producers declined from 2023 to 2025 and the share held by both subject imports from China and imports from nonsubject sources increased. From 2023 to 2024, the U.S. producer lost *** percentage points in market share, while imports from China gained *** percentage points and imports from nonsubject sources lost *** percentage points. From 2024 to 2025, both the U.S. producer and subject imports from China lost U.S. market share, while imports from nonsubject sources gained *** percentage points in market share. Total apparent consumption by quantity was lower in interim 2026 compared with interim 2025. The U.S. producer held a higher market share in interim 2026 than in interim 2025, while subject and nonsubject U.S. imports held lower market shares.

⁶ The petitioner indicated that U.S. consumption for the primary driver of demand for CBS (i.e., the automobile, truck, and other tire markets) increased from 2023 to 2025 and noted that this growth is consistent with the reported increase in apparent U.S. consumption of CBS over the same time period. Petitioner's postconference brief, pp. 10, 11, and 14.

Table 4.4 CBS: Apparent U.S. consumption and market shares based on quantity, by source and period

Quantity in metric tons; share in percent; interim is January through March

Source	Measure	2023	2024	2025	Interim 2025	Interim 2026
U.S. producers	Quantity	***	***	***	***	***
China	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
China	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires and adjusted official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000, accessed May 15, 2026. The adjustments made to official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs' import records include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified "No" questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS. Imports are based on the imports for consumption data series.

Figure 4.2 CBS: Apparent U.S. consumption based on quantity, by source and period

* * * * *

Source: Adjusted official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000, accessed May 15, 2026. The adjustments made to official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs' import records include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified "No" questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS. Imports are based on the imports for consumption data series.

Value

Table 4.5 presents data on apparent U.S. consumption and U.S. market shares by value for CBS. By value, total apparent U.S. consumption of CBS from 2023 to 2025 decreased overall. The decline in apparent consumption value was driven by the U.S. producer, as all import sources of CBS saw increases by value over the same period. While the U.S. producer's share of apparent consumption by value declined overall from 2023 to 2025, the share held by both subject imports from China and imports from nonsubject sources increased. From 2023 to 2024 as the value of consumption increased, the U.S. producer lost *** percentage points in market share, while imports from China gained *** percentage points and imports from nonsubject sources gained *** percentage points. From 2024 to 2025 as the value of consumption fell to a level below that in 2023, both the U.S. producer and imports from nonsubject sources gained U.S. market share, while imports from China lost *** percentage points in market share value. The total value of apparent consumption of CBS was lower in interim 2026 than interim 2025, as the U.S. producer held a higher market share and the subject and nonsubject imports held lower market shares.

Table 4.5 CBS: Apparent U.S. consumption and market shares based on value, by source and period

Value in 1,000 dollars; share in percent; interim is January through March

Source	Measure	2023	2024	2025	Interim 2025	Interim 2026
U.S. producers	Value	***	***	***	***	***
China	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
All sources	Value	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
China	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Source: Adjusted official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000, accessed May 15, 2026. The adjustments made to official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs' import records include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified "No" questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS. Imports are based on the imports for consumption data series. Import values are the landed duty-paid value.

Figure 4.3 CBS: Apparent U.S. consumption based on value, by source and period

* * * * *

Source: Adjusted official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000, accessed May 15, 2026. The adjustments made to official U.S. import statistics using Commission questionnaires and proprietary, Census-edited Customs' import records include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified "No" questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS. Imports are based on the imports for consumption data series. Import values are the landed duty-paid value.

Part 5: Pricing data

Factors affecting prices

Raw material costs

Raw materials, as a share of U.S. producers' cost of goods sold (COGS), declined from *** percent in 2023 to *** percent in 2025, and were *** percent in January to March 2026.

Transportation costs to the U.S. market

Transportation costs for CBS shipped from China to the United States averaged 10.1 percent for China during 2025. These estimates were derived from official import data and represent the transportation and other charges on imports.¹

U.S. inland transportation costs

The responding U.S. producer and *** importers reported that they typically arrange transportation to their customers. The U.S. producer reported that its U.S. inland transportation cost was approximately *** percent while importer *** reported its cost was *** percent.

Pricing practices

Pricing methods

The U.S. producer reported setting prices on a *** or *** basis. (table 5.1). Importer *** reported that *** prices are determined based on the “***” and that there has been “significant” pressure from “most U.S. tire manufacturers” to lower prices.²

¹ The estimated transportation costs were derived from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000, accessed May 15, 2026. Imports are based on the adjusted imports for consumption data series.

² Importers *** reported they do not sell CBS but internally use the imported merchandise in their operations.

Table 5.1 CBS: Count of U.S. producer's and importer's reported price setting methods

Method	U.S. producer	Importer
Transaction-by-transaction	***	***
Contract	***	***
Set price list	***	***
Other	***	***
Responding firms	1	1

Source: Compiled from data submitted in response to Commission questionnaires.

Note: The sum of responses down may not add up to the total number of responding firms as each firm was instructed to check all applicable price setting methods employed.

The U.S. producer reported that the vast majority of its CBS sales are on short term contracts (table 5.2).³

Table 5.2 CBS: U.S. producers' and importers' shares of commercial U.S. shipments by type of sale, 2025

Share in percent

Type of sale	U.S. producer	Subject importers
Long-term contracts	***	***
Annual contracts	***	***
Short-term contracts	***	***
Spot sales	***	***
Total	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Because of rounding, figures may not add to the totals shown.

The U.S. producer reported that ***.

Sales terms and discounts

The U.S. producer typically quotes prices on a *** basis and its ***, while importer *** reported the firm typically quotes prices on an *** basis (***) and ***.

³ The data presented in table 5.2 includes data from importer ***, however the firm ***.

Price and purchase cost data

The Commission requested the U.S. producer and importers to provide quarterly data for the total quantity and f.o.b. value of the following CBS products shipped to unrelated U.S. customers during January 2023 to March 2026. Firms that imported these products from China for their own use were requested to provide import purchase cost data.

Product 1.—CBS accelerator in bulk packaging of at least 20 kg per package, assay 94% or greater CBS, in granules

The U.S. producer and *** importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all quarters.⁴ Pricing data reported by these firms accounted for approximately *** percent of the U.S. producer's U.S. shipments of CBS, and *** percent of reported imports from China in 2025.⁵ Two importers reported useable import purchase cost data for product 1.⁶ Purchase cost data reported by these firms accounted for *** percent of reported imports from China. Price and purchase cost data for product 1 is presented in table 5.3 and figure 5.1.⁷

Importers reporting import purchase cost data were asked to provide additional information regarding the costs and benefits of importing CBS themselves.

One out of four importers reported that they incurred additional costs (at an estimated ***) beyond landed duty-paid costs by importing CBS themselves rather than purchasing from a U.S. producer or U.S. importer. This importer estimated the total additional cost incurred (for logistics management described as “***”) was approximately *** in addition to the landed-duty paid value.

Firms were also asked to describe how these additional costs incurred by importing CBS themselves compares with additional costs incurred when purchasing from a U.S. producer or U.S. importer. *** reported that direct imports “***

⁴ Per-unit pricing data are calculated from total quantity and total value data provided by U.S. producers and importers. The precision and variation of these figures may be affected by rounding, limited quantities, and producer or importer estimates.

⁵ Pricing coverage is based on imports reported in questionnaires, which only covered *** percent of imports from China in 2025 according to adjusted official U.S. import statistics.

⁶ The last available quarter of LDP import values is Q4 2025.

