Brass Rod from India

Investigation No. 701-TA-686 (Final)

Publication 5485

February 2024

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual concerns may not be published. Such information is identified by brackets in confidential reports and is deleted and replaced with asterisks (***) in public reports.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 701-TA-686 (Final)

Brass Rod from India

DETERMINATION

On the basis of the record¹ developed in the subject investigation, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that an industry in the United States is materially injured by reason of imports of brass rod from India, provided for in subheadings 7407.21.15, 7407.21.30, 7407.21.70, and 7407.21.90 of the Harmonized Tariff Schedule of the United States, that have been found by the U.S. Department of Commerce ("Commerce") to be subsidized by the government of India.²

BACKGROUND

The Commission instituted this investigation effective April 27, 2023, following receipt of a petitions filed with the Commission and Commerce by the American Brass Rod Fair Trade Coalition, Washington, District of Columbia; Mueller Brass Co., Port Huron, Michigan; and Wieland Chase LLC, Montpelier, Ohio. The Commission scheduled the final phase of the investigation following notification of a preliminary determination by Commerce that imports of brass rod from India were being subsidized within the meaning of section 703(b) of the Act (19 U.S.C. 1671b(b)). Notice of the scheduling of the final phase of the Commission's investigation and of a public hearing 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 October 5, 2023 (88 FR 69229). The Commission conducted its hearing on December 12, 2023. All persons who requested the opportunity were permitted to participate.

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

² 88 FR 87407 (December 18, 2023).

³ Chairman David S. Johanson dissenting.

Views of the Commission

Based on the record in the final phase of this investigation, we determine that an industry in the United States is materially injured by reason of imports of India found by the U.S. Department of Commerce ("Commerce") to be subsidized by the government of India.¹

I. Background

Parties to the Investigation. The American Brass Rod Fair Trade Coalition and its members, Mueller Brass Co. ("Mueller") and Wieland Chase LLC ("Wieland") (collectively, "petitioners"), U.S. producers of brass rod, filed antidumping and countervailing duty petitions in these investigations on April 27, 2023. The investigation schedules became staggered when Commerce postponed its final antidumping duty determinations regarding brass rod from Brazil, India, Israel, Mexico, South Africa, and South Korea and its final countervailing duty determinations regarding brass rod from Israel and South Korea ("the trailing investigations"),² but did not postpone its final countervailing duty determination regarding brass rod from India.³ Commerce published its final determination with respect to brass rod from India on December 18, 2023.⁴ This necessitated that the Commission issue an earlier final determination in the countervailing duty investigation of brass rod from India than in the trailing investigations. Pursuant to the statutory provision on staggered investigations, the record for the trailing investigations will be the same as the record in the countervailing duty investigation of brass rod from India except that, prior to the Commission's final antidumping duty determinations on brass rod from Brazil, India, Israel, Mexico, South Africa, and South Korea, and its final countervailing duty determinations on brass rod from Israel and South

¹ Chairman Johanson determines that a domestic industry is not materially injured nor threatened with material injury by reason of subject imports of brass rod from India. *See* Separate and Dissenting Views of Chairman David S. Johanson. He joins in sections I through V.B, except as otherwise noted.

² See, e.g., Brass Rod from Brazil: Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures, 88 Fed. Reg. 83910 (Dec. 1, 2023); Brass Rod from the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures, 88 Fed. Reg. 83915 (Dec. 1, 2023).

³ Brass Rod from India: Preliminary Affirmative Countervailing Duty Determination, 88 Fed. Reg. 67240 (Sept. 29, 2023).

⁴ Brass Rod from India: Final Affirmative Countervailing Duty Determination, 88 Fed. Reg. 87407 (Dec. 18, 2023).

Korea, the Commission shall include in the record Commerce's final dumping and countervailing duty determinations and the parties' final comments concerning those determinations.⁵

Representatives of Mueller and Wieland appeared at the hearing accompanied by counsel and submitted prehearing and posthearing briefs and final comments. In addition, Chicago Extruded Metals Co. ("CXM"), a U.S. producer of brass rod, submitted a prehearing brief. Several respondent entities participated in these investigations. Representatives for Finkelstein Metals Ltd., a producer/exporter of brass rod in Israel, and Finkelstein Metals USA Inc. ("Finkelstein USA"), a U.S. importer of brass rod from Israel (collectively, "Finkelstein"), appeared at the hearing accompanied by counsel and submitted prehearing and posthearing briefs and final comments. The Government of Israel, Ministry of Economy and Trade Affairs, submitted pre-hearing and post-hearing statements, and a representative of the Government of Israel appeared at the hearing accompanied by counsel. Aviva Metals ("Aviva"), an importer/purchaser of subject merchandise; Non-Ferrous Metal Works (SA) (PTY) Ltd. ("Non-Ferrous"), a producer/exporter of brass rod from South Africa; Industrias Unidas, S.A. de C.V., a producer/exporter of brass rod from Mexico; Cambridge-Lee Industries LLC, a U.S. importer/purchaser of subject merchandise; and Termomecanica Sao Paulo S.A., a producer/exporter of brass rod from Brazil (collectively, "Joint Respondents") jointly submitted prehearing and posthearing briefs and final comments. Representatives of Aviva, Non-Ferrous, Industrias Unidas, and Cambridge-Lee all appeared at the hearing accompanied by counsel. Booyoung Industry, a nonparty producer of subject merchandise from South Korea, submitted written comments after the hearing.

Data Coverage. U.S. industry data are based on the questionnaire responses from three domestic producers that accounted for all known domestic production of brass rod in 2022.⁶

⁵ See 19 U.S.C. § 1677(7)(G)(iii). Commerce is currently scheduled to issue its final determinations in the trailing antidumping duty investigations of brass rod from Brazil, India, Mexico, South Africa, and South Korea, and in the trailing countervailing duty investigation of brass rod from South Korea, by April 15, 2024. *See, e.g., Brass Rod from Brazil: Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures,* 88 Fed. Reg. 83910, 83912 (Dec. 1, 2023); *Brass Rod from the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination of Final Determination, and Extension of Provisional Measures,* 88 Fed. Reg. 83915, 83918 (Dec. 1, 2023). Commerce is currently scheduled to issue its final determinations in the trailing antidumping and countervailing duty investigations of brass rod from Israel by July 26, 2024. *See Brass Rod from Israel: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination of Provisional Measures,* 88 Fed. Reg. 86632, 86634 (Dec. 14, 2023).

⁶ Confidential Report, Memoranda INV-VV-114 (Dec. 28, 2023), INV-WW-001 (Jan. 3, 2023), INV-WW-003 (Jan. 9, 2024) ("CR") at III-1; Public Report, *Brass Rod from Brazil, India, Israel, Mexico, South* (Continued...)

U.S. import data are based on questionnaire responses of 21 U.S. importers of brass rod, accounting for the majority of subject imports in 2022, including *** percent of U.S. imports from Brazil, *** percent of U.S. imports from India, *** percent of U.S. imports from South Korea, *** U.S. imports from Israel, Mexico, and South Africa, *** percent of U.S. imports from nonsubject sources, and *** percent of U.S. imports from all sources.⁷

The Commission received responses to its questionnaires from seven foreign producers of subject merchandise: one producer/exporter in Brazil, estimated to have accounted for approximately *** percent of production of subject merchandise in Brazil in 2022, and whose exports to the United States accounted for over *** percent of U.S. imports of brass rod from Brazil in 2022;⁸ one producer/exporter in India, estimated to have accounted for approximately *** percent of production of subject merchandise in India in 2022, and whose exports to the United States accounted for *** U.S. imports of brass rod from India in 2022;⁹ one producer/exporter in Israel, estimated to have accounted for all known production of subject merchandise in Israel in 2022, and whose exports to the United States accounted for all known U.S. imports of brass rod from Israel in 2022;¹⁰ one producer/exporter in Mexico, estimated to have accounted for *** percent of production of subject merchandise in Mexico in 2022, and whose exports to the United States accounted for over *** percent of U.S. imports of brass rod from Mexico in 2022;¹¹ one producer/exporter in South Africa, estimated to have accounted for approximately *** percent of production of subject merchandise in South Africa in 2022, and whose exports to the United States accounted for *** U.S. imports of brass rod from South Africa in 2022;¹² and two producers/exporters in South Korea, estimated to have accounted for approximately *** percent of production of subject merchandise in South Korea in 2022, and whose exports to the United States accounted for *** of U.S. imports of brass rod from South Korea in 2022.¹³

Africa, and South Korea, Inv. No. 701-TA-686-688 and 731-TA-1612-1617 (Final) USITC Pub. 5485 (Feb. 2024) ("PR") at III-1.

⁷ CR/PR at I-4, IV-1. The coverage of imports of brass rod from Brazil, India, Mexico, South Africa, and South Korea listed above reflect the subject imports reported in the questionnaire data as a percentage of imports reported under HTS subheadings 7407.21.15, 7407.21.30, 7404.21.50, 7407.21.70, and 7407.21.90 "basket" categories, while the coverage of imports of brass rod from Israel reflects the subject imports reported in the questionnaire data as a percentage of imports reported in the questionnaire data as a percentage of imports reported in the questionnaire data as a percentage of imports reported under HTS subheading 7407.21.90. *Id.* at IV-1.

⁸ CR/PR at VII-3.
⁹ CR/PR at VII-12.

¹⁰ CR/PR at VII-12.

¹¹ CR/PR at VII-31.

¹² CR/PR at VII-39.

¹³ CR/PR at VII-48.

II. Domestic Like Product

A. In General

In determining whether an industry in the United States is materially injured or threatened with material injury by reason of imports of subject merchandise, the Commission first defines the "domestic like product" and the "industry."¹⁴ 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."¹⁵ 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."¹⁶

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.¹⁷ 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."¹⁸ The Commission then defines the domestic like product in light of the imported articles Commerce has identified.¹⁹ The decision regarding the 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

¹⁸ Cleo Inc. v. United States, 501 F.3d 1291, 1298 (Fed. Cir. 2007); see also Hitachi Metals, Ltd. v. United States, Case No. 19-1289, slip op. at 8-9 (Fed. Circ. Feb. 7, 2020) (the statute requires the Commission to start with Commerce's subject merchandise in reaching its own like product determination).

¹⁴ 19 U.S.C. § 1677(4)(A).

¹⁵ 19 U.S.C. § 1677(4)(A).

¹⁶ 19 U.S.C. § 1677(10).

¹⁷ 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).

¹⁹ *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 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).

uses" on a case-by-case basis.²⁰ No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.²¹ The Commission looks for clear dividing lines among possible like products and disregards minor variations.²²

B. Product Description

as:

Commerce defined the imported merchandise within the scope of these investigations

The products covered by this investigation are brass rod and bar (brass rod), which is defined as leaded, low-lead, and no-lead solid brass made from alloys such as, but not limited to the following alloys classified under the Unified Numbering System (UNS) as C27450, C27451, C27460, C34500, C35000, C35300, C35330, C36000, C36300, C37000, C37700, C48500, C67300, C67600, and C69300, and their international equivalents.

The brass rod subject to this investigation has an actual cross-section or outside diameter greater than 0.25 inches but less than or equal to 12 inches. Brass rod cross-sections may be round, hexagonal, square, or octagonal shapes as well as special profiles (e.g., angles, shapes), including hollow profiles.

Standard leaded brass rod covered by the scope contains, by weight, 57.0–65.0 percent copper; 0.5–3.0 percent lead; no more than 1.3 percent iron; and at least 15 percent zinc. No-lead or low-lead brass rod covered by the scope

²⁰ 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).

²¹ See, e.g., S. Rep. No. 96-249 at 90-91 (1979).

²² 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.").

contains by weight 59.0–76.0 percent copper; 0–1.5 percent lead; no more than 0.35 percent iron; and at least 15 percent zinc. Brass rod may also include other chemical elements (e.g., nickel, phosphorous, silicon, tin, etc.).

Brass rod may be in straight lengths or coils. Brass rod covered by this investigation may be finished or unfinished, and may or may not be heated, extruded, pickled, or cold-drawn. Brass rod may be produced in accordance with ASTM B16, ASTM B124, ASTM B981, ASTM B371, ASTM B453, ASTM B21, ASTM B138, and ASTM B927, but such conformity to an ASTM standard is not required for the merchandise to be included within the scope.

Excluded from the scope of this investigation is brass ingot, which is a casting of unwrought metal unsuitable for conversion into brass rod without remelting, that contains, by weight, at least 57.0 percent copper and 15.0 percent zinc.

The merchandise covered by this investigation is currently classifiable under subheadings 7407.21.9000, 7407.21.7000, and 7407.21.1500 of the Harmonized Tariff Schedule of the United States (HTSUS). Products subject to the scope may also enter under HTSUS subheadings 7403.21.0000, 7407.21.3000, and 7407.21.5000. The HTSUS subheadings and UNS alloy designations are provided for convenience and customs purposes. The written description of the scope of the investigation is dispositive.²³

Brass rod, as defined by the scope of these investigations, includes brass rods, bars, or profiles made of brass alloys. Brass alloys are combinations of copper, zinc, and smaller amounts of other elements.²⁴ Up to 98 percent of the raw material used to produce brass rod in the United States comes from scrap, supplemented with pure copper, zinc, or lead, depending on the desired chemical composition of the finished brass rod.²⁵ Brass rod may be produced in accordance with ASTM standards, but conformity to an ASTM standard is not required for brass rod to be included within the scope of these investigations. Brass rod can be leaded, low-lead, and no-lead, but most sales in the U.S. market are of leaded brass rod, because the addition of small amounts of lead optimizes the machinability of the product. Brass rod is commonly used to produce (1) building and household products; (2) industrial

²³ Brass Rod from India: Final Affirmative Countervailing Duty Determination, 88 Fed. Reg. 87407, 87408 (Dec. 18, 2023).

²⁴ CR/PR at I-10.

²⁵ CR/PR at I-12.

machinery and equipment components; (3) electrical and electronic products and components; and (4) automotive and truck/trailer products and components, which can include heavy off-road equipment, construction equipment and military applications.²⁶ For most brass rod producers, the largest volume of shipments goes to customers that produce building and household products.²⁷

C. Arguments of the Parties

Petitioners' Arguments. Petitioners argue that brass rod products covered by the scope of these investigations constitute a single domestic like product. They contend that all in-scope brass rod shares the same basic physical characteristics, and is produced and sold in a variety of brass alloys, combining copper and zinc along with smaller amounts of other elements in varying compositions. They state that brass rod sold in the United States is typically produced to ASTM standards, and all brass rod produced to a given specification is interchangeable. They contend that brass rod of all types is fabricated to produce various downstream products including valves, fittings, plumbing products, and connections, which are used primarily in the construction, infrastructure, national security, and transportation industries. Petitioners state that all brass rod is produced on similar equipment using similar employees and production processes, and is sold through common channels of distribution to distributors and end users. They assert that customers and producers generally perceive brass rod to be a single product category, with prices ranging based on the chemistry and copper content of the particular brass rod product.²⁸

Respondents' Arguments. Respondents do not dispute the domestic like product definition proposed by petitioners.²⁹

D. Domestic Like Product Analysis

Based on the record, we define a single domestic like product consisting of brass rod. In the preliminary phase of these investigations, the Commission found that the record indicated that all brass rod covered by the scope of the investigations comprised a continuum of products that share the same basic physical characteristics and uses. It observed that the constituent elements of brass rod come from a melt of copper, zinc, and lead, and that brass

²⁶ CR/PR at I-10.

²⁷ CR/PR at I-10.

²⁸ Petitioners' Prehearing Brief at 12-14.

²⁹ Joint Respondents' Prehearing Brief at 3; Finkelstein's Prehearing Brief at 6.

rod is typically produced to ASTM standards for use in building and household products. It found that all brass rod produced to a given specification can be used interchangeably; the vast majority of brass rod shipments by U.S. producers were to end users; and customers and producers generally perceived brass rod to be a single product category, consisting of a broad range of alloys, shapes, and sizes. The Commission found that all brass rod is produced in the same manufacturing facilities using the same employees and production processes.³⁰

The Commission observed that lead-free and low-lead brass rod products can be required by local law or regulation and are typically priced at a premium, but found that the record did not indicate, nor did any party suggest, that a clear dividing line existed between lead-free or low-lead brass rod and leaded brass rod. The Commission found that lead-free and low-lead brass rod were made using the same equipment as leaded product, with adjustments only being made to the chemical composition of the product. It also found that, once produced to a customer's specification, lead-free or low-lead brass rod can achieve the same physical performance as leaded product.³¹ Accordingly, and in the absence of any contrary argument, the Commission defined a single domestic like product consisting of all domestically produced brass rod, coextensive with the scope.³²

In these final phase investigations, there is no new information on the record that would warrant revisiting the domestic like product definition,³³ and no party disputes petitioners' argument that the Commission should adopt the same definition of the domestic like product as in the preliminary determinations. Accordingly, we again define a single domestic like product consisting of all brass rod, coextensive with the scope of the investigations.

III. 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."³⁴ In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all

³⁰ Brass Rod from Brazil, India, Israel, Mexico, South Africa, and South Korea, 701-TA-686-688 and 731-TA-1612-1617 (Preliminary), USITC Pub. 5436 at 10-11 (June 2023) ("Preliminary Determinations").

³¹ Preliminary Determinations at 11.

³² Preliminary Determinations at 8-11.

³³ See CR/PR at I-10 to I-13.

³⁴ 19 U.S.C. § 1677(4)(A).

domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.³⁵

There are no related party issues in these investigations, as no domestic producer imported subject merchandise during the January 2020-September 2023 period of investigation ("POI"), or is related to an importer or exporter of subject merchandise.³⁶ Therefore, consistent with our definition of a single domestic like product, we define the domestic industry to consist of all domestic producers of brass rod, Mueller, Wieland, and CXM.

IV. Negligibility

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

Importer Aviva contends that petitioner Mueller buys certain brass rod products from it on a regular basis, and ***. Hearing Transcript ("Tr.") at 152 (Lazarus); CR/PR at II-2 n.2. However, the record indicates that Aviva's claim is not correct and apparently a case of mistaken identity. Mueller's counsel reports that there is another entity called Mueller, from Decatur, Illinois, that has common origins but has been completely separate and has not been affiliated since 1927 with petitioner Mueller Brass Co. (which is based in and has its production facility in Port Huron, Michigan). Hearing Tr. at 260-261 (Levy); CR/PR at III-2 n.2, Table III-1. Petitioner Mueller Brass ***. CR/PR at III-2. While Aviva's counsel stated that it could provide further documentation of petitioner Mueller's purchases of niche products from Aviva, Hearing Tr. at 230-231 (Levinson), Joint Respondents' brief does not provide such documentation, nor does it repeat the assertion that petitioner Mueller purchased subject merchandise from Aviva, suggesting that Aviva has dropped this contention.

³⁵ Petitioners contend that the Commission should define the domestic industry to include all three U.S. producers of brass rod, Mueller, Wieland, and CXM, as none of them qualify for possible exclusion under the related parties provisions. Petitioners' Prehearing Brief at 14. Respondents do not dispute the domestic industry definition proposed by petitioners. Joint Respondents' Prehearing Brief at 3; Finkelstein's Prehearing Brief at 6.

³⁶ CR/PR at III-2, III-17. In July 2023, domestic producer Wieland acquired Farmers Copper, Ltd. ("Farmers Copper"), a distributor of copper, brass, and bronze alloys, which ***. CR/PR at III-2, Table III-3. The statute provides that a domestic producer shall be considered a related party *inter alia* if it indirectly controls an importer of subject merchandise. 19 U.S.C. § 1677(4)(B). The SAA explained that this definition is consistent with the Commission's practice at the time of considering "control of a purchaser of large volumes of the subject imports by a domestic producer" as evidence of such a relationship. SAA at 188. Setting aside whether Wieland qualifies as a related party, we would find that appropriate circumstances do not exist for its exclusion. Wieland was the *** domestic producer of brass rod in 2022, accounting for *** percent of domestic production that year, and a petitioner. CR/PR at Table III-1. Moreover, there is no evidence on the recording indicating that Wieland's ownership of Farmers Copper or Farmers Copper's *** benefited Wieland's domestic production operations such that inclusion of Wieland's data would mask the effects of subject imports on the domestic industry. Indeed, as Wieland comprises the *** of domestic production, exclusion of its data would result in a significant absence of domestic industry data from the record of these investigations.

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 shall be deemed negligible.³⁷ The statute further provides that subject imports from a single country which comprise less than 3 percent of total such imports of the product may not be considered negligible if there are several countries subject to investigation with negligible imports and the sum of such imports from all those countries collectively accounts for more than 7 percent of the volume of all such merchandise imported into the United States.³⁸ In the case of countervailing duty investigations involving developing countries (as designated by the United States Trade Representative), the statute indicates that the negligibility limits are 4 percent and 9 percent, rather than 3 percent and 7 percent.³⁹

Based on the Commission's questionnaire data, during the most recent 12-month period for which data are available preceding the filing of the petition on April 27, 2023, April 2022 through March 2023, in the Commission's antidumping duty investigations, subject imports from Brazil accounted for *** percent of total imports, subject imports from India accounted for *** percent of total imports, subject imports from Israel accounted for *** percent of total imports, subject imports from Mexico accounted for *** percent of total imports, subject imports from South Africa accounted for *** percent of total imports, and subject imports from South Korea accounted for *** percent of total imports.⁴⁰ In the Commission's countervailing duty investigations, subject imports from India accounted for *** percent of total imports, subject imports from Israel accounted for *** percent of total imports, and subject imports, subject imports from Israel accounted for *** percent of total imports, and subject imports, subject imports from Israel accounted for *** percent of total imports, and subject imports, subject imports from Israel accounted for *** percent of total imports, and subject imports,

Because subject imports with respect to all investigations exceed the three percent negligibility threshold, we find that imports from Brazil, India, Israel, Mexico, South Africa, and

⁴⁰ CR/PR at Table IV-5.

³⁷ 19 U.S.C. § 1677(24)(A)(i).

³⁸ 19 U.S.C. § 1677(24)(A)(ii).

³⁹ 19 U.S.C. § 1677(24)(B). Neither India, Israel, nor South Korea, the three sources of imports subject to these countervailing duty investigations, are on USTR's list of developing countries for purposes of applicability of the 4 percent and 9 percent negligibility limits. *See Designations of Developing Countries and Least Developed Countries Under the Countervailing Duty Law*, 85 Fed. Reg. 7613 (USTR Feb. 10, 2020).

⁴¹ CR/PR at Table IV-5. Subject import volumes from India and Israel are the same with respect to the antidumping and countervailing duty investigations. CR/PR at Table IV-5. However, the volume of subject imports from South Korea is lower in the countervailing duty investigation than in the antidumping duty investigation because Commerce estimated a *de minimis* subsidy rate for South Korean exporter Booyoung Industry in its preliminary countervailing duty determination for South Korea, while it estimated an above *de minimis* dumping margin for this firm in its preliminary antidumping duty determination for South Korea. *Id.* at Tables I-3, I-8, IV-5 note.

South Korea subject to the antidumping duty investigations and imports from India, Israel, and South Korea subject to the countervailing duty investigations are not negligible.

V. Cumulation

For purposes of evaluating the volume and effects for a determination of material injury by reason of subject imports, Section 771(7)(G)(i) of the Tariff Act requires the Commission to cumulate subject imports from all countries as to which petitions were filed and/or investigations self-initiated by Commerce on the same day, if such imports compete with each other and with the domestic like product in the U.S. market.⁴² In assessing whether subject imports compete with each other and with the domestic like product, the Commission generally has considered four factors:

- the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality related questions;
- the presence of sales or offers to sell in the same geographic markets of subject imports from different countries and the domestic like product;
- (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and
- (4) whether the subject imports are simultaneously present in the market.⁴³

While no single factor is necessarily determinative, and the list of factors is not exclusive, these factors are intended to provide the Commission with a framework for

⁴² Section 771(G)(ii) of the Tariff Act provides exceptions to the cumulation provision, one of which states that the Commission shall not cumulatively assess the volume and effects of imports "from any country that is a party to an agreement with the United States establishing a free trade area, which entered into force and effect before January 1, 1987, unless the Commission determines that a domestic industry is materially injured or threatened with material injury by reason of imports from that country." 19 U.S.C. § 1677(7)(G)(ii)(IV). Israel is the only country to which this exception applies.

⁴³ See Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan, Inv. Nos. 731-TA-278-280 (Final), USITC Pub. 1845 (May 1986), *aff'd*, *Fundicao Tupy, S.A. v. United States*, 678 F. Supp. 898 (Ct. Int'l Trade), aff'd, 859 F.2d 915 (Fed. Cir. 1988).

determining whether the subject imports compete with each other and with the domestic like product.⁴⁴ Only a "reasonable overlap" of competition is required.⁴⁵

A. The U.S. – Israel Free Trade Agreement Exception

As noted above, Section 771(G)(ii)(IV) of the Tariff Act provides an exception to cumulation with respect to subject imports from Israel.⁴⁶ That provision states that the Commission shall not cumulatively assess the volume and effects of imports:

from any country that is a party to an agreement with the United States establishing a free trade area, which entered into force and effect before January 1, 1987 {*i.e.*, Israel}, unless the Commission determines that a domestic industry is materially injured or threatened with material injury by reason of imports from that country.⁴⁷

Thus, where, as here, antidumping or countervailing duty investigations involve both Israel and other countries, the Commission must first determine whether a domestic industry is material injured or threatened with material injury by reason of imports from Israel. If this inquiry is answered in the affirmative, the imports from Israel are then eligible for cumulation with imports from the other subject counties. If this inquiry is answered in the negative, the Commission cannot cumulate the imports from Israel.⁴⁸

B. Arguments of the Parties

Petitioners' Argument. Petitioners argue that the Commission should cumulate subject imports from all six subject countries (including Israel), asserting that the record includes ample

 46 None of the other three statutory exceptions to the general rule on cumulation apply in these investigations. *See* 19 U.S.C. § 1677(7)(G)(ii).

⁴⁴ See, e.g., Wieland Werke, AG v. United States, 718 F. Supp. 50 (Ct. Int'l Trade 1989).

⁴⁵ The Statement of Administrative Action (SAA) to the Uruguay Round Agreements Act (URAA), expressly states that "the new section will not affect current Commission practice under which the statutory requirement is satisfied if there is a reasonable overlap of competition." H.R. Rep. No. 103-316, Vol. I at 848 (1994) (*citing Fundicao Tupy, S.A. v. United States*, 678 F. Supp. at 902; *see Goss Graphic Sys., Inc. v. United States*, 33 F. Supp. 2d 1082, 1087 (Ct. Int'l Trade 1998) ("cumulation does not require two products to be highly fungible"); *Wieland Werke, AG*, 718 F. Supp. at 52 ("Completely overlapping markets are not required.").

^{47 19} U.S.C. § 1677(7)(G)(ii)(IV).

⁴⁸ See Pure Magnesium from China, Israel, and Russia, Inv. Nos. 701-TA-403 and 731-TA-895-896 (Final), USITC Pub. 3467 (Nov. 2001).

evidence of a reasonable overlap of competition between and among subject imports and the domestic like product. They contend that brass rod produced in the United States and brass rod imported from each of the six subject countries are fungible, sold in similar channels of distribution to some of the same purchasers, and were simultaneously present in overlapping geographic markets over the POI.⁴⁹ They argue that the statutory exception to cumulation pertaining to a country that is party to a free trade agreement with the United States that entered into force and effect before January 1, 1987 does not apply here, because subject imports from Israel materially injured the domestic industry.⁵⁰

Respondents' Argument. Finkelstein argues that subject imports from Israel neither materially injured nor threatened material injury to the domestic brass rod industry, and that the Commission therefore cannot cumulate subject imports from Israel with brass rod imports from the other subject countries under the statute's exception to cumulation.⁵¹ Joint Respondents argue that subject imports from Mexico and South Africa should not be cumulated with subject imports from Brazil, India, Israel, and South Korea for the Commission's determination of present material injury. They contend that subject imports from Mexico and South Africa are not fungible with imports from the other subject countries and the domestic like product, and sell brass rod though different channels of distribution, and thus do not compete with imports from the other subject countries and with the domestic like product in the U.S. market.⁵²

C. Analysis

As set forth below in section VI.C, we determine that a domestic industry is materially injured by reason of subject imports from Israel, and accordingly, that the U.S.-Israel Free Trade Agreement exception to cumulation does not apply for purposes of this final determination.⁵³ As such, we consider subject imports from Brazil, India, Israel, Mexico, South Africa, and South Korea on a cumulated basis, because the statutory criteria for cumulation appear to be

⁴⁹ Petitioners' Prehearing Brief at 35-39.

⁵⁰ Petitioners' Prehearing Brief at 32-35.

⁵¹ Finkelstein's Prehearing Brief at 34-36.

⁵² Joint Respondents' Posthearing Brief, Exh. 1, Response to Commission Questions, at 27-30.

⁵³ Chairman Johanson determines that a domestic industry is not materially injured nor threatened with material injury by reason of subject imports from Israel, and accordingly, that this exception to cumulation does apply for purposes of this final determination. He does not join section V.C. of these Views as they pertain to Israel nor the rest of the Commission's Views except to the extent noted in his separate and dissenting views. *See* Separate and Dissenting Views of Chairman David S. Johanson.

satisfied. As an initial matter, petitioners filed the antidumping duty petitions with respect to all six countries and the countervailing duty petitions with respect to India, Israel, and South Korea on the same day, April 27, 2023.⁵⁴

Fungibility. The record indicates that there is a substantial degree of fungibility between and among domestically produced brass rod and imports from Brazil, India, Israel, Mexico, South Africa, and South Korea. All three U.S. producers reported that brass rod from subject sources could always be used interchangeably with each other and with the domestic like product.⁵⁵ A majority of responding importers and a majority of responding purchasers reported that brass rod from all sources could always be used interchangeably, with the exception that only a plurality of responding importers reported that brass rod from Mexico could always be used interchangeably with domestically produced brass rod.⁵⁶

Furthermore, the record indicates that subject imports from each subject country overlapped with each other and the domestic like product in terms of certain product characteristics. In 2022, the majority of U.S. producers and importers' U.S. shipments of brass rod from all sources were of a similar composition ("other," *i.e.*, leaded brass rod).⁵⁷ There were also U.S. shipments of domestically produced brass rod and brass rod imported from each of these six subject countries in all four categories of shapes of brass rod: round with a diameter of 1 inch or less, round with a diameter greater than 1 inch, square or rectangular, and all other shapes.⁵⁸

In addition, the Commission's pricing data indicate that there were overlapping sales of pricing products 2, 5, and 8 (sales to end users not through scrap buyback programs) and pricing products 3, 6, and 9 (sales to distributors) between U.S. producers and importers from

⁵⁸ CR/PR at Table IV-7. U.S. producers had substantial shares of their U.S. shipments in 2022 in each category: round with a diameter of 1 inch or less (*** percent), round with a diameter greater than 1 inch (*** percent), square or rectangular (*** percent), and all other shapes (*** percent). *Id.* In 2022, there were substantial shares of U.S. shipments of subject imports from each source in the "round with a diameter of 1 inch or less" category: Brazil (*** percent), India (*** percent), Israel (***) percent, Mexico (*** percent), South Africa (*** percent), and South Korea (*** percent).

⁵⁴ CR/PR at I-1.

⁵⁵ CR/PR at Table II-15.

⁵⁶ CR/PR at Tables II-16, II-17.

⁵⁷ See CR/PR at Table IV-6. In 2022, U.S. producers' U.S. shipments of brass rod were *** percent lead-free, *** percent low-lead, and *** percent other (leaded) brass rod. *Id.* Importers' U.S. shipments of low-lead brass rod from subject sources in 2022 ranged from *** percent, while their U.S. shipments of other (leaded) brass rod in 2022 ranged from *** percent. *Id.* Importers had U.S. shipments of lead-free brass rod from *** for which lead-free brass rod accounted for *** percent of U.S. shipments in 2022. *Id.*

all subject sources for which usable pricing data were provided.⁵⁹ Furthermore, purchaser responses to the Commission's lost sales/lost revenue survey indicate that a number of responding purchasers purchased brass rod from multiple sources.⁶⁰ Responding U.S. producers and importers of subject merchandise reported the same seven purchasers as among their largest identified customers.⁶¹

Contrary to Joint Respondents' argument that the domestic like product is not fungible with subject imports from Mexico and South Africa because such imports include *** that domestic producers do not produce, ⁶² the record indicates that there is a sufficient degree of fungibility between the domestic like product and subject imports from these and other subject sources for cumulation. As previously discussed, all responding U.S. producers and a majority or plurality of responding U.S. importers and purchasers reported that the domestic like product and subject imports from all sources are always interchangeable.⁶³ The record also indicates that there is substantial overlap between the domestic like product and subject imports from each source with respect to U.S. shipments of each of the different categories of shapes of brass rod (round with a diameter of 1 inch or less, round with a diameter greater than 1 inch, square or rectangular, and all other shapes) in 2022.⁶⁴ Similarly, as previously discussed, the record shows substantial overlap between subject imports from all sources and the domestic like product in shipments of leaded brass rod, notwithstanding Joint Respondents' assertion that South Africa was the *** subject source to ship *** brass rod, and Mexico was the *** subject source *** brass rod in 2022.⁶⁵

Channels of Distribution. Domestic producers and importers sold brass rod to both distributors and end users. During the POI, end users using buyback programs comprised nearly *** of U.S. producers' U.S. shipments, with *** shares being shipped to end users not

⁵⁹ CR/PR at Table V-13.

⁶⁰ Thirteen responding purchasers reported purchasing and/or importing U.S.-produced brass rod as well as subject imports from one or more subject countries. CR/PR at Table V-18. Responding purchasers reported purchasing subject brass rod from Israel (eleven purchasers), Brazil (five), South Africa (five), South Korea (four), India (three), and Mexico (three), instead of domestically produced brass rod. CR/PR at Table V-21.

⁶¹ CR/PR at Table IV-8.

⁶² Joint Respondents' Posthearing Brief, Exh. 1, Response to Commission Questions, at 27-28.

⁶³ CR/PR at Tables II-15, II-16, II-17.

⁶⁴ CR/PR at Table IV-7.

⁶⁵ CR/PR at Table IV-6; *see* Joint Respondents' Posthearing Brief, Exh. 1, Response to Commission Questions, at 28.

using buyback programs, distributors, and end users under tolling arrangements.⁶⁶ No importers of subject merchandise reported sales to end users using buyback programs.⁶⁷ Subject imports from Brazil, Israel, and South Korea were shipped mainly to distributors.⁶⁸ Most subject imports from India and Mexico went to end users.⁶⁹ Subject imports from South Africa fluctuated in their reported channels of distribution, with a majority ***.⁷⁰ Thus, the record indicates that the channels of distribution for the domestic like product and subject imports from all sources overlapped with respect to sales to end users (not through scrap buyback) and distributors.

Geographic Overlap. U.S. producers and importers of subject merchandise from Brazil, India, Israel, Mexico, South Africa, and South Korea all reported selling brass rod in all regions in the contiguous United States.⁷¹

Simultaneous Presence in Market. Subject imports from Brazil, India, Israel, Mexico, and South Korea were all present in each of the 45 months during the January 2020-September

⁶⁹ CR/PR at II-3, Table II-1. During the 2020-2022 period, the percentage of U.S. shipments of subject imports from India going to end users ranged from *** percent to *** percent, while the percentage going to distributors ranged from *** percent to *** percent. *Id.* at Table II-1. During the 2020-2022 period, the percentage of U.S. shipments of subject imports from Mexico going to end users ranged from *** percent to *** percent. *Id.*

⁶⁶ CR/PR at II-3 and Table II-1. During the 2020-2022 period, the percentage of domestic producers' U.S. shipments going to end users with buyback ranged from *** percent to *** percent, while the percentage of their U.S. shipments going to end users without scrap buyback ranged from *** percent to *** percent, and the percentage going to end users under tolling ranged from *** percent to *** percent, with the total percentage going to end users ranging from *** percent to *** percent. The percentage of domestic producers' U.S. shipments going to distributors during the 2020-2022 period ranged from *** percent to *** percent. CR/PR at Table II-1.

⁶⁷ CR/PR at II-3 and Table II-1.

⁶⁸ CR/PR at II-3, Table II-1. During the 2020-2022 period, the percentage of U.S. shipments of subject imports from Brazil going to distributors ranged from *** percent to *** percent, while the percentage going to end users ranged from *** percent to *** percent. *Id.* at Table II-1. During the 2020-2022 period, the percentage of U.S. shipments of subject imports from Israel going to distributors ranged from *** percent to *** percent, while the percentage going to end users ranged from *** percent to *** percent. *Id.* at Table II-1. During the 2020-2022 period, the percentage of U.S. shipments of subject imports from South Korea going to distributors ranged from *** percent to *** percent to *** percent, while the percentage from *** percent to *** percent.

