

PUBLIC

Boltless Steel Shelving from China

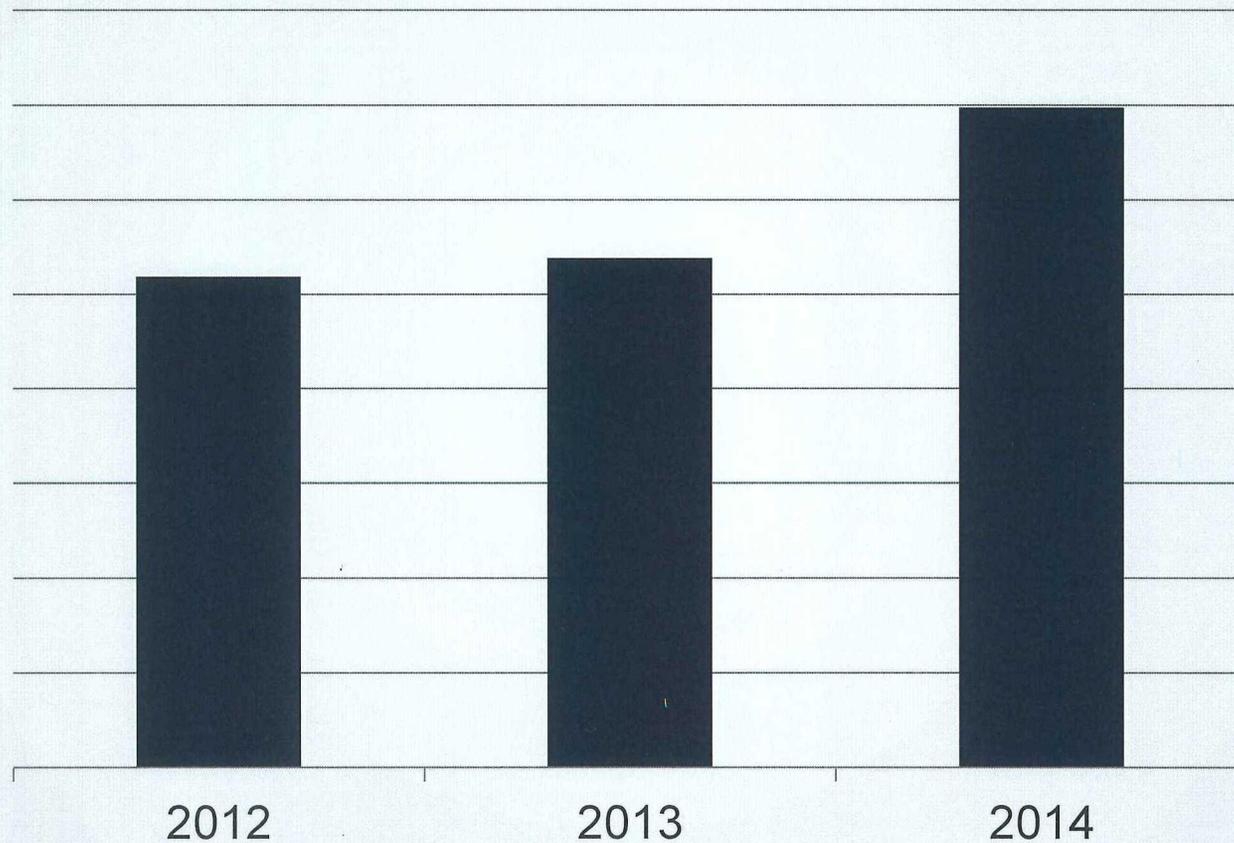
Domestic Industry Presentation

August 13, 2015

KELLEY

DRYE

Slide 1: Imports from China Are Sizeable and Increasing



Source: ITC Prehrg. Rep. at IV-3 (Tables IV-2).

Slide 2:

U.S. and China Boltless Steel Shelving Are Interchangeable So Price is Paramount to Purchasers