⁷ LDP import value does not include any potential additional costs that a purchaser may incur by importing rather than purchasing from another importer or U.S. producer. Price-cost differences are based on LDP import values whereas margins of underselling/overselling are based on importer sales prices.

***” compared to purchases from U.S. suppliers.

All responding importers reported that they compare costs of importing to the cost of purchasing from a U.S. producer in determining whether to import CBS and four importers compare costs to purchasing from a U.S. importer.

Two importers identified benefits from importing CBS themselves instead of purchasing from U.S. producers or importers, including business continuity, stable product availability, and competitive pricing.

Firms were also asked whether the import cost (both excluding and including additional costs) of CBS they imported are lower than the price of purchasing CBS from a U.S. producer or importer. Two importers reported that costs are lower, inclusive of additional costs.

One importer estimated that it saved between *** percent of the purchase price (by importing CBS rather than purchasing from a U.S. importer) and saving *** percent of the purchase price (compared to purchasing the product from a U.S. producer).⁸

⁸ Two firms reported that they based their estimates on previous company transactions and two reported basing their estimates on market research.

Table 5.3 CBS: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by source and quarter

Prices and unit LDP values in dollars per kilogram, quantity in metric tons, margins and differentials in percent.

Period	U.S. price	U.S. quantity	China price	China quantity	China margin	China unit LDP value	China cost quantity	China differential
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***
2024 Q1	***	***	***	***	***	***	***	***
2024 Q2	***	***	***	***	***	***	***	***
2024 Q3	***	***	***	***	***	***	***	***
2024 Q4	***	***	***	***	***	***	***	***
2025 Q1	***	***	***	***	***	***	***	***
2025 Q2	***	***	***	***	***	***	***	***
2025 Q3	***	***	***	***	***	***	***	***
2025 Q4	***	***	***	***	***	***	***	***
2026 Q1	***	***	***	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Product 1: CBS accelerator in bulk packaging of at least 20 kg per package, assay 94% or greater CBS, in granules

Figure 5.1 CBS: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, by source and quarter

Price of product 1						
*	*	*	*	*	*	*
Volume of product 1						
*	*	*	*	*	*	*

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Product 1: Product 1: CBS accelerator in bulk packaging of at least 20 kg per package, assay 94% or greater CBS, in granules

Price and purchase cost trends

In general, prices decreased during January 2023 to March 2026. Table 5.4 summarizes the price trends for product 1, by country. As shown in the table, the domestic price decreased *** percent during January 2023 to March 2026 while import prices decreased *** percent in the same period. Landed duty-paid costs decreased *** percent.⁹ Table 5.5 and figure 5.2 show indexed U.S. producer prices and subject import prices and purchase cost data, by quarter.

⁹ The last available quarter of LDP import values is Q4 2025.

Table 5.4 CBS: Summary of price and cost data, by product and source

Prices and unit LDP values in dollars per kilogram; quantity in metric tons, change in percent

Product	Source	Number of quarters	Quantity	Low price	High price	First quarter price	Last quarter price	Quarterly change (percent)	Change over period
Product 1	United States	13	***	***	***	***	***	***	***
Product 1	China - price	13	***	***	***	***	***	***	***
Product 1	China - cost	9	***	***	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Percentage change from the first quarter in which data were available in 2023 to the last quarter in which data were available in 2026.

Table 5.5 CBS: Indexed U.S. producer prices, and subject importer prices and purchase cost data, by quarter

2023 Q1 = 100.0 percent

Period	US	China price	China cost
2023 Q1	100.0	100.0	100.0
2023 Q2	***	***	***
2023 Q3	***	***	***
2023 Q4	***	***	***
2024 Q1	***	***	***
2024 Q2	***	***	***
2024 Q3	***	***	***
2024 Q4	***	***	***
2025 Q1	***	***	***
2025 Q2	***	***	***
2025 Q3	***	***	***
2025 Q4	***	***	***
2026 Q1	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Percentage change from the first quarter in which data were available in 2023 to the last quarter in which data were available in 2026.

Figure 5.2 CBS: Indexed U.S. producer prices, and subject importer prices and purchase cost data, by quarter

* * * * *

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Percentage change from the first quarter in which data were available in 2023 to the last quarter in which data were available in 2026.

Price and purchase cost comparisons

Price comparisons

As shown in table 5.6, prices for product imported from China were below those for U.S.-produced product in all 13 instances (***) metric tons); margins of underselling ranged from *** to *** percent. There were no instances of overselling,

Table 5.6 CBS: Instances of underselling and overselling and the range and average of margins, by period

Quantity in metric tons; margin in percent

Period	Type	Number of instances	Quantity	Average margin	Min margin	Max margin
2023	Underselling	4	***	***	***	***
2024	Underselling	4	***	***	***	***
2025	Underselling	4	***	***	***	***
January through March 2026	Underselling	1	***	***	***	***
All periods	Underselling	13	***	***	***	***
2023	Overselling	—	***	***	***	***
2024	Overselling	—	***	***	***	***
2025	Overselling	—	***	***	***	***
January through March 2026	Overselling	—	***	***	***	***
All periods	Overselling	—	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

Price-cost comparisons

As shown in table 5.7, landed duty-paid costs for CBS imported from China were below the sales price for U.S.-produced product in seven of nine instances (** metric tons); price-cost differentials ranged from ** to ** percent. In the remaining two instances (** metric tons), landed duty-paid costs for CBS from China were between ** and ** percent above sales prices for the domestic product.

Table 5.7 CBS: Instances and quantities of lower/(higher) average unit purchase costs compared to U.S. prices and the range and average of price/cost differentials, by period

Quantity in metric tons; differentials in percent

Period	Type	Number of instances	Quantity	Average differential	Min differential	Max differential
2023	Lower than US	2	***	***	***	***
2024	Lower than US	3	***	***	***	***
2025	Lower than US	2	***	***	***	***
January through March 2026	Lower than US	—	***	***	***	***
All periods	Lower than US	7	***	***	***	***
2023	Higher than US	1	***	***	***	***
2024	Higher than US	—	***	***	***	***
2025	Higher than US	1	***	***	***	***
January through March 2026	Higher than US	—	***	***	***	***
All periods	Higher than US	2	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

Lost sales and lost revenue

The U.S. producer reported that it had to reduce prices and lost sales; the U.S. producer submitted lost sales and lost revenue allegations. The producer identified *** firms with which they lost sales or revenue (*** consisting of lost revenue allegations and *** consisting of both types of allegations). The vast majority of allegations were reported to occur between 2023 and 2025. The reported lost sales by volume were *** and the producer reported that it ***. In addition, the U.S. producer reported that firms specified that its prices were higher than subject imports.

Staff contacted seven purchasers and received responses from four purchasers. Responding purchasers reported purchasing 12,859 metric tons of CBS between January 2023 to March 2026 (table 5.8).

Table 5.8 CBS: Purchasers' reported purchases and imports, by firm and source

Quantity in metric tons, change in shares in percentage points

Purchaser	Domestic quantity	Subject quantity	All other quantity	Change in domestic share	Change in subject country share
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: All other includes all other sources and unknown sources. Change is the percentage point change in the share of the firm's total purchases of domestic and/or subject country imports between first and last years.

During 2025, responding purchasers purchased 16.2 percent from the U.S. producer and 83.8 percent from importers from China. Purchasers were asked about changes in their purchasing patterns from different sources since 2023 (table 5.9). Of the responding purchasers, one reported steadily decreasing purchases from domestic producer, one reported increasing purchases, one reported purchases from the domestic producer steadily increasing, and one reported no change. Explanations for increasing purchases of domestic product included plant expansion and increases in allocations. Explanations for decreasing purchases of domestic product included security of supply and quality. *** reported decreasing purchases from China due to an overall decrease in demand and *** reported the firm has ***.