⁷⁰ CR/PR at II-3, Table II-1. During the 2020-2022 period, the percentage of U.S. shipments of subject imports from South Africa going to end users ranged from *** percent to *** percent, while the percentage going to distributors ranged from *** percent to *** percent. *Id.* at Table II-1

⁷¹ CR/PR at Table II-2.

2023 POI, while subject imports from South Africa were present in 44 out of 45 months.⁷² The domestic like product was present in the U.S. market throughout the POI.⁷³

Conclusion. The record in these investigations indicates that brass rod from all subject sources is fungible with the domestic like product and each other, as it is generally interchangeable and sold in the same shapes and leaded composition. Moreover, the pricing data indicate that U.S. producers and importers of subject merchandise sold overlapping products and many responding purchasers reported purchasing brass rod from multiple domestic and subject sources. Additionally, brass rod from all sources was sold through overlapping channels of distribution, to distributors and end users. Although the domestic like product and subject imports from India, Mexico, and South Africa were sold mostly to end users, while subject imports from Brazil, Israel, and South Korea were sold mostly to distributors, the record indicates that U.S. producers and importers of subject imports from India, Mexico, and importers of subject imports from Srom India, Mexico, and importers of subject imports from India, Mexico, and South Korea also shipped to end users. Moreover, domestically produced brass rod and imports from each subject country were sold in all geographic market areas of the United States and were simultaneously present in the U.S. market throughout the POI.

Because the record indicates that there is a reasonable overlap of competition between and among imports from each subject country and the domestic like product, we cumulate subject imports from Brazil, India, Israel, Mexico, South Africa, and South Korea for our analysis of material injury by reason of subject imports.

VI. Material Injury by Reason of Subject Imports from Israel and Cumulated

Subject Imports

A. Legal Standards

In the final phase of antidumping and countervailing duty investigations, the Commission determines whether an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.⁷⁴ 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

⁷² CR/PR at Table IV-10.

⁷³ See CR/PR at Tables V-4 though V-12.

⁷⁴ 19 U.S.C. §§ 1671d(b), 1673d(b).

like product, but only in the context of U.S. production operations.⁷⁵ The statute defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant."⁷⁶ In assessing whether 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.⁷⁷ 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."⁷⁸

Although the statute requires the Commission to determine whether the domestic industry is "materially injured or threatened with material injury by reason of" unfairly traded imports,⁷⁹ 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.⁸⁰ 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.⁸¹

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

⁸¹ 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).

 $^{^{75}}$ 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).

⁷⁶ 19 U.S.C. § 1677(7)(A).

⁷⁷ 19 U.S.C. § 1677(7)(C)(iii).

⁷⁸ 19 U.S.C. § 1677(7)(C)(iii).

⁷⁹ 19 U.S.C. §§ 1671d(b), 1673d(b).

⁸⁰ 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).

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.⁸² In performing its examination, however, the Commission need not isolate the injury caused by other factors from injury caused by unfairly traded imports.⁸³ Nor does 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.⁸⁴ It is clear that the existence of injury caused by other factors does not compel a negative determination.⁸⁵

⁸³ 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 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.").

⁸⁴ S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47.

⁸⁵ 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.").

⁸² 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.

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."⁸⁶ 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."⁸⁷ The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed "rigid adherence to a specific formula."⁸⁸

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.⁸⁹ Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.⁹⁰

B. Conditions of Competition and the Business Cycle

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

⁸⁶ 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*.

⁸⁷ *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.

⁸⁸ 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.").

⁸⁹ We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

⁹⁰ *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.").

1. Demand Considerations

U.S. demand for brass rod depends on demand in the downstream sectors for which it is used, including construction, as well as in agricultural, communications, defense, heavy construction equipment, industrial manufacturing, and transportation. A large volume is sold to the construction industry for use in applications such as plumbing, HVAC, and architectural components.⁹¹

Majorities of responding U.S. producers and purchasers reported that U.S. demand for brass rod has fluctuated downward since January 1, 2020.⁹² Responding importers had mixed responses, with five of 16 importers reporting that U.S. demand has fluctuated upward, five reporting that it has fluctuated downward, three reporting that it has steadily decreased, one reporting that it has steadily increased, and two reporting no change.⁹³ The parties agree that demand for brass rod increased during the COVID-19 pandemic, with an initial demand decline in early 2020 followed by a large spike in demand in 2021, in part due to the need for brass rod in ventilators and other medical equipment.⁹⁴ Notwithstanding the increase in demand in 2021, petitioners contend that there has been a secular decline in U.S. demand for brass rod over the past two decades, and that the future outlook is one of declining demand.⁹⁵

Apparent U.S. consumption increased by *** percent between 2020 and 2022, rising from *** pounds in 2020 to *** pounds in 2021, and then falling to *** pounds.⁹⁶ Apparent U.S. consumption was *** percent lower, at *** pounds, in January-September ("interim") 2023, compared with *** pounds in interim 2022.⁹⁷

2. Supply Considerations

The domestic industry was the largest source of brass rod supply in the U.S. market during the POI, followed by subject imports and nonsubject imports. The share of apparent U.S. consumption accounted for by the domestic industry declined by *** percentage points between 2020 and 2022, decreasing from *** percent in 2020 to *** percent in 2021, and then

⁹¹ CR/PR at II-15; Hearing Tr. at 22 (Mitchell).

⁹² CR/PR at Table II-6.

⁹³ CR/PR at Table II-6.

⁹⁴ Hearing Tr. at 28-29 (Denner), 37 Stough), 133 (Apeloig), 187-188 (Prusa).

⁹⁵ Hearing Tr. at 29 (Denner); 30 (Christie). Petitioners state that U.S. brass rod consumption has declined by approximately 60 percent over the last 20 years, as many of the U.S. customers for brass rod have shut down or moved offshore. *Id.* at 29 (Denner).

⁹⁶ CR/PR at Tables IV-11, C-1.

⁹⁷ CR/PR at Tables IV-11, C-1.

increasing *** to *** percent in 2022; it was *** percentage points higher, at *** percent, in interim 2023, compared with *** percent in interim 2022.⁹⁸

The three domestic producers of brass rod, Wieland, Mueller, and CXM, accounted for ***, *** percent, and *** percent, respectively, of U.S. production of brass rod in 2022.⁹⁹ In 2020, Wieland approved a \$*** investment in a new finishing line, which was nearing completion in 2023.¹⁰⁰ Wieland broke ground in June 2022 on a new recycling facility in Shelbyville, Kentucky,¹⁰¹ and made acquisitions of Total Metal Recycling in May 2022 and Farmers Copper Ltd. in July 2023.¹⁰² Mueller idled its production facility in Belding, Michigan in late 2019, and it remained idle throughout the POI.¹⁰³ Mueller ***.¹⁰⁴

The domestic industry's reported practical brass rod capacity was flat at *** pounds in 2020, 2021, and 2022; it was *** percent lower, at *** pounds, in interim 2023, compared with *** pounds in interim 2022.¹⁰⁵ The domestic industry's practical brass rod capacity was at least *** percent higher than apparent U.S. consumption in each year of the POI, and was over *** percent higher in both 2020 and 2022.¹⁰⁶ The industry's capacity utilization increased from *** percent in 2020 to *** percent in 2021, before decreasing to *** percent in 2022, for an increase of *** percentage points from 2020 to 2022.¹⁰⁷ Capacity utilization was *** percentage points lower, at *** percent, in interim 2023, compared with *** percent in interim 2022.¹⁰⁸

Both Mueller and Wieland report that they sell brass rod to purchasers in quantities as low as 10,000 pounds, the equivalent of a quarter of a truckload, and sometimes down to 1,000 pounds for a single SKU (stock keeping unit), and that customers that need smaller quantities can be referred to these producers' distributor partners.¹⁰⁹

¹⁰³ Hearing Tr. at 20-21, 22-23 (Mitchell); CR/PR at Table III-4. Mueller reported that it retains the ability to restart the extrusion press at the Belding facility if market conditions permit it. *Id*.

⁹⁸ CR/PR at Tables IV-11, C-1.

⁹⁹ CR/PR at Table III-1.

¹⁰⁰ Hearing Tr. at 29 (Denner); CR/PR at Table III-4.

¹⁰¹ CR/PR at Table III-3.

¹⁰² CR/PR at Table III-3. Wieland stated that the acquisition of Total Metal Recycling would allow it to expand its processing of scrap materials. Farmers Copper Ltd. Is a supplier of copper, brass, and bronze alloys. *Id.*

¹⁰⁴ CR/PR at Table III-4.

¹⁰⁵ CR/PR at Tables III-8, C-1.

¹⁰⁶ Derived from CR/PR at Table C-1.

¹⁰⁷ CR/PR at Tables III-8, C-1.

¹⁰⁸ CR/PR at Tables III-8, C-1.

¹⁰⁹ Hearing Tr. at 32-33, 98-99 (Christie), 98-99 (Mitchell).

Of the domestic industry's total shipments in 2022, *** percent were U.S. shipments and *** percent were export shipments.¹¹⁰ Of the domestic industry's U.S. shipments in 2022, *** percent were commercial non-toll shipments, *** percent were commercial toll shipments, and *** percent were transfers to related firms.¹¹¹ For the domestic industry's sales made pursuant to a tolling agreement, the raw materials (scrap) are provided by the tollee to the U.S. producers for them to convert into brass rod in exchange for a tolling fee.¹¹²

The share of apparent U.S. consumption accounted for by subject imports from Israel increased by *** percentage points between 2020 and 2022, increasing from *** percent in 2020 to *** percent in 2021 before declining to *** percent in 2022; it was *** percentage points higher, at *** percent, in interim 2023, compared with *** percent in interim 2022.¹¹³

The share of apparent U.S. consumption accounted for by cumulated subject imports from Brazil, India, Israel, Mexico, South Africa, and South Korea increased by *** percentage points from 2020 to 2022, increasing from *** percent in 2020 to *** percent in 2021 before declining to *** percent in 2022; it was *** percentage points lower, at *** percent in interim 2023, compared with *** percent in interim 2022, but still above the market share recorded in 2020.¹¹⁴

The share of apparent U.S. consumption accounted for by nonsubject imports increased by *** percentage points from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was *** percent in interim 2022 and interim 2023.¹¹⁵ During the POI, nonsubject imports were reported from Germany, Greece, the Netherlands, Poland, Serbia, Spain, Turkey, the United Arab Emirates, and the United Kingdom.¹¹⁶

Both the domestic industry and suppliers of subject imports experienced supply constraints during the POI, with the domestic industry experiencing such constraints in 2020, 2021, and 2023, while importers of subject merchandise and/or foreign producers experienced such constraints in each year of the POI, based on purchaser responses.¹¹⁷ One domestic

¹¹⁰ CR/PR at Table III-10.

¹¹¹ CR/PR at Table III-11. ***. *Id*. at VI-1 n.3.

¹¹² CR/PR at VI-1 n.4, VI-17. Both Mueller and Wieland report that the each have a small number of long-term accounts engaged in tolling. Hearing Tr. at 118-119 (Christie, Mitchell).

¹¹³ CR/PR at Table IV-9, C-1.

¹¹⁴ CR/PR at Table C-1.

¹¹⁵ CR/PR at Tables IV-11, C-1. The share of apparent U.S. consumption accounted for by imports from all sources other than Israel (nonsubject imports and subject imports from Brazil, India, Mexico, South Africa, and South Korea) increased by *** percentage points from 2020 to 2022, from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was *** percent in interim 2023, down from *** percent in interim 2022. *Id.* at Table C-1.

¹¹⁶ CR/PR at II-12.

¹¹⁷ CR/PR at Table II-4.

producer reported supply constraints occurring in 2020, two domestic producers reported supply constraints occurring in 2021, no domestic producer reported supply constraints in 2023 occurring after the petitions were filed.¹¹⁸ Seven responding purchasers reported domestic industry supply constraints occurring in 2020, nine reported domestic industry supply constraints occurring in 2020, nine reported domestic industry supply constraints occurring in 2021, none reported domestic industry supply constraints occurring in 2022, and two reported domestic industry supply constraints in 2022, and two reported domestic industry supply constraints in 2023 occurring before the petitions were filed.¹¹⁹

Several purchasers reported domestic supply constraints relating to COVID-19 in 2020 and 2021, including ***.¹²⁰ U.S. producers also reported negative impacts with respect to the COVID-19 pandemic, including ***.¹²¹ One purchaser reported a supply constraint in interim 2023 with respect to ***.¹²²

As to supply constraints affecting importers of subject merchandise and/or foreign producers, four responding purchasers reported such constraints occurring in 2020, four reported such constraints occurring in 2021, two reported such constraints occurring in 2022, and one reported such constraints occurring in 2023 after the petitions were filed.¹²³ Purchasers reported that the COVID-19 pandemic *** and that there were manpower, ocean freight and U.S. port capacity constraints.¹²⁴ In addition, purchasers reported that ***, and ***.¹²⁵ Finkelstein states that it did not experience any supply constraints during the POI.¹²⁶ After the end of the POI, Finkelstein reported that the war in Gaza following Hamas's October 7, 2023 attack on Israel caused labor shortages and logistical constraints that forced it to reduce production of brass rod.¹²⁷

Thus, the domestic industry experienced supply constraints as a result of the COVID-19 pandemic in the 2020-2021 period, as did importers and foreign producers, but such

¹¹⁸ CR/PR at II-12.

¹¹⁹ CR/PR at Table II-4. We observe that although Table II-5 of the Commission report indicates that purchaser *** reported *** in 2020 and 2022, *** actually reported ***. *** Revised U.S. Purchaser Questionnaire Response at III-14 (EDIS Document Nos. 808229).

¹²⁰ CR/PR at II-12, Table II-5.

¹²¹ CR/PR at Tables III-4, III-7.

¹²² CR/PR at Table II-5.

¹²³ CR/PR at Table II-4.

¹²⁴ CR/PR at II-12 to II-13, Table II-5.

¹²⁵ CR/PR at II-13, Table II-5.

¹²⁶ Hearing Tr. at 233 (Apeloig, Kendler).

¹²⁷ Hearing Tr. at 134-135, 237-239 (Apeloig): CR/PR at VII-25 n.11, Tables VII-16, VII-18.
constraints had been resolved by 2022.¹²⁸ The share of cumulated subject imports and subject imports from Israel remained at elevated levels in 2022 even in the absence of any domestic producer supply constraints.¹²⁹ Moreover, large majorities of purchasers reported that the domestic industry was comparable or superior to subject imports in terms of availability, delivery time, and reliability of supply.¹³⁰ Furthermore, the domestic industry's capacity utilization ranged from *** percent to *** percent during the 2020 to 2022 period, leaving the industry with ample unused capacity with which it could have supplied additional volumes of brass rod to the U.S. market throughout the period.^{131 132}

3. Substitutability and Other Conditions

Based on the record in these final phase investigations, we find that there is at least a moderate-to-high degree of substitutability between domestically produced brass rod and brass rod imported from Israel.¹³³ All U.S. producers and majorities of responding importers and purchasers reported that brass rod from Israel could always be used interchangeably with the domestic like product.¹³⁴ Majorities of responding U.S. producers and importers reported that differences other than price between subject imports from Israel and the domestic like product are never significant in sales of brass rod, while a majority of responding purchasers reported that difference other than price between subject imports from Israel and the domestic like product are never significant in sales of brass rod, while a majority of responding purchasers reported that difference other than price between subject imports from Israel and the domestic like product are never or only sometimes significant in sales of brass rod.¹³⁵ Majorities of

¹²⁸ CR/PR at II-12, Table II-4. No purchaser reported supply constraints for the domestic industry in 2022 or post-petition 2023. *Id*.

¹²⁹ The market share of cumulated subject imports was *** percent in 2021, increasing to *** percent in 2021 and decreasing only *** percentage points to *** percent in 2022. CR/PR at Table C-1. The market share of subject imports from Israel was *** percent in 2021, increasing to *** percent in 2021 and decreasing only *** percentage points to *** percent in 2022. CR/PR at Table C-1.

¹³⁰ CR/PR at Table II-14.

¹³¹ CR/PR at Table C-1. In addition, the Commission observes that the domestic industry's lead times were shorter than those for subject suppliers. As further discussed below, brass rod is primarily produced-to-order. Between *** and *** percent of U.S. producers' shipments during the POI were produced-to-order, with an average lead time of *** days in 2022. Likewise, between *** and *** percent of U.S. importers' shipments were produced-to-order, but with an average lead time of *** days in 2022. *Id.* at II-22, Table II-11.

 ¹³² Commissioner Schmidtlein does not join this sentence's conclusions with respect to 2021.
¹³³ See CR/PR at II-19.

¹³⁴ See CR/PR at Tables II-15, II-16, II-17.

¹³⁵ CR/PR at Table II-18, II-19, II-20.

responding purchasers reported that subject imports from Israel were comparable with domestically produced product with respect to 14 of 15 nonprice purchasing factors.¹³⁶

We also find that there is at least a moderate-to-high degree of substitutability between domestically produced brass rod and brass rod imported from cumulated subject sources.¹³⁷ All three U.S. producers reported that brass rod from all sources could always be used interchangeably.¹³⁸ A majority of responding importers and a majority of responding purchasers reported that brass rod from all domestic and subject sources could always be used interchangeably (with the exception that only a plurality of responding importers reported that brass rod from Mexico could always be used interchangeably with domestically produced brass rod).¹³⁹ A majority of U.S. producers reported that differences other than price were never significant in sales of brass rod in comparisons between domestically produced brass rod and all subject sources of brass rod.¹⁴⁰ Majorities of responding importers reported that differences other than price were never or only sometimes significant in sales of brass rod in comparisons between domestically produced brass rod and all subject sources of brass rod (with the exception of the comparison between domestically produced brass rod and subject imports from Mexico).¹⁴¹ Majorities of responding purchasers reported that differences other than price were never or only sometimes significant in sales of brass rod in comparisons between domestically produced brass rod and all subject sources of brass rod (with the exception of the comparison between domestically produced brass rod and subject imports from South Korea).¹⁴²

Majorities or pluralities of responding purchasers reported that subject imports from Brazil and the domestic like product are comparable with respect to nine of 15 nonprice factors, that subject imports from India and the domestic like product are comparable with respect to

¹³⁶ CR/PR at Table II-14. A majority of responding purchasers reported that domestically produced product was superior to subject imports from Israel with respect to scrap buyback programs. *Id.*

¹³⁷ See CR/PR at II-19.

¹³⁸ CR/PR at Table II-15.

¹³⁹ CR/PR at Tables II-16, II-17.

¹⁴⁰ CR/PR at Table II-18.

¹⁴¹ CR/PR at Table II-19. Two importers reported that differences other than price between domestically produced brass rod and subject imports from Mexico were never significant in sales of brass rod, two reported that they were always significant, one reported that they were sometimes significant, and one reported that they were frequently significant. *Id.*

¹⁴² CR/PR at Table II-20. Three purchasers reported that differences other than price between domestically produced brass rod and subject imports from South Korea were sometimes significant in sales of brass rod, two reported that they were always significant, two reported that they were frequently significant, and one reported that they were never significant. *Id.*

eight of 15 nonprice factors, that subject imports from Israel and the domestic like product are comparable with respect to 14 of 15 nonprice factors, that subject imports from Mexico and the domestic like product are comparable with respect to ten of 15 nonprice factors, that subject imports from South Africa and the domestic like product are comparable with respect to 11 of 15 nonprice factors, and that subject imports from South Korea and the domestic like product are comparable with respect to 11 of 15 nonprice factors, and that subject imports from South Korea and the domestic like product are comparable with respect to 11 of 15 nonprice factors.¹⁴³

We also find that price is an important factor in purchasing decisions for brass rod, along with other important factors such as quality and availability. Responding purchasers ranked price more often than other factors as a top three factor influencing their purchasing decisions; price was named as a top three factor by ten purchasers, followed by delivery/lead time (nine), and availability/supply and quality (eight each).¹⁴⁴ Quality was ranked most often as the first-most important factor; price and delivery/lead time were ranked most often as the second-most important factor; and delivery/lead time was ranked most often as the third-most important factor influencing purchasing decisions.¹⁴⁵ Price is also one of the factors ranked as "very important" by more than half of the 17 responding purchasers (along with quality meets industry standards, reliability of supply, availability, delivery time, and product consistency).¹⁴⁶

Brass rod is primarily produced-to-order, with smaller volumes sold from inventories. U.S. producers reported that between *** percent and *** percent of their U.S. commercial shipments during the POI were produced-to-order, with lead times for those shipments ranging from *** days to *** days during the 2020-2022 period. The remainder of the domestic industry's U.S. commercial shipments came from inventories, with lead times averaging *** days.¹⁴⁷ Finkelstein USA reported that the percentage of its U.S. commercial shipments of subject imports from Israel coming from U.S. inventories ranged from *** percent to *** percent during the 2020-2022 period, with lead times averaging *** days, and the remaining shipments were produced-to-order, with lead times averaging *** days.¹⁴⁸ Responding importers reported that between *** percent and *** percent of their U.S. shipments of

¹⁴³ CR/PR at Table II-14. Majorities or pluralities of responding purchasers reported that the domestic like product was superior to all six subject country suppliers in scrap buyback programs, to four of the subject country suppliers in delivery time, and to three of the subject country suppliers in availability and reliability of supply. *Id.* By contrast, majorities of responding purchasers reported that the domestic like product was inferior to four subject country suppliers in discounts offered, and to one subject country supplier (Brazil) in product range. *Id.*

¹⁴⁴ CR/PR at Table II-9.

¹⁴⁵ CR/PR at Table II-9.

¹⁴⁶ CR/PR at Table II-10.

¹⁴⁷ CR/PR at II-11.

¹⁴⁸ Finkelstein USA U.S. Importer Questionnaire Response at III-9 (EDIS Document No. 806954).

cumulated subject imports during the POI were produced-to-order, with lead times ranging from *** days to *** days during the 2020-2022 period.¹⁴⁹ Lead times for U.S. importers' shipments of subject merchandise from their inventories ranged from *** days to *** days during the POI.¹⁵⁰

U.S. producers reported setting prices using transaction-by-transaction negotiations, set price lists, contracts, and other methods, while most importers of subject merchandise reported setting prices using transaction-by-transaction negotiations.¹⁵¹ ***.¹⁵²

U.S. producers' sales of brass rod in 2022 were almost evenly divided between sales on the spot market and sales under contracts.¹⁵³ Finkelstein USA reported that *** percent of its sales of subject imports from Israel in 2022 were ***, with *** percent sold under ***.¹⁵⁴ Responding importers reported selling the majority of cumulated subject imports of brass rod on the spot market, with most of the remainder sold under short-term contracts.¹⁵⁵

Up to 98 percent of the raw material used to produce brass rod comes from scrap, supplemented with pure copper, zinc, or lead, depending on the desired chemical composition of the finished brass rod.¹⁵⁶ The most common type of brass rod is made up of about 60 percent copper (by weight). Prices of copper and brass scrap follow similar patterns, and the cost of copper is 70 to 80 percent of the cost of the raw materials used in brass rod. Zinc makes up a small share of the cost of brass rod.¹⁵⁷ Between January 2020 and September 2023, yellow brass scrap prices increased by 47.2 percent, copper prices increased by 37.2 percent, and zinc prices increased by 6.0 percent.¹⁵⁸ The share of the domestic industry's non-toll cost-of goods sold ("COGS") accounted for by raw material costs increased from *** percent in 2020

¹⁵² Finkelstein USA U.S. Importer Questionnaire Response at III-3 (EDIS Document No. 806954).

¹⁵⁴ Finkelstein USA U.S. Importer Questionnaire Response at III-7 (EDIS Document No. 806954).

¹⁴⁹ CR/PR at II-11.

¹⁵⁰ CR/PR at Table II-11.

¹⁵¹ CR/PR at Table V-2. Two U.S. producers reported offering quantity discounts. Most importers reported that they did not have a discount policy., although one importer, ***, reported that it offers volume discounts. *Id.* at V-7 and n.13. Importer *** reported offering *** discounts as appearing in ***. *** U.S. Importer Questionnaire Response at III-5 (EDIS Document No. ***).

¹⁵³ CR/PR at V-5. U.S. producers reported that *** percent of their sales were on the spot market, *** percent under annual contacts, *** percent under long-term contracts, and *** percent under short-term contracts. CR/PR at Table V-3.

¹⁵⁵ CR/PR at V-6. Importers of subject merchandise reported that *** percent of their sales were on the spot market, *** percent under short-term contracts, *** percent under annual contacts, and *** percent under long-term contracts. CR/PR at Table V-3.

¹⁵⁶ CR/PR at V-1. The brass scrap typically used in production of brass rod is yellow brass scrap. *Id.* at V-1 n. 6.

¹⁵⁷ CR/PR at V-1.

¹⁵⁸ CR/PR at V-1, Table V-1, Figure V-1.

to *** percent in 2021, and then declined to *** percent in 2022; it was lower, at *** percent in interim 2023, compared with *** percent in interim 2022.¹⁵⁹

Mueller and Wieland both sell brass rod to participating end user customers under a scrap buyback program whereby the customer can sell back to the respective petitioner the scrap the customer generates in producing its product from the brass rod.¹⁶⁰ Mueller and Wieland typically charge a higher price for the brass rod sold through scrap buyback programs than not through scrap buyback.¹⁶¹ Brass rod producers need to obtain scrap in order to produce brass rod, as brass rod is produced primarily from recycled materials.¹⁶² When "buying back" their scrap from customers, Mueller and Wieland provide a premium over prevailing scrap market prices.¹⁶³ Mueller and Wieland state that they benefit from getting scrap back from their customers, because each producer can be sure that the scrap has the same quality as its own brass rod, can minimize freight costs by using its freight carrier that delivered the brass rod to return the scrap, and can ensure that its product continues to be over 90 percent recycled content.¹⁶⁴ By contrast, they state that purchasing scrap from a middleman on the open market involves scrap with a different chemistry that may bring a risk of contamination, so the brass rod producer may incur higher costs to test and make adjustments to the scrap.¹⁶⁵

¹⁵⁹ CR/PR at Table VI-1.

¹⁶¹ Hearing Tr. at 125-126 (Christie).

¹⁶² CR/PR at I-12, V-1.

¹⁶³ Hearing Tr. at 58-59 (Mitchell), 120-121 (Christie). Domestic producers' purchase prices for brass scrap from buyback programs were higher than their purchase prices for brass scrap not from buyback programs in every quarter of the POI. CR/PR at V-1, Appendix E. Purchase prices for scrap (both buyback and non-buyback) were higher at the end of the period than at the beginning of the period of investigation, mirroring the increase in copper prices. *Id.* at V-2, Appendix E. Purchase price differentials fluctuated during the POI, ranging from *** to *** percent for C3600 scrap alloy and from *** to *** percent for other alloys. *Id.* at V-1, Appendix E.

¹⁶⁴ Hearing Tr. at 53-54, 120 (Christie), 58 (Mitchell).

¹⁶⁵ Hearing Tr. at 120-121 (Christie). The first step in the brass rod production process is raw material receipt and analysis. At the outset of the production process, scrap must be sorted to ensure that only material with the appropriate characteristics enters the melting operation, the next step in the production process. CR/PR at I-12. Thus, petitioners argue that "even though Wieland and Mueller pay more for the raw material {from their scrap buyback customers}, they could also incur increased costs acquiring brass scrap from a scrap yard in costs associated with testing and separating different quality of brass scrap and in additional freight costs." Petitioners' Posthearing Brief at III-9. *See* Hearing Tr. at (Continued...)

¹⁶⁰ Hearing Tr. at 23-24, 52-53 (Mitchell); 53-54 (Christie). According to petitioners, the third domestic producers, CXM generally does not sell to end users with a scrap buyback program. *Id.* at 66 (Levy). Distributors, which generally sell the brass rod they purchase to other purchasers and do not generate scrap themselves, are not eligible to participate in Mueller's scrap buyback program. *Id.* at 60-61 (Mitchell), 62 (Levy). Wieland indicates that some distributors participate in its scrap buyback program. *Id.* at 64-65, 99 (Christie).

Petitioners state that there is a robust scrap industry in the United States so that purchasers can sell their scrap elsewhere, and some purchasers may choose not to participate in the scrap buyback program.¹⁶⁶ However, they contend that the program benefits those participating customers that generate a substantial amount of scrap in their operations¹⁶⁷ by providing a secure source to which they know in advance that they can sell their scrap.¹⁶⁸ Mueller and Wieland do not require their customers to participate in the scrap buyback program and there is ***.¹⁶⁹ Generally, it is the larger end user customers that participate in the scrap buyback programs of Mueller and Wieland.¹⁷⁰

Both Mueller and Wieland sell brass rod based on published price lists, which are frequently revised in light of market developments, including changes in raw material costs and, they claim, lost sales to lower-priced competitors.¹⁷¹ Representatives of both Mueller and Wieland testified that when domestic producers revise their price lists, prices are updated for all customers receiving the price list.¹⁷² Both Mueller and Wieland have multiple brass rod price lists.¹⁷³

¹⁶⁷ The amount of scrap generated by brass rod purchasers varies widely depending on the products produced from the scrap; for example, a small nut requiring brass rod in a garden hose or in a plumbing fixture may be hollowed out and generate 80 percent scrap, whereas other products may generate a much smaller percentage of scrap. Hearing Tr. at 53 (Mitchell), 68, 73-74 (Christie). Mueller reported scrap generation rates for its customers ranging from *** percent to *** percent, while Wieland reported scrap generation rates for its customers ranging from *** percent to *** percent. Petitioners' Posthearing Brief at Exh. 10.

¹⁶⁸ Hearing Tr. at 120 (Christie).

¹⁶⁹ Hearing Tr. at 58, 121 (Mitchell); Petitioners' Posthearing Brief at II-7 to II-8 (***).

¹⁷⁰ Hearing Tr. at 110-111 (Christie), 111 (Mitchell).

¹⁷¹ Hearing Tr. at 25, 63-64, 112-113 (Mitchell), 31 (Christie). The record indicates that on average Mueller and Wieland issued revised prices lists *** during the POI. During the POI, Mueller issued *** brass rod price lists for scrap buyback customers and *** brass rod price lists for customers not eligible for the scrap buyback program. It also updated its scrap buyback price list on a daily basis during the POI. Petitioners' Posthearing Brief at III-26 and Exh. 6. During the POI, Wieland issued *** brass rod price lists for scrap buyback customers and *** brass rod price lists for customers not participating in the scrap buyback program; it also provided ***. *Id.* at III-27 and Exh. 7; *see* Hearing Tr. at 31 (Christie), 63 (Mitchell).

¹⁷² Hearing Tr. at 25, 64 (Mitchell), 31 (Christie).

¹⁷³ See Hearing Tr. at 25 (Mitchell) ("We have one price list for customers who use a scrap buyback program and another price list for those who do not. Our policy is to ensure that our customers are all receiving and using the same price list on any given day."), 59-61, 64 (Mitchell) ("So in (Continued...)

^{120-121 (}Christie) ("If we have to start with other raw materials we purchase on the free market, there's typically a higher cost relative to yield loss potentially because those products are not already at our chemistry, so we have to make adjustments and additions to that. So getting our own chemistry back is to our advantage.").

¹⁶⁶ Hearing Tr. at 59, 121 (Mitchell).

Both Mueller and Wieland also issue separate price lists for their purchases of scrap. Mueller typically publishes and changes its scrap buyback price every day,¹⁷⁴ while Wieland changes its scrap buyback prices less frequently, in response to trends in the market.¹⁷⁵ The length of time that customers retain their scrap before trying to sell it back to the producer can vary substantially.¹⁷⁶ Customers selling scrap back to Mueller receive Mueller's scrap buyback price at the time of the scrap sale, not at the time of the earlier brass rod purchase. By contrast, Wieland offers customers the opportunity to lock in for a period of time the scrap buyback price at the time of the brass rod purchase.¹⁷⁷

End user purchasers of brass rod that participate in the domestic producers' scrap buyback programs typically consider the price that domestic producers charge for brass rod, the sales price they expect they would receive for their scrap (taking into the amount of scrap generated to be resold, and the expected timing of the scrap sale), and compare their net cost for purchasing from the domestic industry with the net cost of purchasing from other suppliers, including suppliers of subject imports.¹⁷⁸

A large majority of responding purchasers reported that they never base their purchasing decision based on a scrap buyback program; ten purchasers reported that they never do so, three reported that they sometimes do so, and one reported that it always does so.¹⁷⁹ Six purchasers reported that their customers never base their purchasing decisions on scrap buyback program, six reported that their customers sometimes do so, and one reported

¹⁷⁴ Hearing Tr. at 52-53, 125 (Mitchell).

- ¹⁷⁶ Hearing Tr. at 53 (Mitchell).
- ¹⁷⁷ Hearing Tr. at 125 (Mitchell, Christie).

¹⁷⁹ CR/PR at Table II-8. Of the 17 firms that submitted usable purchaser questionnaire responses, nine are distributors, but only three are end users. *Id.* at II-2, II-19 to II-20 n.20. As previously noted, it is generally end users, and not distributors, that purchase brass rod under the buyback programs of Mueller and Wieland. Hearing Tr. at 60-61 (Mitchell). Of the three end user purchasers providing responses, one reported that it never bases its purchasing decisions on a scrap buyback program, one reported that it always does so, and one reported that it sometimes does so. *Id.* at II-20. Of the purchasers identifying as distributors, six reported that they never base their purchasing decisions on a scrap buyback program. *Id.*

an environment where our customers are competing with each other, in order to provide any type of price stability to the market and allow the market to function properly, we have to be very consistent. ... We publish a change in the price and it affects everybody. If we stop doing that, ... there can be some very, very rapid ramifications to the market."). Wieland has separate "scrapback" and "no scrapback" brass rod price lists, but, depending on the circumstances, both end users and distributors might receive either list. Hearing Tr. at 64-65 (Christie).

¹⁷⁵ Hearing Tr. at 125 (Christie).

¹⁷⁸ Hearing Tr. at 23-24, 53 (Mitchell), 53, 68-69, 75-76, 126 (Christie). The spread between the price charged for brass rod and the price paid for scrap (whether from a supplier's published price list or an open market price) is sometimes called the "fab." *Id.* at 75-76, 126 (Christie).

that their customers usually do so.¹⁸⁰ Three responding purchasers, including ***, reported that they had participated in scrap buyback programs during the POI.¹⁸¹

C. Material Injury by Reason of Subject Imports from Israel

1. Volume of Subject Imports from Israel

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."¹⁸²

The volume of subject imports from Israel increased by *** percent from 2020 to 2022, and was *** percent higher in interim 2023 than interim 2022.¹⁸³ The volume of subject imports from Israel increased from *** pounds in 2020 to *** pounds in 2021 before declining to *** pounds in 2022; it was *** pounds in interim 2023, as compared with *** pounds in interim 2022.¹⁸⁴

As a share of apparent U.S. consumption, subject imports from Israel increased by *** percentage points between 2020 and 2022, and were *** percentage points higher in interim 2023 compared with interim 2022.¹⁸⁵ The share of apparent U.S. consumption accounted for by subject imports from Israel increased from *** percent in 2020 to *** percent in 2021 before declining to *** percent in 2022; it was *** percent in interim 2023, compared with ***

¹⁸⁵ CR/PR at Table C-1. As the domestic industry lost *** percentage points of market share between 2020 and 2022, subject imports from Israel gained *** percentage points of market share. *Id.*

¹⁸⁰ CR/PR at Table II-8.

¹⁸¹ CR/PR at II-19 to II-20 n.20. *** reported that *** percent, *** percent, and *** percent, respectively, of their 2022 purchases of domestic product were under a scrap buyback program. CR/PR at Table V-19; *** U.S. Purchaser Questionnaire Response at III-30 (EDIS Document No. 811011).

¹⁸² 19 U.S.C. § 1677(7)(C)(i).

¹⁸³ CR/PR at IV-8.

¹⁸⁴ CR/PR at Tables IV-2, IV-3. Finkelstein argues that the quantity of U.S. shipments of subject imports from Israel is a more relevant indicator in these investigations than the volume of subject imports from Israel, stating that it has historically shipped brass rod to Canada through Finkelstein USA's warehouse in the Chicago area. Finkelstein's Prehearing Brief at 37-38. U.S. shipments of subject imports from Israel increased by *** percent between 2020 and 2022, increasing from *** pounds in 2020 to *** pounds in 2021, and then decreasing to *** pounds in 2022. U.S. shipments of subject imports from Israel were *** percent higher, at *** pounds in interim 2023, compared with *** pounds in interim 2022. CR/PR at Tables IV-11, C-1. Thus, consideration of the data for U.S. shipments of subject imports from Israel does not change our findings that the volume of subject imports from Israel is significant absolutely and relative to U.S. consumption, and that the increase in that volume is significant in absolute terms.

percent in interim 2022.¹⁸⁶ The market share of subject imports from Israel in 2022 (*** percent) and at the end of the POI (*** percent) was higher than their market share at the beginning of the POI (*** percent in 2020).¹⁸⁷ ¹⁸⁸

We find that the volume of subject imports from Israel is significant in absolute terms and relative to consumption in the United States, and that the increase in that volume is significant in absolute terms.¹⁸⁹

2. Price Effects of Subject Imports from Israel

Section 771(7)(C)(ii) of the Tariff Act provides that, in evaluating the price effects of the 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

¹⁸⁸ Finkelstein argues that subject imports from Israel were "pulled" into the market due to domestic supply constraints in the first half of the POI and in interim 2023. Finkelstein's Posthearing Brief at 7. As discussed below, we do not find that domestic producer supply constraints account for the volume or increase in volume of subject imports from Israel over the POI.