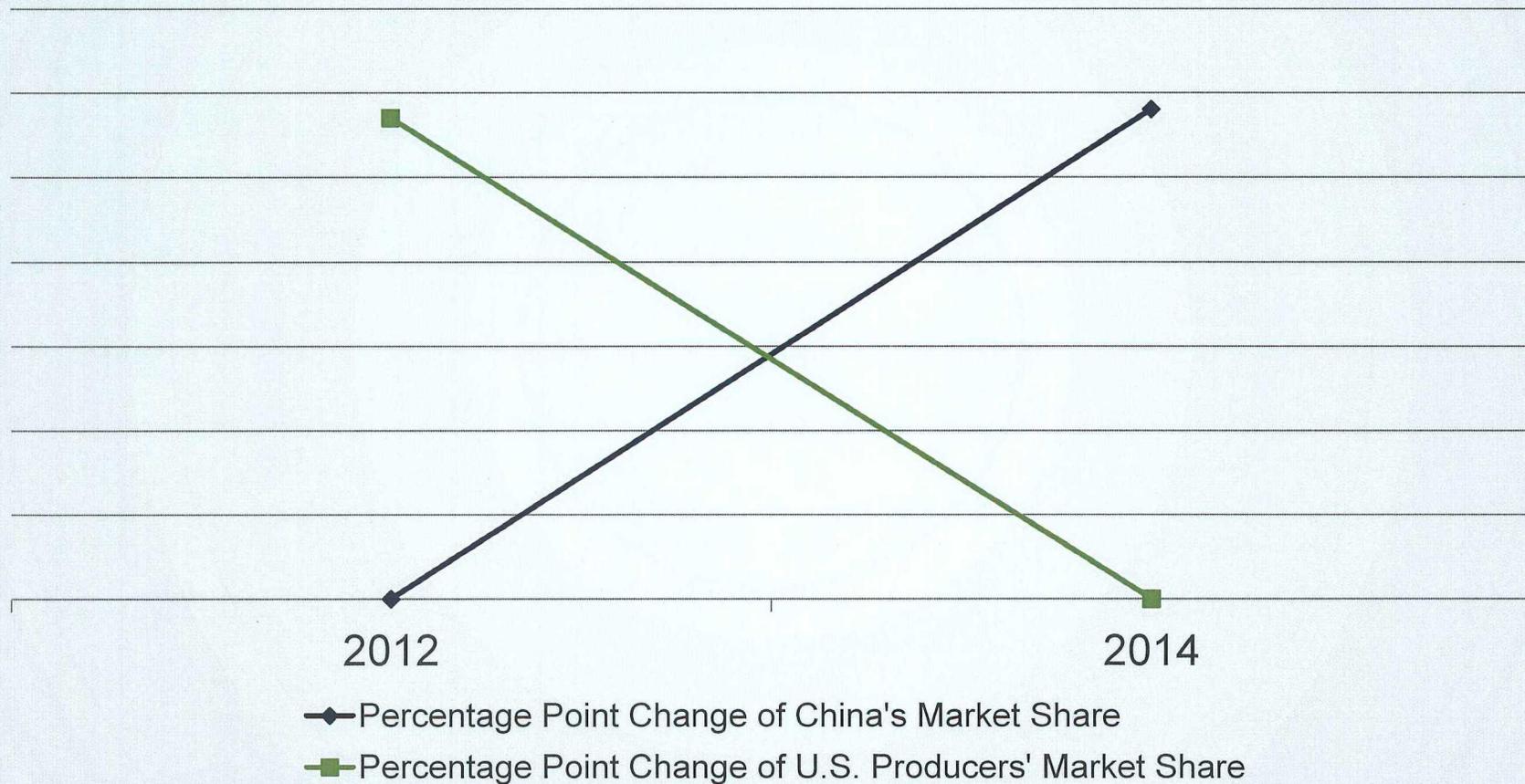
- Virtually all U.S. producers, importers and purchasers reported that the U.S. and Chinese shelving is always or frequently interchangeable. ITC Prehrq. Rep. at II-18-II-19.
- The prehearing report concludes that the U.S. and imported boltless steel shelving is highly substitutable. ITC Prehrq. Rep. at II-13.
- The vast majority of purchasers rated price as “very important” in buying decisions. ITC Prehrq. Rep. at II-15.

Slide 3: Imports from China Undersold the U.S. Product in the Majority of Instances

Quarters of Underselling	Quarters of Overselling	Percentage of Underselling by Imports from China	Average Underselling Margin (percent)
33	22	60.0%	12.1