Table 5.9 CBS: Count of changes in purchase patterns from U.S., subject, and nonsubject countries

Count in number of firms reporting

Source of purchases	Steadily increase	Fluctuate up	No change	Fluctuate down	Steadily decrease	Did not purchase
United States	1	1	1	0	1	0
China	1	0	0	1	1	1
All other sources	0	0	0	0	0	2
Sources unknown	0	0	0	0	0	2

Source: Compiled from data submitted in response to Commission questionnaires.

Of the four responding purchasers, two reported that, since 2023, they had purchased imported CBS from China instead of U.S.-produced product. These two purchasers reported that subject import prices were lower than U.S.-produced product and reported that price was

a primary reason for the decision to purchase imported product rather than U.S.-produced product. Two purchasers estimated the quantity of CBS from China purchased instead of domestic product; quantities ranged from *** metric tons to *** metric tons (table 5.10).

Table 5.10 CBS: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in metric tons

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	Yes: 2; No: 2	Yes: 2; No: 0	Yes: 2; No: 0	***	NA

Source: Compiled from data submitted in response to Commission questionnaires.

Of the four responding purchasers, one reported that the U.S. producer had reduced prices in order to compete with lower-priced imports from China; one reported that it did not know (table 5.11). The reported estimated price reduction was *** percent.

Table 5.11 CBS: Purchasers' responses to U.S. producer price reductions, by firm

Count in number of firms reporting; price reductions in percent

Purchaser	Reported producers lowered prices	Estimated percent of U.S. price reduction	Explanation
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
All firms	Yes: 1; No: 2	***	NA

Source: Compiled from data submitted in response to Commission questionnaires.

Part 6: Financial experience of the U.S. producer

Background¹

The petitioner, Lanxess, is the sole U.S. producer of in-scope CBS. Lanxess reported financial data on the basis of ***.²

During the period examined, January 1, 2023, through March 31, 2026, commercial sales represented *** percent of total net sales quantity.³

Figure 6.1 presents Lanxess' total reported net sales quantity, by type of sale. Table 6.1 presents data on U.S. producer Lanxess' operations in relation to CBS, while table 6.2 presents corresponding changes in AUVs.^{4 5}

¹ The following abbreviations are used in the tables and/or text of this section: generally accepted accounting principles ("GAAP"), international financial reporting standards ("IFRS"), fiscal year ("FY"), net sales ("NS"), cost of goods sold ("COGS"), selling, general, and administrative expenses ("SG&A expenses"), average unit values ("AUVs"), research and development expenses ("R&D expenses"), and return on assets ("ROA").

² The trade and financial sections reconcile. U.S. Producer's questionnaire response, section 3.2.

³ ***.

⁴ Byproducts from the CBS reaction may include NaSO₄ (sodium sulfate), NaCl (sodium chloride), and H₂O (water). However, none of the byproducts are sold commercially. The byproducts become part of a wastewater stream with permits in place for treatment at a considerable cost. Petitions, p. 8; Conference transcript, p. 59 (Pawlikowski).

⁵ This section of the staff report discusses U.S. producers' total market operations in the CBS industry. For financial results specific to the U.S. and export markets separately, see appendix D.

Figure 6.1 CBS: U.S. producer Lanxess' net sales quantity, by type and period

* * * * *

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Interim period is January through March.

Table 6.1 CBS: U.S. producer Lanxess' results of operations, by item and period

Quantity in metric tons; value in 1,000 dollars; ratios in percent; interim period is January through March

Item	Measure	2023	2024	2025	Interim 2025	Interim 2026
Total net sales	Quantity	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
COGS: Raw materials	Value	***	***	***	***	***
COGS: Direct labor	Value	***	***	***	***	***
COGS: Other factory	Value	***	***	***	***	***
COGS: Total	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expense / (income), net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
COGS: Raw materials	Ratio to NS	***	***	***	***	***
COGS: Direct labor	Ratio to NS	***	***	***	***	***
COGS: Other factory	Ratio to NS	***	***	***	***	***
COGS: Total	Ratio to NS	***	***	***	***	***
Gross profit	Ratio to NS	***	***	***	***	***
SG&A expense	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued.

Table 6.1 (Continued) CBS: U.S. producer Lanxess' results of operations, by item and period

Share in percent; unit value in dollars per metric ton; count in number of firms reporting; interim period is January through March

Item	Measure	2023	2024	2025	Interim 2025	Interim 2026
COGS: Raw materials	Share	***	***	***	***	***
COGS: Direct labor	Share	***	***	***	***	***
COGS: Other factory	Share	***	***	***	***	***
COGS: Total	Share	100.0	100.0	100.0	100.0	100.0
Total net sales	Unit value	***	***	***	***	***
COGS: Raw materials	Unit value	***	***	***	***	***
COGS: Direct labor	Unit value	***	***	***	***	***
COGS: Other factory	Unit value	***	***	***	***	***
COGS: Total	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	1	1	1	1	1

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Share represents share of COGS. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

Table 6.2 CBS: Changes in AUVs between comparison periods

Changes in percent; interim period is January through March

Item	2023–25	2023–24	2024–25	Interim 2025–26
Total net sales	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Raw materials	▼ ***	▼ ***	▼ ***	▼ ***
COGS: Direct labor	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Other factory	▼ ***	▼ ***	▲ ***	▼ ***
COGS: Total	▼ ***	▼ ***	▼ ***	▼ ***

Table continued.

Table 6.2 (Continued) CBS: Changes in AUVs between comparison periods

Changes in dollars per metric ton; interim period is January through March

Item	2023–25	2023–24	2024–25	Interim 2025–26
Total net sales	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Raw materials	▼ ***	▼ ***	▼ ***	▼ ***
COGS: Direct labor	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Other factory	▼ ***	▼ ***	▲ ***	▼ ***
COGS: Total	▼ ***	▼ ***	▼ ***	▼ ***
Gross profit or (loss)	▲ ***	▲ ***	▼ ***	▲ ***
SG&A expense	▼ ***	▼ ***	▼ ***	▼ ***
Operating income or (loss)	▲ ***	▲ ***	▼ ***	▲ ***
Net income or (loss)	▲ ***	▲ ***	▼ ***	▲ ***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Period changes preceded by a “▲” represent an increase, while period changes preceded by a “▼” represent a decrease.

Net sales

As shown in table 6.1, the quantity of the industry's total net sales irregularly increased while the value irregularly decreased between 2023 and 2025, and both the quantity and value were lower in interim 2026 compared with the same period in 2025.⁶

The industry's total net sales AUVs decreased from 2023 to 2025 but were higher in interim 2026 than in interim 2025.

Cost of goods sold and gross profit or loss

Raw material costs, direct labor, and other factory costs accounted for ***, ***, and *** percent of COGS, respectively, in 2025. Total raw material costs irregularly decreased from 2023 to 2025 and were lower in interim 2026 than in interim 2025. On a per-metric ton basis, raw material costs decreased from 2023 to 2025 and were lower in interim 2026 than in interim 2025. Sodium 2-mercaptobenzothiazole ("NaMBT"), the major raw material, had the largest share of value of raw materials in 2025, as shown in table 6.3.^{7 8}

The cost of direct labor decreased irregularly from 2023 to 2025 but was higher in interim 2026 than in interim 2025. The average unit cost of direct labor followed similar directional trends, except the decrease from 2023 to 2025 was not irregular.