¹⁸⁹ Finkelstein argues that the market share of subject imports from Israel is insignificant because it "remained tiny throughout," and that the volume of subject imports from Israel and increase thereof and channel-specific volumes were similarly insignificant. Finkelstein's Posthearing Brief at 2; Finkelstein's Prehearing Brief at 37-40. As the Commission has previously noted, the legislative history and court decisions have made clear that there is no minimum threshold for the market share or increase to be "significant" under the statute. *Wire Mesh from Mexico* (Final), USITC Pub. 5175 (Apr. 2021) at 26 n.136 (citing S. Rep. No. 96-249, at 88) (1979); *Hynix Semiconductor, Inc. v. United States*, 431 F. Supp. 2d 1302, 1308-09 (CIT 2006); *Nippon Steel Corp. v. United States*, 182 F. Supp. 2d 1330, 1335 (CIT 2001).

¹⁸⁶ CR/PR at Table IV-9. The ratio of subject imports from Israel to production in the United States increased from *** percent in 2020 to *** percent in 2021, and then declined to *** percent in 2022; it was higher, at *** percent, in interim 2023, compared with *** percent in interim 2022. CR /PR at Table IV-2.

¹⁸⁷ CR/PR at Table C-1. The market share of subject imports from Israel in sales to distributors increased from *** percent in 2020 to *** percent in 2021, and then declined to *** percent in 2022; it was higher, at *** percent, in interim 2023, compared with *** percent in interim 2022. CR/PR at Table IV-15. The market share of subject imports from Israel in sales to end users without scrap buyback increased from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was higher, at *** percent, in interim 2020 to *** percent in 2021 and *** percent in 2022; it was higher, at *** percent, in interim 2023, compared with *** percent in interim 2022. CR/PR at Table IV-15. For sales to all end users, the market share of subject imports from Israel increased from *** percent in 2021 and *** percent in 2022 to *** percent in 2022; it was up to *** percent in interim 2023, compared with *** percent in interim 2022. CR/PR at Table IV-15. For sales to all end users, the market share of subject imports from Israel increased from *** percent in 2021 and *** percent in 2022; it was up to *** percent in interim 2023, compared with *** percent in interim 2022; it was up to *** percent in interim 2023, compared with *** percent in interim 2022; it was up to *** percent in interim 2023, compared with *** percent in 2021; it was up to *** percent in interim 2023, compared with *** percent in 2022; it was up to *** percent in interim 2023, compared with *** percent in interim 2022. Derived from CR/PR at Tables V-13 to V-14.

(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.¹⁹⁰

As discussed above, we have found at least a moderate-to-high degree of substitutability between domestically produced brass rod and brass rod imported from Israel, and that price is an important factor in purchasing decisions for brass rod along with other factors.¹⁹¹

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of nine brass rod products shipped to unrelated U.S. customers during January 2020 to September 2023. The nine pricing products represent sales for three products broken out by channel of distribution: sales to end users through scrap buyback programs (products 1, 4, and 7), sales to end users not through scrap buyback programs (products 2, 5, and 8), and sales to distributors (products 3, 6, and 9).¹⁹² All three

- Product 3.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths, sold to distributors;
- **Product 4.--** Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that purchased the brass rod pursuant to the responding firm's brass scrap buyback program;
- **Product 5.**-- Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that did not purchase the brass rod pursuant to a brass scrap buyback program of the responding firm;
- **Product 6.--** Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths, sold to distributors;
- Product 7.-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that

(Continued...)

¹⁹⁰ 19 U.S.C. § 1677(7)(C)(ii).

¹⁹¹ See section VI.B.3.

¹⁹² CR/PR at V-8. The nine pricing products are:

Product 1.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that purchased the brass rod pursuant to the responding firm's brass scrap buyback program;

Product 2.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that did not purchase the brass rod pursuant to a brass scrap buyback program of the responding firm;

responding U.S. producers and *** of subject brass rod from Israel provided usable pricing data for sales of the requested products, although not all firms reported pricing data for all products for all quarters.¹⁹³ Pricing data reported by these firms accounted for approximately *** percent of U.S. producers' U.S. shipments of brass rod during 2022 and *** percent of U.S. shipments of subject imports from Israel in 2022.¹⁹⁴

Prices for subject imports from Israel undersold those for U.S.-produced brass rod in 86 of 87 quarterly comparisons corresponding to reported subject import sales of *** pounds, with margins of underselling ranging from *** percent to *** percent, and averaging *** percent.¹⁹⁵ Thus, the pricing data reflect pervasive underselling by subject imports from Israel in 98.9 percent of quarterly comparisons, corresponding to *** percent of the reported subject import sales volume from Israel in the Commission's pricing data.¹⁹⁶

With respect to sales to distributors, subject imports from Israel undersold the domestic like product in *** of *** quarterly comparisons, or *** percent of quarterly comparisons, by an average margin of underselling of *** percent, with the volume of subject imports from Israel sold to distributors in quarterly comparisons involving underselling accounting for *** percent of the reported volume of sales to distributors by subject imports from Israel in the Commission's pricing data.¹⁹⁷ With respect to sales to end users not through scrap buyback programs, subject imports from Israel undersold the domestic like product in *** quarterly

- **Product 8.**-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that did not purchase the brass rod pursuant to a brass scrap buyback program of the responding firm;
- Product 9.-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths, sold to distributors. Id. at V-8 to V-9.

¹⁹³ See CR/PR at V-9; Finkelstein USA U.S. Importer Questionnaire Response at III-2c (EDIS Document No. 806954); *** U.S. Importer Questionnaire Response at III-2c (EDIS Document No. ***). No pricing data for subject imports from Israel were reported for pricing products 1, 4, and 7 (pricing products sold pursuant to a scrap buyback program). CR/PR at V-9.

¹⁹⁴ CR/PR at V-9.

¹⁹⁵ CR/PR at Table V-17. Prices for subject imports from Israel were above those for U.S.produced brass rod in 1 of 87 quarterly comparisons, corresponding to reported subject import sales of *** pounds, with a margin of overselling of *** percent. *Id.*

¹⁹⁶ Derived from CR/PR at Table V-17.

¹⁹⁷ Derived from CR/PR at Tables VI-6, V-9, V-12. As the market share of the domestic industry in sales to distributors declined from *** percent in 2020 to *** percent in 2022, the market share of subject imports from Israel increased from *** percent in 2020 to *** percent in 2022. CR/PR at Table IV-15.

purchased the brass rod pursuant to the responding firm's brass scrap buyback program;

comparisons, or *** percent of quarterly comparisons, by an average margin of underselling of *** percent.¹⁹⁸

We have also considered lost sales information. Of 17 responding purchasers, eleven reported that, since 2020, they had purchased brass rod imported from Israel instead of U.S.-produced brass rod, ten of these purchasers reported that the price of brass rod imported from Israel was lower than the price of the domestic product, and six of these purchasers reported that price was a primary reason for the decision to purchase brass rod imported from Israel rather than U.S. produced product.¹⁹⁹ These six purchasers estimated that they collectively purchased *** pounds of subject imports from Israel instead of the domestic like product primarily due to the lower price of the imported product,²⁰⁰ the equivalent of *** percent of U.S. shipments of subject imports from Israel during the POI.²⁰¹ As discussed below, *** of the purchasers reporting these confirmed lost sales are among the domestic industry's largest customers.²⁰²

Finkelstein argues that any reported underselling by subject imports from Israel is not significant given the conditions of competition in the market, arguing that there is attenuated competition between the domestic like product, which is predominantly sold to end users using the scrap buyback program, and subject imports from Israel, which are not sold to end users under a scrap buyback program.²⁰³ We are unpersuaded by Finkelstein's argument that its lack of sales to end user purchasers under a scrap buyback program attenuates competition between subject imports from Israel and the domestic like product and makes its reported underselling not significant. First, the majority of subject imports from Israel during the POI were sold to distributors,²⁰⁴ and they competed head-to-head for sales with the domestic industry for sales to distributors, in a part of the market that generally does not involve scrap

¹⁹⁸ Derived from CR/PR at Tables VI-5, V-8, V-11. As the market share of the domestic industry in sales to end users not through scrap buyback declined from *** percent in 2020 to *** percent in 2022, the market share of subject imports from Israel increased from *** percent in 2020 to *** percent in 2022. *Id.* at Table IV-14.

¹⁹⁹ CR/PR at Table V-21.

²⁰⁰ CR/PR at Table V-21.

²⁰¹ Derived from CR/PR at Tables IV-2, IV-11, V-21.

²⁰² CR/PR at Table V-18. Finkelstein argues that the Commission should discount the confirmed lost sales reported by the six purchasers because some of these purchasers also reported non-price reasons for purchasing subject imports from Israel instead of the domestic like product ***. Notwithstanding such comments, all six purchasers reported that price was a primary reason that they purchased subject imports from Israel instead of the domestic like product. Their responses to other questions do not contradict their reporting confirmed lost sales due to price.

 ²⁰³ Finkelstein's Prehearing Brief at 43-44; Finkelstein's Posthearing Brief at 6-7.
²⁰⁴ CR/PR at II-3.

buyback programs. The record indicates that the domestic industry was the *** supplier of sales to distributors during the POI, reporting sales in all 45 quarters during the POI, and subject imports from Israel were the *** subject source of supply to distributors, reporting sales in all 45 quarters during the POI.²⁰⁵ As noted above, subject imports from Israel undersold the domestic like product in *** of *** quarterly comparisons for sales of these products to distributors.²⁰⁶ Several distributors responding to the purchaser questionnaire reported purchasing subject imports from Israel instead of the domestic product primarily due to the lower price of the imports, including ***.²⁰⁷

Moreover, the record indicates that subject imports from Israel also competed head-tohead with the domestic industry in sales to end users not through scrap buyback programs. Subject imports from Israel increased their share of the market's sales to end users not through scrap buyback from *** percent in 2020 to *** percent in 2021 and *** percent in 2022 as the domestic industry's share declined from *** percent in 2020 to *** percent in 2022.²⁰⁸ As noted, subject imports from Israel undersold the domestic like product in *** quarterly comparisons with respect to sales to end users not through scrap buyback.²⁰⁹

Furthermore, despite the absence of sales by Finkelstein to end users through scrap buyback programs, the record indicates that its competition for sales to end users not using scrap buyback programs affects the domestic industry's competition for sales to purchasers with scrap buyback programs. Indeed, responding end user purchaser *** reported buying *** percent of its purchases of the domestic product through a scrap buyback program; *** also reported buying subject imports from Israel due to their lower price.²¹⁰ Parties argue that end user purchasers consider the price that domestic producers charge for brass rod to the price (based on scrap buyback or no buyback prices), along with the return they could expect for selling their scrap, based on the expected price for their scrap (either through a scrap buyback

²⁰⁵ CR/PR at Tables IV-15, V-13.

²⁰⁶ Derived from CR/PR at Tables V-6, V-9, V-12.

²⁰⁷ CR/PR at Table V-20; see *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 806919); *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 806059); *** Revised U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 806441; *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 807751).

²⁰⁸ CR/PR at Table IV-14. The share of subject imports from Israel was *** percent in interim 2023 compared to *** percent in interim 2022, as the domestic industry's share continued to decline.

²⁰⁹ Derived from CR/PR at Tables V-5, V-8, V-11. Responding end user purchaser *** reported buying domestic product not through scrap buyback, and also reported buying subject imports from Israel primarily due to their lower price CR/PR at Tables V-18, V-19; *** U.S. Purchaser Questionnaire Response at II-3, III-1, III-30 (EDIS Document Nos. 809675, 809676).

²¹⁰ CR/PR at Tables V-18, V-19; *** U.S. Purchaser Questionnaire Response at II-3 (EDIS Document Nos. 809674, 810558).

program or market prices) and the quantity of scrap produced by each end user, and compare their resulting "net cost" for purchasing from the domestic industry with the net cost charged for purchasing brass rod from other suppliers such as Finkelstein.²¹¹ Notwithstanding the absence of a scrap buyback program, end user purchasers would have an economic incentive to switch to purchasing subject imports from Finkelstein if the net cost of doing so were lower, particularly given the importance of price in purchasing decisions.²¹² Moreover, Mueller has presented testimony indicating that because of Finkelstein's lower prices, Mueller lost sales to two customers (*** and ***) that had used its scrap buyback program, but found that Finkelstein's prices created a lower "net cost" for them than purchasing from Mueller under the scrap buyback program.²¹³ In addition, as discussed further below, domestic producers report that because of the domestic industry's use of price lists, a domestic producer adjusting its pricing due to low-priced import competition would affect its prices to all customers that use that price list.²¹⁴

The record also indicates that there is a substantial overlap between the largest customers served by Finkelstein and the domestic industry.²¹⁵ For example, *** was the *** purchaser overall during the POI among those submitting a U.S. purchasers' questionnaire response, and the *** purchaser of the domestic like product.²¹⁶ During the POI, *** purchased *** pounds from the domestic industry and *** pounds of subject imports from

²¹¹ Hearing Tr. at 23-24, 53 (Mitchell), 53, 68-69, 75-76, 126 (Christie); 140 (Prusa), 264-265 (Bond); *see* Finkelstein's Prehearing Brief at 6-7.

²¹² Hearing Tr. at 23-24, 53 (Mitchell), 53, 68-69, 75-76, 126 (Christie).

²¹³ Hearing Tr. at 24-25 (Mitchell); Petitioners' Posthearing Brief at III-3 to III-4, III-30 to III-31. Petitioners state that Finkelstein undercut Mueller by an estimated *** percent at the *** end user account and by an estimated *** percent at the *** end user account. Id. at III-30 to III-31. While Finkelstein disputes that price (or "net cost") was the reason that these two purchasers purchased from Finkelstein instead of the domestic industry, asserting that there were non-price reasons (credit issues) for *** purchases from Finkelstein, Finkelstein does not dispute petitioners' contentions that these purchasers had previously participated in Mueller's scrap buyback program, that they purchased subject imports from Finkelstein instead of from the domestic industry, and that Finkelstein's prices were lower than those of the domestic industry. *See* Finkelstein's Posthearing Brief, Exh. 3, at Paragraphs 11-14; Finkelstein's Final Comments at 6-7.

²¹⁴ Hearing Tr. at 101-102 (Christie), 102-104 (Mitchell). The record indicates a number of instances in which domestic producers needed to announce new higher prices because of increases in their raw material costs, but were unable to do so by the full amount because of low-priced competition from Finkelstein and other subject suppliers. Petitioners' Posthearing Brief at III-24 to III-25, III-27 and Exhs. 7A-7E, 8.

²¹⁵ See CR/PR at Table IV-8 (indicating overlap of three purchasers on the lists of top customers of Finkelstein and the domestic industry).

²¹⁶ CR/PR at Table V-18.

Israel.²¹⁷ It made purchases of subject imports from Israel in ***, and reported that it purchased *** pounds of subject imports from Israel instead of the domestic like product as a result of lower prices.²¹⁸ ***, was the *** purchaser overall during the POI among those submitting a U.S. purchasers' questionnaire response, and the *** purchaser of the domestic like product; it reported purchasing *** pounds of subject imports from Israel instead of the domestic like product as a result of lower prices.²¹⁹ This indicates that purchasers were willing, and have in fact, switched their source for brass rod from a domestic producer with a scrap buyback program to subject imports when that resulted in an overall lower price. Accordingly, we reject Finkelstein's argument that competition between the domestic industry and subject imports from Israel is attenuated because Finkelstein does not sell brass rod to end users using a scrap buyback program.

Finkelstein further argues that if the Commission finds competition is not attenuated by the scrap buyback programs, then the pricing data for end users participating in a buyback program and end users not participating in a buyback program should be combined with adjustments to take into account the higher price that petitioners receive for brass rod from its end user customers participating in their scrap buyback programs (which it terms a "rebate"). It contends that the Commission should deduct the "rebate" from the price that petitioners received from those purchasers, and then compare these adjusted petitioner prices to the prices that Finkelstein received for its sales to end users without scrap buyback programs. Finkelstein argues that when the "rebate" is appropriately deducted from petitioners' prices, the majority of sales of subject imports from Israel oversold the domestic like product, and it provides the results of this analysis in its prehearing brief.²²⁰ Petitioners contend that Finkelstein's proposed analysis is methodologically flawed, because it applies a single rate of scrap returned by all participating purchasers, which fails to take into account substantial differences in what individual scrap buyback purchasers do with the brass rod and the amount of scrap they generate, and relies on the intrinsic value of the scrap, rather than the actual prices that end users can obtain for it in the market.²²¹

²¹⁷ CR/PR at Table V-18.

²¹⁸ *** U.S. Purchaser Questionnaire Response at II-1, II-3 (EDIS Document No. 806059). *** further reported that in 2022, *** accounted for *** percent of its purchases, *** accounted for *** percent, and *** accounted for *** percent. *Id.* at II-6.

²¹⁹ CR/PR at Table V-18; *** U.S. Purchaser Questionnaire Response at II-4(b) (EDIS Document No. 806919).

²²⁰ Finkelstein's Prehearing Brief at 46-53 and Exhs. 32-33; Finkelstein's Posthearing Brief at 8 and Exh. 1, Response to Commission Questions at 8-15.

²²¹ Petitioners' Posthearing Brief at III-18 to III-19.

As discussed above, there is evidence that the same end users have purchased brass rod from domestic producers through a scrap buyback program and from subject importers not through a scrap buyback program. Accordingly, we combine the pricing data for sales to end users participating in the scrap buyback program and for sales to end users not participating in a buyback program with adjustments to account for the higher price paid by buyback program participants. We find, however, that the adjustments advocated by Finkelstein are flawed. This cost-based approach does not take into account all the cost savings to U.S. producers in purchasing scrap with their company's own "chemistry" and known quality directly from their customers participating in the scrap buyback program, as opposed to purchasing scrap from middlemen in the open market. U.S. producers may incur additional costs to test, clean, sort, and process scrap purchased in the open market, costs incurred after purchasing the scrap that are not reflected in their brass scrap purchase costs.²²² Furthermore, the approach advocated by Finkelstein assumes a uniform scrap yield, regardless of source or product to be manufactured, when in fact scrap yields can considerably vary from product to product and from end user to end user.²²³ Therefore, we do not rely on the approach advocated by Finkelstein, nor on the similar cost-based methodology shown in Table F-3 of the Commission report.²²⁴

We find that the most reliable approach to adjusting domestic prices on sales to end users using scrap buyback programs for purposes of comparing them to subject import prices

²²² CR/PR at F-4 n.3; *see* Hearing Tr. at 53, 120 (Christie), 58 (Mitchell). As previously noted, the first step in the brass rod production process is raw material receipt and analysis, in which the domestic producer must first sort the scrap to ensure that only material with the appropriate characteristics enters the melting operation, the next step in the production process. CR/PR at I-12.

²²³ Finkelstein's analysis assumes that 80 percent of the brass rod sold pursuant to a scrap buyback program is returned as scrap via the scrap buyback program, which it states is a percentage consistent with the Commission's record data and public testimony by petitioners. Finkelstein's Prehearing Brief at 47-48 and Exh. 32-33. As noted, Mueller reported scrap generation rates for its customers ranging from *** percent to *** percent, while Wieland reported scrap generation rates for its customers ranging from *** percent to *** percent. Petitioners' Posthearing Brief at Exh. 10; *see also* Hearing Tr. at 53 (Mitchell) ("the amount of scrap ... can vary substantially"), 68 (Christie) ("that {scrap generation} calculation varies greatly"), 73-74 (Christie).

²²⁴ The methodology summarized in Table F-3 uniformly adjusts downward all aggregated U.S. producers' reported pricing data based on an average scrap buyback cost premium relative to net sales AUVs over the POI of approximately 8.7 percent. CR/PR at F-3 to F-4. Finkelstein states that this approach is "similar to" and yields results for end users that are "remarkably consistent" with those from the approach described in Exhibit 32 of Finkelstein's Prehearing Brief. Finkelstein's Final Comments at 13. Finkelstein asserts that one difference between the two is that Table F-3 adjusts domestic prices by a percentage to reflect the "rebate," while Finkelstein's approach adjusts by the dollar value of the premium. *Id.*

on sales to end users not through such programs is the price-based adjustment presented in Table F-2 of the Commission report, which reflects the price "premium" paid to U.S. brass rod producers by customers participating in the scrap buyback program relative to the prices paid to distributors and end users not using scrap buyback.²²⁵ Under this approach we have calculated at the U.S. producer firm level the weighted average prices for that firm's sales to end users not participating in a scrap buyback program and sales to distributors combined (*e.g.,* products 2 and 3) for a given product and applied that weighted average price to that firm's sales to end users participating in that producer's scrap buyback program (*e.g.,* product 1). We then combined all end user pricing data together (*e.g.,* product 1 as adjusted and product 2 unadjusted) before comparing U.S. product to the imported product on a quarterly basis.²²⁶

We acknowledge that this approach has certain limitations, including limitations in the available data. Finkelstein argues that this approach does not result in accurate comparisons because it does not account for Petitioners' volume discounts to large end users which are more likely to buy through scrap buyback programs. Finkelstein's Final Comments at 13 (citing Petitioners' Posthearing Brief at Exh. 6). *** price lists show *** and *** price lists show small volume premiums up to *** per pound for standard size brass rod. See Petitioners' Posthearing Brief at Exh. 6. Under the methodology for Table F-2, U.S. producers' reported prices for products 1, 4, and 7 were reduced on a weighted average basis by *** percent. Adding to that the additional *** would imply a total *** percent to *** percent discount (i.e., an additional *** percentage point discount for volume) under the assumption that none of the sales in the other products (2, 3, 5, 6, 8, and 9) received volume discounts. Given that in Table F-2, the average margin of underselling was *** percent for subject imports from Israel (down from *** percent in Table V-17), further reducing U.S. producers' prices by *** percentage points would not reverse the majority underselling for subject imports from Israel shipped to end users. We disagree, however, that this adjustment is necessary, because we disagree with the assertion by Finkelstein that only sales to end users participating in U.S. producers' buyback program are to large high-volume customers while other sales to end users (i.e., not in the buyback program) or distributors are to smaller customers. As the U.S. producers' price lists to distributors indicates, sales to distributors also receive high volume discounts, or small volume surcharges, and U.S. producers reported certain distributors in their top 10 customer lists, (Petitioners' Posthearing Brief at Exh. 7C, 7D: *** U.S. Producer Questionnaire Response at IV-23 (EDIS Document No. ***; *** U.S. Producer Questionnaire Response at IV-23 (EDIS Document No. ***), and in the case of ***, all of its sales to end users in the pricing data are part of the buyback pricing and so its sales in products 1, 4, and 7 likely contain sales to both large and smaller volume customers. Given this overlap, it likely would not be appropriate to further adjust the methodology in table F-2 by subtracting those additional *** to *** cents per pound.

While this "price-based" approach has certain limitations, we view this approach as more accurate and reliable than the "cost-based" approach advocated by Finkelstein, which makes overly simplistic assumptions regarding scrap production and does not take into account the additional costs (Continued...)

²²⁵ See CR/PR at F-3.

²²⁶ CR/PR at F-3 and n.2; Table F-2. In this comparison shown in Table F-2, *** sales to nonbuyback end users and sales to distributors were combined to serve as the proxy for sales not impacted by any "premium" for purchasers participating in the U.S. producer's buyback program, given that ***. *Id.* at F-3 n.2. ***. *Id.*

Using this "price-based" approach, reflected in Table F-2 of the Commission report, in sales to all end users combined, subject imports from Israel undersold U.S.-produced brass rod in 36 of 42 quarterly comparisons, corresponding to reported subject import sales of *** pounds.²²⁷ These data reflect underselling by subject imports from Israel in sales to end users in *** percent of quarterly comparisons, corresponding to *** percent of the reported volume of sales to end users by subject imports from Israel in the Commission's pricing data.²²⁸

In sum, in light of the at least moderate to high degree of substitutability of subject imports from Israel with the domestic like product, the importance of price in purchasing decisions for brass rod, the pricing data showing pervasive subject import underselling, and the substantial volume of lost sales responses, we find the underselling by subject imports from Israel to be significant. As discussed further below, we find that the significant underselling by subject imports from the domestic industry to subject imports from Israel between 2020 and 2022, and the *** percentage point shift in market share from Israel over the POI inclusive of the interim period.²²⁹

We have considered price trends. Prices for both subject imports from Israel and the domestic like product increased during the POI, rising during 2020, 2021, and the first half of 2022, before fluctuating downwards during the remainder of the POI.²³⁰ Increases in U.S.

incurred by domestic producers when they purchase scrap in the open market, or the variance in scrap yield by product and customer. We also note that 10 of 11 purchasers who bought subject imports from Israel instead of the domestic product reported that subject imports from Israel were lower priced than the domestic product, including end user purchaser *** (which, as discussed, bought *** of its domestic purchases of brass rod through scrap buyback programs). CR/PR at II-20, Tables V-20, V-21; *** U.S. Purchaser Questionnaire Response at II-3 (EDIS Document Nos. 809674, 810558).

²²⁷ Derived from CR/PR at Table F-2 (data for products 1 and 2 combined, products 4 and 5 combined, and products 7 and 8 combined). Using this approach, prices for subject imports from Israel oversold U.S.-produced brass rod in 6 of 42 quarterly comparisons in sales to end users, corresponding to reported subject import sales of *** pounds. *Id*.

²²⁸ Derived from CR/PR at Table F-2.

²²⁹ CR/PR at Table C-1.

²³⁰ CR/PR at V-40.

producers' prices over the POI ranged from *** percent to *** percent.²³¹ Increases in prices over the POI for subject imports from Israel ranged from *** percent to *** percent.²³²

We have also considered whether subject imports from Israel prevented price increases that would otherwise have occurred to a significant degree. The domestic industry's ratio of non-toll COGS to net sales increased irregularly, from *** percent in 2020 to *** percent in 2021, before decreasing to *** percent in 2022, for an increase of *** percentage points between 2020 and 2022. The industry's ratio of non-toll COGS to net sales was *** percentage points lower, at *** percent, in interim 2023, compared with *** percent in interim 2022.²³³

As noted in section VI.B.3 above, the cost of raw materials for brass rod production increased over the POI, with yellow brass scrap prices increasing by 47.2 percent, copper prices increasing by 37.2 percent, and zinc prices increasing by 6.0 percent.²³⁴ Raw material prices increased from a low in April 2020, peaked in early 2022, and then fluctuated for the rest of the POI but remaining substantially higher than at the beginning of the POI.²³⁵ At a time of increasing apparent U.S. consumption from 2020 to 2021, the domestic industry's unit raw material cost for its non-toll operations increased by *** percent from 2020 to 2021, and its

²³¹ U.S. producers' prices increased over the POI by *** percent for product 1, *** percent for product ***, *** percent for product 3, *** percent for product 4, *** percent for product 5, *** percent for product 6, *** percent for product 7, *** percent for product 8, and *** for product 9. CR/PR at Table V-13.

²³² Prices for subject imports from Israel increased over the POI by *** percent for product 3, *** percent for product 5, *** percent for product 6, *** percent for product 8, and *** for product 9. CR/PR at V-13.

²³³ CR/PR at Tables VI-7, C-1. We note that for the industry's combined toll and non-toll operations, the ratios and trends for the industry's total cost of sales (COGS and cost of tolling operations ("COTS")) to total net sales are very similar to those for the industry's non-toll operations. In a tolling arrangement, the tollee provides and maintains title to the scrap raw materials provided to the domestic producer of the brass rod, so the brass rod producer's tolling revenue does not need to cover the cost of raw materials, while the revenue for brass rod producers' non-toll sales does need to cover raw material costs. CR/PR at VI-1 n.4. Thus, sales though tolling arrangements and the industry's COTS do not account for raw material costs. As a result, any change in the relative amount of the industry's non-toll vs. toll sales will affect its net sales unit value and the unit value of the total cost of sales (*i.e.*, COGS and COTS combined), and these changes may or may not reflect actual changes in sales values or production costs. Subject imports were not sold through tolling arrangements, while the domestic industry's tolled sales accounted for *** percent of its total net sales quantity in 2022. CR/PR at VI-1, Table II-1; Joint Respondents' Prehearing Brief at 9. Accordingly, we rely on the domestic industry's cost and price data for non-toll sales as the most probative indicator in our analysis of whether domestic producers' prices were suppressed by subject imports from Israel to a significant degree.

²³⁴ CR/PR at V-1, Table V-1, Figure V-1.

²³⁵ CR/PR at Figure V-1, Table V-1.

unit total COGS for its non-toll operations increased by *** percent between 2020 to 2021.²³⁶ However, the industry's net sales average unit value ("AUV") for its non-toll operations did not keep up with the rate of increase for its raw material costs, increasing by *** percent from 2020 to 2021.²³⁷

These trends held up over the 2020-2022 period. The domestic industry's unit raw material cost for its non-toll operations increased by *** percent from 2020 to 2022, and its unit total COGS for its non-toll operations increased by *** percent between 2020 to 2022.²³⁸ However, the industry's net sales AUV for its non-toll operations did not keep up with the rate of increase for its costs, as its non-toll net sales AUV increased by *** percent from 2020 to 2022.²³⁹ Thus, although apparent U.S. consumption increased by *** percent between 2020 and 2022 and prices generally increased, the domestic industry experienced a cost-price squeeze, and its non-toll operating income and the ratio of its non-toll operating income relative to net sales declined.²⁴⁰ We note in particular that the domestic industry incurred an increase of *** percentage points in its non-toll COGS to net sales ratio between 2020 and 2021, contributing to a decrease of *** percentage points in the industry's non-toll operating income to net sales ratio (from *** percent to *** percent), as apparent U.S. consumption

²³⁷ CR/PR at Table VI-2.

²³⁹ CR/PR at Table VI-2. The Commission notes that the domestic industry's non-toll net sales AUV increased by *** per pound between 2020 and 2022, while the industry's COGS for non-toll operations increased by *** per pound. CR/PR at Table VI-1. On their face, these data appear to indicate that the domestic industry's increased costs were met on a dollar-for-dollar basis. However, as argued by Petitioners, analyzing the rate of increase in net unit sales values and costs from 2020 to 2022 reveals that non-toll unit sales values did not increase to the same extent as unit COGS. *See* Petitioners' Posthearing Brief at III-19 to III-23. As a result of the varying rates of increase, the domestic industry's non-toll COGS to net sales ratio increased, its ratio of non-toll gross profits to net sales declined from *** percent to *** percent between 2020 and 2022, and, derivatively, the industry's ratio of non-toll operating income to net sales declined from *** percent to *** percent. CR/PR at Table VI -1.

²⁴⁰ CR/PR at Tables VI-1, C-1. The domestic industry's non-toll operating income declined by *** percent from \$*** in 2020 to \$*** in 2022. *Id.* The domestic industry's ratio of non-toll operating income to net sales declined by *** percentage points from *** percent in 2002 to *** percent in 2022. *Id.* Moreover, the domestic industry's ratio of non-toll COGS to net sales remained elevated in interim 2023, at *** percent, although lower compared with interim 2022, at *** percent, CR/PR at Table C-1, as subject imports from Israel gained market share and continued to undersell the domestic like product. *Id.* at Tables C-1, V-5, V-6, V-8, V-9, V-11, V-12.

²³⁶ CR/PR at Table VI-2. The domestic industry's AUV for direct labor costs for its non-toll operations increased by *** percent from 2020 to 2022, and its AUV for other factory costs increased by *** percent. *Id.*

²³⁸ CR/PR at Table VI-2. The domestic industry's AUV for direct labor costs for its non-toll operations increased by *** percent from 2020 to 2022, and its AUV for other factory costs increased by *** percent. *Id.*

increased by *** percent, and as U.S. shipments of subject imports from Israel increased by *** in quantity and gained *** percentage points of market share largely at the expense of the domestic industry.^{241 242}

The record shows that the domestic industry was forced to limit price increases to avoid continued lost sales to subject imports. As previously discussed, the record confirms an overlap in customers of the domestic like product and subject imports from Israel, including large customers and customers that buy domestic product through scrap buyback programs, and that subject imports from Israel undersold the domestic like product throughout the POI. *** U.S. purchaser *** reported that U.S. producers had reduced prices in order to compete with lowerpriced subject imports from Israel, for an estimated price reduction of *** percent due to competition with low-priced imports from Israel.²⁴³ As previously noted, ***, the third largest responding purchaser of domestic product, reported buying *** pounds of subject imports from Israel instead of domestic product primarily due to the lower prices of the imports, accounting for *** of its total purchases of subject imports from Israel of *** pounds over the POI.²⁴⁴ *** reported purchases of subject imports from Israel increased from *** pounds in 2020 to *** pounds in 2021 as *** purchases of U.S. product declined from *** pounds to *** pounds.²⁴⁵ Petitioners provide documentation of competition with low-priced subject imports from Israel that they say prevented domestic producers from adequately raising prices in response to rising costs.²⁴⁶ In 2022, no purchasers reported domestic supply constraints and apparent U.S. consumption was *** percent higher than in 2020. Nonetheless, the domestic industry's non-toll COGS to net sales ratio was higher in 2022, at *** percent, than in 2020 at *** percent, and the industry's non-toll operating income to net sales ratio reached a POI-low

²⁴¹ CR/PR at Table C-1.

²⁴² Commissioner Schmidtlein does not join this sentence as she does not rely on trends in 2021 as the basis for her finding of significant price suppression, given the domestic industry's acknowledged supply constraints in that year.

²⁴³ CR/PR at V-51, Table V-18; *** U.S. Purchaser Questionnaire Response at II-4 (EDIS Document No. 806919). As previously noted, *** also confirmed buying *** pounds of subject imports from Israel instead of domestic product due primarily to their lower price. *** U.S. Purchaser Questionnaire Response at II-3 (EDIS Document No. 806919).

Seven purchasers reported that U.S. producers did not reduce prices in order to compete with lower-priced subject imports from Israel and nine purchasers reported that they did not know. *See* CR/PR at V-51.

²⁴⁴ CR/PR at Tables V-18, V-20; *** U.S. Purchaser Questionnaire Response at II-1, II-3 (EDIS Document No. 806059).

²⁴⁵ *** U.S. Purchaser Questionnaire Response at II-1 (EDIS Document No. 806059).

²⁴⁶ Petitioners' Posthearing Brief at II-8 to II-9, III-27 to III-32, Exhs. 7, 9, 14.

of *** percent.²⁴⁷ This occurred as subject imports from Israel gained market share at the expense of the domestic industry, significantly undersold the domestic like product, and gained sales due to their lower prices.

We are unpersuaded by Finkelstein's argument that the volume of any lost sales as a result of underselling by subject imports from Israel is too small to have caused any cost-price squeeze experienced by the domestic industry.²⁴⁸ The record indicates that the U.S. brass market has substantial price transparency, with both Mueller and Wieland selling brass rod off published price lists that they revise frequently to take into account developments in the market.²⁴⁹ Given the price sensitivity of the U.S. market for brass rod, domestic producers report that lost sales to subject imports from Israel prompt a downward revision to their price lists, or a forgoing of price increases necessary to cover increases in their costs, to avoid further lost sales to their competitors. In either case, the domestic producer's price reductions, or forgone price increases, affect their sales prices to all of their customers using the price lists, and accordingly affect their revenues from sales to those customers.²⁵⁰

Because of this price transparency and sensitivity, when a domestic producer loses a sale to a purchaser without scrap buyback as a result of underselling by Finkelstein which prompts a downward revision in the producer's non-scrap buyback price list, or restrains necessary upward revisions to take account of increased costs, it affects prices for all

²⁵⁰ Hearing Tr. at 25, 63-64, 112-113 (Mitchell), 31 (Christie) ("We can keep our pricing at an uncompetitive level and lose sales volumes, or we can reduce our price to remain competitive with lowpriced imports and experience reduced sales revenues across a wide range of customer accounts."), 65 (Christie) ("from our perspective the reason we have to make those adjustments, as I referenced the canary in the coal mine, when we see one data point where we see a customer that all of a sudden has that lower price, they're not the only one getting that lower import price. That means that it's pervasive and widespread. So if you {only change prices for individual customers rather than adjust price lists}, then you're just giving that one particular distributor or end user a competitive advantage over the market, whereas we know ... they're not just hitting one account. So then we adjust to the competitive situation so all of our customers are on a {level} playing field.").