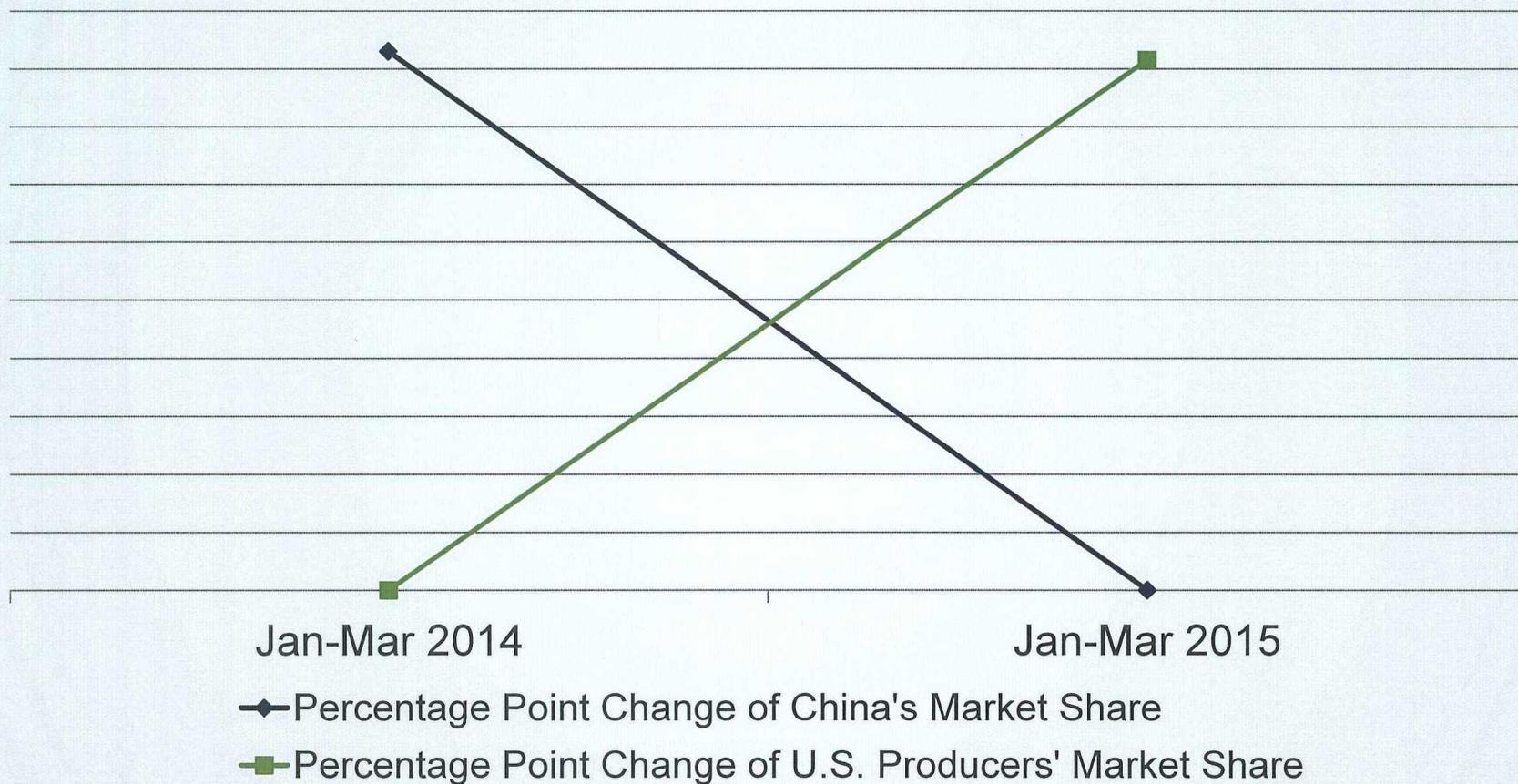
Source: ITC Prehrg. Rep. at V-23 (Tables V-11).

Slide 4: China's Increasing Market Share Displaced U.S. Producers' Sales



Source: ITC Prehrg. Rep. at V-37 (Tables V-16).

Slide 5: Positive Volume Effects of Trade Case Filing



Source: ITC Prehrg. Rep. at V-37 (Tables V-16).

Slide 6: Positive Price and Profit Effects of Trade Case Filing

- U.S. producers' boltless shelving prices increased from 3Q2014 to 1Q2015 for all five pricing descriptors.
- The U.S. industry returned to a profitable position in interim 2015 as prices recovered and imports receded from the U.S. market.

Source: ITC Prehrg. Rep. at VI-3 (Tables VI-1) and V-9 –V-13 (Tables V-3 – V-7).

Slide 7: Positive Effects of Case on U.S. Industry Workers

- In late 2014 and early 2015, Edsal rehired 150 workers that had been laid off in Chicago in mid-2015.
- Edsal began boltless steel shelving operations in 2015 in Gary, Indiana, an economically-depressed area with many unemployed but skilled workers.