Other factory costs, on both an actual and per-metric ton basis, decreased irregularly from 2023 to 2025 and were lower in interim 2026 than in interim 2025.⁹

⁶ Net sales quantity increased by *** percent and net sales value decreased by *** percent between 2023 and 2025. Net sales quantity was *** percent lower in interim 2026 compared with interim 2025. In the same interim periods, the net sales value was *** percent lower.

⁷ Lanxess noted that it is backwardly integrated, with its NaMBT raw material sourced from its affiliate sister firm in Belgium. Conference transcript, p. 61 (Varghese).

⁸ ***. U.S. producer questionnaire, section 3.6; Petitioner's postconference brief, exhs. 1-10 and 1-11.

⁹ The CBS industry is capital intensive and has high fixed costs. Conference transcript, pp. 30, 60 (Varghese).

Total COGS decreased irregularly from 2023 to 2025 and were lower in interim 2026 than in interim 2025.¹⁰ Gross profit improved overall from 2023 to 2025 as well as in interim 2026 compared to interim 2025; however, gross profit *** in all periods examined.

Total COGS as a ratio to net sales value irregularly decreased from 2023 to 2025 and was lower in interim 2026 than in interim 2025; however, the ratio *** in all periods examined. Gross profit as a ratio to net sales improved overall from 2023 to 2025 and improved in interim 2026 compared to interim 2025; however, the ratio *** in all periods examined.

Table 6.3 CBS: U.S. producer Lanxess' raw material costs in 2025

Value in 1,000 dollars; unit values in dollars per metric ton; share of value in percent

Item	Value	Unit value	Share of value
Sodium 2-mercaptobenzothiazole	***	***	***
Cyclohexylamine	***	***	***
Hydrogen peroxide	***	***	***
Other material inputs	***	***	***
All raw materials	***	***	100.0

Source: Compiled from data submitted in response to Commission questionnaires.

¹⁰ Lanxess noted that in order to dilute its fixed costs, it increased exports. One of its major export destination markets is the European Union ("EU"). However, the firm gets a lower price for CBS in the EU compared to the United States. Lanxess notes that it competes with China in nearly all of its export markets and considers China a low-price leader. The U.S. producer exports CBS to 11 countries, with the largest export markets by volume being the EU, Canada, and India. The recent Indian dumping order on CBS was in part against the United States, as well as China and other EU producers. It affected Lanxess negatively as additional antidumping duties on its Indian exports of \$75 per metric ton were imposed by India. The final determination is still pending final approval by India's Directorate General of Trade Remedies. Conference transcript, pp. 45, 57 to 58 (Varghese); Petitioner's postconference brief, exh. 1, pp. 1-5 and 1-12 to 1-14.

SG&A expenses and operating income or loss

SG&A expenses increased overall from \$*** in 2023 to \$*** in 2025 and were lower in interim 2026, at \$***, than in interim 2025, at \$***. The SG&A expense ratio (SG&A expenses as a share of sales) increased from *** percent in 2023 to *** percent in 2025 and was lower in interim 2026, at *** percent, than in interim 2025, at *** percent.

Operating income improved overall from 2023 to 2025 as well as the interim periods; however, values *** in all periods examined. The operating margin (operating income as a ratio to net sales) improved overall from *** percent in 2023 to *** percent in 2025 and improved in interim 2026 (*** percent) compared to interim 2025 (*** percent). However, the ratio *** in all periods examined.

All other expenses and net income or loss

Classified below the total market operating income level are interest expense, other expenses, and other income, which are combined as other expense / (income), net in table 6.1.¹¹ Net other expense/income remained fairly stable in the periods examined (***).

Net income improved overall from *** in 2023 to *** in 2025 and improved in interim 2026 at *** compared to interim 2025 at ***. However, net income values *** in all periods examined.

¹¹ ***.

Variance analysis

A variance analysis for CBS operations of the U.S. producer is presented in table 6.4.¹² The information for this variance analysis is derived from table 6.1.

The variance analysis in table 6.4 shows that the increase in operating income between 2023 and 2025 was primarily attributable to a favorable cost/expense variance that outweighed unfavorable volume and price variances. Higher operating income in interim 2026 compared with interim 2025 is attributable to favorable price, cost/expense, and volume variances.

Table 6.4 CBS: Variance analysis on the operations of U.S. producer Lanxess between comparison periods

Value in 1,000 dollars; interim period is January through March

Item	2023–25	2023–24	2024–25	Interim 2025–26
Net sales price variance	***	***	***	***
Net sales volume variance	***	***	***	***
Total net sales variance	***	***	***	***
COGS cost variance	***	***	***	***
COGS volume variance	***	***	***	***
COGS total variance	***	***	***	***
Gross profit variance	***	***	***	***
SG&A cost variance	***	***	***	***
SG&A volume variance	***	***	***	***
SG&A total variance	***	***	***	***
Operating income price variance	***	***	***	***
Operating income cost/expense variance	***	***	***	***
Operating income volume variance	***	***	***	***
Operating income total variance	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Unfavorable variances (which are negative) are shown in parentheses, all others are favorable (positive).

¹² The Commission's variance analysis is calculated in three parts: Sales variance, cost of sales variance (COGS variance), and SG&A expense variance. Each part consists of a price variance (in the case of the sales variance) or a cost or expense variance (in the case of the COGS and SG&A expense variance), and a volume variance. The sales or cost/expense variance is calculated as the change in unit price or per-unit cost/expense times the new volume, while the volume variance is calculated as the change in volume times the old unit price or per-unit cost/expense. Summarized at the bottom of the table, the price variance is from sales; the cost/expense variance is the sum of those items from COGS and SG&A variances, respectively, and the volume variance is the sum of the volume components of the net sales, COGS, and SG&A expense variances. The overall volume component of the variance analysis is generally small.

Capital expenditures, research and development expenses, assets, and return on assets

Table 6.5 presents Lanxess' total market capital expenditures, R&D expenses, assets, and return on assets, and the firm's narrative explanations of the nature, focus, and significance of the items are presented in table 6.6.¹³

Capital expenditures decreased overall between 2023 and 2025 and were lower in interim 2026 than interim 2025. R&D expenses *** for 2023 and 2024, then increased in 2025 and *** in the interim periods. As for assets in the industry, they decreased from 2023 to 2025 and the corresponding ROA *** in *** three yearly periods.

Table 6.5 CBS: U.S. producer Lanxess' capital expenditures, R&D expenses, total net assets, and ROA, by item and period

Value in 1,000 dollars; interim period is January through March

Item	2023	2024	2025	Interim 2025	Interim 2026
Capital expenditures	***	***	***	***	***
R&D expenses	***	***	***	***	***
Total net assets	***	***	***	NA	NA
Return on assets	***	***	***	NA	NA

Source: Compiled from data submitted in response to Commission questionnaires.

Note: NA indicates not applicable. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

Table 6.6 CBS: U.S. producer Lanxess' narrative descriptions of its capital expenditures, R&D expenses, and total net assets

Item	Narrative on capital expenditures, R&D expenses and total net assets
Capital expenditures	***
R&D expenses	***

Source: Compiled from data submitted in response to Commission questionnaires.

Capital and investment

The Commission requested that the U.S. producer of CBS describe any actual or potential negative effects of imports of CBS from China on the firm's growth, investment, ability

¹³ The operating ROA is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations are generally required in order to report a total asset value on a product-specific basis.

to raise capital, development and production efforts, or the scale of capital investments. Table 6.7 presents the impact in each category and table 6.8 provides the U.S. producer's narrative responses.