²⁴⁷ CR/PR at Tables II-4, VI-1,C-1. The domestic industry's non-toll ratio of gross profits to net sales declined from *** percent in 2020 to *** percent in 2021, before increasing slightly to *** percent. *Id.* at Table VI-1.

²⁴⁸ Finkelstein's Posthearing Brief, Exh.1, Response to Commission Questions, at 1-5.

²⁴⁹ See Hearing Tr. at 31 (Christie), 63 (Mitchell). As noted, the record indicates that on average Mueller and Wieland issued revised prices lists *** during the POI. During the POI, Mueller issued *** brass rod price lists for scrap buyback customers and *** brass rod price lists for customers not eligible for the scrap buyback program. It also updated its scrap buyback price list on a daily basis during the POI. Petitioners' Posthearing Brief at III-26 and Exh. 6. During the POI, Wieland issued *** brass rod price lists for scrap buyback customers and *** brass rod price lists for customers not participating in the scrap buyback program; it also ***. *Id.* at III-27 and Exh. 7.

purchasers buying from that price list.²⁵¹ In addition, and because as discussed above in section VI.B.3, purchasers are able to calculate a "net cost" so as to be able to compare prices of brass rod being offered for sale with and without scrap buyback, it also affects prices for end user customers that use the producer's scrap buyback program.²⁵² Thus, the significant underselling of the domestic like product by subject imports from Israel and the confirmed lost sales as a result of that underselling affected the domestic industry's prices, including its ability to raise prices where necessary to address increases in its costs.

Finkelstein also argues that the increase in the domestic industry's COGS to net sales ratio over the POI was not significant, contending that this ratio was stable from 2021 until the end of the POI, and that the increase between 2020 and 2021 was due to an abnormally low COGS to net sales ratio in 2020, as the COVID-19 pandemic initially caused raw material costs to drop significantly while brass rod prices increased.²⁵³ Contrary to this argument, the record shows that the domestic industry's brass rod prices declined from the first quarter to the second quarter of 2020,²⁵⁴ and prices of copper, zinc, and yellow brass scrap also declined.²⁵⁵ Both the domestic industry's prices and raw material prices increased during the third and fourth quarters of 2020,²⁵⁶ but raw material prices increased by a greater percentage than the domestic industry's prices between the first and fourth quarters of 2020.²⁵⁷ Thus, contrary to

²⁵³ Finkelstein's Posthearing Brief at 9 and Exh. 1, Response to Commission Questions at 15-17.

²⁵⁴ The domestic industry's prices declined in the second quarter of 2020 for seven of the nine pricing products (products 1, 3, 4, 6, 7, 8, and 9), while the two products for which the domestic industry's prices rose in the second quarter of 2020 (products 2 and 5) accounted for the *** volume of U.S. producers' U.S. shipments during the POI. CR/PR at Tables V-13, V-14. The Commission did not collect pricing data for 2019, so there is no reliable information regarding whether the domestic industry's prices were rising or falling in the first quarter of 2020.

²⁵⁵ CR/PR at Table V-1. Data submitted by petitioners show that commodity prices for copper and zinc were lower in first-half 2020 than in the same months in 2019, but were higher than 2019 levels in the second half of 2020. Petitioners' Posthearing Brief at Exh. 13.

²⁵⁶ CR/PR at Tables V-1, V-14.

²⁵⁷ CR/PR at Tables V-1, V-14. The price of copper increased by 28.9 percent between January and December 2020, the price of zinc increased by 18.1 percent, and the price of yellow brass scrap increased by 28.7 percent. *Id.* at Table V-1. The increases in domestic producers' prices between the first and fourth quarters of 2020 generally ranged from 9.6 percent to 14.3 percent, with the exception of a 23.5 percent price increase for product 5 (the *** volume product for the domestic industry). CR/PR at Table V-14.

²⁵¹ Hearing Tr. at 101-102 (Christie), 102-104 (Mitchell); Petitioners' Posthearing Brief at III-27 to III-28.

²⁵² While domestic producers report offering quantity discounts, those discounts are based off prices from the published price lists. *See* Petitioners' Posthearing Brief at Exhibit 6. Thus, subject import competition which affects the price lists also affects the domestic industry's sales prices to large end users that receive quantity discounts.

Finkelstein's contention, the *** percentage point increase in the domestic industry's non-toll COGS to net sales ratio from 2020 to 2021 cannot be explained by anomalously low cost and high price conditions in 2020.²⁵⁸

Moreover, the domestic industry's non-toll COGS to net sales ratio remained elevated in 2022 when apparent U.S. consumption declined and the domestic industry's supply constraints ended.²⁵⁹ Accordingly, in view of the record evidence reviewed above, we find that over the POI significant underselling by subject imports from Israel prevented the domestic industry from raising its prices to cover its increasing costs and therefore prevented price increases that otherwise would have occurred to a significant degree.

In sum, we find that subject imports from Israel undersold the domestic like product to a significant degree, leading to a market share shift from the domestic industry to subject imports from Israel from 2020 to 2022, and prevented price increases, which otherwise would have occurred, to a significant degree. Thus, we conclude that subject imports from Israel caused significant price effects.

3. Impact of Subject Imports from Israel²⁶⁰

Section 771(7)(C)(iii) of the Tariff Act provides that examining the impact of subject imports, the Commission "shall evaluate all relevant economic factors which have a bearing on the state of the industry."²⁶¹ 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 debts, research and development, and factors affecting domestic prices. No single

²⁵⁸ CR/PR at Table C-1.

²⁵⁹ CR/PR at Tables II-4, C-1.

²⁶⁰ In its preliminary antidumping duty determination with respect to brass rod from Israel, Commerce preliminarily determined estimated weighted-average dumping margins of 35.88 percent for Finkelstein Metals Ltd. and 35.88 percent for all others. *Brass Rod From Israel: Preliminary Affirmative Determination of Sales at Less than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures,* 88 Fed. Reg. 86632, 86633 (Dec. 14, 2023).

²⁶¹ 19 U.S.C. § 1677(7)(C)(iii); *see also* SAA at 851 and 885 ("In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.").

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."²⁶²

The domestic industry recorded increases in production and U.S. shipments between 2020 and 2022, but those increases lagged behind the *** percent increase in apparent U.S. consumption, and the industry's market share and most financial indicators declined.

The domestic industry's capacity was flat from 2020 to 2022 while the industry's production quantity and capacity utilization increased irregularly, but all were lower in interim 2023 than in interim 2022. The industry's practical capacity was *** pounds in 2020, 2021, and 2022; it was *** percent lower, at *** pounds, in interim 2023, compared with *** pounds in interim 2022.²⁶³ Production quantity increased from *** pounds in 2020 to *** pounds in 2021, before decreasing to *** pounds in 2022, for an increase of *** percent from 2020 to 2022; it was *** percent lower, at *** pounds, in interim 2023, compared with *** pounds in interim 2022.²⁶⁴ The industry's capacity utilization increased from *** percent in 2020 to *** pounds in 2020 to *** pounds in 2022.²⁶⁴ The industry's capacity utilization increased from *** percent in 2020 to *** pounds in 2021, before decreasing to *** percent in 2022, for an increase of *** percent in 2020 to *** pounds in interim 2022.²⁶⁴ The industry's capacity utilization increased from *** percent in 2020 to *** percent in 2020 to 2022; it was *** percent in 2022, for an increase of *** percent in 2020 to *** percent in 2020 to 2022; it was *** percent in 2022, for an increase of *** percent in 2020 to *** percent in 2020 to 2022; it was *** percent in 2022, for an increase of *** percentage points from 2020 to 2022; it was *** percentage points lower, at *** percent, in interim 2023, compared with *** percent in interim 2022.²⁶⁵

The domestic industry's overall employment remained generally stable between 2020 and 2022, while its hours worked and wages paid increased, but its productivity declined. The industry's number of production workers fluctuated, but was at a similar level in 2022 to that in 2020, and at similar levels in interim 2022 and interim 2023.²⁶⁶ Its total hours worked and wages paid fluctuated but were at a higher level in 2022 than in 2020, and were higher in

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

²⁶³ CR/PR at Tables III-5, C-1. Petitioners contend that despite acknowledged labor challenges, particularly in 2021, the domestic industry's reported practical capacity is accurate, pointing to increasing numbers of production related workers ("PRWs") from 2020 to 2021. Petitioners' Posthearing Brief at III-6. Indeed, as discussed below, the domestic industry's number of PRWs, hours worked, wages paid, and productivity all increased from 2020 to 2021. CR/PR at III-18, Tables III-14, C-1.

²⁶⁴ CR/PR at Tables III-5, C-1.

²⁶⁵ CR/PR at Tables III-5, C-1.

²⁶⁶ CR/PR at Tables III-14, C-1. The industry's number of production and related workers (PRWs) increased from *** in 2020 to *** in 2021, before decreasing to *** in 2022, for an increase of *** percent between 2020 and 2022. The number of PRWs was *** percent lower, at *** PRWs, in interim 2023, compared with *** PRWs in interim 2022. *Id*. at Tables III-14, C-1.

interim 2023 than interim 2022.²⁶⁷ Its productivity fluctuated but was at a lower level in 2022 than in 2020, and was lower in interim 2023 than in interim 2022.²⁶⁸

The domestic industry's U.S. shipments increased irregularly from 2020 to 2022 but were lower in interim 2023 than in interim 2022. U.S. shipments by quantity increased by *** percent from 2020 to 2022, increasing from *** pounds in 2020 to *** pounds in 2021, before decreasing to *** pounds in 2022; they were *** percent lower, at *** pounds in interim 2023, compared with *** pounds in interim 2022.²⁶⁹ The industry's market share declined irregularly by *** percentage points from 2020 to 2022, decreasing from *** percent in 2020 to *** percent in 2021, and then increasing to *** percent in 2022; it was *** percentage points higher, at *** percent, in interim 2023, compared with *** percent in interim 2022.²⁷⁰ The domestic industry's end-of-period inventories increased each year of the POI, and were higher in interim 2023 than in interim 2022. The industry's end-of-period inventories increased by *** percent between 2020 to 2022, rising from *** pounds in 2020 to *** pounds in 2021 and *** pounds in 2022; they were *** percent higher, at *** in interim 2023, compared with *** in interim 2022.²⁷¹ As a ratio to U.S. shipments, the industry's end of period inventories increased by *** percentage points between 2020 and 2022, increasing from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; they were *** percentage points higher, at *** percent, in interim 2023, compared with *** percent in interim 2022.²⁷²

The domestic industry's net sales value and gross profit increased irregularly from 2020 to 2022, but were lower in interim 2023 than in interim 2022. Net sales value (combined toll and non-toll operations) increased from \$*** in 2020 to \$*** in 2021, and then decreased to \$*** in 2022, for an increase of *** percent between 2020 and 2022. Net sales value was ***

²⁶⁷ CR/PR at Table III-14, C-1. The industry's total hours worked increased from *** hours in 2020 to *** hours in 2021, before decreasing to *** hours in 2022, for an increase of *** percent between 2020 and 2022. Hours worked were *** percent higher, at *** hours, in interim 2023, compared with *** hours in interim 2022. *Id.* at Tables III-14, C-1. The industry's wages paid increased from \$*** in 2020 to \$*** in 2021, before decreasing to \$*** in 2022, for an increase of *** percent between 2020 and 2022. Wages paid were *** percent higher, at \$***, in interim 2023, compared with \$*** in interim 2022. *Id.* Hourly wages increased each year of the POI from \$*** per hour in 2020 to \$*** per hour in 2022, for an increase of *** percent between 2020 and \$*** per hour in 2022, for an increase of *** percent between 2020 and \$*** per hour in 2022, for an increase of *** percent between 2020 and \$*** per hour in 2022, for an increase of *** percent between 2020 and \$*** per hour in 2022, for an increase of *** percent between 2020 and \$*** per hour in 2022, for an increase of *** percent between 2020 and \$*** per hour in 2022, for an increase of *** percent between 2020 and \$*** per hour in 2022, for an increase of *** percent between 2020 and 2022. *Id.*

²⁶⁸ CR/PR at Tables III-14, C-1. The industry's productivity increased from *** pounds per hour in 2020 to *** pounds per hour in 2021, and then decreased to *** pounds per hour in 2022, for a decrease of *** percent between 2020 and 2022. Productivity was *** percent lower, at *** pounds per hour, compared with *** pounds per hour in interim 2022. *Id.* at Tables III-14, C-1.

²⁶⁹ CR/PR at Tables III-10, C-1.

²⁷⁰ CR/PR at Tables IV-11, C-1.

²⁷¹ CR/PR at Tables III-13, C-1.

²⁷² CR/PR at III-16, Table III-13.

percent lower, at \$*** in interim 2023, compared with \$*** in interim 2022.²⁷³ Gross profit increased from \$*** in 2020 to \$*** in 2021, and then decreased to \$*** in 2022, for an increase of *** percent between 2020 and 2022. Gross profit was *** percent lower, at \$*** in 2023, compared with \$*** in interim 2022.²⁷⁴ The ratio of gross profit to net sales declined from *** percent in 2020 to *** percent in 2021, and then increased to *** percent in 2022; it was higher, at *** percent, in interim 2023 compared with *** percent in interim 2022.²⁷⁵

The industry's operating income and net income both declined irregularly from 2020 to 2022, but were higher in interim 2023 than in interim 2022.²⁷⁶ Operating income decreased by *** percent between 2020 and 2022, increasing from \$*** in 2020 to \$*** in 2021, before falling to \$*** in 2022; it was *** percent higher, at \$***, in interim 2023, compared with \$*** in interim 2022.²⁷⁷ Net income decreased by *** percent between 2020 and 2022, increasing from \$*** in 2020 and 2022, increasing from \$*** in 2020 to \$*** in 2021, before falling to \$*** in 2020 to \$*** in 2021, before falling to \$*** in 2022; it was *** percent higher, at \$***, in interim 2022, increasing from \$*** in 2020 to \$*** in 2021, before falling to \$*** in 2022; it was *** percent higher, at \$***, in interim 2023, compared with \$***

The domestic industry's operating income and net income as shares of net sales both decreased each year between 2020 and 2022, but were higher in interim 2023 than in interim 2022. Operating income as a share of net sales decreased by *** percentage points between 2020 and 2022, falling from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was *** percentage points higher, at *** percent, in interim 2023, compared with *** percent in 2022, ²⁷⁹ The industry's net income as a share of net sales decreased by *** percentage points between 2020 and 2022, falling from *** percentage points higher, at *** percent in 2020 to *** percent in 2020 to *** percent in 2021 and *** percent in 2022, ²⁷⁹ The industry's net income as a share of net sales decreased by *** percentage points between 2020 and 2022, falling from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was *** percentage points higher, at *** percent in 2020 to *** percent, in interim 2023, compared with *** percent in interim 2022.²⁸⁰ The domestic industry's total net assets declined between 2020 and 2022, decreasing from \$*** in 2020 to \$*** in 2021 and \$*** in 2022.²⁸¹ The industry's return on assets declined irregularly between 2020 and 2022, increasing from *** percent in 2020 to *** percent in 2021, and then falling to *** percent in 2022.²⁸²

²⁸¹ CR/PR at Table VI-13.

²⁷³ CR/PR at Tables VI-5, C-1.

²⁷⁴ CR/PR at Tables VI-5, C-1.

²⁷⁵ CR/PR at Table VI-5.

²⁷⁶ CR/PR at Tables VI-5, C-1.

²⁷⁷ CR/PR at Tables VI-5, C-1.

²⁷⁸ CR/PR at Tables VI-5, C-1.

²⁷⁹ CR/PR at Tables VI-5, C-1.

²⁸⁰ CR/PR at Tables VI-5, C-1.

²⁸² CR/PR at Table VI-14.

The domestic industry's capital expenditures increased irregularly from 2020 to 2022 and were higher in interim 2023 compared with interim 2022. Capital expenditures increased from \$*** in 2020 to \$*** in 2021, and then decreased to \$*** in 2022; they were \$*** in interim 2023, compared with \$*** in interim 2022.²⁸³ The industry's research and development ("R&D") expenses increased from 2020 to 2022, but were lower in interim 2023 compared with interim 2022. R&D expenses increased from \$*** in 2020 to \$*** in 2021 and \$*** in 2022; they were lower, at \$***, in interim 2023, compared with \$*** in interim 2022.²⁸⁴

The domestic industry's financial data on a non-toll basis showed similar declines between 2020 and 2002 in non-toll net income, non-toll operating income, and the ratios of non-toll net income and operating income to net sales. The domestic industry's non-toll net sales value and gross profit increased irregularly from 2020 to 2022, but were lower in interim 2023 than in interim 2022. Non-toll net sales value increased from \$*** in 2020 to \$*** in 2021, and then decreased to \$*** in 2022, for an increase of *** percent between 2020 and 2022. Non-toll net sales value was *** percent lower, at \$*** in interim 2023, compared with \$*** in interim 2022.²⁸⁵ Non-toll gross profit increased from \$*** in 2020 to \$*** in 2021, and then decreased to \$*** percent lower, at \$*** in 2023, compared with \$*** in interim 2022.²⁸⁶ The ratio of non-toll gross profit to net sales declined from *** percent in 2020 to *** percent in 2021, and then increased to *** percent in 2022; it was higher, at *** percent, in interim 2023 compared with *** percent in interim 2022.²⁸⁷

The industry's non-toll operating income and net income both declined irregularly from 2020 to 2022, but were higher in interim 2023 than in interim 2022.²⁸⁸ Non-toll operating income decreased by *** percent between 2020 and 2022, increasing from \$*** in 2020 to \$*** in 2021, before falling to \$*** in 2022; it was *** percent higher, at \$***, in interim 2023, compared with \$*** in interim 2022.²⁸⁹ Non-toll net income decreased by *** percent between 2020 to \$*** in 2021, before falling to \$*** in 2022.²⁸⁹ Non-toll net income decreased by *** percent between 2020 and 2022, increasing from \$*** in 2020 to \$*** in 2021, before falling to \$*** in 2022.²⁸⁹ Non-toll net income decreased by *** percent

²⁸³ CR/PR at Table VI-9, C-1.

²⁸⁴ CR/PR at Table VI-11, C-1.

²⁸⁵ CR/PR at Tables VI-1, C-1.

²⁸⁶ CR/PR at Tables VI-1, C-1.

²⁸⁷ CR/PR at Table VI-1.

²⁸⁸ CR/PR at Tables VI-1, C-1.

²⁸⁹ CR/PR at Tables VI-1, C-1.

2022; it was *** percent higher, at \$***, in interim 2023, compared with \$*** in interim 2022.²⁹⁰

The domestic industry's non-toll operating income and net income as shares of non-toll net sales both decreased each year between 2020 and 2022, but were higher in interim 2023 than in interim 2022. Non-toll operating income as a share of non-toll net sales decreased by *** percentage points between 2020 and 2022, falling from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was *** percentage points higher, at *** percent, in interim 2023, compared with *** percent in interim 2022.²⁹¹ The industry's non-toll net income as a share of non-toll net sales decreased by *** percentage points between 2020 and 2022, falling from *** percent in 2020 and 2022, falling from *** percent in 2020 to *** percent in 2021.²⁹¹ The industry's non-toll net income as a share of non-toll net sales decreased by *** percentage points between 2020 and 2022, falling from *** percent in 2020 to *** percent in 2021 and *** percent in 2022, it was *** percent in 2022.202 and 2022, falling from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was *** percent in 2022.202 and 2022, falling from *** percent in 2020 to *** percent, in interim 2023, compared with *** percent in interim 2023, compared with *** percent in interim 2023, compared with *** percent in 2020 to *** percent, in interim 2023, compared with *** percent in 2020 to *** percent, in interim 2023, compared with *** percent in interim 2022.²⁹²

We find a causal nexus between subject imports from Israel and the domestic industry's declining financial performance during the POI. The significant volume of subject imports from Israel that undersold the domestic like product to a significant degree took sales from the domestic industry, gained market share at the expense of the domestic industry over the POI, and suppressed prices for the domestic like product to a significant degree, thereby preventing the domestic industry from fully capitalizing on the *** percent increase in apparent U.S. consumption between 2020 and 2022, including a *** percent increase in apparent U.S. consumption between 2020 and 2021. Thus, as the domestic industry lost *** percentage points of market share to subject imports from Israel between 2020 and 2022, the industry's production and U.S. shipments increased by less than apparent U.S. consumption, at *** percent and *** percent, respectively.²⁹³ Moreover, as low-priced subject imports from Israel suppressed prices for the domestic like product to a significant degree, contributing to the *** percentage point increase in the industry's non-toll COGS to net sales ratio between 2020 and 2022, driven by a *** percentage point increase between 2020 and 2021, and the domestic industry's operating income declined by *** percent and its ratio of operating income to net sales declined by *** percentage points, from *** percent in 2020 to *** in 2022.²⁹⁴ As lowpriced subject imports from Israel continued to increase over the interim periods, reaching a period high of *** percent of apparent U.S. consumption in interim 2023, the domestic

²⁹⁰ CR/PR at Tables VI-1, C-1.

²⁹¹ CR/PR at Tables VI-1, C-1.

²⁹² CR/PR at Tables VI-1, C-1.

²⁹³ CR/PR at Table C-1.

²⁹⁴ CR/PR at Table C-1. Commissioner Schmidtlein does not join this paragraph with respect to its statements about 2021 as she does not rely on 2021 trends for her price suppression finding.

industry's market share remained lower and its non-toll COGS to net sales ratio higher in interim 2023 than at the beginning of the POI.²⁹⁵

While Finkelstein contends that the domestic industry was not materially injured because some of its performance indicators increased from 2020 to 2022,²⁹⁶ the record shows that the industry failed to fully benefit from the increase in apparent U.S. consumption and its overall financial performance deteriorated by some measures as it lost market share and sales to low-priced subject imports from Israel which also had significant price-suppressing effects.

We are unpersuaded by Finkelstein's argument that increased subject imports from Israel could not have injured the domestic industry because the increase resulted from the domestic industry's inability to supply increased U.S. demand for brass rod in 2021, due to supply constraints related to the COVID-19 pandemic.²⁹⁷ In 2022, when apparent U.S. consumption declined somewhat and purchasers reported no supply constraints from the domestic industry, the market share of subject imports from Israel declined *** but remained at *** percent, a higher level than in 2020, and the domestic industry's market share remained at a level lower than in 2020; subject imports from Israel thus increased their market share at the expense of the domestic industry by *** percentage points from 2020 to 2022.²⁹⁸ Additionally, when apparent U.S. consumption was *** percent lower in interim 2023 than in interim 2022, subject imports from Israel were *** percent higher in terms of volume and *** percentage points higher in terms of market share compared, as the market share of subject imports from Israel reached a POI-high of *** percent.²⁹⁹

We observe that apparent U.S. consumption was *** percent lower in interim 2023 than in interim 2022, while the quantity of importers' U.S. shipments of subject imports from Israel was *** pounds (*** percent) higher in interim 2023 than in interim 2022. CR/PR at Tables IV-11, C-1. (Continued...)

²⁹⁵ CR/PR at Table C-1.

²⁹⁶ Finkelstein's Prehearing Brief at 61-62.

²⁹⁷ Finkelstein's Posthearing Brief at 1-2.

²⁹⁸ CR/PR at Table C-1.

²⁹⁹ CR/PR at IV-8, Table C-1. Finkelstein argues that subject imports from Israel were "pulled" into the U.S. market in interim 2023 due to supply constraints stemming from a fire at Mueller's *** plant in *** 2023. CR/PR at Table III-4; Finkelstein's Prehearing Brief at 21-22, 25, Exh. 18; Finkelstein's Posthearing Brief at 7. Finkelstein asserts that an earnings statement from Mueller Industries, the parent company of Mueller Brass, for the second quarter of 2023 reports that its "brass rod business was disrupted by a fire...thereby impairing production for nearly three weeks during the quarter." Finkelstein's Prehearing Brief at Exh. 8. In these proceedings, Mueller Brass reports that the fire *** and the company estimates that it lost up to ***. CR/PR at Table III-4; Petitioners' Posthearing Brief at III-6. Mueller reported *** pounds of *** brass rod from *** in interim 2023 *** Mueller U.S. Producer Questionnaire Response at II-2a, II-13 (EDIS Document No. 807078); *** Purchaser Questionnaire Response at II-1 (EDIS Document No. 807242); CR/PR at III-17 n.17.

Although the domestic industry experienced supply constraints in 2021 as a result of the COVID-19 pandemic, so did importers and foreign producers, and purchasers reported that the domestic industry no longer had such supply constraints in 2022.³⁰⁰ Moreover, large majorities of purchasers reported that the domestic industry was comparable or superior to subject imports from Israel in terms of availability, delivery time, and reliability of supply.³⁰¹ In addition, U.S. purchaser *** reported buying subject imports from Israel instead of the domestic product primarily due to their lower price in *** of the POI, including *** pounds in 2021.³⁰² Furthermore, the domestic industry's production quantity declined from 2021 to 2022 and its capacity utilization rate was only *** percent in 2022, suggesting that the industry had ample unused capacity with which the industry could have increased its production and U.S. shipments.³⁰³

Finkelstein also argues that "small volume end users, which do not qualify for scrap buyback programs, understandably turned to imports, in part from Israel and ... there was no meaningful head-to-head competition between Israel and the domestic industry for scrap buyback end users, because such end users sourced almost entirely from Petitioners, and only sourced temporarily from Israel when domestic supply was otherwise constrained."³⁰⁴ However, as discussed above in section VI.C.2, the record does not support Finkelstein's argument. In particular, the record shows that responding purchasers reported both buying subject imports from Israel and buying domestic product through scrap buyback programs.

Additionally, the volume of subject imports from Israel was *** pounds (*** percent) higher in interim 2023 than in interim 2022, and U.S. importers' end-of-period inventories of subject merchandise from Israel were *** pounds (*** percent) higher in interim 2023 than in interim 2022. *Id.* at IV-8, Tables IV-2, C-1. Moreover, cumulated subject imports from all sources other than Israel were lower in volume and market share in interim 2023 than in interim 2022, in contrast to subject imports from Israel. *Id.* at Tables IV-2, C-1. Moreover, while the fire occurred in *** 2023, no responding purchaser reported supply constraints from the domestic industry after the petitions were filed on April 28, 203. *Id.* at II-12, Table II-4. Only one purchaser (***) noted supply constraints from the domestic industry as a result of ***, reporting that *** *Id.* at Table II-5. The record also indicates that the domestic industry had substantial available capacity in interim 2023 despite the fire; while Mueller *** in interim 2023, *** still reported operating at a *** percent capacity utilization rate. *Id.* at Table III-8. Thus, the record does not support Finkelstein's contention that domestic supply constraints explain the volume of subject imports from Israel in interim 2023.

³⁰⁰ CR/PR at Table II-4. Finkelstein states that it did not experience supply constraints during the POI. Hearing Tr. at 233 (Apeloig, Kendler).

³⁰¹ CR/PR at Table II-14.

³⁰² *** U.S. Purchaser Questionnaire Response at II-1, II-3 (EDIS Document No. 806059).

³⁰³ CR/PR at Tables III-8, C-1. In addition, the domestic industry's lead times were shorter than those for subject suppliers. CR/PR at Table II-11.

³⁰⁴ Finkelstein's Final Comments at 1.

Notably, ***, which reported purchasing *** of their domestic product through scrap buyback programs and purchasing subject imports from Israel, also reported that domestic producers had lost sales to subject imports from Israel due to their lower price, even though subject imports from Israel were not sold through scrap buyback programs.³⁰⁵ While large end users tend to participate in the scrap buyback program because of the amount of scrap they produce, petitioners assert that there is *** order quantity for customers to participate in their scrap buyback programs.³⁰⁶ The record therefore does not indicate that the scrap buyback programs or minimum quantity orders attenuated competition between subject imports from Israel and the domestic like product.³⁰⁷

Finkelstein contends that competition between subject imports from Israel and the domestic industry is attenuated because the domestic industry focuses on selling to end users (and to end users through scrap buyback programs), while Finkelstein sells primarily to distributors.³⁰⁸ First, while a minority of the domestic industry's U.S. shipments went to distributors, the quantity of the domestic industry's U.S. shipments to distributors *** exceeded the quantity of U.S. shipments of subject imports by Israel to distributors during the POI, contradicting Finkelstein's argument that the domestic industry is uninterested and does not compete for sales to distributors.³⁰⁹ Moreover, as previously explained, responding purchasers, both distributors and end users, confirmed purchasing low-priced subject imports from Israel rather than the domestic product, indicating the domestic industry's interest in serving all types of customers.³¹⁰ Subject imports from Israel increased their shares of sales to

³⁰⁵ CR/PR at Table V-19; *** U.S. Purchaser Questionnaire Response at II-3 (EDIS Document Nos. 806974, 810558); *** U.S. Purchaser Questionnaire Response at II-3 (EDIS Document No. 806919).

³⁰⁶ Hearing Tr. at 110-111 (Christie), 111 (Mitchell); Petitioners' Posthearing Brief at II-7 to II-8.

³⁰⁷ A majority of purchasers reported that the U.S. product was comparable to imports from Israel as to minimum order quantities. CR/PR at Table II-14. Mueller and Wieland report minimum order quantities as low as 10,000 pounds, and sometimes down to 1,000 pounds for a single SKU, and customers that need smaller quantities can be referred to these producers' distributor partners. Hearing Tr. at 32-33, 98-99 (Christie), 98 (Mitchell); Petitioners' Posthearing Brief at II-5-7. Wieland and Mueller provided their annual sales volumes to "low-volume" customers in 2022, Petitioners' Posthearing Brief at II-5 to II-7 and Tables 3-4, and Finkelstein concedes that it sells to customers on the U.S. producers' low-volume customer lists. Finkelstein's Final Comments at 2.

³⁰⁸ Finkelstein's Prehearing Brief at 19-21, 45-46, 67-69.

³⁰⁹ CR/PR at Table IV-14. The domestic industry's U.S. shipments to distributors were *** times those of subject imports from Israel throughout the POI. *Id.*

³¹⁰ See *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 806441); *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 807751); *** Revised U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document Nos. 809675, 809676; *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 807751); *** U.S. Purchaser (Continued...)

distributors, as well as sales to end users, and the pricing data show significant underselling of the domestic product by subject imports from Israel in these channels of distribution.³¹¹ Second, Finkelstein's sales to end users increased over the POI, increasing their presence in the larger end user market and their overlap with domestically produced brass rod.³¹²

We have also considered other factors to ensure that we are not attributing injury from other factors to the subject imports from Israel, including imports from sources other than Israel. We recognize that imports from sources other than Israel gained more market share during the 2020-2022 period, *** percentage points, than subject imports from Israel, which gained *** percentage points.³¹³ We also acknowledge that cumulated imports from the other five subject countries also undersold the domestic like product, and gained sales and market share at the expense of the domestic industry.³¹⁴ While other subject import sources may also have been sources of pricing pressure for the domestic industry, this does not negate the pricing pressure on the domestic industry we have identified from subject imports from Israel. We have found that the significant and increasing volumes of subject imports from Israel which significantly undersold the domestic like product caused the domestic industry to lose sales and market share to subject imports from Israel and suppressed prices for the domestic like product to a significant degree. As previously discussed, subject imports from Israel significantly undersold the domestic like product throughout the POI, to the same customers and in same channels of distribution as the domestic industry, and petitioners provided examples of purchasers using Finkelstein's lower prices to ask for domestic price reductions.³¹⁵ Subject imports from Israel increased their share of the U.S. market by *** percentage points from 2020 to 2022 at the expense of the domestic industry.³¹⁶ Purchasers confirm buying *** pounds of subject imports from Israel instead of domestic product primarily due to their lower price.³¹⁷ *** purchaser *** reported that U.S. producers reduced their prices to compete with lower-priced subject imports from Israel.³¹⁸ This evidence and the other evidence discussed above in section VI.C.2 show that subject imports from Israel had an adverse impact on domestic market share, sales, and prices that cannot be attributed to other sources. Thus,

Questionnaire Response at II-3, III-1 (EDIS Document Nos. 809675, 809676); *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document Nos.)806974, 810558.

³¹¹ CR/PR at Tables IV-14, IV-15; V-5–V-12, F-2.

³¹² CR/PR at Tables II-1, IV-14, IV-15.

³¹³ CR/PR at Table C-1.

³¹⁴ CR/PR at Tables IV-11, V-17, V-21, C-1.

³¹⁵ CR/PR at Table V-17; Petitioners' Posthearing Brief at Exhs. 9, 14.

³¹⁶ CR/PR at Table C-2.

³¹⁷ CR/PR at Table V-21.

³¹⁸ CR/PR at V-51.

subject imports from Israel had a significant impact on the domestic industry that was distinct from the impact of imports from other sources.³¹⁹ ³²⁰

We have also considered the impact of demand trends on the domestic industry. The parties agree that demand increased sharply in 2021 (apparent U.S. consumption increased *** percent), while respondents argue that the domestic industry, suffering from supply constraints, could not keep pace with increasing demand. However, as previously discussed, *** reported buying subject imports from Israel primarily due to their lower prices instead of domestic product in 2021.³²¹ In 2022, when apparent U.S. consumption declined by *** percent from 2021 and no purchasers reported domestic supply constraints, the domestic industry still had less market share than in 2020 and subject imports from Israel had more market share, even as the domestic industry's capacity utilization rate declined to *** percent in 2022.³²² Demand conditions and domestic supply constraints accordingly do not explain the injury we have attributed to subject imports from Israel over the POI.

³²⁰ We have also considered Finkelstein's argument that competition between Mueller and Wieland is a more likely reason for "large-scale price cuts" than competition with subject imports from Israel. *See* Finkelstein's Posthearing Brief at 5; Finkelstein's Final Comments at 4-5. However, intraindustry competition does not explain the significant price-suppressing effects of subject imports from Israel on the domestic industry. As discussed, purchasers confirmed buying subject imports from Israel instead of the domestic product because of their lower prices, and *** reported that U.S. producers reduced their prices specifically due to competition with low-priced subject imports from Israel. Subject imports from Israel undersold the domestic industry as a whole and also were lower-priced *** in most quarterly comparisons. Derived from CR/PR at Tables V-5, V-6, V-8, V-9, V-11, V-12; *** U.S. Producer Questionnaire Response at IV-2b (EDIS Document No. ***). Both Mueller and Wieland provided evidence of purchasers using lower-priced offers from Finkelstein in sales pricing negotiations. Petitioners' Posthearing Brief at Exhs. 9, 14. In sum, the record shows that low-priced subject imports from Israel had significant suppressing effects on domestic prices not explained by intra-industry competition.

³²¹ *** Purchaser Questionnaire Response at II-1 (EDIS Document No. 806059).
³²² CR/PR at Table C-1.

³¹⁹ As previously noted, the Commission need not isolate the injury caused by other factors from injury caused by unfairly traded imports; nor does 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. SAA at 851-52; S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47; *Taiwan Semiconductor Industry Ass'n*, 266 F.3d at 1345. Rather, the Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports. *Taiwan Semiconductor Industry Ass'n*, 266 F.3d at 1345. Moreover, the existence of injury caused by other factors does not compel a negative determination. *Nippon Steel Corp.*, 345 F.3d at 1381 ("All parties agree that 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. As long as its effects are not merely incidental, tangential or trivial, the foreign product sold at less than fair value meets the causation requirement.").

For the reasons discussed above, we conclude that subject imports from Israel had a significant impact on the domestic industry.

D. Material Injury by Reason of Cumulated Subject Imports

As reviewed above, the Commission must first determine whether a domestic industry is materially injured or threatened with material injury by reason of subject imports from Israel. If this inquiry is answered in the affirmative, the subject imports from Israel are then eligible for cumulation with imports from the other subject countries. Having found that the domestic industry is materially injured by reason of subject imports from Israel, we now turn to our analysis of material injury by reason of cumulated subject imports (*i.e.*, from the six subject countries, including Israel).

1. Volume of Cumulated 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."³²³

The volume of cumulated subject imports from Brazil, India, Israel, Mexico, South Africa, and South Korea increased by 36.4 percent between 2020 and 2022, but was 23.7 percent lower in interim 2023 compared with interim 2022. Cumulated subject imports increased from 23.4 million pounds in 2020 to 36.4 million pounds in 2021 before declining to 32.0 million pounds in 2022; they were 19.3 million pounds in interim 2023, as compared with 25.3 million pounds in interim 2022.³²⁴

The share of apparent U.S. consumption accounted for by cumulated subject imports increased from *** percent in 2020 to *** percent in 2021 before declining to *** percent in 2022, for an increase of *** percentage points between 2020 and 2022; it was *** percent in interim 2023, compared with *** percent in interim 2022.^{325 326}

³²³ 19 U.S.C. § 1677(7)(C)(i).

 $^{^{\}rm 324}$ CR/PR at IV-4, Table IV-2.