Table 6.7 CBS: U.S. producer Lanxess' count indicating actual and anticipated negative effects of imports from subject sources on investment, growth, and development since January 1, 2023, by effect

Number of firms reporting

Effect	Category	Count
Cancellation, postponement, or rejection of expansion projects	Investment	***
Denial or rejection of investment proposal	Investment	***
Reduction in the size of capital investments	Investment	***
Return on specific investments negatively impacted	Investment	***
Other investment effects	Investment	***
Any negative effects on investment	Investment	***
Rejection of bank loans	Growth	***
Lowering of credit rating	Growth	***
Problem related to the issue of stocks or bonds	Growth	***
Ability to service debt	Growth	***
Other growth and development effects	Growth	***
Any negative effects on growth and development	Growth	***
Anticipated negative effects of imports	Future	***

Source: Compiled from data submitted in response to Commission questionnaires.

Table 6.8 CBS: U.S. producer Lanxess' narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2023, by effect

Item	Narrative on impact of imports
***	***
***	***
***	***
***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Part 7: Threat considerations and information on nonsubject countries

Section 771(7)(F)(i) of the Act (19 U.S.C. § 1677(7)(F)(i)) provides that—

In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic factors¹--

- (I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,
- (II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,
- (III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,
- (IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports,
- (V) inventories of the subject merchandise,

¹ Section 771(7)(F)(ii) of the Act (19 U.S.C. § 1677(7)(F)(ii)) provides that “The Commission shall consider {these factors} . . . as a whole in making a determination of whether further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted under this title. The presence or absence of any factor which the Commission is required to consider . . . shall not necessarily give decisive guidance with respect to the determination. Such a determination may not be made on the basis of mere conjecture or supposition.”

- (VI) the potential for product-shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products,
- (VII) in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both),
- (VIII) the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and
- (IX) any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).²

Information on the nature of the alleged subsidies was presented earlier in this report; information on the volume and pricing of imports of the subject merchandise is presented in Parts 4 and 5; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in Part 6. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows. Also presented in this section of the report is information obtained for consideration by the Commission on nonsubject countries.

² Section 771(7)(F)(iii) of the Act (19 U.S.C. § 1677(7)(F)(iii)) further provides that, in antidumping investigations, "... the Commission shall consider whether dumping in the markets of foreign countries (as evidenced by dumping findings or antidumping remedies in other WTO member markets against the same class or kind of merchandise manufactured or exported by the same party as under investigation) suggests a threat of material injury to the domestic industry."

The industry in China

The Commission issued foreign producers' or exporters' questionnaires to seven firms that are believed to produce and/or export CBS from China.³ A response to the Commission's questionnaire was received from one exporting firm, Qingdao Yingtai International Trading Co. Ltd.⁴ No producers of CBS in China provided a response to the Commission's questionnaire.^{5 6}

Table 7.1 presents the number of firms in China that responded to the Commission's questionnaire, the responding firm's exports to the United States as a share of U.S. imports by China in 2025, and its estimated share of total production of CBS in China during 2025.

Table 7.1 CBS: Number of responding producers/exporters, approximate share of production, and exports to the United States as a share of U.S. imports from China, 2025

Country	Number of responding firms	Approximate share of production (percent)	Exports plus resales as a share of U.S. imports from China (percent)
China	1	***	***

Source: Compiled from data submitted in response to Commission questionnaires. "Exports as a share of U.S. imports" reflects a comparison of export data reported by the firm in response to the Commission's foreign producer/exporter questionnaire with official Commerce import statistics using HTS statistical reporting number 2934.20.8000, accessed May 25, 2026, adjusted to remove merchandise determined to be out-of-scope using Commission questionnaires responses, industry research, and proprietary, Census-edited Customs import records.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

³ These firms were identified through a review of information submitted in the petitions and presented in third-party sources.

⁴ Qingdao Yingtai International Trading Co. Ltd. certified that it is an exporter of CBS but is not a producer of CBS in China. It reported that it is a "****".

⁵ The petitioner Lanxess reported that its "own market intelligence concerning Chinese capacity indicates that CBS capacity in China is over ***. One of the largest Chinese producers and exporters of CBS, Huatai, boasts that its "total annual production capacity is 300,000 tons, mainly including standard rubber chemicals, pre-dispersed rubber chemicals, insoluble sulfur, processing aids, silane coupling agents...and other products."" Petitioner's postconference brief, p. 25 and exh. 1-1.

⁶ Based on Lanxess' postconference brief to the Commission, Kemai, Sunshine, and Huatai are the "three largest importers of subject merchandise according to ship's manifest data," and "both Kemai and Huatai have established networks of related parties in the United States to facilitate their exports to the United States." Petitioner's postconference brief, pp. 13 to 25.

Table 7.2 presents information on the CBS resales exported to the United States by the responding exporter in China.

Table 7.2 CBS: Data for the subject foreign reseller, by item and period

Quantity in metric tons; interim period is January through March

Item	2023	2024	2025	Interim 2025	Interim 2026	Projection 2026	Projection 2027
Resales exported to the United States	***	***	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

There was no publicly available information on major developments in the CBS industry in China since January 1, 2023.

Exports

According to the Global Trade Atlas (“GTA”), the leading export markets for goods from China entered under HS subheading 2934.20 that covers heterocyclic compounds containing a benzothiazole ring-system (whether or not hydrogenated), not further fused (i.e., a category that includes in-scope CBS as well as out-of-scope merchandise) are India, Thailand, Vietnam, and the United States (table 7.3). In 2025, the United States was China’s fourth largest export market by volume, accounting for 9.7 percent, although the United States was China’s second largest export market in 2023 and 2024 at 12.5 percent and 13.2 percent, respectively. India was the largest destination market for CBS exports from China during 2023 to 2025, accounting for 15.8 percent, 15.3 percent, and 16.0 percent, respectively, in each year.

Table 7.3 Heterocyclic compounds containing a benzothiazole ring-system (whether or not hydrogenated), not further fused: Exports from China, by period

Quantity in metric tons; value in 1,000 dollars; unit value in dollars per metric tons; share in percent

Destination market	Measure	2023	2024	2025
United States	Quantity	11,220	13,316	9,156
India	Quantity	14,128	15,440	15,181
Thailand	Quantity	10,938	11,348	11,188
Vietnam	Quantity	5,947	7,675	9,925
Japan	Quantity	5,345	5,248	5,847
Indonesia	Quantity	3,481	4,288	5,281
Brazil	Quantity	4,177	5,084	4,963
South Korea	Quantity	4,799	5,280	4,762
Germany	Quantity	2,448	3,598	2,762
All other destination markets	Quantity	27,110	29,824	25,679
Non-U.S. destination markets	Quantity	78,374	87,785	85,588
All destination markets	Quantity	89,594	101,101	94,744
United States	Value	41,252	54,167	29,642
India	Value	96,451	106,203	86,765
Thailand	Value	32,423	33,960	29,260
Vietnam	Value	17,421	22,021	24,434
Japan	Value	31,163	18,973	20,140
Indonesia	Value	10,647	12,681	14,086
Brazil	Value	14,705	17,854	15,902
South Korea	Value	17,540	17,567	13,957
Germany	Value	16,668	18,977	13,809
All other destination markets	Value	107,491	113,990	90,631
Non-U.S. destination markets	Value	344,509	362,226	308,984
All destination markets	Value	385,761	416,393	338,626

Table continued.