³²⁵ CR/PR at Tables IV-11, C-1. The ratio of cumulated subject imports to production in the United States increased from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was lower, at *** percent, in interim 2023, compared with *** percent in interim 2022. CR/PR at Table IV-2.

³²⁶ CR/PR at Table C-1. The market share of cumulated subject imports in sales to distributors increased from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was higher, at *** percent, in interim 2023, compared with *** percent in interim 2022. *Id.* at Table IV-15. The (Continued...)

We find that the volume of cumulated subject imports is significant in absolute terms and relative to consumption in the United States that the increase in the volume of cumulated subject imports is significant in absolute terms.

2. Price Effects of Cumulated Subject Imports

Section 771(7)(C)(ii) of the Tariff Act provides that, in evaluating the price effects of the 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.³²⁷

As discussed above, we have found at least a moderate-to-high degree of substitutability between domestically produced brass rod and cumulated subject imports, and that price is an important factor in purchasing decisions for brass rod along with other factors.³²⁸

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of nine brass rod products shipped to unrelated U.S. customers during January 2020 - September 2023.³²⁹ Three U.S. producers and ten importers

(Continued...)

market share of cumulated subject imports in sales to end users without scrap buyback increased from *** percent in 2020 to *** percent in 2021 and *** percent in 2022; it was higher, at *** percent, in interim 2023, compared with *** percent in interim 2022. *Id.* at Table IV-15.

³²⁷ 19 U.S.C. § 1677(7)(C)(ii).

³²⁸ See section VI.B.3.

³²⁹ CR/PR at V-8. The nine pricing products represent sales for three products broken out by channel of distribution: sales to end users through scrap buyback programs (products 1, 4, and 7), sales to end users not through scrap buyback programs (products 2, 5, and 8), and sales to distributors (products 3, 6, and 9). The nine pricing products are:

Product 1.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that purchased the brass rod pursuant to the responding firm's brass scrap buyback program;

Product 2.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users
of subject brass rod provided usable pricing data for sales of the requested products, although not all firms reported pricing data for all products for all quarters.³³⁰ Importers of subject merchandise did not report any data for pricing products 1, 4, and 7 (pricing products sold pursuant to a scrap buyback program). Pricing data reported by these firms accounted for approximately *** percent of U.S. producers' U.S. shipments of brass rod, *** percent of U.S. shipments of subject imports from Brazil, *** percent of U.S. shipments of subject imports from India, *** percent of U.S. shipments of subject imports from Israel, *** percent of U.S. shipments of subject imports from Mexico, and *** percent of U.S. shipments of subject imports from South Korea in 2022.³³¹

Prices for cumulated subject imports undersold those for U.S.-produced brass rod in 327 of 359 quarterly comparisons, corresponding to reported subject import sales of 36.0 million

- Product 3.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths, sold to distributors;
- **Product 4.--** Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that purchased the brass rod pursuant to the responding firm's brass scrap buyback program;
- **Product 5.**-- Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that did not purchase the brass rod pursuant to a brass scrap buyback program of the responding firm;
- **Product 6.--** Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths, sold to distributors;
- **Product 7.**-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that purchased the brass rod pursuant to the responding firm's brass scrap buyback program;
- **Product 8.**-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths, sold to end users that did not purchase the brass rod pursuant to a brass scrap buyback program of the responding firm;
- Product 9.-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths, sold to distributors. Id. at V-8 to V-9.

³³⁰ See CR/PR at V-9. Importers of subject merchandise did not report any data for pricing products 1, 4, and 7 (pricing products sold pursuant to a scrap buyback program). *Id.*

³³¹ CR/PR at V-9. No usable pricing data were received with respect to subject imports from South Africa. *Id.* Pricing coverage is based on U.S. shipments reported in questionnaires. *Id.* at V-9 n.15.

that did not purchase the brass rod pursuant to a brass scrap buyback program of the responding firm;

pounds, with margins of underselling ranging from 0.1 percent to 51.2 percent, and averaging 13.7 percent.³³² Prices for cumulated subject imports oversold those for U.S.-produced brass rod in 32 of 359 quarterly comparisons, corresponding to reported subject import sales of 543,000 pounds, with margins of overselling ranging from 0.4 percent and 40.6 percent, and averaging 8.3 percent.³³³ Thus, the pricing data show that cumulated subject imports undersold the domestic like product in 92.0 percent of quarterly comparisons, corresponding to 98.5 percent of the reported subject import sales volume in the Commission's pricing data.³³⁴

With respect to sales to distributors, cumulated subject imports undersold the domestic like product in *** of *** quarterly comparisons, or *** percent of quarterly comparisons, by an average margin of underselling of *** percent, with the volume of cumulated subject imports sold to distributors in quarterly comparisons involving underselling accounting for *** percent of the reported volume of sales to distributors by cumulated subject imports in the Commission's pricing data.³³⁵ With respect to sales to end users not through scrap buyback programs, cumulated subject imports undersold the domestic like product in *** of *** quarterly comparisons, or *** percent of quarterly comparisons, by an average margin of underselling of *** percent, with the volume of cumulated subject imports sold to end users not through scrap buyback in quarterly comparisons involving underselling accounting for *** percent of the reported volume of sales to end users without scrap buyback by cumulated subject imports in the Commission's pricing data.³³⁶

We have also considered lost sales information. Of the 17 responding purchasers, twelve reported that, since 2020, they had purchased brass rod imported from subject sources instead of U.S.-produced brass rod; eleven of these purchasers reported that the price of brass rod imported from subject sources was lower than the price of the domestic product, and six of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than U.S. produced product.³³⁷ These six purchasers estimated that they collectively purchased *** pounds of subject imports instead of the domestic like product

³³⁶ Derived from CR/PR at Tables V-5, V-8, V-11.

³³² CR/PR at Table V-17.

³³³ CR/PR at Table V-17.

³³⁴ Derived from CR/PR at Table V-17.

³³⁵ Derived from CR/PR at Tables V-6, V-9, V-12. While the market share of the domestic industry in sales to distributors declined from *** percent in 2020 to *** percent in 2022, the market share of cumulated subject imports increased from *** percent in 2020 to *** percent in 2022. CR/PR at Table IV-15. The market share of the domestic industry in sales to end users without scrap buyback declined from *** percent in 2020 to *** percent in 2022, while the market share of cumulated subject imports increased from *** percent in 2020 to *** percent in 2022. CR/PR

³³⁷ CR/PR at Table V-21.

due to price,³³⁸ equivalent to *** percent of U.S. shipments of cumulated subject imports during the POI.³³⁹ As discussed below, *** of the purchasers reporting these confirmed lost sales are large customers of the domestic industry.³⁴⁰

We are unpersuaded by Joint Respondents' argument that the domestic industry's concentration of sales to end users through scrap buyback programs insulates the industry from subject import competition and makes the underselling by cumulated subject imports insignificant.³⁴¹ First, as previously discussed, while a larger percentage of the domestic industry's sales were to end users participating in a buyback program than to distributors and end users not participating in a buyback program, the domestic industry sold large volumes through both of these channels of distribution and in fact the volume of domestic industry's sales to distributors exceeded subject import sales to distributors.³⁴² Further, for sales to distributors (products 3, 6, and 9) and for sales to end users not through scrap buyback programs (products 2, 5, and 8), cumulated subject pervasively imports undersold the domestic industry in sales to both groups.³⁴³ As this underselling occurred, cumulated subject imports were sold in substantial and increasing quantities to both distributors and end users (not through scrap buyback programs) as domestic producers lost market share to cumulated subject imports in both sales to distributors and sales to end users (not participating in a buyback program).

³⁴¹ Joint Respondents' Posthearing Brief, Exh. 1, Response to Commission Questions, at 9-10. ³⁴² CR/PR at Tables II-1, IV-14, IV-15. Although the domestic industry sent a majority (*** to *** percent during the 2020-2022) period of its U.S. shipments to end users who purchased through scrap buyback programs, the domestic industry made substantial portions of its sales to end users not purchasing through buyback programs (*** to *** percent) and distributors (*** to *** percent). *Id.* at Table II-1. The domestic industry's shares of total shipments made to distributors and end users not through scrap buyback programs decreased but remained substantial from 2020 to 2022. CR/PR at Tables IV-14, IV-15. For the distributor market, the domestic industry's share decreased from *** percent in 2020 to *** percent in 2022. *Id.* at Table IV-15. For end users sales not through buyback, the domestic industry's share fell from *** percent in 2020 to *** percent in 2020 to *** percent in 2020 to *** percent in 2022. *Id.* at Table IV-15. For end users sales not through buyback, the domestic industry's share fell from *** percent in 2020 to *** percent in 2020 to *** percent in 2020 to *** percent in 2022. *Id.* at Table IV-15. For end users sales not through buyback, the domestic industry's share fell from *** percent in 2020 to *** percent in 2020 to *** percent in 2022. Derived from CR/PR at Tables IV-13, IV-14.

³⁴³ Derived from CR/PR at Tables V-5, V-6, V-8, V-9, V-11, V-12.

³³⁸ CR/PR at Table V-21.

³³⁹ Derived from CR/PR at Tables IV-2, IV-11, V-21.

³⁴⁰ CR/PR at Table V-18. Joint Respondents argue that the Commission should discount the confirmed lost sales reported by the six purchasers because some of these purchasers also reported non-price reasons for purchasing subject imports instead of the domestic like product ***. Joint Respondents' Posthearing Brief at Exh. 1, Response to Commission Questions, at 22-23. Notwithstanding such comments, all six purchasers reported that price was a primary reason that they purchased subject imports instead of the domestic like product. Their responses to other questions do not contradict their reporting confirmed lost sales due to price.

Second, the record indicates that there is substantial overlap between the customers served by cumulated subject imports and the domestic industry, including with respect to some of the domestic industry's largest customers, ³⁴⁴ and responding purchasers, both distributors and end users who buy domestically through and not through scrap buyback programs, reported buying subject imports instead of the domestic like product primarily due to the lower price of the imports.³⁴⁵

Third, despite the absence of sales of cumulated subject imports to purchasers through scrap buyback programs, the record indicates that subject import competition for sales to end users not through scrap buyback programs affects the domestic industry's sales and prices on sales to purchasers with scrap buyback programs, as discussed in section VI.C.2 above. As also previously discussed, because of the domestic industry's use of price lists, a domestic producer adjusting its pricing due to low-priced import competition would affect its prices to all customers that use the price list.³⁴⁶ As also previously discussed, because purchasers are able to calculate a "net cost" so as to be able to compare prices being offered for sale with and without scrap buyback, pricing pressure from subject imports (not participating in a buyback program. Based on the record as a whole, we reject Joint Respondents' argument that the domestic industry is insulated from subject import competition because cumulated subject imports do not sell brass rod to end users through a scrap buyback program.

Joint Respondents endorse Finkelstein's argument, summarized in section VI.C.2 above, that the Commission's pricing data fail to take into account the higher price that petitioners receive for brass rod from end user customers participating in their scrap buyback programs

³⁴⁴ See CR/PR at Table IV-8 (indicating overlap of seven purchasers on the lists of top customers of cumulated subject imports and the domestic industry). *** was the *** purchaser overall during the POI among those submitting a U.S. purchasers' questionnaire response, and the *** purchaser of the domestic like product and cumulated subject imports. *Id.* at Table V-18. *** was the *** purchaser overall during the POI among those submitting a U.S. purchasers' questionnaire response, and the *** purchaser overall during the POI among those submitting a U.S. purchasers' questionnaire response, and the *** purchaser overall during the POI among those submitting a U.S. purchasers' questionnaire response, and the *** purchaser overall during the POI among those submitting a U.S. purchasers' questionnaire response, and the *** purchaser overall during the POI among those submitting a U.S. purchasers' questionnaire response, and the ***

³⁴⁵ CR/PR at Table V-20; *see* *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 806919); *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 806059); *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document Nos. 806195, 806441); *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 807751); *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document No. 807751); *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document Nos. 809675, 809676); *** U.S. Purchaser Questionnaire Response at II-3, III-1 (EDIS Document Nos. 806974, 810558).

³⁴⁶ Hearing Tr. at 101-102 (Christie), 102-104 (Mitchell). As noted above, the record indicates a number of instances in which domestic producers needed to announce new higher prices because of increases in their raw material costs, but were unable to do so by the full amount because of low-priced competition from subject suppliers. Petitioners' Posthearing Brief at III-24 to III-25, III-27 and Exhs. 7A-7E, 8.

(which respondents term a "rebate"), asserting that when the "rebate" is appropriately deducted from petitioners' prices of brass rod, the majority of sales of cumulated subject imports oversold the domestic like product.³⁴⁷ As discussed in section VI.C.2, we find that the most reliable approach to adjusting domestic prices on sales to end users using scrap buyback programs for purposes of comparing them to subject import prices on sales to end users not through such programs is the price-based adjustment presented in Table F-2 of the Commission report, which reflects the price "premium" paid to U.S. brass rod producers by customers participating in the scrap buyback program relative to the prices paid to distributors and end users not using scrap buyback.³⁴⁸ Under this approach we have calculated at the firm level the weighted average prices for that firm's sales to end users not participating in a scrap buyback program and sales to distributors combined (*e.g.*, product 2 and 3) for a given product and applied that weighted average price to that firm's sales to end users participating in that producer's scrap buyback program (*e.g.*, product 1). We then combined all end user pricing data together (*e.g.*, product 1 as adjusted and product 2 unadjusted) before comparing U.S.-product to the imported product on a quarterly basis.

Using this adjusted approach in Table F-2 of the Commission report, in sales to all end users cumulated subject imports undersold the domestic product in 114 of 190 quarterly comparisons, corresponding to reported subject import sales of *** pounds.³⁴⁹ Thus, these adjusted pricing data show that for sales to end users, there was subject import underselling in *** percent of quarterly comparisons, corresponding to *** percent of the reported volume of cumulated subject imports in the Commission's pricing data.³⁵⁰ Accordingly, even when including in the comparison domestic producers' sales to buyback end users with the downward adjustment to make them equivalent to their prices for sales to non-buyback end users and distributors, subject imports were lower-priced than the domestic like product in sales to end users in a majority of comparisons with a substantial majority of the volume of cumulated subject imports in the quarters with underselling.³⁵¹

In sum, in light of the at least moderate to high degree of substitutability of cumulated subject imports with the domestic like product, the importance of price in purchasing decisions

³⁴⁷ Joint Respondents' Posthearing Brief at 6 and Exh. 1, Response to Commission Questions, at 9-11.

³⁴⁸ See CR/PR at F-3.

³⁴⁹ CR/PR at Table F-2. Under this method, prices for subject imports oversold those for U.S.produced brass rod for sales to end users in 76 of 190 quarterly comparisons, corresponding to reported subject import sales of *** pounds. *Id.*

³⁵⁰ Derived from CR/PR at Table F-2.

³⁵¹ See CR/PR at F-3 and Table F-2.

for brass rod, the pricing data showing substantial underselling by cumulated subject imports, and the lost sales responses, we find the underselling by cumulated subject imports to be significant. As discussed further below, we find that the significant underselling by cumulated subject imports led to the *** percentage point shift in market share from the domestic industry to cumulated subject imports between 2020 and 2022.³⁵²

We have considered price trends. Prices increased during the POI for both cumulated subject imports and the domestic like product, generally rising during 2020, 2021, and the first half of 2022, before fluctuating downwards during the remainder of the POI.³⁵³ Increases in U.S. producers' prices over the POI ranged from *** percent to *** percent.³⁵⁴ Increases in prices over the POI for subject imports ranged from *** percent to *** percent.³⁵⁵

We have also considered whether cumulated subject imports prevented price increases that would otherwise have occurred to a significant degree. The domestic industry's ratio of non-toll COGS to net sales increased irregularly, from *** percent in 2020 to *** percent in 2021, before decreasing to *** percent in 2022, for an increase of *** percentage points between 2020 and 2022. The industry's ratio of non-toll COGS to net sales was *** percentage points lower, at *** percent, in interim 2023, compared with *** percent in interim 2022.³⁵⁶

As discussed in section VI.C.2 above, the domestic industry experienced a cost-price squeeze between 2020 and 2021 as the industry's non-toll unit costs increased by more – *** percent with respect to unit raw material costs and *** percent with respect to unit total COGS – than its net sales AUVs, which increased by only *** percent.³⁵⁷ Similarly, over the 2020 to 2022 period the industry's non-toll unit costs increased by more – *** percent with respect to unit raw material costs and *** percent.³⁵⁷ Similarly, over the 2020 to unit raw material costs and *** percent with respect to unit sales AUVs.

³⁵⁵ Price increases for subject imports of product 2 ranged from *** percent to *** percent; price increases for subject imports of product 3 ranged from *** percent to *** percent; price increases for subject imports of product 5 ranged from *** percent to *** percent; price increases for subject imports of product 6 ranged from *** percent to *** percent; price increases for subject imports of product 8 ranged from *** percent to *** percent; and price increases for subject imports of product 9 ranged from *** percent to *** percent. CR/PR at V-13.

³⁵² CR/PR at Table C-1.

³⁵³ CR/PR at V-40.

³⁵⁴ U.S. producers' prices increased over the POI by *** percent for product 1, *** percent for product ***, *** percent for product 3, *** percent for product 4, *** percent for product 5, *** percent for product 6, *** percent for product 7, *** percent for product 8, and *** for product 9. CR/PR at Table V-13.

³⁵⁶ CR/PR at Tables VI-7, C-1. As discussed above, we rely on the domestic industry's cost and price data for non-toll sales as the most probative indicator in our analysis of whether domestic producers' prices were suppressed by cumulated subject imports to a significant degree.

³⁵⁷ CR/PR at Table VI-2.

AUVs, which increased by *** percent.^{358 359} We note in particular that the domestic industry incurred an increase of *** percentage points in its non-toll COGS to net sales ratio between 2020 and 2021, contributing to a decrease of *** percentage points in the industry's non-toll operating income to net sales ratio (from *** percent to *** percent), as apparent U.S. consumption increased by *** percent, and as U.S. shipments of cumulated subject imports increased by 41.8 percent in quantity and gained *** percentage points of market share largely at the expense of the domestic industry.^{360 361}

The record shows that cumulated subject imports led to the domestic industry's inability to raise prices sufficiently, as the domestic industry was forced to contain price increases to avoid continued lost sales to cumulated subject imports. As previously discussed, the record confirms an overlap in customers of the domestic like product and cumulated subject imports, including large customers and customers who buy domestic product through scrap buyback programs, and that cumulated subject imports undersold the domestic like product throughout the POI and gained sales due to their underselling. *** U.S. purchaser *** reported that U.S. producers had reduced prices in order to compete with lower-priced subject imports from *** for estimated price reductions of *** percent, *** percent, and *** percent due to competition

Moreover, the domestic industry's ratio of non-toll COGS to net sales remained elevated in interim 2023, at *** percent, although lower compared with interim 2022, at *** percent, *Id.* at Table C-1, as cumulated subject imports retained most of the market share they had gained over the 2020-2022 period and continued to undersell the domestic like product. *Id.* at Tables C-1, V-5, V-6, V-8, V-9, V-11, V-12.

³⁶⁰ CR/PR at Table C-1.

³⁵⁸ CR/PR at Table VI-2. The domestic industry's AUV for direct labor costs for its non-toll operations increased by *** percent from 2020 to 2022, and its AUV for other factory costs increased by *** percent. *Id.*

³⁵⁹ The Commission notes that the domestic industry's non-toll net sales AUV increased by *** per pound between 2020 and 2022, while the industry's COGS for non-toll operations increased by *** per pound. CR/PR at Table VI-1. On their face, these data appear to indicate that the domestic industry's increased costs were met on a dollar-for-dollar basis. However, as argued by Petitioners, analyzing the rate of increase in net unit sales values and costs from 2020 to 2022 reveals that non-toll unit sales values did not increase to the same extent as unit COGS. *See* Petitioners' Posthearing Brief at III-19 to III-23. As a result of the varying rates of increase, the domestic industry's ratio of non-toll gross profits to net sales declined from *** percent to *** percent between 2020 and 2022, and, derivatively, the industry's ratio of non-toll operating income to net sales declined from *** percent to *** percent. CR/PR at Table VI -1.

³⁶¹ Commissioner Schmidtlein does not join this sentence as she does not rely on trends in 2021 as the basis for her finding of significant price suppression, given the domestic industry's acknowledged supply constraints in that year.

with low-priced imports from these subject countries, respectively.³⁶² As previously noted, ***, the third largest responding purchaser of domestic product, reported buying *** pounds of subject imports instead of domestic product primarily due to the lower prices of the imports, accounting for *** of its total purchases of subject imports of *** pounds over the POI.³⁶³ Petitioners argue that low-priced sales and offers for subject imports prevented domestic producers from adequately raising prices in response to rising costs, and provide documentation of competition with low-priced subject imports.³⁶⁴ Cumulated subject imports increased their market share at the expense of the domestic industry from 2020 to 2022, even as purchasers reported no domestic supply constraints in 2022.

Joint Respondents argue that the Commission should not rely on the COGS to net sales ratio in the domestic industry's financial reporting for its analysis of price suppression, but rather should rely on the Commission's quarterly pricing data for brass rod and brass scrap to examine the spread between the two.³⁶⁵ However, we continue to rely on the COGS to net sales ratio for our price suppression analysis, since the domestic industry's COGS includes additional elements besides raw material costs, including direct labor and other factory costs.³⁶⁶

We are unpersuaded by the Joint Respondents' argument that the volume of any lost sales as a result of underselling by cumulated subject imports is too small to have caused any cost-price squeeze experienced by the domestic industry.³⁶⁷ As previously discussed in section VI.C.2 above, due to the substantial price transparency and sensitivity of the U.S. brass rod market, with both Mueller and Wieland selling brass rod off published price lists that they revise frequently to take into account developments in the market, ³⁶⁸ a domestic producer's lost sale to a purchaser not through scrap buyback as a result of underselling by cumulated subject imports can affect prices in the entire brass rod market, including prices for end user

³⁶² CR/PR at V-51, Table V-18; *** U.S. Purchaser Questionnaire Response at II-4. (EDIS Document No. 806919). *** also confirmed buying *** pounds of cumulated subject imports instead of domestic product due primarily to their lower price. *Id.* at II-3.

Eight purchasers reported that U.S. producers did not reduce prices in order to compete with lower-priced subject imports and eight purchasers reported that they did not know. CR/PR at V-51.

³⁶³ CR/PR at Tables V-18, V-20; *** U.S. Purchaser Questionnaire Response at II-1, II-3 (EDIS Document No. 806059).

³⁶⁴ Petitioners' Posthearing Brief at II-8 to II-9, III-27 to III-32, Exhs. 7, 9, 14.

 ³⁶⁵ Joint Respondents' Posthearing Brief, Exh. 1, Response to Commission Questions, at 2-5.
³⁶⁶ CR/PR at Table VI-2.

³⁶⁷ Joint Respondents' Posthearing Brief, Exh. 1, Response to Commission Questions, at 8-9.

³⁶⁸ Hearing Tr. at 31 (Christie), 63 (Mitchell). As previously discussed, the record indicates that on average Mueller and Wieland issued revised prices lists *** during the POI. Petitioners' Posthearing Brief at III-26 to III-27 and Exhs. 6-7.

customers that use the producer's scrap buyback program.³⁶⁹ Thus, the underselling of the domestic like product by cumulated subject imports and the confirmed lost sales as a result of that underselling would affect the domestic industry's prices, including its ability to raise prices where necessary to address increases in its costs.

Accordingly, we find that cumulated subject imports suppressed prices for the domestic like product to a significant degree.

In sum, we find that cumulated subject imports undersold the domestic like product to a significant degree, leading to a market share shift from the domestic industry to cumulated subject imports from 2020 to 2022, and prevented price increases, which otherwise would have occurred, to a significant degree. Thus, we find that cumulated subject imports had significant price effects.

3. Impact of Cumulated Subject Imports³⁷⁰

Section 771(7)(C)(iii) of the Tariff Act provides that examining the impact of subject imports, the Commission "shall evaluate all relevant economic factors which have a bearing on the state of the industry."³⁷¹ These factors include output, sales, inventories, capacity

³⁷¹ 19 U.S.C. § 1677(7)(C)(iii); *see also* SAA at 851 and 885 ("In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.").

³⁶⁹ Hearing Tr. at 101 (Christie), 102-104 (Mitchell).

³⁷⁰ In its preliminary antidumping duty determination with respect to brass rod from Brazil, Commerce preliminarily determined estimated weighted-average dumping margins of 24.10 percent for Termomecanica Sao Paulo S.A., 77.14 percent for Megabras Industria Electronica Ltda., and 24.10 percent for all others. In its preliminary antidumping duty determination with respect to brass rod from India, Commerce preliminarily determined estimated weighted-average dumping margins of 9.41 percent for Rajhans Metals Pvt. Ltd., 10.95 percent for Shree Extrusions Limited, and 9.52 percent for all others. In its preliminary antidumping duty determination with respect to brass rod from Israel, Commerce preliminarily determined estimated weighted-average dumping margins of 35.88 percent for Finkelstein Metals Ltd. and 35.88 percent for all others. In its preliminary antidumping duty determination with respect to brass rod from Mexico, Commerce preliminarily determined estimated weighted-average dumping margins of 4.31 percent for Industrias Unidas S.A. de C.V., 29.43 percent for Aleamax S.A. de C.V., and 4.31 percent for all others. In its preliminary antidumping duty determination with respect to brass rod from South Africa, Commerce preliminarily determined estimated weightedaverage dumping margins of 11.31 percent for Non-Ferrous Metal Works (SA) (PTY) Ltd. and 11.31 percent for all others. In its preliminary antidumping duty determination with respect to brass rod from South Korea, Commerce preliminarily determined estimated weighted-average dumping margins of 10.52 percent for Booyoung Industry, 9.01 percent for Daechang Co., Ltd./Seowon Co. Ltd./Affiliate A, and 9.36 percent for all others. CR/PR at Tables I-4 through I-9.

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 debts, 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."³⁷²

As discussed in section VI.C.3 above, the domestic industry recorded increases in production and U.S. shipments between 2020 and 2022, but those increases lagged behind the *** percent increase in apparent U.S. consumption. The industry's market share declined by *** percentage points between 2020 and 2022. Gross profits increased absolutely but declined as a ratio to net sales. While the industry's net sales value increased between 2002 and 2022, its COGS increased by a greater percentage, and it experienced declines in its operating income and net income and its operating and net income margins.³⁷³

We find a causal nexus between cumulated subject imports and the domestic industry's declining financial performance during the POI. The significant volume of cumulated subject imports that undersold the domestic like product to a significant degree took sales from the domestic industry, leading to cumulated subject imports gaining market share at the expense of the domestic industry over the POI, and suppressed prices for the domestic like product to a significant degree, thereby preventing the domestic industry from fully capitalizing on the *** percent increase in apparent U.S. consumption between 2020 and 2022. Thus, as the domestic industry lost *** percentage points of market share to cumulated subject imports between 2020 and 2022, the industry's production and U.S. shipments increased by less, at *** percent and *** percent, respectively, than apparent U.S. consumption.³⁷⁴ Moreover, as low-priced cumulated subject imports suppressed prices for the domestic like product to a significant degree, the domestic industry's operating income declined by *** percent, and its ratio of operating income to net sales declined by *** percentage points, from *** percent in 2020 to *** percent in 2022.³⁷⁵ As cumulated subject imports remained elevated in interim 2023, at *** percent of apparent U.S. consumption, the domestic industry's market share remained lower and its non-toll COGS to net sales ratio higher in interim 2023 than at the beginning of the POI.³⁷⁶ Petitioners reported that cumulated subject imports hindered the ability of the

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

³⁷³ CR/PR at Table C-1.

³⁷⁴ CR/PR at Table C-1.

³⁷⁵ CR/PR at Table C-1.

³⁷⁶ CR/PR at Table C-1.

domestic industry to benefit from its recent capital investments, and hindered Mueller from restarting the extrusion press located at its currently idled Belding, Michigan facility.³⁷⁷

Joint Respondents contend that the domestic industry was not materially injured because some of its performance indicators increased from 2020 to 2022, and it was profitable during the POI.³⁷⁸ However, the statute makes clear that there is no requirement that the domestic industry be unprofitable to be materially injured.³⁷⁹ We have found that the industry was unable to fully benefit from the increase in apparent U.S. consumption and its financial performance deteriorated by some measures as the increasing volume of low-priced cumulated subject imports took sales and market share from the domestic industry and suppressed domestic prices.

We are also unpersuaded by Joint Respondents' argument that the increase in cumulated subject imports could not have injured the domestic industry because the increase resulted from the domestic industry's inability to supply increased demand for brass rod in 2021, due to supply constraints related to the COVID-19 pandemic.³⁸⁰ As discussed in section VI.C.3 above, to the degree that there were supply constraints in 2021, with apparent U.S. consumption increasing by *** percent, we note that we note that U.S. purchaser *** reported buying subject imports from Israel instead of the domestic product primarily due to their lower price in *** of the POI, including *** pounds in 2021.³⁸¹ When apparent U.S. consumption declined somewhat in 2022 and there were no domestic supply constraints, the volume and market share of cumulated subject imports declined slightly but remained at *** percent, a higher level than in 2020, and the domestic industry's market share remained at a level lower than in 2020, cumulated subject imports thus increased their market share at the expense of the domestic industry by *** percentage points from 2020 to 2022.³⁸² Furthermore, large majorities of responding purchasers reported that the domestic industry was comparable or superior to imports from each subject country in terms of availability, delivery time, and reliability of supply;³⁸³ and the domestic industry possessed ample unused capacity, with a capacity utilization rate of only *** percent in 2022, with which it could have increased

³⁸¹ *** U.S. Purchaser Questionnaire Response at II-1, II-3 (EDIS Document No. 806059).

³⁷⁷ CR/PR at Table VI-17; Hearing Tr. at 20-21, 22-23 (Mitchell).

³⁷⁸ Joint Respondents' Prehearing Brief at 32-34, 41-45.

³⁷⁹ 19 U.S.C. § 1677(7)(J).

³⁸⁰ Joint Respondents' Prehearing Brief at 33-34.

³⁸² CR/PR at Tables II-4, IV-2, IV-8, C-1.

³⁸³ CR/PR at Table II-14.

production and U.S. shipments of brass rod.³⁸⁴ In sum, domestic supply constraints do not explain the magnitude of the increases in volume and market share of cumulated subject imports during the POI.

We are not persuaded by Joint Respondents' contention that competition between the domestic industry and subject imports is attenuated in light of alleged minimum order requirements or lack of production of certain shapes or sizes on the part of the domestic industry.³⁸⁵ The domestic industry's minimum order requirements did not serve to significantly limit competition between domestic and subject brass rod. Majorities of responding purchasers reported that the domestic industry was comparable to subject imports from Brazil, Israel, Mexico, South Africa, and South Korea with respect to minimum quantity requirements.³⁸⁶ As noted, both Mueller and Wieland report that they sell brass rod to purchasers in quantities as low as 10,000 pounds, the equivalent of a quarter of a truckload, and sometimes down to 1,000 pounds for a single SKU, and that customers that need smaller quantities can be referred to these producers' distributor partners.³⁸⁷

Finally, the record indicates that differences in product range did not significantly limit competition between domestic and subject brass rod. Majorities of responding purchasers reported that the domestic industry was comparable to subject imports from Israel, Mexico, South Africa, and South Korea with respect to product range.³⁸⁸ Furthermore, as noted, there were substantial U.S. shipments of domestically produced brass rod in all four general categories of shapes of brass rod: round with a diameter of 1 inch or less, round with a diameter greater than 1 inch, square or rectangular, and all other shapes.³⁸⁹

³⁸⁴ CR/PR at Table III-8, C-1. In addition, the domestic industry's lead times were shorter than those for subject suppliers. *Id*. at Table II-11.

³⁸⁵ Joint Respondents' Prehearing Brief at 9-10, 15-16. We address in section VI.D.2 Joint Respondents' argument that competition is attenuated between the domestic industry and subject imports because of the domestic industry's sales to scrap buyback end users.

³⁸⁶ CR/PR at Table II-14. Purchasers were evenly divided with respect to subject imports from India, with two purchasers reporting that the domestic industry and subject imports from India were comparable with respect to minimum quantity requirements, and two reporting that the domestic industry was inferior to subject imports from India in that respect. *Id.*

³⁸⁷ Hearing Tr. at 32-33, 98-99 (Christie), 98 (Mitchell).

³⁸⁸ CR/PR at Table II-14. A majority of responding purchasers reported that the domestic industry was inferior to subject imports from Brazil with respect to product range. *Id.* Purchasers were evenly divided with respect to subject imports from India, with two purchasers reporting that the domestic industry and subject imports from India were comparable with respect to product range, and two reporting that the domestic industry was inferior to subject imports from India in that respect. *Id.*

³⁸⁹ CR/PR at IV-7. U.S. producers had substantial shares of their U.S. shipments in 2022 in each category: round with a diameter of 1 inch or less (*** percent), round with a diameter greater than 1 (Continued...)

We have also considered other factors to ensure that we are not attributing injury from other factors to cumulated subject imports. Nonsubject imports had a small presence in the U.S. market during the POI, accounting for *** percent of apparent U.S. consumption in 2022, and increased their market share between 2020 to 2022, by less, *** percentage points, than the *** percentage points market share increase for cumulated subject imports.³⁹⁰ Moreover, while the Commission did not collect pricing data for nonsubject imports, the available AUV data indicate that the AUVs for U.S. shipments of nonsubject imports were well above those for the domestic like product and cumulated subject imports.³⁹¹ Thus, nonsubject imports do not explain the injury to the domestic industry which we have attributed to cumulated subject imports, including the loss of sales and market share and the adverse effects on domestic prices.³⁹²

We have also considered the impact of demand trends on the domestic industry. The parties agree that demand increased sharply in 2021 (apparent U.S. consumption increased *** percent), while respondents argue that the domestic industry, suffering from supply constraints, could not keep pace with increasing demand. However, in 2022 when demand declined *** percent from 2021 and no purchasers reported domestic supply constraints, the domestic industry still had less market share than in 2020 and cumulated subject imports had more market share, even as domestic production declined from 2021 to 2022.³⁹³ Demand

³⁹³ CR/PR at Table C-1.

inch (*** percent), square or rectangular (*** percent), and all other shapes (*** percent). *Id.* In 2022, there were substantial shares of U.S. shipments of subject imports from each source in the "round with a diameter of 1 inch or less" category: Brazil (*** percent), India (*** percent), Israel (***) percent, Mexico (*** percent), South Africa (*** percent), and South Korea (*** percent).

³⁹⁰ CR/PR at Table C-1.

³⁹¹ CR/PR at Table C-1.

³⁹² Joint Respondents argue that *** chose to import nonsubject brass rod from *** instead of producing it domestically. They assert that ***. Joint Respondents' Posthearing Brief at 7 (citing email from *** to Commission staff, EDIS Doc. ***). *** nonsubject imports from *** in 2022 were *** pounds, equivalent to *** percent of apparent U.S. consumption, while it imported *** pounds of brass rod from *** in interim 2023, equivalent to *** percent of apparent U.S. consumption. Derived from CR/PR at Table C-1 and *** Revised U.S. Importer Questionnaire Response at II-11a (EDIS Document No. ***). However, cumulated subject imports increased in market share by *** percentage points from 2020 to 2022, while Imports from nonsubject sources (including ***), increased in market share by *** percentage points from 2020 to 2022. CR/PR at Table C-1. Moreover, purchasers confirm the adverse impact of cumulated subject imports on domestic prices and the domestic industry, including *** pounds in lost sales to cumulated subject imports due to their lower prices. *Id.* at Table V-20. Thus, *** nonsubject imports of *** do not explain the significant price effects and impact of cumulated subject imports.

conditions and domestic supply constraints accordingly do not explain the injury we have attributed to cumulated subject imports over the POI.

For the reasons discussed above, we conclude that cumulated subject imports had a significant impact on the domestic industry.

VII. Conclusion

For the reasons stated above, we determine that an industry in the United States is materially injured by reason of subject imports of brass rod from India that are subsidized by the government of India.

Separate and Dissenting Views of Chairman David S. Johanson

Based on the record in the final phase of these investigations, I determine that an industry in the United States is not materially injured or threatened with material injury by reason of imports of brass rod from India found by the U.S. Department of Commerce ("Commerce") to be subsidized by the government of India. I join Sections I-V.B of the Views of the Commission. As addressed further below, I also join Section V.C. of the Views except as it pertains to Israel;¹ Section VI.A (legal standards), and, except as otherwise noted below, Section VI.B (conditions of competition). I dissent with respect to Sections VI.C through VII of the Views of the Commission.