Table 7.3 (Continued) Heterocyclic compounds containing a benzothiazole ring-system (whether or not hydrogenated), not further fused: Exports from China, by period

Unit value in dollars per metric tons; share in percent

Destination market	Measure	2023	2024	2025
United States	Unit value	3,677	4,068	3,237
India	Unit value	6,827	6,879	5,715
Thailand	Unit value	2,964	2,993	2,615
Vietnam	Unit value	2,929	2,869	2,462
Japan	Unit value	5,830	3,615	3,445
Indonesia	Unit value	3,058	2,957	2,667
Brazil	Unit value	3,521	3,512	3,204
South Korea	Unit value	3,655	3,327	2,931
Germany	Unit value	6,810	5,274	4,999
All other destination markets	Unit value	3,965	3,822	3,529
Non-U.S. destination markets	Unit value	4,396	4,126	3,610
All destination markets	Unit value	4,306	4,119	3,574
United States	Share of quantity	12.5	13.2	9.7
India	Share of quantity	15.8	15.3	16.0
Thailand	Share of quantity	12.2	11.2	11.8
Vietnam	Share of quantity	6.6	7.6	10.5
Japan	Share of quantity	6.0	5.2	6.2
Indonesia	Share of quantity	3.9	4.2	5.6
Brazil	Share of quantity	4.7	5.0	5.2
South Korea	Share of quantity	5.4	5.2	5.0
Germany	Share of quantity	2.7	3.6	2.9
All other destination markets	Share of quantity	30.3	29.5	27.1
Non-U.S. destination markets	Share of quantity	87.5	86.8	90.3
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official export statistics under HS subheading 2934.20, as reported by China Customs in the Global Trade Atlas database, accessed May 26, 2025. The data presented include in-scope CBS, as well as out-of-scope merchandise.

Note: United States is shown at the top. All remaining top export destinations are shown in descending order of 2025 data.

U.S. inventories of imported merchandise

Table 7.4 presents data on responding U.S. importers' reported end-of-period inventories of imported CBS. U.S. importers' ending inventories of subject imports from China increased from 2023 to 2024, decreased in 2025 to a level below that reported at year-end 2023, and were lower in interim 2026 compared with interim 2025.⁷ The overall decrease in inventories of subject imports was led mostly by importer ***, which accounted for *** percent of subject imports from China in 2025. As a ratio to subject imports and shipments of imports, subject inventories increased overall from 2023 to 2025 and were lower in interim 2026 than in interim 2025.

Table 7.4 CBS: U.S. importers' inventories and their ratio to select items, by source and period

Quantity in metric tons; ratio in percent; interim period is January through March

Measure	Source	2023	2024	2025	Interim 2025	Interim 2026
Inventories quantity	China	***	***	***	***	***
Ratio to imports	China	***	***	***	***	***
Ratio to U.S. shipments of imports	China	***	***	***	***	***
Ratio to total shipments of imports	China	***	***	***	***	***
Inventories quantity	Nonsubject sources	***	***	***	***	***
Ratio to imports	Nonsubject sources	***	***	***	***	***
Ratio to U.S. shipments of imports	Nonsubject sources	***	***	***	***	***
Ratio to total shipments of imports	Nonsubject sources	***	***	***	***	***
Inventories quantity	All import sources	***	***	***	***	***
Ratio to imports	All import sources	***	***	***	***	***
Ratio to U.S. shipments of imports	All import sources	***	***	***	***	***
Ratio to total shipments of imports	All import sources	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

⁷ Petitioner Lanxess reported that it was given "feedback from customers...that several importers of CBS from China imported large volumes in 2024 ahead of the tariffs imposed in 2025 and shipped from that inventory in order to maintain a lower price." Conference transcript, p. 16 (Presutti).

U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of CBS from China after March 31, 2026. Their reported data are presented in table 7.5. Subject imports accounted for *** percent of U.S. importers' total reported arranged imports over the annual period from the second quarter of 2026 through the first quarter of 2027 as presented in the table. *** accounted for *** of arranged subject imports from China, whereas *** was responsible for *** of the arranged imports of CBS from nonsubject sources.

Table 7.5 CBS: U.S. importers' arranged imports, by source and period

Quantity in metric tons

Source	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Total
China	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Third-country trade actions

Based on available information, CBS from China has been subject to one other antidumping investigation outside the United States. On March 20, 2026, the Ministry of Commerce and Industry of India issued its final finding in the antidumping investigation on imports of sulphenamide accelerators originating in or exported from China (table 7.6).⁸ The determination is still pending final approval by the government of India. Sulphenamide accelerators include CBS and other chemical accelerators, which for the India proceeding are covered under HS code 3812.10, with additional subcategories of 2921.51, 2930.30, 2931.90, 2934.20, 3812.31, and 3812.39. CBS can be classified under HS codes 3812.10 and 2934.20.

Table 7.6 CBS: Final India antidumping finding on imports of sulphenamide accelerators produced in China

Country	Producer	Recommended antidumping duty (dollars per metric ton)
China	All	974

Source: Ministry of Commerce and Industry of India, "Final Finding in the anti-dumping investigation concerning imports of "Sulphenamides Accelerators" originating in or exported from the People's Republic of China, the European Union and the United States of America," March 20, 2026, https://dgtr.gov.in/sites/default/files/2026-03/NCV_FF_SA_0001.pdf.

⁸ Ministry of Commerce and Industry of India, "Final Finding in the anti-dumping investigation concerning imports of "Sulphenamides Accelerators" originating in or exported from the People's Republic of China, the European Union and the United States of America," March 20, 2026, https://dgtr.gov.in/sites/default/files/2026-03/NCV_FF_SA_0001.pdf.

Information on nonsubject countries

Table 7.7 presents GTA data for global exports of CBS under HS subheading 2943.20. Exports under this subheading include both in-scope CBS and out-of-scope products that are other compounds containing a benzothiazole ring-system (whether or not hydrogenated), not further fused. From 2023 to 2025, the largest global exporter of this product category was, by far, China, accounting for 59.8 percent of global exports by value in 2025. The second largest global exporter was Belgium, accounting for 18.8 percent in 2025, followed by the United States, accounting for 5.9 percent.

Table 7.7 Heterocyclic compounds containing a benzothiazole ring-system (whether or not hydrogenated), not further fused: Global exports, by exporter and period

Value in 1,000 dollars; share in percent

Exporting country	Measure	2023	2024	2025
United States	Value	24,997	35,806	33,280
China	Value	385,761	416,393	338,626
Belgium	Value	86,445	106,652	106,669
Spain	Value	36,010	23,805	25,942
Slovakia	Value	27,426	22,067	14,212
India	Value	23,309	19,251	12,790
Japan	Value	10,487	11,823	8,705
Germany	Value	10,454	9,168	7,889
Italy	Value	4,477	4,442	4,101
Netherlands	Value	8,232	4,720	2,604
Taiwan	Value	2,069	2,370	2,430
South Korea	Value	1,876	1,250	1,396
All other exporters	Value	18,013	11,970	7,837
All reporting exporters	Value	639,558	669,717	566,482

Table continued.

Table 7.7 (Continued) Heterocyclic compounds containing a benzothiazole ring-system (whether or not hydrogenated), not further fused: Global exports, by exporter and period

Value in 1,000 dollars; share in percent

Exporting country	Measure	2023	2024	2025
United States	Share of value	3.9	5.3	5.9
China	Share of value	60.3	62.2	59.8
Belgium	Share of value	13.5	15.9	18.8
Spain	Share of value	5.6	3.6	4.6
Slovakia	Share of value	4.3	3.3	2.5
India	Share of value	3.6	2.9	2.3
Japan	Share of value	1.6	1.8	1.5
Germany	Share of value	1.6	1.4	1.4
Italy	Share of value	0.7	0.7	0.7
Netherlands	Share of value	1.3	0.7	0.5
Taiwan	Share of value	0.3	0.4	0.4
South Korea	Share of value	0.3	0.2	0.2
All other exporters	Share of value	2.8	1.8	1.4
All reporting exporters	Share of value	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 2934.20 as reported by various national statistical authorities in the Global Trade Atlas Suite database, accessed May 26, 2026.