As discussed below, I find that subject imports from Israel did not cause or threaten material injury to a domestic industry, and accordingly find that the statutory exception to cumulation precludes cumulating subject imports from Israel with imports from any other source. Important factors that influence my finding include: (1) despite the use of price lists in this industry, pricing is not transparent because prices actually paid are not necessarily the list price; (2) the brass rod market experienced significant supply shortages at times during the COVID-19 pandemic and in 2023, the net effect of which would likely have been to transfer some market share to smaller, non-traditional supply sources including Israel; (3) the gains in market share by subject imports from Israel over the POI were very small and amounted to no more than a few days' production for the far larger U.S. industry; (4) measured across the nearly four full years of the POI apparent consumption and demand were falling, yet the domestic industry was able not only to increase prices substantially, but also to cover increases in its raw material costs and even its overall cost of goods sold on a per unit basis; (5) as the use of price lists required domestic producers to consider multiple factors before changing prices, it is likely that subject imports from Israel played a minimal role relative to other factors including falling demand, prices offered by other subject imports which were typically lower and in larger volumes, and formidable intra-industry competition; (6) to the extent price lists were not used, any effect underselling by subject imports from Israel might have had would have been isolated and insignificant due to the non-transparent nature of off-list pricing; (7) significant events after the end of the POI but before the closing of the record – the October 7, 2023, attack in Israel –

¹ As I find the statutory exception to cumulation applies to Israel, I do not consider whether imports from Israel otherwise would meet the requirements for cumulation. I also do not join the majority's discussion of distinctions between sales to end users participating in scrap buyback programs and those not participating.

would have further reduced any incentive importers from Israel would have had to undersell the domestic like product and also any effect such underselling might have had on domestic prices; (8) the domestic industry's employment remained stable and its capital investment increased during the POI; (9) the domestic industry enjoyed substantial profitability across all periods of the POI, and its profitability was increasing at the end of the POI even as demand was decreasing; indeed, combining domestic producers' toll and non-toll operations, the domestic industry's unit operating and net income reached their highest level on record in interim 2023, which is not indicative of present material injury.² I also find that subject imports from Israel are unlikely to threaten any injury to the domestic industry in the imminent future due to the rapidly decreasing capacity, production, and export propensity of the Israeli industry following the October 7, 2023, attack and its aftermath.

I cumulate subject imports from India and all other subject countries except Israel but find that these cumulated subject imports did not cause material injury to the domestic industry. The volume of these cumulated subject imports, while greater than the volume of subject imports from Israel, was small and did not increase in relation to domestic consumption and production. As noted above, the domestic industry was able to pass on to its customers steep increases in raw material and other costs of goods sold, indicating that domestic prices were not significantly suppressed. Moreover, to the extent the domestic industry's COGS-to-net sales ratio increased, factors other than cumulated subject imports were at least partly responsible, further minimizing the significance of any price effects of cumulated subject imports. As noted above, the domestic industry remained healthy throughout the POI. I also do not find that cumulated subject imports threaten injury in the imminent future as their market share was already decreasing well before the vote date, and there is no reason to expect that trend to imminently reverse.

I. Cumulation

For purposes of evaluating the volume and effects for a determination of material injury by reason of subject imports, section 771(7)(G)(i) of the Tariff Act requires the Commission to cumulate subject imports from all countries as to which petitions were filed and/or investigations self-initiated by Commerce on the same day, if such imports compete with each other and with the domestic like product in the U.S. market. Yet, Section 771(G)(ii)(IV) of the

² CR/PR at Table C-1.

Tariff Act provides an exception to cumulation with respect to subject imports from Israel.³ That provision states that the Commission shall not cumulatively assess the volume and effects of imports:

from any country that is a party to an agreement with the United States establishing a free trade area, which entered into force and effect before January 1, 1987 {i.e., Israel}, unless the Commission determines that a domestic industry is materially injured or threatened with material injury by reason of imports from that country.⁴

Thus where, as here, antidumping or countervailing duty investigations involve both Israel and other countries, the Commission must first determine whether a domestic industry is materially injured or threatened with material injury by reason of imports from Israel. If this inquiry is answered in the affirmative, the imports from Israel are then eligible for cumulation with imports from the other subject counties. If this inquiry is answered in the negative, the Commission cannot cumulate the imports from Israel.⁵

For the reasons set forth below in this section, I determine that a domestic industry is not materially injured or threatened with material injury by reason of subject imports from Israel. Thus, the exception to cumulation applies for purposes of this final determination and the statute prohibits cumulating imports from Israel with imports from the other subject countries.

A. Conditions of Competition

While I generally join the majority's discussion of conditions of competition in Part VI.B of the Commission's views, I make the following observations regarding certain conditions I find particularly significant.

 $^{^3}$ None of the other three statutory exceptions to the general rule on cumulation apply in these investigations. See 19 U.S.C. § 1677(7)(G)(ii).

⁴ 19 U.S.C. § 1677(7)(G)(ii)(IV).

⁵ See Pure Magnesium from China, Israel, and Russia, Inv. Nos. 701-TA-403 and 731-TA-895-896 (Final), USITC Pub. 3467 (Nov. 2001).

1. Demand Conditions

Brass rod primarily is used to make components such as nozzles, valves, faucets, and machine parts, which in turn are included in downstream products such as plumbing and HVAC systems.⁶ Brass rod accounts for a large share of the products into which it is made, although a small share of the ultimate end-use products.⁷ According to Petitioners, "demand for brass rod is in a secular decline" due to major purchasers moving production offshore and/or shutting U.S. production facilities.⁸ Similarly, Wieland testified that "the future demand outlook remains very challenging."⁹

In light of considerations relating to the ability or inability of purchasers to reduce or avoid brass rod purchases in the event of price increases, staff assesses that overall demand for brass rod is likely to experience "moderate" changes in response to changes in the price of brass rod.¹⁰

2. Supply Constraints

Many market participants reported supply constraints in 2020 and 2021.

As noted above, one of three U.S. producers (***) reported supply constraints in 2020 and two (***) reported constraints in 2021.¹¹ Seven of 14 responding purchasers reported supply constraints from U.S. producers in 2020, and nine reported them in 2021.¹² Additionally, four purchasers reported they had experienced supply constraints from U.S. importers or foreign producers in both 2020 and 2021.¹³ ***.¹⁴

To be sure, while many purchasers noted supply constraints at the domestic industry in 2020, *** major domestic purchasers admitted supply constraints that year.¹⁵ Yet, other elements of their questionnaire responses qualify their assertions. More specifically, ***

15 ***.

⁶ CR/PR at II-15 to II-16.

⁷ CR/PR at II-15.

⁸ Pet. Prehearing Br. 1, 16.

⁹ Petitioner Prehearing Brief I-41 (quoting Conf. Tr. 27 (Christie)).

¹⁰ CR/PR at II-15.

¹¹ CR/PR at II-12; ***.

¹² CR/PR at II-12.

¹³ CR/PR at II-12.

¹⁴ ***'s U.S. Importer Questionnaire at III-19; ***'s Foreign Producer Questionnaire Response at II-2b, II-3a, II-11.

questionnaire responses and other statements limit the reliability of their reported practical capacity figures as well as Petitioners' assertions regarding supply constraints.

Questionnaires instructed producers to report their practical capacity as the level of production their establishment could reasonably have expected to attain, taking into account constraints including "your firm's existing in place and readily available labor force."¹⁶ Extensive evidence in the record indicates that the domestic brass rod industry, like many others, encountered serious difficulties with worker availability at times during the COVID-19 pandemic.

For example, according to ***, COVID-19 affected the availability of labor – indeed, ***.¹⁷ ***.¹⁸

Thus, *** describes a reduction in demand when the pandemic started followed by an *** increase, leading at least for a time to *** Similarly, ***.¹⁹ ***.²⁰ ***,

*** 21

*** 22

Surprisingly, then, in their questionnaire responses, ***.²³ ***.

Thus, I question the domestic industry's reported practical capacity utilization figures; at the least, they appear not to give a complete picture of practical brass rod capacity fluctuations and constraints over the POI. Under these circumstances, labor availability would have been likely to affect amounts domestic producers supplied to the market at times in both 2020 and 2021, whether that involved failing to make deliveries as and when promised or promising less. Thus, notwithstanding reported excess capacity at U.S. mills, I conclude that there were

¹⁶ U.S. Producer Questionnaire Response at II-3a.

¹⁷ ***.

¹⁸ ***.

19 ***.

20 ***.

²¹ Joint Respondents' Prehearing Br. Exh. 2 Attach. 1.

²² ***.

²³ ***. As discussed below, ***. CR/PR at III-6 Table III-8 & n.6.

periods in which labor supply constraints limited production and sale increases in 2020 and 2021.

Conversely, there were few reports of supply constraints in 2022 or 2023, either at domestic producers or subject import sources. Two of 13 purchasers reported constraints in 2022 and one reported a constraint in 2023 after the Petitions.²⁴ No U.S. producer reported any supply constraints in 2022 or before the petitions were filed in 2023, and one reported supply constraints after the petitions.²⁵

As petitioners note, the majority of purchasers rated the availability, delivery time, and reliability of supply of U.S. products to be comparable to that of subject imports from Israel (and all other subject countries), and some considered U.S. availability, delivery time, and reliability to be superior.²⁶ According to petitioners, this comparability signifies that supply constraints cannot explain the shift in market share from domestic producers to subject imports from Israel: "the record demonstrates that supply constraints were not limited to U.S. producers, and importers of subject merchandise were in no better position to supply the market than the domestic industry, including in 2021."²⁷

Petitioners' arguments, however, have two flaws. First, it is not surprising that market participants might perceive U.S. products as more "available" and readily deliverable as the domestic industry's presence in the U.S. market is vast in relation to the presence of Israeli subject product, and the U.S. industry can deliver made-to-order material more quickly. In that

²⁷ Petitioners' Final Comments 13. Petitioners also point out that U.S. producers' inventories increased in 2021, which Petitioners suggest showed U.S. producers had excess supply, not a shortage. Petitioners' Final Comments 13. Yet the record indicates that the increase in inventories reflected suppliers' desire to avoid supply shortfalls in a period of rising demand and spotty availability, as Respondents maintain. Joint Respondents' Posthearing Br. 24. Finkelstein cites a July 2021 article quoting Wieland Chase vice president of sales and marketing Tom Christie as stating that he has had to tell its customers, "No, I can't fill your orders. I can only give you around 80% of the rods you want." Nancy Marshall-Genzer, "Many companies face a stockpiling dilemma in a pandemic-influenced inventory world," *Financially Inclined* (July 7, 2021) (Finkelstein Posthearing Br. Exh. 2). This confirms supply shortages in mid-2021. The article continues, "He'd like to start stockpiling himself, but he can't. 'Only because we really just don't have a place to put it,' he said." *Id.* This indicates that in response to supply shortages Wieland was trying to build inventory when possible but had already filled all available inventory storage space. Wieland *** CR/PR at III-16. While *** CR/PR at III-16 n.14, Mr. Christie's contemporaneous public statement in July 2021 indicates that a buildup of inventory was motivated by Wieland's experience of having been unable to satisfy demand for its products.

²⁴ CR/PR at II-12. ***.

²⁵ CR/PR at II-12. ***.

²⁶ CR/PR at Table II-14.

sense, U.S. products were ubiquitous in the U.S. market and more readily deliverable in comparison with the much smaller volumes of subject imports.

More fundamentally, Petitioners' arguments disregard the structure of a brass rod market in which very large U.S. producers compete with much smaller import sources. This means that even brief disruptions to domestic producers' supply can have a large impact on demand for imports relative to their historic levels, while similar disruptions to import supply will have relatively minimal effects on domestic producers.

Consistent with this, Mueller reported a ***²⁸ ***²⁹ ***.³⁰ In comparison, subject imports from Israel increased only *** pounds in interim 2023 vis-a-vis interim 2022.³¹ Accordingly, even though the supply disruption at Mueller was insignificant or almost unnoticeable from the perspective of Mueller, I find plausible the testimony of Finkelstein's chairman that his firm experienced an increase in demand at that time.³²

Thus, while I agree that the magnitude of supply constraints experienced by domestic producers and subject import sources was likely comparable in some sense, the fact that many sources were experiencing supply issues during COVID would explain the modest shift in market share to relatively small suppliers of imports, such as Finkelstein.

3. Terms of Sale

Petitioners' terms of sale play an important role in the brass rod industry; these are discussed in the Commission's views, but I note some of these terms here for context.

Petitioners both set brass rod prices using price lists – "one list that generally applies to distributors and another list that generally applies to end-users who participate in their scrap buyback program."³³ Each Petitioner revised its price lists frequently over the 45 months of the POI, so that Mueller issued *** brass rod price lists for scrap buyback participants and *** for

28 ***.

³² Hearing Tr. 133 (Apeloig). I note that Finkelstein USA reported that it shipped between *** percent to *** percent of its U.S. shipments from inventory during 2020 through interim 2023 with average lead times of *** days, so Finkelstein would have been in the position to make up for temporary supply constraints at U.S. producers. Finkelstein's U.S. Importer Questionnaire Response III-9.

³³ Petitioners' Posthearing Br. I-7 & Exh. 6.

²⁹ CR/PR at III-6 Table III-8 & n.6.

^{30 ***.}

³¹ CR/PR at Table C-1.

non-scrap buyback customers, while Wieland issued *** buyback lists and *** non-buyback lists.³⁴

Petitioners state that use of price lists creates what they call a "ripple effect." As Mueller explained at the hearing, "{at} Mueller, we send our customers an updated price list whenever market conditions or metal pricing warrant a change.... Our policy is to ensure that our customers are all receiving and using the same price list on any given day."³⁵ Thus, according to Mueller, "{w}hat this means is that if we lose a sale to a lower-priced import on a Wednesday, we have two choices on Thursday, either keep prices where they are and risk losing more sales volumes, or we reduce the price levels on the price list and suffer a reduction in sales revenue across all our customers that received that price list."³⁶ In other words, a change in price for one customer ripples across all other customers using that price list and might have a ripple effect on other customers if list prices converge.

As an initial matter, I note that Petitioners' suggested ripple effect applies only to prices that are based on price lists. ***.³⁷ ***. The record lacks information about these prices, and there is no reason to believe they are made public.

I also note that just because *** customers use list prices, it does not mean that all customers using the same list pay the same price. This is the case as U.S. producers offer discounts based on shipment quantity or total volumes purchased over a period of time.³⁸ ***.³⁹

***.⁴⁰ ***. ***.⁴¹ Thus, prices in this industry are not transparent if ***.

Domestic and subject import sources generally also had minimum quantity requirements based on shipment size or the quantity of particular products in a shipment.⁴²

⁴⁰ Petitioners' Posthearing Br. II-2 & Exh. 6. The use of quantity discounts also makes prices nontransparent in this market, in the sense that even if one has access to a price list, one does not know the actual price paid by any given purchaser unless one knows the quantities it buys and the terms of any discounts it receives. The use of scrap buyback programs also means that the expected price at the time of purchase is known only to the purchasers themselves because the net price they expect to pay depends not only on the up-front price they pay (net of any quantity discounts) but on the amount of scrap they expect to generate and the prices they expect to receive by selling it back to the producer or on the open market. Hearing Tr. 23-24 (Mitchell).

⁴¹ Petitioners' Posthearing Br. II-2. The record does not further ***.

³⁴ Petitioners' Posthearing Br. III-26 to III-27.

³⁵ Hearing Tr. 25 (Mitchell).

³⁶ Hearing Tr. 25 (Mitchell). *** Petitioners' Posthearing Brief Exh. 6.

³⁷ ***.

³⁸ CR/PR at V-7.

³⁹ ***. Petitioners' Posthearing Br. Exh. 6.

The parties dispute the extent to which Petitioners enforced minimum volume or customer sizes based on total expected orders over a longer term. Mueller states, "*{t}here is no minimum customer size*."⁴³ Mueller provides a list of some of its small customers in 2022, showing that in the entire year some of them purchased *** the 10,000 pound minimum volume Mueller stipulates for a single purchase.⁴⁴ Mueller does agree that on "some occasions" ***.⁴⁵ Wieland also lists small customers, although it states that ***.⁴⁶ Petitioners note that CXM specializes in filling "the smallest of orders."⁴⁷

Nevertheless, Respondents provide examples of purchasers being denied supply because they were not large enough.⁴⁸ Additionally, minimum shipment requirements, if enforced, would have made ordering more difficult for small customers. I conclude that the domestic industry at least at times did have some minimum volume requirements, though producers did not uniformly enforce them, which would have offered producers one way to manage supply.

B. The Volume of Imports from Israel

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."⁴⁹

From 2020 through 2022, the volume of U.S. shipments of subject imports from Israel increased irregularly from *** pounds in 2020 to *** pounds, an increase of *** percent in 2022.⁵⁰ This overall increase resulted from an increase from 2020 to 2021 of *** pounds or *** percent to a peak of *** pounds in 2021, and then a decrease of *** pounds or *** percent from 2021 to 2022.⁵¹ The volume of U.S. shipments of subject imports from Israel was ***

⁴² CR/PR at Tables II-10, II-14; Hearing Tr. 99 (Christie); Petitioners' Posthearing Br. II-5 to II-6 & Exh. 6.

⁴³ Petitioners' Posthearing Br. II-5 (emphasis original).

⁴⁴ Petitioners' Posthearing Br. II-5 to II-6; Tr. 114 (Mitchell).

⁴⁵ Petitioners' Posthearing Br. II-6.

⁴⁶ Petitioners' Posthearing Br. II-7.

⁴⁷ Petitioners' Posthearing Br. II-7.

⁴⁸ ***. CR/PR at II-12 to II-13 & Table II-5; *see also* Joint Respondents' Prehearing Br. Exh. 2 attachment 2 & Posthearing Br. Exh. 5 ***.

⁴⁹ 19 U.S.C. § 1677(7)(C)(i).

⁵⁰ CR/PR at Table C-1.

⁵¹ Calculated from CR/PR at Table C-1.

pounds in interim 2023, which was *** pounds or *** percent greater than the volume in interim 2022.⁵²

Subject imports from Israel also increased irregularly in relation to U.S. apparent consumption, although starting and ending at a very low level. Their U.S. market share increased from *** percent in 2020 to *** percent in 2021 and to *** percent in 2022, a net increase of *** percentage points; their U.S. market share in interim 2023 of *** percent was *** percentage points higher than their interim 2022 market share of *** percent.⁵³

Similarly, U.S. shipments of subject imports from Israel increased irregularly in relation to U.S. production, also at very low levels, increasing from *** percent in 2020 to *** percent in 2021, decreasing to *** percent in 2022, then reaching *** percent in interim 2023 as compared to *** percent in interim 2022.⁵⁴

In light of the moderate to high degree of substitutability of subject imports and the domestic like product, the commodity-like nature of the product, and the importance of price in purchasing decisions, I find the volume of subject imports from Israel significant in absolute terms and relative to U.S. consumption and production. Yet, I do not find the increase in that volume significant in any of these respects, and for the reasons discussed below I find they did not have either significant price effects or a significant adverse impact on the domestic industry.

C. Subject Imports from Israel Did Not Have Significant Price Effects

Section 771(7)(C)(ii) of the Tariff Act provides that, in evaluating the price effects of the 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.⁵⁵

⁵² Calculated from CR/PR at Table C-1.

⁵³ CR/PR at Table C-1.

⁵⁴ Calculated from CR/PR at Table C-1.

⁵⁵ 19 U.S.C. § 1677(7)(C)(ii).

1. Subject Imports from Israel Did Not Significantly Undersell the Price of the Domestic Like Products

The Commission collected quarterly pricing data from domestic producers and importers including *** from Israel relating to three types of brass rod sold to three types of purchasers, for a total of nine pricing products: products 1, 4, and 7 comprising sales of the three types of rod to end users that did buy with a buyback program; products 2, 5, and 8 comprising sales of the same types of rod to end users that did not purchase under a scrap buyback program; and products 3, 6, and 9 comprising sales of the same types of rod to distributors (which also generally would not use buyback programs as they produced no scrap).⁵⁶

Not surprisingly, as *** domestic products were sold under buyback programs and essentially no imports were, the *** of the pricing product volume reported by domestic producers involved products 1, 4, and 7, but there were no reported prices of imports of those pricing products to which to compare them.⁵⁷

On the other hand, comparisons of the other pricing products shows that prices for product imported from Israel were below those for U.S.-produced product in 86 out of 87 instances.⁵⁸ Thus, the record makes clear that where direct price comparisons between pricing products were possible, subject imports from Israel pervasively undersold the corresponding domestic like product.

The parties argue extensively, however, about whether subject imports from Israel were also priced lower than the buyback program sales that comprised the majority of U.S. producers' sales.

This is an inherently difficult comparison because when a purchaser buys brass rod without a buyback program, it is buying just a brass rod, but when it buys brass rod with a buyback program, it is buying not just the rod but a right to a potential future benefit, namely, the ability to re-sell the scrap to the brass rod producer at a premium above the expected market scrap price. If a purchaser chooses to participate in a buyback program (participation is optional) it typically faces a higher price up front,⁵⁹ but later, when the time comes to sell back

⁵⁶ CR/PR at V-8. ***.

⁵⁷ CR/PR at V-9 & calculated from Table V-13.

⁵⁸ CR/PR at V-48.

⁵⁹ For example, *** Petitioners' Posthearing Br. Exh. 6.

the scrap, it almost always receives a better price for it via the buyback program than the open market price for scrap.⁶⁰

At the hearing, Mueller executive Chris Mitchell explained how Mueller's customers can "easily" compare an offered buyback program price to a non-buyback program price.⁶¹ Mitchell suggested that purchasers would look at Mueller's price, subtract the scrap revenue they expected to receive under the buyback program to calculate a net cost of buying from Mueller via the buyback program, and compare the result to the import offered price (with no buyback) less the expected scrap revenue from selling scrap on the open market:

Our customers can easily compare our brass rod prices to the pricing offered by subject imports by determining their net costs from each source, that is, the price paid for the brass rod, net of the revenue they expect to receive from the resale of scrap, whether they sell it back to Mueller or whether they sell it on the open market.⁶²

Unfortunately, the record does not reveal customers' expectations regarding the differential between scrap prices using the buyback program and scrap prices on alternative markets, *i.e.*, the expected buyback program scrap premium. It might be possible to compare the actual prices that end-users actually received for scrap, but the record does not contain that information, and even if it did, it would not reveal expected scrap prices when the rod was sold.

The record contains various approaches to dealing with this problem.

One is to compare all prices paid to domestic producers by end-users in both buyback and non-buyback programs to prices paid by end users for imports not in any buyback program – but that approach risks spurious comparisons that ignore the real benefit added for some purchasers by a buyback program.⁶³ I note that the large majority of volumes that domestic purchasers sell to end-users is sold pursuant to buyback programs, indicating that large-volume

⁶⁰ The available evidence indicates that domestic producers paid more for scrap under buyback programs in every quarter of the POI than they paid for scrap not under buyback programs though the differential or premium fluctuated. CR/PR at V-1 to V-2.

⁶¹ Mitchell was referring to subject import prices but the same procedure would apply to Petitioners' own non-buyback program prices when purchasers would be considering using those.

⁶² Hearing Tr. 23-24.

⁶³ This corresponds to Appendix F-1.

purchasers have performed the analysis proposed by Mr. Mitchell and concluded that the buyback program net cost is superior.⁶⁴

A second approach would be to assume that all end-users that purchase from domestic producers paid the non-buyback program price.⁶⁵ That has the advantage of comparing actual transaction prices, which our pricing product comparisons aim to achieve. Yet, this approach also disregards the fact that most domestic purchasers (on a volume basis) have concluded that the buyback price is more favorable for them compared to the non-buyback price offered by the domestic producer, net of the expected buyback premium. It also would result in skewed comparisons if purchasers in buyback programs are on average significantly larger than their non-buyback counterparts and thus receive larger quantity discounts.⁶⁶ It ignores the likelihood discussed above that larger producers in the dataset had ***. Given the potential importance of quantity or volume-based discounts, it is not possible to rely on price comparisons that fail to account for them.

Finally, attempts can be made to construct estimates of the expected buyback scrap premium, but those inevitably are only estimates.⁶⁷

Accordingly, I rely on the apples-to-apples pricing product comparisons contained in Section V of the Staff Report. These show that subject imports including subject imports from Israel that were sold to distributors almost universally undersold domestic products sold to distributors, and that subject imports including subject imports from Israel that were sold to end-users not via buyback programs almost universally undersold domestic products sold to end-users not via buyback programs.⁶⁸

Nevertheless, the Commission does not regard even pervasive underselling as injurious by itself, or even necessarily significant at all, unless the underselling leads to significant adverse impact on the domestic industry such as a significant increase in subject import volume

⁶⁴ Hearing Tr. 23-24; Table II-1.

⁶⁵ This corresponds to Appendix F-2.

⁶⁶ Joint Respondents' Prehearing Br. Exh. 8; Exh. 9 at 9; Tr. 131 (Apeloig); Tr. 148 (Kendler).

⁶⁷ One such appears in Appendix F-3 of the Staff Report, which is based on the differential between the amounts that domestic producers paid for scrap from buyback programs and the amount that they paid for scrap on non-buyback markets. Finkelstein suggests another such approach. Finkelstein Prehearing Br. 51.

⁶⁸ I do not find that there is no competition between domestic products sold to purchasers in buyback programs and imported products sold to purchasers not in buyback programs; rather, I find that the extent to which the latter undersold the former is unclear given the difficulty of accounting for the effect of buyback programs. As I discuss below, however, I conclude that whatever the extent of underselling may have been, there is not evidence that it had significant price effects.

or market share at the expense of the domestic industry, or significant price effects such as depressing or suppressing prices to a significant degree.⁶⁹ I do not find that subject imports from Israel had such price effects and therefore do not find the underselling to be significant (or, if significant, not determinative).

First, prices of subject imports from Israel did not lead such imports to increase their market share significantly at the expense of the domestic industry.

Subject imports from Israel increased in annual volume by *** pounds from 2020 to 2022 -- an amount that is less than *** days' average production by the U.S. industry in 2022 – and gained just *** percentage points of market share.⁷⁰

I do not find such an increase significant. The market share of subject imports from Israel did increase by *** percentage points from 2020 to 2021, while the domestic industry's market share decreased by *** percentage points.⁷¹ Yet, as discussed above it is not surprising to find that smaller import sources including Israel gained a modest degree of market share at the U.S. industry's expense in a period of considerable across-the-board supply constraints, irrespective of whether or not underselling existed.⁷² In fact, these fluctuations in market share were not closely correlated with underselling, which appears to have been continuous; rather, subject imports from Israel gained market share during the 2021 period of supply constraints and then receded in 2022.

Subject imports from Israel also gained *** percentage points of market share over the interim periods. Again, due to the relatively diminutive presence in the U.S. market of subject

⁶⁹ See Coalition for Brake Drum and Rotor Aftermarket Mfrs. V. United States, 15 F. Supp. 2d 918, 924-25 (CIT 1998) (rejecting argument that evidence of underselling is a "per se" indication of injury because "underselling alone is legally insufficient to support an affirmative injury determination") (citations omitted); Paintbrushes from China and Indonesia, Inv. Nos. 731-TA-857-58, USITC Pub. 3237 at 14-17, 19-20 (Sept. 1999) (Preliminary)("Pricing data reveal pervasive underselling by the subject imports.... Nevertheless, we do not find this underselling to be significant because it had no apparent effect on domestic prices."); Stainless Steel Round Wire from Canada, India, Japan, Korea, Spain, Taiwan, Inv. Nos. 731-TA-781-86, USITC Pub. 3194 at 14-15, 17, 19 (May 1999) (Final) ("Despite the relative frequency of underselling, we do not find it to be significant. We note that purchasers placed importance on non-price factors, such as quality and reliability, in their purchasing decisions, which would limit price-based competition between subject imports and the domestic merchandise to some degree."); Forged Steel Fittings from India and Korea, Inv. Nos. 701-631 & 731-1463-4, USITC Pub. 5137 (Nov. 2020) (final affirmative) (finding underselling was significant based on a price effect in the form of lost sales and a shift in market share).

⁷⁰ Calculated from CR/PR at Table C-1 (based on Mueller's reported production of *** days per year).

⁷¹ CR/PR at Table C-1. ⁷² ***.

Subject imports from Israel also gained *** percentage points of market share over the interim periods. Again, due to the relatively diminutive presence in the U.S. market of subject imports from Israel, even a short disruption such as the Mueller factory fire would explain some increase in Israeli products' market share as relatively large volumes (from an Israeli perspective) were suddenly and unexpectedly removed from the market or delayed and purchasers sought alternative sources of U.S. inventory. Moreover, this increase came *** at the expense of import sources other than Israel, which lost *** percentage points of market share over the interim periods, while the U.S. industry's market share increased by *** per percentage points.⁷³ Finally, however measured, due to the large size and market dominance of the domestic industry throughout the POI, the increase in market share of subject imports from Israel corresponded at most to a few days' U.S. production, which I do not consider significant.

I have also considered responses to lost sale allegations. The Commission received responses to lost sale allegations from 17 purchasers, and of these, 11 reported they had purchased imported brass rod from Israel.⁷⁴ Of these, six reported that price was "a primary reason for importing and/or purchasing subject imports rather than domestic product."⁷⁵ These six reported purchasing *** pounds of subject merchandise from Israel, which equals *** percent of all U.S. shipments during the POI of subject imports from Israel, and *** percent of apparent brass rod consumption during the POI.⁷⁶

Yet, this does not imply that price was a significant factor in any increase in imports from Israel relative to consumption or domestic production.

One consideration is that one purchaser, ***, accounted for the *** percent of the subject merchandise from Israel purchased on the basis of price.⁷⁷ Yet, *** reported that its purchases from Israel *** over the POI while its purchases of domestic product ***, and that this was due to ***.⁷⁸ This suggests that for *** of the reported purchases of Israeli product that occurred by reason of price, trends in underselling decreased the market share of subject imports from Israel rather than increased it.

⁷³ CR/PR at Table C-1.

⁷⁴ CR/PR at V-51.

⁷⁵ CR/PR at Table V-21; Purchaser Questionnaire Response at II-3(c).

⁷⁶ Calculated from CR/PR at Table C-1 & Table V-21.

⁷⁷ Calculated from CR/PR at Tables V-20 & V-21.

⁷⁸ *** Purchaser Questionnaire Response at II-1, II-2.

Additionally, in mid-2021 a Wieland sales executive publicly stated that he was informing customers he could not fill their orders over 80 percent.⁷⁹ In such conditions, even if Wieland lost a sale to Israeli products for price or any other reason, Wieland would be able to sell that volume to one of the other customers that it was otherwise turning away.

Notably also, ***.⁸⁰ ***.⁸¹ Similarly, the second-largest purchaser of subject imports from Israel, ***, attributed its increase in purchases from Israel ***.⁸² ***.

Finally, the lost sale questionnaire responses relate to only a minority of subject imports from Israel, although questionnaires were directed specifically to those firms at which Petitioners alleged they had lost sales, and ***.⁸³

Accordingly, the lost sale questionnaire responses confirm that underselling by subject imports from Israel did not lead to significant price effects in the form of increases in the volume of such imports relative to U.S. consumption or production. To the extent that underselling by subject imports did contribute to such increases, moreover, it was not at the expense of the domestic industry.

I have also examined price trends over the POI, and their implications for possible price depression or suppression.

Prices of all nine U.S. pricing products increased almost uniformly for two and a half years.⁸⁴ They fluctuated downward starting in mid-2022 but all increased by a minimum of *** percent over the POI.⁸⁵ The limited decreases in prices that did occur came as supply constraints mostly ended and apparent consumption and demand fell sharply: apparent consumption decreased *** percent from 2021 to 2022, and was *** percent lower in interim 2023 than in interim 2022 despite falling prices.⁸⁶ Thus, I do not find that the effect of imports from Israel was to depress prices to a significant degree, and I next consider whether their effect was to suppress price increases that would otherwise have occurred.

During the POI, both the costs faced by the domestic industry and the prices it charged for brass rod increased. From 2020 through 2022, the domestic industry's total costs increased

⁷⁹ Nancy Marshall-Genzer, "Many companies face a stockpiling dilemma in a pandemicinfluenced inventory world," *Financially Inclined* (July 7, 2021) (Finkelstein Posthearing Br. Exh. 2).

^{80 ***.}

⁸¹ *** Purchaser Questionnaire Response at II-1.

⁸² *** Purchaser Questionnaire Response Questionnaire Response at II-2.

⁸³ Calculated from ***.

⁸⁴ CR/PR at Table V-13 & Fig. V-11.

⁸⁵ CR/PR at Table V-13 & Fig. V-11.

⁸⁶ CR/PR at Table C-1.

more than its prices, and the domestic industry's COGS to net sales ratio ("COGS ratio") increased from *** percent in 2020 to *** percent in 2022.⁸⁷ Conversely, comparing the first three quarters of 2022 to the first three quarters of 2023, the domestic industry's COGS ratio decreased: it was *** percent in interim 2022 and ended the POI at *** percent in interim 2023, only slightly above where it started.

These patterns do not show that the domestic industry's prices were significantly suppressed by subject imports from Israel.

First, from 2020 through 2022, the domestic industry successfully passed on to its customers steep increases in the prices of its raw materials. From 2020 through 2022, the domestic industry's unit cost of raw materials increased by \$*** per pound from \$*** per pound to \$*** per pound, while its net sales prices increased by \$*** per pound from \$*** per pound to \$*** per pound.⁸⁸ Petitioners provide four examples of instances in which domestic producers were "unable to raise prices commensurate with rising costs (much less command higher prices), despite improving demand" due to "pervasive underselling by Israel and other subject imports."⁸⁹ In each of these examples, Petitioners assert that Wieland's non-scrap buyback price increased by a smaller amount than the increase in metal costs.⁹⁰ Yet, the record indicates that ***.⁹¹ ***.

In fact, from 2020 through 2022, the domestic industry fully passed on all of its increased cost of goods sold, so that its unit gross profit increased from *** per pound to *** per pound.⁹² The domestic industry's COGS ratio increased only because the domestic industry's costs and prices increased so much that even with a higher per unit gross profit, the ratio of gross profit to total sales value decreased. It is true that apparent consumption increased modestly in this period, increasing *** percent from 2020 through 2022, but had the industry asked purchasers to accept even greater increases in price, the amount consumed would have been less given that demand is sensitive to price increases.⁹³

⁸⁷ CR/PR at Table VI-1. My analysis of the COGS ratio focuses on the domestic industry's non-toll production, which represents the bulk of its production.

⁸⁸ CR/PR at Tables VI-1, VI-2.

⁸⁹ Petitioners' Posthearing Br. II-8 to II-9.

⁹⁰ Petitioners' Posthearing Br. II-8 to II-9.

⁹¹ Calculated from CR/PR at Table VI-7.

⁹² Table VI-1.

⁹³ CR/PR at II-15.

Furthermore, by the end of the POI the domestic industry managed to restore its COGS ratio to almost the same level it enjoyed in 2020.⁹⁴ This occurred even though the evidence shows that brass rod demand was lower in interim 2023 than it had been in 2020: not only was apparent brass rod consumption in interim 2023 lower on an annualized basis than it had been in 2020⁹⁵ but Petitioners have also confirmed that – now that the COVID-related demand spike has ended – brass rod demand is continuing a "secular decline" as major purchasers are moving production offshore and "the future demand outlook remains very challenging."⁹⁶ I do not find that any of the improvement in the domestic industry's COGS ratio in interim 2023 was due to the filing of the Petitions relating to Israel.⁹⁷

Accordingly, there was no indication as of the end of the POI that the domestic industry's prices had been significantly suppressed. Its COGS ratio was nearly the same as at the start of the POI, even though the industry's prices were much higher than at the start of the POI and demand was lower. This is indicative of an industry that was quite successful at passing

⁹⁵ Apparent consumption in the first three quarters of 2023 was *** percent lower than apparent consumption in the first three quarters of 2022. CR/PR at Table C-1. If apparent consumption in the first three quarters of 2023 were annualized by multiplying by 1.3333, it was also *** percent lower than annual apparent consumption in 2020. Calculated from CR/PR at Table C-1.

⁹⁶ Petitioners' Prehearing Br. 1, 16 & I-41 (quoting Conf. Tr. 27 (Christie)). *** has also reported that the fourth quarter is the weakest quarter in the year. CR/PR at II-16.

⁹⁷ The Petitions relating to Israel were filed April 27, 2023, CR/PR at I-1 & Appendix A, but Finkelstein USA, which imported *** percent of all subject imports from Israel, reported that its lead time for made-to-order imports from Israel was *** days in interim 2023. CR/PR at Table IV-1; Finkelstein's U.S. Importer Questionnaire Response at III-9. Thus, the filing of the Petitions would not have been likely to affect import volumes until the third quarter of 2023 at the earliest. In fact, imports of brass rod from Israel were higher in the third quarter of 2023 than they had been in the third quarter of 2022, and shipments of subject imports from Israel were *** percent greater in quantity in interim 2023 than in interim 2022. CR/PR at Tables IV-10 & C-1. Furthermore, liquidation was not suspended until September 29, 2023. CR/PR Appendix A. Moreover, purchaser ***, reported that its purchases of brass rod from Israel ***. *** Thus, the pendency of the investigations of subject imports from Israel has done little or nothing to reduce those subject imports in quantity or increase their price, and thus, even if imports from Israel did have any impact on the domestic industry or in any way influenced the domestic industry's COGS ratio, the filing of the Petitions would not have had any effect.