Note: HS subheading 2934.20 includes out-of-scope products and therefore data are likely overstated. United States is shown at the top followed by the countries under investigation, all remaining top exporting countries in descending order of 2025 data.

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, Federal Register notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
91 FR 25923, May 12, 2026	N-Cyclohexylbenzothiazole-2-sulfenamide From China; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations	https://www.govinfo.gov/content/pkg/FR-2026-05-12/pdf/2026-09337.pdf
91 FR 32941, June 2, 2026	N-Cyclohexylbenzothiazole-2-Sulfenamide From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation	https://www.govinfo.gov/content/pkg/FR-2026-06-02/pdf/2026-11000.pdf
91 FR 32946, June 2, 2026	N-Cyclohexylbenzothiazole-2-Sulfenamide from the People's Republic of China: Initiation of Countervailing Duty Investigation	https://www.govinfo.gov/content/pkg/FR-2026-06-02/pdf/2026-11001.pdf

APPENDIX B

LIST OF STAFF CONFERENCE WITNESSES

CALENDAR OF PUBLIC PRELIMINARY CONFERENCE

Those listed below appeared as witnesses at the United States International Trade Commission's preliminary conference:

Subject: N-Cyclohexylbenzothiazole-2-Sulfenamide (CBS) from China
Inv. Nos.: 701-TA-797 and 731-TA-1793 (Preliminary)
Date and Time: May 28, 2026 – 9:30 a.m.

A session was held in connection with these preliminary phase investigations in the Main Hearing Room (Room 101), 500 E Street, SW., Washington, D.C.

OPENING REMARKS:

In Support of Imposition (**James R. Cannon, Jr.**, Cassidy Levy Kent (USA) LLP)

In Support of the Imposition of the Antidumping and Countervailing Duty Orders:

Cassidy Levy Kent (USA) LLP
Washington, D.C.
on behalf of

LANXESS Corporation ("LANXESS")

Roy Varghese, Head of Rhein Chemie Business Unit, Americas, LANXESS

Dominic Presutti, Strategic Sales Manager, LANXESS

John Pawlikowski, Head of Applications Technology, LANXESS

Debra Horton, Director, Supply Chain & Controlling, LANXESS

Patrick Edwards, Managing Director of Economic Analysis,
Cassidy Levy Kent (USA) LLP

Ahdia Bavari, Senior Compliance Specialist,
Cassidy Levy Kent (USA) LLP

James R. Cannon, Jr.)
Myles S. Getlan) – OF COUNSEL
Chase J. Dunn)

CLOSING REMARKS:

In Support of Imposition (**James R. Cannon, Jr.**, Cassidy Levy Kent (USA) LLP)

APPENDIX C

SUMMARY DATA

Table C.1

CBS: Summary data concerning the U.S. market, by item and period

Quantity=metric tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per metric tons; Period changes=percent--exceptions noted; Interim period is January through March

Item	Reported data					Period change comparisons			
	Calendar year		2025	Interim		Calendar year		Interim	
	2023	2024		2025	2026	2023–25	2023–24	2024–25	2025–26
U.S. consumption quantity:									
Amount.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Producers' share (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
China.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Nonsubject sources.....	***	***	***	***	***	▲***	▼***	▲***	▼***
All import sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. consumption value:									
Amount.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Producers' share (fn1).....	***	***	***	***	***	▼***	▼***	▲***	▲***
Importers' share (fn1):									
China.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Nonsubject sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***
All import sources.....	***	***	***	***	***	▲***	▲***	▼***	▼***
U.S. imports from:									
China:									
Quantity.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Unit value.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Ending inventory quantity.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Nonsubject sources:									
Quantity.....	***	***	***	***	***	▲***	▼***	▲***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Unit value.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▲***	▼***
All import sources:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Unit value.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▼***	▼***
U.S. producers':									
Practical capacity quantity.....	***	***	***	***	***	***	***	***	***
Production quantity.....	***	***	***	***	***	▲***	▲***	▼***	▲***
Capacity utilization (fn1).....	***	***	***	***	***	▲***	▲***	▼***	▲***
U.S. shipments:									
Quantity.....	***	***	***	***	***	▼***	▼***	▼***	▲***
Value.....	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit value.....	***	***	***	***	***	▼***	▼***	▼***	▲***
Export shipments:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Unit value.....	***	***	***	***	***	▼***	▼***	▼***	▲***

Table continued.

Table C.1 Continued

CBS: Summary data concerning the U.S. market, by item and period

Quantity=metric tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per metric tons; Period changes=percent--exceptions noted; Interim period is January through March

Item	Reported data					Period change comparisons			
	Calendar year		2025	Interim		Calendar year		Interim	
	2023	2024		2025	2026	2023–25	2023–24	2024–25	2025–26
U.S. producers' continued:									
Ending inventory quantity.....	***	***	***	***	***	▲***	▲***	▼***	▲***
Inventories/total shipments (fn1).....	***	***	***	***	***	▼***	▲***	▼***	▲***
Production workers.....	***	***	***	***	***	***	***	***	***
Hours worked (1,000s).....	***	***	***	***	***	▲***	▲***	▼***	▼***
Wages paid (\$1,000).....	***	***	***	***	***	▲***	▲***	▲***	▲***
Hourly wages (dollars per hour).....	***	***	***	***	***	▲***	▼***	▲***	▲***
Productivity (metric tons per 1,000 hours)	***	***	***	***	***	▲***	▲***	▼***	▲***
Unit labor costs.....	***	***	***	***	***	▼***	▼***	▲***	▼***
Net sales:									
Quantity.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Value.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Unit value.....	***	***	***	***	***	▼***	▼***	▼***	▲***
Cost of goods sold (COGS).....	***	***	***	***	***	▼***	▲***	▼***	▼***
Gross profit or (loss) (fn2).....	***	***	***	***	***	▲***	▲***	▼***	▲***
SG&A expenses.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Operating income or (loss) (fn2).....	***	***	***	***	***	▲***	▲***	▼***	▲***
Net income or (loss) (fn2).....	***	***	***	***	***	▲***	▲***	▼***	▲***
Unit COGS.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit SG&A expenses.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit operating income or (loss) (fn2).....	***	***	***	***	***	▲***	▲***	▼***	▲***
Unit net income or (loss) (fn2).....	***	***	***	***	***	▲***	▲***	▼***	▲***
COGS/sales (fn1).....	***	***	***	***	***	▼***	▼***	▲***	▼***
Operating income or (loss)/sales (fn1).....	***	***	***	***	***	▲***	▲***	▼***	▲***
Net income or (loss)/sales (fn1).....	***	***	***	***	***	▲***	▲***	▼***	▲***
Capital expenditures.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Research and development expenses.....	***	***	***	***	***	▲***	***	▲***	***
Total assets.....	***	***	***	***	***	▼***	▼***	▼***	***

Source: Compiled from data submitted in response to Commission questionnaires and adjusted official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2934.20.8000 and proprietary, Census-edited Customs' import records, accessed May 15, 2026. The adjustments made to official U.S. import statistics include: removal of out-of-scope imports under the primary HTS number that were reported in responses to Commission questionnaires; exclusion of Customs records for U.S. importers that submitted a certified "No" questionnaire response to the Commission; and removal of Customs records for certain U.S. importers of out-of-scope material identified through industry research and in proprietary statistics as having average unit values that are inconsistent with expected average unit values for CBS. Imports are based on the imports for consumption data series. Import value data reflect landed duty-paid values. 508-compliant tables for these data are contained in parts 3, 4, 6, and 7 of this report.

fn1.--Reported data are in percent and period changes are in percentage points.

fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "--". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

APPENDIX D

FINANCIAL DATA

Tables D.1 and D.2 present financial data for U.S. producer Lanxess' U.S. operations for U.S. sales. Tables D.3 and D.4 present financial data for U.S. producer Lanxess' U.S. operations for export sales. Figure D.1 presents the firm's operating income to sales ratio for its U.S. sales, export sales, and combined sales.

Table D.1 CBS: U.S. producer Lanxess' results of operations for U.S. sales, by item and period

Quantity in metric tons; value in 1,000 dollars; ratio in percent; interim period is January through March

Item	Measure	2023	2024	2025	Interim 2025	Interim 2026
Net U.S. sales	Quantity	***	***	***	***	***
Net U.S. sales	Value	***	***	***	***	***
COGS: Raw materials	Value	***	***	***	***	***
COGS: Direct labor	Value	***	***	***	***	***
COGS: Other factory	Value	***	***	***	***	***
COGS: Total	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expense / (income), net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
COGS: Raw materials	Ratio to NS	***	***	***	***	***
COGS: Direct labor	Ratio to NS	***	***	***	***	***
COGS: Other factory	Ratio to NS	***	***	***	***	***
COGS: Total	Ratio to NS	***	***	***	***	***
Gross profit	Ratio to NS	***	***	***	***	***
SG&A expense	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued.

Table D.1 (Continued) CBS: U.S. producer Lanxess' results of operations for U.S. sales, by item and period

Shares in percent; unit values in dollars per metric ton; count in number of firms reporting; interim period is January through March

Item	Measure	2023	2024	2025	Interim 2025	Interim 2026
COGS: Raw materials	Share	***	***	***	***	***
COGS: Direct labor	Share	***	***	***	***	***
COGS: Other factory	Share	***	***	***	***	***
COGS: Total	Share	100.0	100.0	100.0	100.0	100.0
Net U.S. sales	Unit value	***	***	***	***	***
COGS: Raw materials	Unit value	***	***	***	***	***
COGS: Direct labor	Unit value	***	***	***	***	***
COGS: Other factory	Unit value	***	***	***	***	***
COGS: Total	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	1	1	1	1	1

Source: Compiled from data submitted in response to Commission questionnaires.

Table D.2 CBS: Changes in AUVs between comparison periods of operations of U.S. sales

Changes in percent; interim period is January through March

Item	2023–25	2023–24	2024–25	Interim 2025–26
Net U.S. sales	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Raw materials	▼ ***	▼ ***	▼ ***	▼ ***
COGS: Direct labor	▼ ***	▼ ***	▲ ***	▲ ***
COGS: Other factory	▼ ***	▼ ***	▲ ***	▼ ***
COGS: Total	▼ ***	▼ ***	▼ ***	▼ ***

Table continued.

Table D.2 (Continued) CBS: Changes in AUVs between comparison periods of operations of U.S. sales

Changes in dollars per metric ton; interim period is January through March

Item	2023–25	2023–24	2024–25	Interim 2025–26
Net U.S. sales	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Raw materials	▼ ***	▼ ***	▼ ***	▼ ***
COGS: Direct labor	▼ ***	▼ ***	▲ ***	▲ ***
COGS: Other factory	▼ ***	▼ ***	▲ ***	▼ ***
COGS: Total	▼ ***	▼ ***	▼ ***	▼ ***
Gross profit or (loss)	▲ ***	▲ ***	▲ ***	▲ ***
SG&A expense	▼ ***	▼ ***	▲ ***	▼ ***
Operating income or (loss)	▲ ***	▲ ***	▲ ***	▲ ***
Net income or (loss)	▲ ***	▲ ***	▲ ***	▲ ***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Period changes preceded by a “▲” represent an increase, while period changes preceded by a “▼” represent a decrease.

Table D.3 CBS: U.S. producer Lanxess' results of operations for net export sales, by item and period

Quantity in metric tons; value in 1,000 dollars; ratio in percent; interim period is January through March

Item	Measure	2023	2024	2025	Interim 2025	Interim 2026
Net export sales	Quantity	***	***	***	***	***
Net export sales	Value	***	***	***	***	***
COGS: Raw materials	Value	***	***	***	***	***
COGS: Direct labor	Value	***	***	***	***	***
COGS: Other factory	Value	***	***	***	***	***
COGS: Total	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expense / (income), net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
COGS: Raw materials	Ratio to NS	***	***	***	***	***
COGS: Direct labor	Ratio to NS	***	***	***	***	***
COGS: Other factory	Ratio to NS	***	***	***	***	***
COGS: Total	Ratio to NS	***	***	***	***	***
Gross profit	Ratio to NS	***	***	***	***	***
SG&A expense	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued.

Table D.3 (Continued) CBS: U.S. producer Lanxess' results of operations for net export sales, by item and period

Shares in percent; unit values in dollars per metric ton; count in number of firms reporting; interim period is January through March

Item	Measure	2023	2024	2025	Interim 2025	Interim 2026
COGS: Raw materials	Share	***	***	***	***	***
COGS: Direct labor	Share	***	***	***	***	***
COGS: Other factory	Share	***	***	***	***	***
COGS: Total	Share	100.0	100.0	100.0	100.0	100.0
Net export sales	Unit value	***	***	***	***	***
COGS: Raw materials	Unit value	***	***	***	***	***
COGS: Direct labor	Unit value	***	***	***	***	***
COGS: Other factory	Unit value	***	***	***	***	***
COGS: Total	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	1	1	1	1	1

Source: Compiled from data submitted in response to Commission questionnaires.

Table D.4 CBS: Changes in AUVs between comparison periods of operations of net export sales

Changes in percent; interim period is January through March

Item	2023–25	2023–24	2024–25	Interim 2025–26
Net export sales	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Raw materials	▼ ***	▼ ***	▼ ***	▼ ***
COGS: Direct labor	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Other factory	▼ ***	▼ ***	▲ ***	▼ ***
COGS: Total	▼ ***	▼ ***	▼ ***	▼ ***

Table continued.

Table D.4 (Continued) CBS: Changes in AUVs between comparison periods of operations of net export sales

Changes in dollars per metric ton; interim period is January through March

Item	2023–25	2023–24	2024–25	Interim 2025–26
Net export sales	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Raw materials	▼ ***	▼ ***	▼ ***	▼ ***
COGS: Direct labor	▼ ***	▼ ***	▼ ***	▲ ***
COGS: Other factory	▼ ***	▼ ***	▲ ***	▼ ***
COGS: Total	▼ ***	▼ ***	▼ ***	▼ ***
Gross profit or (loss)	▲ ***	▲ ***	▼ ***	▲ ***
SG&A expense	▼ ***	▲ ***	▼ ***	▼ ***
Operating income or (loss)	▲ ***	▲ ***	▼ ***	▲ ***
Net income or (loss)	▲ ***	▲ ***	▼ ***	▲ ***

Source: Compiled from data submitted in response to Commission questionnaires.

Note: Period changes preceded by a “▲” represent an increase, while period changes preceded by a “▼” represent a decrease.

Figure D.1 CBS: U.S. producer Lanxess' operating income to sales ratio, by type of sale and period

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Source: Compiled from data submitted in response to Commission questionnaires.

Note: ***.