⁹⁴ The domestic industry's COGS ratio was *** percent in interim 2023 and *** percent in 2020. CR/PR Table VI-1. As discussed above I reject Petitioners' argument that demand was exceptionally low in 2020 as unsupported by the evidence, and even if it were true, it disregards the supply shortages that were emerging in the brass rod market later in the year as a result of the COVID pandemic. If anything, it is equally possible that the domestic industry's COGS ratio in 2020 was exceptionally low, as COVID-related supply shortages pushed up brass rod prices toward the end of the year, so that the elimination of COVID-related supply shortages by the end of 2022 would in itself lead to a higher COGS ratio in 2023.

higher costs on to its customers despite its customers' facing a situation of U.S. production of products made from brass rod closing and/or moving overseas.

If there is any case to be made for price suppression it must rest on 2021, when U.S. apparent consumption of brass rod increased *** percent yet the domestic industry's COGS ratio increased from *** percent to *** percent.⁹⁸

For multiple reasons, I do not find that this indicates that the effect of imports from Israel prevents price increases which otherwise would have occurred, to a significant degree.

First, for purposes of a material injury determination the Commission must consider whether a domestic industry "is" materially injured, not whether it has been formerly.⁹⁹ Accordingly, I place more weight on the later part of the POI including the nine-month 2023 interim period which, as I have explained, shows that the domestic industry's pricing was robust given falling demand.¹⁰⁰

Furthermore, consistent with the statute's mandate to consider whether material injury presently exists, for purposes of a making a present injury determination the Commission must address record evidence of "significant circumstances and events" that occur after the POI and up to the vote day, if that evidence is otherwise reliable.¹⁰¹

I find that the record contains evidence of "significant circumstances and events" that occurred after the POI but before the close of the record in this investigation on January 3, 2024, namely the October 7, 2023, attack on Israel, which occurred one week after the end of the POI. I find that the record does make clear that as of the vote date this event and its aftermath had significantly impaired the ability of Israel's industry to manufacture and export brass rod. Finkelstein reports that one-third of its production employees are West Bank residents who since the October 7, 2023, attack are prohibited from coming to work and cannot be temporarily replaced, that its production hours have decreased *** percent since the war's start, production of new finished goods has fallen *** percent, and Finkelstein expects a reduction in its practical brass rod capacity from *** pounds to *** pounds in 2024 as a

¹⁰⁰ See Nucor Corp. v. United States, 414 F.3d 1331, 1336 (Fed. Cir. 2005) ("current data typically is the most pertinent in determining whether remedial measures are necessary") (citation omitted).

⁹⁸ CR/PR at Table C-1.

^{99 19} U.S.C. §§ 1671d(b), 1973d(b),

¹⁰¹ Usinor v. United States, 26 CIT 767, 779 (2002) ("in making a present material injury determination, the Commission must address record evidence of significant circumstances and events that occur between the petition date and the vote day"); accord Chr. Bjelland Seafoods A/S v. United States, 19 CIT 35, 43 (1992) ("a finding of 'present' injury must reference a time period which is as nearly contemporaneous to vote day as possible and for which reliable record evidence is available.").

result.¹⁰² Finkelstein expects these conditions, and particularly the exclusion of its trained Palestinian workers from Israeli facilities, to persist for the foreseeable future.¹⁰³

This has two important implications for my price suppression analysis. First, as of our vote date, Finkelstein had a reduced incentive to undersell domestic products to gain market share, because it reasonably expected to be unable to maintain its previously existing production volume, let alone increase it.¹⁰⁴ Rather, faced with future import deliveries that are uncertain at best, Finkelstein would have, as of the vote date, had greater motivation to increase the value of whatever inventory it retains by charging higher prices. Second, similarly, even if Finkelstein continued to undersell domestic products as of the vote date, domestic producers would have had less need to lower their prices in response since Finkelstein could not provide as much alternative supply.

I also note that even in 2021, the domestic industry succeeded in raising prices sufficiently to cover sharp increases in its cost of goods sold and labor costs.¹⁰⁵ By 2022, it succeeded in covering these costs and more, and its gross profit exceeded 2020 levels.¹⁰⁶

Accordingly, I find that even if the effect of subject imports from Israel had been to suppress prices to a significant degree in 2021 or at any other time during the POI, that effect would have been significantly diminished or eliminated by the date of Commission vote, or earlier. As the antidumping and countervailing duty laws are remedial, this fact reduces the need for any remedy arising from any price effects that subject imports from Israel might have had.¹⁰⁷

¹⁰⁶ CR/PR at Table VI-3.

¹⁰² Finkelstein Posthearing Br. Answers 25-26; Finkelstein Prehearing Br. 28. It also reports port delays and increased domestic demand for brass rod in Israel. *Id.*

¹⁰³ Finkelstein Posthearing Br. Answers 25, 27.

¹⁰⁴ Petitioners point out that U.S. imports of brass rod from Israel have continued and even increased since the end of the POI, but Finkelstein indicates that those primarily represent shipments that left Israel before October 7 and arrived later. Finkelstein Posthearing Br. Answers 26. Finkelstein asserted on December 19 that it made no shipments to the United States after a single container on November 23, 2023. Finkelstein Posthearing Br. Answers 26-27. Regardless of the exact timing of residual shipments, the decrease in Finkelstein's productive capacity would have had the effects I have described on its incentives to undersell and tendency to suppress domestic producers' prices.

¹⁰⁵ CR/PR at Table VI-3.

¹⁰⁷ See Nucor Corp., 414 F.3d at 1336 ("The Commission's particular focus on current imports, according to the trial court, was 'in accord with the remedial purpose of duties which are intended merely to prevent future harm to the domestic industry by reason of unfair imports that are presently causing material injury.").

Moreover, it is important to consider the effect on prices of other imports (investigated in this proceeding or otherwise), to ensure that any analysis of price suppression actually focuses on the effect on prices of subject imports from Israel.

Petitioners' ripple effects model¹⁰⁸ suggests that imports from sources other than Israel collectively would have been more likely to be the cause of price suppression than imports from Israel alone. In this model, domestic producers choose between lowering prices or curtailing price increases to match the price of another source or lose sales to that other source.¹⁰⁹ Throughout the POI, imports from sources other than Israel collectively accounted for larger volumes than imports from Israel alone, and other subject sources also undersold domestic products as consistently as did products from Israel and often by larger margins: the average margin of underselling by subject imports from Israel was less than the average margin of underselling for other cumulated subject sources by every underselling measure in the record.¹¹⁰ *** other sources of subject imports were supplied by larger industries, and *** industry is vastly larger.¹¹¹ Thus, not only would offers from at least some other subject sources have been lower on most occasions, but the consequences of disregarding competitive offers from other cumulated import sources would be greater in terms of lost sales, and any need to restrict price increases in order to avoid lost sales would be correspondingly greater. Accordingly, if there were evidence in the record that domestic industry prices were significantly suppressed, subject imports from Israel would have likely made only a minor contribution to that via any ripple effect.

This leads to the confirmation by *** of a lost revenue allegation, the sole confirmed lost revenue allegation on the record.¹¹²

The Commission received 17 responses to its lost sale/revenue questionnaires.¹¹³ The questionnaires asked purchasers, "{s}ince January 1, 2020, in connection with a sale or offer to sell brass rod to your firm, did U.S. producers reduce their prices of domestically produced brass rod in order to compete with lower-priced imports of brass rod from the subject countries?"¹¹⁴ Questionnaires further asked any firm that responded "yes" to "provide an

36.

¹⁰⁸ Hearing Tr. 25 (Mitchell); Petitioners' Posthearing Br. I-7.

¹⁰⁹ Hearing Tr. 25 (Mitchell).

¹¹⁰ CR/PR at Tables V-17, F-1, F-2, & F-3.

¹¹¹ CR/PR at Tables VII-3, VII-10, VII-17, VII-23, VII-30, & VII-36. *** CR/PR at Tables VII-17, VII-

¹¹² CR/PR at V-51.

¹¹³ CR/PR at V-51.

¹¹⁴ *** Purchaser Questionnaire Response II-4(a).

estimate of the reduction in U.S. producers' prices and any additional explanations."¹¹⁵ *** responded "Yes" with respect to ***, and estimated the reduction in U.S. prices at ***.¹¹⁶

I question the reliability of this answer to the questionnaire. This relates to the fact that the purchaser cannot know which of multiple variables is actually affecting the seller's possible decision to reduce an offered or actual price. *** This raises doubts about the soundness of *** methodology.

The issue becomes exponentially more complicated if the final price must be also offered to all other purchasers – *i.e.*, there is a ripple effect – because then the seller must account for the effect of a price increase or decrease on all its other customers, and other prices those customers had available to them from domestic and import sources, along with other variables including how sensitive other customers are to changes in price as a result of their own downstream demand considerations. In that event, no single purchaser can know what constraints on pricing are actually behind the seller's decision to change its prices.

For example, Petitioners state that on ***, Wieland had recently lost sales to lowerpriced Finkelstein products at the *** end-user account and was "concerned" about continued lost sales at the *** distributor account.¹¹⁷ On November 15, Weiland needed to announce new pricing because metal costs had increased but "in the face of lower pricing from Finkelstein" decided to make a smaller increase to its list price.¹¹⁸

Yet, "in the face of lower pricing from Finkelstein" does not mean "because of" lower pricing from Finkelstein, if other factors were more constrictive. For example, pricing data indicate that in the fourth quarter of 2022 when Wieland was contemplating price increases, subject imports of product 3, 6, and 9 from Israel (to distributors) were being undersold by imports from ***.¹¹⁹

Volume is also relevant to the pricing decision, as Mueller's "choice" example makes clear.¹²⁰ The very large volumes offered by domestic producers make them, not import

¹¹⁵ *** Purchaser Questionnaire Response II-4(b).

¹¹⁶ *** Purchaser Questionnaire Response II-4(b); CR/PR at V-51.

¹¹⁷ Petitioners' Posthearing Br. III-27.

¹¹⁸ Petitioners' Posthearing Brief III-27.

¹¹⁹ CR/PR at Tables V-6, V-9, V-12.

¹²⁰ Hearing Tr. 25 (Mitchell) ("What this means is that if we lose a sale to a lower-priced import on a Wednesday, we have two choices on Thursday, either keep prices where they are and risk losing more sales volumes, or we reduce the price levels on the price list and suffer a reduction in sales revenue across all our customers that received that price list.").
sources, price leaders.¹²¹ Demand is also an important consideration. For example, if Wieland decided that end-users generally would reduce their purchases due to falling downstream demand, that alone may limit price increases irrespective of what imports from Israel are offering. In 2022, apparent consumption and demand were falling, as noted above. This by no means exhausts the list of potentially relevant constraints.

In fact, the record does not contain any solid evidence that subject imports from Israel were the binding constraint that limited any list price increases or forced any list price decreases at any time during the POI. The mere fact that subject imports from Israel undersold domestic products (or even other imports) does not mean they were in themselves the factor that inhibited domestic producers from raising prices at any time, in light of prices offered by other domestic producers and sources of subject imports which were typically lower and the volumes offered which were typically greater, and trends in demand and sensitivity of demand to price increases. Still less does the evidence show that subject imports from Israel suppressed prices to a significant degree.

In sum, I do not find that the domestic industry's prices were suppressed to a significant degree during the POI based on trends in the domestic industry's COGS ratios and demand. To the extent the domestic industry's prices were suppressed at all, subject imports from Israel were at most a relatively minor cause. Furthermore, significant circumstances since the end of the POI and before the vote date further diminished the significance of any price suppressive effects imports from Israel might have had during the POI as of the vote date. Accordingly, I conclude that subject imports did not have the effect of suppressing to a significant degree price increases that otherwise would have occurred.

D. Subject Imports from Israel Did Not Have a Material Adverse Impact

Section 771(7)(C)(iii) of the Tariff Act provides that in examining the impact of subject imports, the Commission "shall evaluate all relevant economic factors which have a bearing on the state of the industry."¹²² These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating

¹²¹ CR/PR at V-7. The only purchaser to identify Finkelstein as a price leader was ***. Finkelstein Posthearing Br. 5 & Exh. 4.

¹²² 19 U.S.C. § 1677(7)(C)(iii); see also SAA at 851 and 885 ("In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.").

profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debts, 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."¹²³

The domestic industry's production and capacity utilization improved over the three full years of the POI, its U.S. shipments increased in both quantity and value, and its workforce was essentially stable, with hours worked, wages paid, and hourly wages increasing substantially.¹²⁴ Its gross profit on non-toll operations also increased, as the domestic industry fully passed on increases in raw material costs, labor costs, and other factory costs. To be sure, the domestic industry's market share fell slightly, from *** percent in 2020 to *** percent in 2022, a decline of only *** percentage points. Yet, as discussed above, only a small amount of that decrease can be attributed to subject imports from Israel, which gained only *** percentage points of U.S. market share from 2020 to 2022.¹²⁵ The market share of subject imports from Israel was *** percentage points greater in interim 2023 than it had been in interim 2022, yet evidence indicates that some of this increase was attributable to supply constraints at Mueller, and all of this increase came at the expense of other subject imports rather than the domestic industry, which in fact gained market share at this time.¹²⁶

Due to a substantial increase in the domestic industry's SG&A expenses, the domestic industry's operating income decreased by *** percent, and its operating margin for non-toll operations decreased from *** percent in 2020 to *** percent in 2022. Yet, as noted above, the domestic industry performed better on a gross basis, that is, aside from increases in SG&A expenses: the domestic industry's non-toll gross profit increased *** percent from 2020 through 2022 while its total gross profit increased *** percent, compared with a drop in apparent consumption of *** percent.¹²⁷ Moreover, these trends partly reversed over the three calendar quarter interim periods, despite declining consumption and demand. The domestic industry's non-toll production and shipments decreased along with consumption, but employment indicators remained stable. The industry's non-toll operating income was steady but its operating margin improved from *** percent in interim 2022 to *** percent in interim

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

¹²⁴ CR/PR at Table C-1.

¹²⁵ CR/PR at Table C-1. A somewhat larger temporary increase in 2021 resulted from supply constraints common in the industry at that time, as I have discussed above.

¹²⁶ CR/PR at Table C-1.

¹²⁷ CR/PR at Table C-1.

2023. On a total basis, the domestic industry's operating income to net sales ratio improved from *** percent to *** percent, which, again, is a very good outcome considering the *** percent reduction in apparent consumption.¹²⁸ Indeed, the domestic industry's unit operating and net income in interim 2023 were higher than at any other period in the record.¹²⁹

Furthermore, as I have discussed above, to the extent that the domestic industry's financial condition did slightly deteriorate over the POI, in a period of overall decreasing demand, it is not possible to attribute any material amount of that to subject imports from Israel, which did not have significant price effects.

Accordingly, by the end of the POI, the domestic industry's financial condition had only declined slightly from the start of the POI, even though demand had fallen and prices increased substantially. I also find that, as of the end of the POI and the vote date, subject imports from Israel were not having any price effects that were significantly contributing to this slight degree of reduced industry performance. Thus, despite previous fluctuations, the domestic industry ended the POI with financial performance that was consistent with its performance at the start of the POI, taking into account reduced demand and substantially higher prices for brass rod in 2023 than in 2021 and 2020.

I also find there is no evidence that the small dip in the industry's profitability in the middle of the POI continued to have any lasting impact as of our vote date. The domestic industry reported stable capacity utilization (except for a small impact from a fire in interim 2023) and it did not experience significant layoffs, except early in the POI as the pandemic first struck. Those layoffs were reversed. The industry managed to fund increased capital expenses, and R&D expenses have been at least stable.¹³⁰ Wieland approved a \$*** investment in a new finishing line in 2020 and continued the project to near completion in 2023, Wieland broke ground on a new recycling facility in Shelbyville, Kentucky in mid-2022, and acquired two firms that supply scrap and alloys.¹³¹ *** and the factory in Belding, Michigan that Mueller idled before the POI remains idle.¹³² On the other hand, ***.¹³³ There have not been *** of the kind of financial impacts that may show enduring distress, such as rejection of loans, lowering of credit rating, or effects on ability to service debt.¹³⁴ ***.¹³⁵ Yet, it is doubtful that there is any

¹²⁸ CR/PR at Table C-1.

¹²⁹ CR/PR at Table C-1.

¹³⁰ CR/PR at Table C-1.

¹³¹ CR/PR at Tables III-3 & III-4; Hearing Tr. at 29 (Denner).

¹³² CR/PR at Table III-4; Hearing Tr. at 20-23 (Mitchell).

¹³³ CR/PR at Table III-4.

¹³⁴ CR/PR Table VI-16.

industry whose investment plans are not somehow limited, and as noted above, the brass rod industry's capital investment has increased, despite a decrease in apparent consumption of *** percent over the interim periods and additional projected long-term deterioration in demand. It is unlikely that removal of subject imports from Israel amounting to just *** percent of the market in interim 2023 would have any material effect on the industry's investment plans, especially given the current weakened state of the Israeli industry.

Based on these factors, I find that subject imports from Israel did not have a significant adverse impact on the domestic industry. Thus, I find that an industry in the United States is not materially injured by reason of subject imports of brass rod from Israel.

E. No Threat of Material Injury by Reason of Subject Imports from Israel

1. Legal Standard

Section 771(7)(F) of the Tariff Act directs the Commission to determine whether the U.S. industry is threatened with material injury by reason of the subject imports by analyzing 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."¹³⁶ The Commission may not make such a determination "on the basis of mere conjecture or supposition," and considers the threat factors "as a whole" in making its determination whether dumped or subsidized imports are imminent and whether material injury by reason of subject imports would occur unless an order is issued.¹³⁷ In making this determination, I consider all statutory threat factors that are relevant to these investigations.¹³⁸

(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,

¹³⁵ CR/PR Table V-17.

¹³⁶ 19 U.S.C. § 1677(7)(F)(ii).

¹³⁷ 19 U.S.C. § 1677(7)(F)(ii).

¹³⁸ These factors are as follows:

⁽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,

2. Vulnerability

As an initial matter, I do not find the domestic industry vulnerable. It earned a substantial profit on a gross, operating, and net basis throughout the POI, its employment was overall stable despite considerable challenges and fluctuations during the pandemic, and its profit margins in interim 2023 were greater than in interim 2022.¹³⁹

3. Likely Volume

As discussed above, I do not find that the volume of subject imports from Israel increased significantly over the POI either in absolute terms or relative to U.S. consumption or production. I recognize that subject imports from Israel did increase in volume and gain market share over the interim periods, but that was at the expense of nonsubject imports and may have partly resulted from a one-time event, the fire at Mueller. Inventories of Israeli subject merchandise held in Israel and in the United States increased over the POI in absolute terms and relative to U.S. shipments of subject merchandise from Israel.¹⁴⁰ Yet, this was a response to

¹³⁹ CR/PR at Table C-1. ***

⁽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,

⁽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,

⁽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).

¹⁹ U.S.C. § 1677(7)(F)(i). To organize my analysis, I discuss the applicable statutory threat factors using the same volume/price/impact framework that applies to our material injury analysis. Statutory threat factors (II), (III), (V), and (VI) are discussed in the analysis of subject import volume. Statutory threat factor (IV) is discussed in the analysis of subject import price effects. Statutory factors (VIII) and (IX) are discussed in the analysis of impact. Statutory factor (VII) concerning agricultural products is inapplicable to this investigation.

¹⁴⁰ Inventories of subject merchandise in Israel increased irregularly from *** pounds at the end of 2020 to *** pounds at the end of interim 2023 but were expected decrease to *** pounds at the end of 2023 and then increase to *** pounds at the end of 2024. CR/PR at Table VII-19. U.S. importers'

chronic U.S. and global supply chain shortages as I discuss above and appears to have been prudent in light of events subsequent to the POI. Despite increased inventories in the United States, the reported reductions in capacity and production in Israel establish that the volume and market share of subject imports from Israel are likely to decrease for the imminent future. Accordingly, I find that the volume of subject imports from Israel is not likely to be significant either in absolute terms or relative to U.S. consumption.

4. Likely Price Effects

As I explain above, I find that subject imports from Israel have not had significant price effects during the POI, and are even less likely to do so following the October 7, 2023, attack. U.S. inventories of subject imports from Israel at the end of interim 2023 were at the highest levels of the POI as were the inventories of domestic producers, but as I have stated above, larger inventories reflected a response to disruptions in supply chains experienced during the POI and allowed small suppliers to help meet increased demand when required by supply constraints at much larger domestic producers.

5. Likely Impact

Subject imports from Israel did not have any demonstrable impact on the domestic industry, which maintained stable employment, increasing capital and R&D expenditures, and a position of overwhelming predominance in the U.S. market. The domestic industry may not have been able to buy as much new equipment as it might have hoped for, but it is hard to imagine any industry of which that is not true. Given that domestic producers believe demand in this industry is in secular decline, it would be surprising to find even greater increases in capital expenditures than actually occurred. To the extent that the performance of the domestic industry was in any way impaired during the POI relative to what would be expected given demand patterns and raw material costs, subject imports from Israel would have made at most a minor contribution.

Again, given conditions in the Israeli industry current as of our vote date, it is also difficult to imagine that subject imports from Israel would have any more significant impact on the domestic industry in the imminent future than they did in the POI.

inventories of subject merchandise from Israel increased from *** pounds at the end of 2020 to *** pounds at the end of interim 2023, and as a share of U.S. shipments of subject merchandise from Israel increased from *** percent to *** percent. Calculated from CR/PR at Table C-1.

F. Conclusion as to Israel

For the reasons stated above, I determine that an industry in the United States is not materially injured or threatened with material injury by reason of imports of brass rod from Israel that are sold in the United States at LTFV and that are subsidized by the government of Israel. Accordingly, I do not cumulate subject imports from Israel with imports from any other source.

II. NO MATERIAL INJURY BY REASON OF OTHER SUBJECT IMPORTS

For the reasons stated above, I determine that an industry in the United States is not materially injured or threatened with material injury by reason of imports of brass rod from Israel that are sold in the United States at LTFV and that are subsidized by the government of Israel. Here, I consider whether other subject imports have materially injured an industry in the United States. My findings as to conditions of competition are reflected above.

A. Cumulation of Other Subject Sources

As I note above, I concur with the majority's finding in Section V.C of its opinion that the statutory conditions for cumulation are satisfied by subject imports from Brazil, India, Mexico, South Africa, and South Korea (hereinafter "cumulated subject imports").

B. The Volume of Cumulated Subject Imports

From 2020 through 2022, U.S. shipments of cumulated subject imports increased from *** pounds in 2020 to *** pounds in 2021 and decreased to *** pounds in 2022, for an overall increase of *** percent from 2020 through 2022; they were *** pounds in interim 2023, down *** percent from *** pounds in interim 2022.¹⁴¹

Cumulated subject imports' market share increased from *** percent in 2020 to *** percent in 2021 and then increased to *** percent in 2022, for a gain of *** percentage points of market share from 2020 through 2022.¹⁴² Their market share in interim 2023 was *** percent, down from *** percent in interim 2022.¹⁴³

¹⁴¹ CR/PR at Table C-1.

¹⁴² CR/PR at Table C-1.

¹⁴³ CR/PR at Table C-1.

C. Cumulated Subject Imports Did Not Have Significant Price Effects

Cumulated subject imports undersold domestic like product to a similar extent as subject imports from Israel, underselling the domestic like product in 241 pricing product comparisons and overselling it in 31 comparisons.¹⁴⁴

Cumulated subject imports' market share increased from *** percent in 2020 to *** percent in 2022, and was *** percent in interim 2022, but was only *** percent in interim 2023.¹⁴⁵ I do not find this evidence of a significant price effect. I also note that the decrease in cumulated subject imports' market share began well before the filing of the petitions, ¹⁴⁶ and the petitions would have been unlikely to have had an impact on cumulated subject imports in interim 2023 for the same reasons such as shipping delays that the petitions would have been unlikely to have had an impact.

As discussed above, the volume of cumulated subject imports that undersold the domestic like product was greater than the volume of subject imports from Israel that undersold the domestic like product. A total of *** pounds of pricing products from cumulated subject sources undersold the domestic like product over the POI, as compared to *** pounds of pricing products from Israel, and the total volume of U.S. shipments of cumulated subject imports over the POI was *** pounds compared to *** pounds from Israel.¹⁴⁷ Additionally, average margins of underselling by cumulated subject imports were greater than average margins of underselling by subject imports from Israel.¹⁴⁸

Thus, cumulated subject imports would have been more likely than subject imports from Israel to have the effect of significant price suppression. Yet as I discuss above, I do not find that trends in the domestic industry's COGS ratio and demand supply evidence of significant price suppression, and to the extent that subject imports from Israel or nonsubject imports did result in any degree of price suppression, that would only make the price suppression effect that was by reason of other cumulated subject imports even less significant.

¹⁴⁴ CR/PR at Table V-17.

¹⁴⁵ CR/PR at Table C-1.

¹⁴⁶ For example, the market share of cumulated subject imports was considerably higher in the first three quarters of 2022 than for the year as a whole. CR/PR at Table C-1. *See also* Table IV-10 (showing decrease in monthly imports).

¹⁴⁷ Calculated from CR/PR at Tables V-17, C-1.

¹⁴⁸ CR/PR at Tables V-17, F-1, F-2, & F-3.

D. Cumulated Subject Imports Did Not Have a Material Adverse Impact

As I discuss above, the record contains little evidence of any injury to the domestic industry, whose performance was sound during a POI that featured overall declining demand, and the domestic industry's performance improved at the end of the POI. *** of the domestic industry's diminutive loss of market share can be ascribed to cumulated subject imports, nor did they have other price effects that could have contributed to whatever minimal reductions in the domestic industry's performance did occur.

III. No Threat of Material Injury by Reason of Cumulated Subject Imports

A. Legal Standard

Section 771(7)(F) of the Tariff Act directs the Commission to determine whether the U.S. industry is threatened with material injury by reason of the subject imports by analyzing 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."¹⁴⁹ The Commission may not make such a determination "on the basis of mere conjecture or supposition," and considers the threat factors "as a whole" in making its determination whether dumped or subsidized imports are imminent and whether material injury by reason of subject imports would occur unless an order is issued.¹⁵⁰ In making our determination, we consider all statutory threat factors that are relevant to these investigations.¹⁵¹

(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,

¹⁴⁹ 19 U.S.C. § 1677(7)(F)(ii).

¹⁵⁰ 19 U.S.C. § 1677(7)(F)(ii).

¹⁵¹ These factors are as follows:

⁽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,

B. Likely Volume and Price Effects

The capacity of the cumulated subject industries increased from *** pounds in 2020 to *** pounds in 2022, and was slightly greater in interim 2023 at *** pounds than in interim 2022 at *** pounds.¹⁵² Their combined capacity is projected to grow *** from *** pounds in 2024.¹⁵³ Their combined capacity utilization rate declined from *** percent in 2020 to *** percent in 2022, with a further reduction to *** percent in interim 2023; it is projected to increase slightly to *** percent in 2024.¹⁵⁴ Yet, despite this large and increasing capacity and falling capacity utilization, the cumulated subject industries did not gain market share in the U.S. market over the POI; the share of their exports to the United States began decreasing at the end of 2022 and declined to its lowest level of the POI in interim 2023.¹⁵⁵ Sales to their home markets are expected to increase in 2024.¹⁵⁶ Inventories held by cumulated subject producers decreased over the POI in absolute terms and relative to U.S. consumption, as did U.S. importers' U.S. inventories of cumulated subject imports.¹⁵⁷

⁽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,

⁽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,

⁽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).

¹⁹ U.S.C. § 1677(7)(F)(i). To organize my analysis, I discuss the applicable statutory threat factors using the same volume/price/impact framework that applies to our material injury analysis. Statutory threat factors (II), (III), (V), and (VI) are discussed in the analysis of subject import volume. Statutory threat factor (IV) is discussed in the analysis of subject import price effects. Statutory factors (VIII) and (IX) are discussed in the analysis of impact. Statutory factor (VII) concerning agricultural products is inapplicable to this investigation.

¹⁵² CR/PR at Table VII-42. I note that the industries in India and Mexico have reported *** practical brass rod capacities which seems implausible in a global pandemic. CR/PR at Tables VII-10, VII-23.

¹⁵³ CR/PR at Table VII-42.
¹⁵⁴ CR/PR at Table VII-42.
¹⁵⁵ CR/PR at Table VII-42.
¹⁵⁶ CR/PR at Table VII-42.
¹⁵⁷ CR/PR at Tables VII-42, VII-43.

Cumulated subject imports undersold domestic like products during the POI, yet this did not result in significant price suppression or depression. Again, the domestic industry's COGS-to-net sales ratio improved over the interim periods, despite falling U.S. demand, as cumulated subject imports retreated from the U.S. market.¹⁵⁸

I see no reason to expect that the behavior of cumulated subject imports or their price effects will change in the imminent future.

C. Likely Impact

As I note above, I do not find the domestic industry vulnerable. Rather, it has invested steadily in improving production, and its financial performance has been improving despite falling demand. Domestic producers continue to supply the overwhelming majority of the U.S. market; to the extent that cumulated subject imports gained market share during the POI, it was primarily as a result of temporary supply constraints in the industry, which as I explain above, would tend to lead to temporarily increased demand for alternative supply sources that do not normally play a large role. Given the recent decreases in cumulated subject imports' market share and their lack of significant adverse impact in the POI, I do not see reason to believe they will have any more material impact in the imminent future.

IV. Conclusion

For the reasons stated above, I determine that an industry in the United States is not materially injured or threatened with material injury by reason of imports of brass rod from Israel and the cumulated subject sources from Brazil, India, Mexico, South Africa, and South Korea.

¹⁵⁸ CR/PR at Table C-1.

Part I: Introduction

Background

Table I-1

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 American Brass Rod Fair Trade Coalition, Mueller Brass Co. ("Mueller"), Port Huron, Michigan, and Wieland Chase LLC ("Wieland"), Montpelier, Ohio, on April 27, 2023, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair-value ("LTFV") imports of brass rod¹ from Brazil, India, Israel, Mexico, South Africa, and South Korea and subsidized by the governments of India, Israel, and South Korea. Table I-1 presents information relating to the background of these investigations.² ³

Effective date	Action				
	Petitions filed with Commerce and the Commission; institution of the Commission				
April 27, 2023	investigations (88 FR 27921, May 3, 2023)				
May 17, 2023	Commerce's notice of initiation (88 FR 33575 and 88 FR 33566, May 24, 2023)				
June 12, 2023	Commission's preliminary determinations (88 FR 39477, June 16, 2023)				
September 29, 2023	Commerce's preliminary CVD determinations (88 FR 67233, 88 FR 67236, and 88 FR 67240, September 29, 2023); scheduling of final phase of Commission investigations (88 FR 69229, October 5, 2023)				
December 1, 2023	Commerce's preliminary AD determinations (Brazil, India, Mexico, South Africa, and South Korea) (88 FR 83900; 88 FR 83904; 88 FR 83910; 88 FR 83913; and 88 FR 83915, December 1, 2023)				
December 14, 2023	Commerce's preliminary AD determination (Israel) (88 FR 86632, December 14, 2023)				
December 18, 2023	Commerce's final CVD determination (India) (88 FR 87407, December 18, 2023)				
December 12, 2023	Commission's hearing				
January 10, 2024	Commission's vote				
February 1, 2024	Commission's views				
April 15, 2024	Scheduled date for Commerce's final AD and CVD determinations (South Korea) and final AD determinations (Brazil, India, Mexico, South Africa, and South Korea)				

Brass rod: Information relating to the background and schedule of this proceeding

¹ See the section entitled "The subject merchandise" in Part I 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 Appendix B presents the witnesses who appeared at the Commission's hearing.

Effective date	Action
July 26, 2024	Scheduled date for Commerce's final AD and CVD determinations (Israel)

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. . . 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

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

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.

Organization of report

Part I of this report presents information on the subject merchandise, subsidy/dumping margins, and domestic like product. Part II of this report presents information on conditions of competition and other relevant economic factors. Part III presents information on the condition of the U.S. industry, including data on capacity, production, shipments, inventories, and employment. Parts IV and V present the volume of subject imports and pricing of domestic and imported products, respectively. Part VI presents information on the financial experience of U.S. producers. Part VII 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

Brass rod is generally used in parts including architectural extrusions, automotive engineering parts, fasteners, and gears. The leading U.S. producers of brass rod are Mueller and Wieland, while leading producers of brass rod outside the United States include *** of Brazil, *** of India, *** of Israel, *** of Mexico, *** of South Africa, and *** of South Korea. The leading U.S. importer of brass rod from Brazil, India, South Africa, and nonsubject sources is ***, the leading U.S. importer of brass rod from Israel is ***, the leading U.S. importer of brass rod from Mexico is ***, and the leading U.S. importer of brass rod from South

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

Korea is ***. Nonsubject importers primarily import brass rod from France and Germany. U.S. purchasers of brass rod include distributors, machine shops, forgers, and original equipment manufacturers. The largest purchasers that responded to the questionnaire were: ***.

Apparent U.S. consumption of brass rod totaled approximately *** pounds (\$***) in 2022. Currently, three firms are known to produce brass rod in the United States: ***. U.S. producers' U.S. shipments of brass rod totaled *** pounds (\$***) in 2022, and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. imports from subject sources totaled 28.8 million pounds (\$112.9 million) in 2022 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. imports from nonsubject sources totaled 2.4 million pounds (\$11.9 million) in 2022 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. imports from nonsubject sources totaled 2.4 million pounds (\$11.9 million) in 2022 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. imports from nonsubject sources totaled 2.4 million pounds (\$11.9 million) in 2022 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. Except as noted, U.S. industry data are based on questionnaire responses of three firms that accounted for all known U.S. production of brass rod during 2022. U.S. imports are based on questionnaire responses of 21 firms that accounted for the majority of subject imports in 2022.

Previous and related investigations

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

Nature and extent of subsidies and sales at LTFV

Subsidies

On September 29, 2023, Commerce published a notice in the Federal Register of its preliminary determinations of countervailable subsidies for producers and exporters of brass rod from India, Israel, and South Korea.⁶ On December 18, 2023, Commerce published a notice in the Federal Register of its final determination of countervailable subsidies for producers and exporters of brass rod from India.⁷ Table I-1 presents Commerce's final findings of subsidization of brass rod in India. Table I-2 and table I-3 present Commerce's preliminary findings of subsidization of brass rod in Israel and South Korea, respectively.⁸

Table I-1

Brass rod: Commerce's final subsidy determination with respect to imports from India

Entity	Final countervailable subsidy rate (percent)
Rajhans Metals Private Limited (RMPL)	2.24
All others	2.24

Source: 88 FR 87407, December 18, 2023.

Note: For further information on programs determined to be countervailable, see Commerce's associated Issues and Decision Memorandum.

Table I-2

Brass rod: Commerce's preliminary subsidy determination with respect to imports from Israel

Entity	Preliminary countervailable subsidy rate (percent)	
Finkelstein Metals Ltd	5.26	
All others	5.26	

Source: 88 FR 67236, September 29, 2023.

Note: For further information on programs preliminarily determined to be countervailable, see Commerce's associated Issues and Decision Memorandum.

⁶ 88 FR 67240, 88 FR 67236, and 88 FR 67233, September 29, 2023.

⁷ 88 FR 87407, December 18, 2023.

⁸ Commerce's final determinations of countervailable subsidies for producers and exporters of brass rod from Israel and South Korea have been aligned with its final determinations of sales at LTFV for Israel and South Korea, respectively.

Table I-3 Brass rod: Commerce's preliminary subsidy determination with respect to imports from South Korea

Entity	Preliminary countervailable subsidy rate (percent)
Booyoung Industry	0.43
Daechang Co. Ltd.	2.57
All others	2.57

Source: 88 FR 67233, September 29, 2023.

Note: Commerce has found the following companies to be cross-owned with Daechang Co. Ltd.: Essentech Co., Ltd.; Seowon Co., Ltd.; Taewoo Co., Ltd.; IN Steel Industry Co., Ltd.; and Affiliate

Note: For further information on programs preliminarily determined to be countervailable, see Commerce's associated Issues and Decision Memorandum.

Sales at LTFV

On December 1, 2023 Commerce published a notice in the Federal Register of its preliminary determinations of sales at LTFV with respect to imports from Brazil, India, Mexico, South Africa, and South Korea.⁹ Tables I-4 through I-8 present Commerce's dumping margins with respect to imports of brass rod from Brazil, India, Mexico, South Africa, and South Korea.

On December 14, 2023 Commerce published a notice in the Federal Register of its preliminary determination of sales at LTFV with respect to imports from Israel.¹⁰ Table I-9 presents Commerce's dumping margins with respect to imports of brass rod from Israel.

Table I-4

Brass rod: Commerce's preliminary weighted-average LTFV margins with respect to imports from Brazil

Exporter/Producer	Preliminary dumping margin (percent)
Termomecanica Sao Paulo S.A.	24.10
Megabras Industria Eletronica Ltda.	77.14
All others	24.10

Source: 88 FR 83910, December 1, 2023.

Note: the rate for Megabras Industria Eletronica Ltda. is based on facts available with adverse inferences.

⁹ 88 FR 83900; 88 FR 83904; 88 FR 83910; 88 FR 83913; and 88 FR 83915, December 1, 2023. ¹⁰ 88 FR 86632, December 14, 2023.

Table I-5

Brass rod: Commerce's preliminary weighted-average LTFV margins with respect to imports from India

Exporter/Producer	Preliminary dumping margin (percent)
Rajhans Metals Pvt Ltd	9.41
Shree Extrusions Limited	10.95
All others	9.52

Source: 88 FR 83900, December 1, 2023.

Table I-6

Brass rod: Commerce's preliminary weighted-average LTFV margins with respect to imports from Mexico

Exporter/Producer	Preliminary dumping margin (percent)
Industrias Unidas S.A. de C.V.	4.31
Aleamex S.A. de C.V.	29.43
All others	4.31

Source: 88 FR 83913, December 1, 2023.

Note: the rate for Aleamex S.A. de C.V. is based on facts available with adverse inferences.

Table I-7

Brass rod: Commerce's preliminary weighted-average LTFV margins with respect to imports from South Africa

Exporter/Producer	Preliminary dumping margin (percent)	
Non-Ferrous Metal Works (SA) (PTY) Ltd.	11.31	
All others	11.31	

Source: 88 FR 83904, December 1, 2023.

Table I-8

Brass rod: Commerce's preliminary weighted-average LTFV margins with respect to imports from South Korea

Exporter/Producer	Preliminary dumping margin (percent)
Booyoung Industry	10.52
Daechang Co., Ltd./ Seowon Co. Ltd./Affiliate A	9.01
All others	9.36

Source: 88 FR 83915, December 1, 2023.

Table I-9

Brass rod: Commerce's preliminary weighted-average LTFV margins with respect to imports from Israel

Exporter/Producer	Preliminary dumping margin (percent)
Finkelstein Metals Ltd	35.88
All others	35.88

Source: 88 FR 86632, December 14, 2023.

The subject merchandise

Commerce's scope

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

The products covered by this investigation are brass rod and bar (brass rod), which is defined as leaded, low-lead, and no-lead solid brass made from alloys such as, but not limited to the following alloys classified under the Unified Numbering System (UNS) as C27450, C27451, C27460, C34500, C35000, C35300, C35330, C36000, C36300, C37700, C48500, C67300, C67600, and C69300, and their international equivalents.

The brass rod subject to this investigation has an actual cross-section or outside diameter greater than 0.25 inches but less than or equal to 12 inches. Brass rod crosssections may be round, hexagonal, square, or octagonal shapes as well as special profiles (e.g., angles, shapes), including hollow profiles.

Standard leaded brass rod covered by the scope contains, by weight, 57.0–65.0 percent copper; 0.5–3.0 percent lead; no more than 1.3 percent iron; and at least 15 percent zinc. No-lead or low-lead brass rod covered by the scope contains by weight 59.0–76.0 percent copper; 0–1.5 percent lead; no more than 0.35 percent iron; and at least 15 percent zinc. Brass rod may also include other chemical elements (e.g., nickel, phosphorous, silicon, tin, etc.).

Brass rod may be in straight lengths or coils. Brass rod covered by this investigation may be finished or unfinished, and may or may not be heated, extruded, pickled, or cold-drawn. Brass rod may be produced in accordance with ASTM B16, ASTM B124, ASTM B981, ASTM B371, ASTM B453, ASTM B21, ASTM B138, and ASTM B927, but such conformity to an ASTM standard is not required for the merchandise to be included within the scope.

Excluded from the scope of this investigation is brass ingot, which is a casting of unwrought metal unsuitable for conversion into brass rod without remelting, that contains, by weight, at least 57.0 percent copper and 15.0 percent zinc.

¹¹ 88 FR 87407, December 18, 2023.

Tariff treatment

Based upon the scope set forth by Commerce, information available to the Commission indicates that the merchandise subject to these investigations are provided for in subheadings 7407.21.15, 7407.21.70, and 7407.21.90 of the Harmonized Tariff Schedule of the United States ("HTS"). The 2023 general rate of duty is 2.2 percent ad valorem for HTS subheading 7407.21.70. The 300 and 7407.21.90, and 1.9 percent ad valorem for HTS subheading 7407.21.70. The special rate of duty for brass rod produced in Israel, Mexico, and South Korea is free for all subject subheadings under the United States-Israel Free Trade Area, the United States-Mexico-Canada Agreement, and the United States-Korea Free Trade Agreement Implementation Act, where this treatment is properly claimed by the importer and the goods meet the relevant rules of origin prescribed in HTS general notes 8, 11, and 33, respectively.¹² Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Effective September 24, 2018, brass rod originating in China, a nonsubject country, was subject to an additional 10 percent ad valorem duty under section 301 of the Trade Act of 1974. Effective May 10, 2019, the section 301 duty for brass rod was increased to 25 percent.¹³

¹² Merchandise subject to these investigations may also be imported under HTS subheadings 7403.21.00, 7407.21.30, and 7407.21.50. The 2023 general rate of duty is 1.0 percent ad valorem for HTS subheading 7403.21.00 and 2.2 percent ad valorem for HTS subheadings 7407.21.30 and 7407.21.50. USITC, HTS (2023) HTSA Revision 11, USITC Publication 5462, September 2023, pp. GN 26, GN 28, GN 655, 74-3, 74-5.

¹³ 83 FR 47974, September 21, 2018; 84 FR 20459, May 9, 2019. See also HTS headings 9903.88.03 and 9903.88.04 and U.S. notes 20(e)–20(g) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2023) HTSA Revision 11, USITC Publication 5462, September 2023, pp. 99-III-27–99-III-52, 99-III-301–99-III-302. Goods exported from China to the United States prior to May 10, 2019, and entering the United States prior to June 1, 2019, were not subject to the escalated 25 percent duty (84 FR 21892, May 15, 2019).

The product

Description and applications¹⁴

Brass rod, as defined by the scope of this proceeding, includes brass rods, bars, or profiles made of brass alloys. Brass alloys are combinations of copper, zinc, and smaller amounts of other elements.¹⁵ Brass rod is a material produced and sold in a variety of alloy designations that reflect the combination of copper and zinc along with other elements to create different alloys with unique characteristics. Brass rod may be produced in accordance with ASTM standards, but conformity to an ASTM standard is not required for brass rod to be included within the scope of these investigations. Brass rod can be leaded, low-lead, and nolead, but most sales in the U.S. market are of leaded brass rod, because the addition of small amounts of lead optimizes the machinability of the product.¹⁶ Low-lead and lead-free brass are typically used in applications such as plumbing (including potable water applications).¹⁷ The scope of this proceeding includes brass rods, bars, or profiles drawn to a variety of crosssectional shapes, in diameters greater than 0.25 inches, but less than or equal to 12 inches, and of any length. Once produced to specification, brass rod is suitable for use in numerous industries. Brass rod is commonly used to produce (1) building and household products; (2) industrial machinery and equipment components; (3) electrical and electronic products and components; and (4) automotive and truck/trailer products and components, which can include heavy off-road equipment, construction equipment and military applications.

For most brass rod producers, the largest volume of shipments goes to customers that produce building and household products. Brass rod can be used to produce plumbing products (i.e., faucets, plumbing fixtures, shower valves, pipes, pipe fittings, radiator cores and components, faucet bodies and handles, and adapters), building hardware (i.e., door handles, locks and internal lock components, escutcheons, panic bar handles, lock bodies, hardware, floor plates, fasteners, plugs, lamp and lighting fittings, and meter components), HVAC products and components (i.e., zone valves, balancing valves, valve handles, valve bonnets, mixing valves, and heat exchangers), architectural components (i.e., facias, door handles, door hardware, drawer pulls, cabinetry hardware and hinges, clock components, and engraved features such as nameplates and plaques), and products for special applications.

¹⁴ Unless otherwise noted, the information in this section is based on Petition, Vol. I, pp. 6–9.

¹⁵ Petitioners' postconference brief, p. I-6.

¹⁶ Petitioners' postconference brief, p. I-6.

¹⁷ Conference transcript, p. 24 (Mitchell) and p. 44 (Christie).

Brass rod is also used to produce industrial machinery and equipment and components such as pneumatic and hydraulic equipment components, welding equipment, firefighting equipment, industrial valves, and power washing equipment. The conductivity and corrosion resistant nature of brass rod makes it useful in the production of electrical and electronic products such as connections in cell towers, fuse parts, and coaxial cable fittings.¹⁸ It can also be used to manufacture products for applications that call for non-sparking metals.

Because of its strength and corrosion resistance, brass rod is also used to make components for the transportation and trucking industry, as well as for off road equipment including construction vehicles and military vehicles. Brass rod is used in engine systems (i.e., engine components, connector assemblies, valve guides, swash plates, caps, retainer rings, pipe couplings, battery clamps, fluid connectors, and emission system components); cooling systems (i.e., radiator cores, pump parts, radiator drain cocks, bulkhead fittings, tubing and hose fittings, tanks, tubes and tubing, and hose assemblies); driveline and braking systems (i.e., axle components, gear components, transmission, wheel components, bushings and bearings, fluid transfer systems, air brakes, and heavy-load wheel); and sensors and switches (i.e., sensor bodies, temperature switches, temperature gauges, connectors, housings, and assemblies).

In addition to those market segments defined above, brass rod is also used to produce components for a variety of consumer products such as appliances, torches, ammunition, gas grills, fire extinguishers and many other products commonly used in consumer goods.

¹⁸ Conference transcript, p. 20 (Mitchell).

Manufacturing processes¹⁹

Brass rod production involves approximately nine steps: raw material receipt and analysis, melt and chemistry control, casting, billet heating, extrusion, pickling, finishing, strapping, and shipping. These steps are essentially the same in the United States and in subject countries.²⁰

Raw material receipt and analysis

Brass rod is produced primarily from recycled materials, but the constituent elements of brass come from a melt of copper, zinc, and lead. Up to 98 percent of the raw material used to produce brass rod in the United States comes from scrap, supplemented with pure copper, zinc, or lead, depending on the desired chemical composition of the finished brass rod. The preferred form of scrap material is brass turnings that are returned to the mill.²¹ Such brass turnings are generally the byproduct of machined brass rod but may also be in other forms of scrapped brass. Brass rod producers will supplement brass turnings with pure raw materials as well as other types of scrap such as 70/30 brass, strip scrap, recycled/post-consumer copper, bare bright, or copper cathode, based on availability.²²

At the outset of the production process, the scrap must be sorted to ensure that only material with the appropriate chemistries and specifications enters the melting operation.

Melt and chemistry control

After the raw material has been melted in a furnace, chemistry samples are taken. The samples are used to ascertain whether any of the chemical elements need to be adjusted to meet specifications. Brass rod chemistry is produced to ASTM standards or tighter internal limits, if applicable. Such adjustments include adding pure copper, zinc, and/or lead, or other trace elements to the melt. Once the chemistry meets the applicable standards, the metal can be poured into molds to create brass billets or strand cast into rod.

¹⁹ Unless otherwise noted, the information in this section is based on Petition, Vol. I, pp 9–12.

²⁰ Conference transcript, pp. 74–75 (Christie) and pp. 162–163 (Whiting).

²¹ See Appendix E for additional details on U.S. producers' scrap buyback programs.

²² 70/30 brass is so named because it is made of roughly 70 percent copper and 30 percent zinc, though it can contain trace amounts (generally less than 0.1 percent) of lead and iron. While it can be used in a wide variety of applications, 70/30 brass is also known as "cartridge brass" because it is often used in shell casings. Copper strip scrap generally refers to the copper wire or cable that has been stripped of its insulation. Bare bright copper, which is generally considered to be the highest quality copper scrap, is uncoated, unalloyed, unpainted bare wire or cable that is no more than 16 gauge in thickness. Bare bright copper is generally, though not always, found inside copper wire and cable once the insulation layer is stripped. Petitioners' postconference brief, p. II-5.

Casting and billet heating

Brass billets are formed by first casting large diameter logs (9 inches to 14 inches wide) that can be vertically continuous cast or horizontally continuous cast. The logs are then cut into shorter lengths to produce billets. The billets are the raw input material needed for extrusion. Once the billets are cast and cooled, they will then be heated to make them pliable to allow for extrusion to smaller diameters. On average, most billets are heated to temperatures between 1,100 to 1,400 degrees Fahrenheit. Each extrusion size will have unique temperature parameters depending on the alloy and extrusion configuration.

Extrusion

Once heated, the billet will be transferred to the extrusion press where the billet is extruded through a die to make it into the shape and size needed. Once placed in the extrusion press, the heated billet is forced through the die creating an extruded rod. The extruded rod is lengthened, and a die may be used to produce rods in shapes, including rounds, hexagons, rectangles, squares, and other profiles. Depending on the size of the rod requested by the brass rod customer, the rod will be extruded either straight or coiled to prepare it for additional processing.

Pickling and finishing

Pickling involves the application of an acid dip that takes the oxides off the surface of the metal so that it is less abrasive to tooling — this applies to both the producers' tooling and also to the machining tooling by the customer to promote longer tool life. After the rod is pickled, the brass rod is cold-drawn to complete the production process. Cold-drawing takes the product down to the size and diameter tolerance that the customer requires. As a part of the finishing process the rod is straightened and cut to length after it passes through the finish die. Finishing also finalizes the mechanical properties and machineability so that the customer can use its machining or forging equipment to efficiently produce a brass part.

Strapping and shipping

After the brass rod is cold-drawn and straightened, it goes to strapping where the brass rod is bundled for shipment. Steel bands are placed around the brass rod as it is bundled in 1,000-to-4,000-pound quantities and tagged with material identification information. The bundles are then dispatched to the customer.

Domestic like product issues

No issues with respect to domestic like product have been raised in these investigations. The petitioners propose a single domestic like product that is co-extensive with the scope of these investigations.²³ No respondents contested the petitioner's proposed domestic like product definition.²⁴ In the preliminary phase of these investigations, the Commission defined a single domestic like product, coextensive with the scope.²⁵

In the final phase of these investigations, no parties requested data or other information necessary for the analysis of the domestic like product.

²³ Petitioners' postconference brief, pp. I-5-8 and petitioners' prehearing brief, p. 12.

²⁴ Respondent Finkelstein's postconference brief, p. 3, Respondent Finkelstein's prehearing brief, p. 6, and Joint respondents' prehearing brief, p. 3.

²⁵ Brass Rod from Brazil, India, Israel, Mexico, South Africa, South Korea, Inv. Nos. 701-TA-686-688 and 731-TA-1612-1617 (Preliminary), USTIC Publication 5436, June 2023 ("Original publication"), p. 11.

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

U.S. market characteristics

Brass rod is used in building and household products, industrial machinery and equipment, electrical and electronic products, and automotive and truck equipment, as described in part I. According to an industry representative, there is a transition occurring from brass rod containing leaded product towards no lead or low lead brass rod. In 2022, no lead and low lead products comprised about *** percent of overall apparent consumption in 2022.¹ Lead-free brass rod is used in potable water applications.² Machining of brass rod by customers generates a large amount of scrap, and domestic producers offer scrap buyback programs for their end user customers, as discussed in part V and Appendix E.³

Similarly, all three U.S. producers, 11 of 18 responding importers, and 9 of 14 responding purchasers indicated that the market was not subject to distinctive conditions of competition. Of the 7 importers that did report distinctive conditions of competition, firms cited the AD/CVD orders, scrap buyback programs, lead times/delivery times, and import competition. Of the purchasers reporting distinctive conditions of competition, firms cited that demand was influenced by the agricultural, automotive, construction, and general engineering industries, and that the COVID-19 pandemic was a distinctive condition of competition. Purchaser *** reported the increase in copper prices and freight as distinct conditions of competition.

Apparent U.S. consumption of brass rod increased by *** percent between 2020 and 2021 before decreasing *** percent between 2021 and 2022. Apparent consumption was also *** percent lower in interim 2023 compared to interim 2022. Overall, apparent U.S. consumption in 2022 increased by *** percent between 2020 and 2022.

¹ See Part IV and conference transcript, pp. 46-47 (Denner).

² Hearing transcript, p. 27 (Mitchell).

³ Hearing transcript, p. 23 (Mitchell). ***.

U.S. purchasers

The Commission received 17 usable questionnaire responses from firms that had purchased brass rod during January 2020 - September 2023.^{4 5 6} Nine (9) responding purchasers are distributors, 3 are end users, and 3 are "other" (*** identified as a broker/importer, *** identified as a manufacturer, and *** identified as a U.S. producer).⁷ In general, responding U.S. purchasers were located in the Midwest. The responding purchasers represented firms in a variety of domestic industries, including distribution, machining, forging, and original equipment manufacturing. Largest responding purchasers of brass rod include ***.

⁴ The following firms provided purchaser questionnaire responses: ***.

⁵ Of the 17 responding purchasers, 16 purchased the domestic brass rod, 7 purchased imports of the subject merchandise from Brazil, 6 purchased imports from India, 12 purchased imports from Israel, 4 purchased imports from Mexico, 7 purchased imports from South Africa, 6 purchased imports from South Korea, and 10 purchased imports of brass rod from other sources.

⁶ Fourteen purchasers each indicated they had marketing/pricing knowledge of domestic product, 13 of product from Israel, 8 each of product from Brazil and India, 7 each of South Africa and South Korea, 6 of product from Mexico, and 6 of product from nonsubject countries.

⁷ Purchasers *** did not indicate firm type.

Channels of distribution

U.S. producers sold brass rod mainly to end users using buyback programs (table II-1). Overall, subject importers reported a majority of sales to distributors and no subject importers reported sales to end users using buyback programs. Importers of brass rod from Brazil, Israel, and South Korea sold mainly to distributors, and importers of brass rod from India and Mexico sold mainly to end users. *** of U.S. shipments of brass rod from South Africa being sold to distributors in 2020, with the remainder being sold to non-buyback end users. This profile reversed to *** percent of U.S. shipments of brass rod from South Africa being sold to end users by 2022, but shifted again in interim 2023 to being primarily to distributors. Most (approximately two-thirds of) shipments of imports from nonsubject sources were to nonbuyback end users and the remaining shipments were to distributors. Nonsubject imports was the only import source that reported any shipments to buyback end users, which occurred during 2020.

The majority of shipments of imports from Israel went to distributors throughout the period, although the share to distributors was lower in 2022 and interim 2023 than in 2020 and 2021. Israeli producer Finkelstein Metals stated that, for much of the period of investigation, it focused on distributor customers and small end users that do not use scrap buyback programs, and that it primarily supplied distributors.⁸

⁸ Hearing transcript, pp. 133-134 (Apeloig).

Table II-1Brass rod: Share of U.S. shipments by source, channel of distribution, and period

Shares in percent

Source	Channel	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
United States	Distributors	***	***	***	***	***
United States	End users: buyback	***	***	***	***	***
United States	End users: non-buyback	***	***	***	***	***
United States	End users: toll	***	***	***	***	***
United States	End users	***	***	***	***	***
Brazil	Distributors	***	***	***	***	***
Brazil	End users: buyback	***	***	***	***	***
Brazil	End users: non-buyback	***	***	***	***	***
Brazil	End users	***	***	***	***	***
India	Distributors	***	***	***	***	***
India	End users: buyback	***	***	***	***	***
India	End users: non-buyback	***	***	***	***	***
India	End users	***	***	***	***	***
Mexico	Distributors	***	***	***	***	***
Mexico	End users: buy back	***	***	***	***	***
Mexico	End users: non-buy back	***	***	***	***	***
Mexico	End users	***	***	***	***	***
South Africa	Distributors	***	***	***	***	***
South Africa	End users: buyback	***	***	***	***	***
South Africa	End users: non-buyback	***	***	***	***	***
South Africa	End users	***	***	***	***	***
South Korea	Distributors	***	***	***	***	***
South Korea	End users: buyback	***	***	***	***	***
South Korea	End users: non-buyback	***	***	***	***	***
South Korea	End users	***	***	***	***	***

Table continued.

Table II-1 Continued Brass rod: Share of U.S. shipments by source, channel of distribution, and period

Source Channel 2020 2021 2022 Jan-Sep 2022 Jan-Sep 2023 Subject sources except *** Distributors *** *** *** Israel Subject sources except *** *** *** *** Israel End users: buy back Subject sources except *** *** *** *** Israel End users: non-buy back Subject sources except *** *** *** Israel End users *** *** *** *** *** Distributors Israel *** *** *** *** End users: buyback Israel *** *** *** *** Israel End users: non-buyback *** *** *** *** Israel End users *** Subject Distributors *** *** *** *** *** *** *** Subject End users: buyback *** *** *** *** Subject End users: non-buyback *** *** *** *** Subject End users *** *** *** *** Nonsubject Distributors *** *** *** *** Nonsubject End users: buyback *** *** *** *** End users: non-buyback Nonsubject *** *** *** *** Nonsubject End users *** *** *** *** All imports Distributors *** All imports End users: buyback *** *** *** *** *** *** *** All imports End users: non-buyback *** *** *** *** All imports End users

Shares in percent

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

Geographic distribution

U.S. producers and subject importers (including importers from Israel) reported selling brass rod to all regions in the contiguous United States (table II-2). For U.S. importers within each individual subject source they supply and for U.S. producers, at least half of responding firms indicated a presence within each individual region within the continental United States. Only a handful of importers and no U.S. producers indicated serving "other", non-continental regions within the United States. For U.S. producers, *** percent of sales were within 100 miles of their production facility, *** percent (a majority) were between 101 and 1,000 miles, and *** percent were over 1,000 miles. For subject importers, the distance shipped was *** percent of importers' sales within 100 miles of their U.S. point of shipment, *** percent between 101 and 1,000 miles, and *** percent over 1,000 miles.⁹

							Subject sources		
	U.S.				South	South	except		Subject
Region	producers	Brazil	India	Mexico	Africa	Korea	Israel	Israel	sources
Northeast	3	6	3	***	***	4	11	***	12
Midwest	3	7	3	***	***	3	11	***	12
Southeast	3	5	4	***	***	2	9	***	10
Central Southwest	3	6	4	***	***	2	10	***	11
Mountains	3	3	2	***	***	2	6	***	7
Pacific Coast	3	6	3	***	***	3	11	***	12
Other	0	2	1	***	***	2	4	***	4
All regions (except									
Other)	3	2	2	***	***	2	5	***	6
Reporting firms	3	7	4	***	***	4	12	***	13

 Table II-2

 Brass rod: Count of U.S. producers' and U.S. importers' geographic markets

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

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

Note: Firms may have shipped to multiple regions and firms may have sourced from multiple markets. Therefore, totals may not correspond to the sum of each source.

⁹ Importers of brass rod produced in Israel sold *** percent within 100 miles of their U.S. point of shipment, *** percent between 101 and 1,000 miles, and *** percent over 1,000 miles.

Supply and demand considerations

U.S. supply

Table II-3 provides a summary of the supply factors regarding brass rod from U.S. producers and from subject countries. In 2022, domestic capacity was over *** times greater than Israeli capacity (the subject source with *** capacity), *** percent greater than South Korean capacity (the subject source with *** capacity), and *** percent greater than combined subject capacity. Capacity in the United States, India, and Mexico was unchanged from 2020 to 2022 while capacity in Brazil, Israel, and South Africa each individual decreased slightly and capacity in South Korea increased by more than *** percent. The increase in capacity in South Korea was larger than the decrease in other subject countries, leading to overall increased combined subject capacity of *** percent. In terms of capacity utilization, U.S., Indian and Israeli producers reported increasing utilization rates comparing 2022 to 2020, while other subject sources (Brazil, Mexico, South Africa, and South Korea) reported decreasing utilization rates. Net subject producers reported a decline in their utilization rate of *** percentage points indicating that they increase capacity more then they increase production over the 2020 to 2022 period.

Table II-3 Brass rod: Supply factors that affect the ability to increase shipments to the U.S. market, by country

Factor	Measure	United States	Brazil	India	Mexico	South Africa	South Korea
Capacity 2020	Quantity	***	***	***	***	***	***
Capacity 2022	Quantity	***	***	***	***	***	***
Capacity utilization 2020	Ratio	***	***	***	***	***	***
Capacity utilization 2022	Ratio	***	***	***	***	***	***
Inventories to total shipments 2020	Ratio	***	***	***	***	***	***
Inventories to total shipments 2022	Ratio	***	***	***	***	***	***
Home market shipments 2022	Ratio	***	***	***	***	***	***
Non-U.S. export market shipments 2022	Ratio	***	***	***	***	***	***
Ability to shift production	Count	***	***	***	***	***	***

Quantity in 1,000 pounds; ratio and shares in percent

Table continued.

Table II-3 Continued

Brass rod: Supply factors that affect the ability to increase shipments to the U.S. market, by country

Factor	Measure	United States	Subject sources except Israel	Israel	Subject
Capacity 2020	Quantity	***	***	***	***
Capacity 2022	Quantity	***	***	***	***
Capacity utilization 2020	Ratio	***	***	***	***
Capacity utilization 2022	Ratio	***	***	***	***
Inventories to total shipments 2020	Ratio	***	***	***	***
Inventories to total shipments 2022	Ratio	***	***	***	***
Home market shipments 2022	Ratio	***	***	***	***
Non-U.S. export market shipments 2022	Ratio	***	***	***	***
Ability to shift production	Count	***	***	***	***

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

Note: Responding U.S. producers accounted for all of U.S. production of brass rod in 2022. Responding foreign producer/exporter firms accounted for more than 75 percent of U.S. imports of brass rod from Brazil, less than half of imports from India, *** of imports from Israel, *** of imports from Mexico, *** of imports from South Africa, and more than 75 percent of imports from South Korea during 2022. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from each subject country, please refer to Part I, "Summary Data and Data Sources."

Domestic production

Based on available information, U.S. producers of brass rod have the ability to respond to changes in demand with large changes in the quantity of shipments of U.S.-produced brass rod to the U.S. market. The main contributing factor to this degree of responsiveness of supply is the availability of unused capacity. Factors mitigating responsiveness of supply include limited ability to shift shipments from alternate products and reported supply constraints.

Capacity remained steady between 2020 and 2022, while capacity utilization increased slightly. Canada and Mexico are the major export markets for U.S. producers. Other products that producers reportedly can produce on the same equipment as brass rod are specialty alloy products and elevator sills. Factors affecting U.S. producers' ability to shift production include cost and profit margins on alternative products.

The COVID-19 pandemic was reported as a temporary supply constraint. U.S. producer *** reported that its customers were placed on allocation between *** while it rehired workers during a post-COVID-19 demand spike. U.S. producer *** reported that it *** in 2021 and suspended its production in *** 2023 ***.

Subject imports from Brazil

Based on available information, producers of brass rod from Brazil have the ability to respond to changes in demand with *** changes in the quantity of shipments of brass rod to the U.S. market. The main contributing factors to this degree of responsiveness of supply are ***. Factors mitigating responsiveness of supply include ***.

Brazilian capacity decreased by *** percent while capacity utilization decreased by *** percentage points between 2020 and 2022. *** are major export markets. ***.

Subject imports from India

Based on available information, the producer of brass rod from India has the ability to respond to changes in demand with *** changes in the quantity of shipments of brass rod to the U.S. market. The main contributing factors to this degree of responsiveness of supply are ***.

Capacity *** between 2020 and 2022 and production increased by *** percent, leading to a *** percentage point increase in capacity utilization. Major export markets for India are ***. Other products that the responding foreign producer reportedly can produce on the same equipment as brass rod are ***. Factors affecting foreign producers' ability to shift production include ***.

Subject imports from Israel

Based on available information, Finkelstein Metals, the sole subject producer of brass rod from Israel, has the ability to respond to changes in demand with *** changes in the quantity of shipments of brass rod to the U.S. market. The main contributing factors to this degree of responsiveness of supply include ***. Factors mitigating the responsiveness of supply include ***.

Israeli capacity decreased by *** percent between 2020 and 2022 while capacity utilization increased by *** percentage points. Finkelstein, the sole producer of brass rod in Israel, stated that one-third of its employees "...cannot cross the border from the West Bank, which is closed because of the war and will remain closed for the foreseeable future even after the fighting stops" and that "The war is having and will continue to have a real and meaningful effect on {Finkelstein's} capacity and production."¹⁰ *** is a current major export market for Israel, and *** are reported projected export markets for 2024. Other products that the responding foreign producer reportedly can produce on the same equipment as brass rod are ***. Factors limiting Finkelstein's ability to shift production include: the limited supply of scrap sources in Israel¹¹ ***.

¹⁰ Hearing transcript, p. 134 (Apeloig).

¹¹ Hearing transcript, pp. 133-134 (Apeloig).
Subject imports from Mexico

Based on available information, producers of brass rod from Mexico have the ability to respond to changes in demand with *** changes in the quantity of shipments of brass rod to the U.S. market. The main contributing factor to this degree of responsiveness of supply is ***. Industrias Unidas, S.A. de C.V. (IUSA), stated that it only exports brass rod to its U.S.-based sister company, CLI, on the basis of an allocated monthly production schedule that is predetermined to meet CLI's projected demand.¹²

Capacity *** between 2020 and 2022, while reported capacity utilization decreased by *** percentage points. Other products that the responding foreign producer reported producing on the same equipment as brass rod are ***. The foreign producer of brass rod in Mexico did not report ***.

Subject imports from South Africa

Based on available information, producers of brass rod from South Africa have the ability to respond to changes in demand with *** changes in the quantity of shipments of brass rod to the U.S. market. The main contributing factors to this degree of responsiveness of supply are ***.

South African capacity decreased by *** percent between 2020 and 2022. The responding foreign producer identified *** as its principal export market. Other products that the responding foreign producer reportedly can produce on the same equipment as brass rod are ***. Factors affecting the foreign producer's ability to shift production include ***.

Subject imports from South Korea

Based on available information, producers of brass rod from South Korea have the ability to respond to changes in demand with *** changes in the quantity of shipments of brass rod to the U.S. market. The main contributing factors to this degree of responsiveness of

¹² Hearing transcript, pp. 155-158 (Gutierrez and Goad).

supply are ***. Factors mitigating responsiveness of supply include ***.

South Korean capacity increased by *** percent between 2020 and 2022, while production also increased but less than capacity, leading to a *** percent decrease in capacity utilization. China, Japan, Singapore, Taiwan, Thailand, and Vietnam are major export markets. Other products that responding foreign producers reportedly can produce on the same equipment as brass rod are ***. Factors affecting foreign producers' ability to shift production include ***.

Imports from nonsubject sources

Nonsubject imports accounted for *** percent of total U.S. imports in 2022. Firms reported importing brass rod from Germany, Greece, Netherlands, Poland, Serbia, Spain, Turkey, the United Arab Emirates, and the United Kingdom.

Supply constraints

Two of three U.S. producers reported supply constraints in 2021, while one reported supply constraints in 2020 and after the petition was filed on April 28, 2023. None of the U.S. producers reported any supply constraints in 2022 or the pre-petition period within 2023. Seven of 14 responding purchasers reported supply constraints from U.S. producers in 2020, 9 of 15 reported the same in 2021, and none reported supply constraints from U.S. producers in 2022 (tables II-4 and II-5). Two purchasers reported supply constraints from U.S. producers between January 1 – April 27, 2023 (pre-petition), and none reported supply constraints from U.S. producers descent supply constraints from U.S. producers after the petition was filed. Four purchasers reported that they had experienced supply constraints from U.S. importers or foreign producers in both 2020 and 2021; two of 13 responding purchasers reported constraints in 2022. No purchasers reported supply constraints between January 1 – April 27, 2023 (pre-petition) related to imported brass rod, but one reported a constraint after the petition was filed.

Three purchasers (***) cited COVID-19-related supply constraints, one (***) reported a shortage of brass, one (***) reported manpower and ocean freight restrictions and U.S. port capacity constraints. Purchaser (***) reported that U.S. producers *** refused to work with it because ***, while purchaser ***

reported that U.S. producer *** refused to work with it because of a ***. Other reported supply constraints consisted of ***.

Table II-4

Brass rod: Count of purchasers' reported supply constraints, by imposing firm type and year

Firm type	2020	2021	2022	Pre-petition 2023	Post-petition 2023
U.S. producer	7	9	0	2	0
Importer or foreign producer	4	4	2	0	1
Any supply constraints	7	9	2	2	1
No supply constraints	7	6	11	12	11

Count in number of purchasers reporting

Table II-5 Brass rod: Purchaser narratives on supply constraints, by reporting firm type and year

Reporting purchaser	Year	Narrative on supply constraints
***	2020	***
***	2022	***
***	2022	***
***	2021	***
***	2020	***
***	2021	***
***	2022	***
***	2020	***
***	2021	***
***	2021	***
***	Pre-petition 2023	***
***	2020	***
***	2021	***

Brace real manative on cappi		conoriante, sy reporting init type and your			
Reporting firm	Year	Narrative on supply constraints			

***	2020				

***	2021				
***	2020	***			
***	2021	***			
***	Pre-petition 2023	***			
***	Post-petition 2023	***			

Table II-5 Continued Brass rod: Narrative on supply constraints, by reporting firm type and year

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

New suppliers

Twelve of 15 responding purchasers indicated that no new suppliers had entered the U.S. market since January 1, 2020. Two purchasers cited Finkelstein (Israel) as a new supplier, and one purchaser cited Bedra (Vietnam) as a new supplier.

U.S. demand

Based on available information, the overall demand for brass rod is likely to experience moderate changes in response to changes in price. The main contributing factors are the existence of substitute products and the small cost share of brass rod in end-use products.

End uses and cost share

U.S. demand for brass rod depends on the demand in the downstream sectors for which it is used, including construction, as well as in agriculture, communications, defense, heavy construction equipment, industrial manufacturing, and transportation. An industry representative for U.S. producer Mueller stated that, for most brass rod producers, the largest volume is sold to the construction industry for applications such as plumbing, HVAC, and architectural components.¹³

Brass rod accounts for a large share of the cost of end-use products such as valves, faucets, and machine parts, but a small cost share of its ultimate end-use applications. Reported cost shares for some end uses were as follows: nozzles (purchaser ***

¹³ Hearing transcript, p. 22 (Mitchell).

reported 75 percent), machined parts (importer *** reported 70 percent and importer *** reported 60 percent), brass fittings (purchaser *** reported 60 percent), valves (U.S. producer/importer *** reported 50 percent), precision metal parts (imported *** reported 47 percent), and electronics (purchaser *** reported 35 percent).¹⁴

Business cycles

A narrow majority of responding firms (1 of 3 U.S. producers, 10 of 18 importers, and 7 of 14 responding purchasers indicated that the brass rod market was subject to business cycles. Specifically, *** reported that the business cycle for brass rod is often related to the construction cycle, with the first quarter as the strongest and the fourth quarter as the weakest quarter in the year. Importers similarly reported that demand for brass rod matched broader economic cycles, and that it fluctuates with industrial business activity. Importers cited the housing, construction, agriculture, and automotive markets, as well as copper prices in their descriptions of business cycles for the brass rod market. One purchaser ***, reported that the housing and construction industries are experiencing softening demand.

Demand trends

Most responding U.S. producers and purchasers reported that U.S. demand for brass rod since January 1, 2020, had fluctuated down, while importer responses were more mixed. Most firms reported that foreign demand had either fluctuated up or not changed (table II-6). U.S. producer Wieland Chase stated that it expects future demand for brass rod to decline.¹⁵

¹⁴ During the preliminary phase, reported cost shares for some uses were as follows: bath/shower rough-ins -3 percent; faucets - 2 to 20 percent; fittings and valves - 35 to 50 percent; fluid delivery components for heavy trucks -35 percent, and machined parts - 60-70 percent. *Investigation Nos. 701-686-688 and 731-TA-1612-1617 (Preliminary): Brass Rod from Brazil, Israel, Mexico, South Africa, and South Korea – Staff Report,* INV-VV-049, June 5, 2023.

¹⁵ Hearing transcript, pp. 30-31 (Christie).

Table II-6 Brass rod: Count of firms' responses regarding overall domestic and foreign demand, by firm type

Market	Firm type	Steadily Increase	Fluctuate Up	No change	Fluctuate Down	Steadily Decrease
Domestic demand	U.S. producers	0	0	1	2	0
Domestic demand	Importers	1	5	2	5	3
Domestic demand	Purchasers	1	2	2	6	0
Foreign demand	U.S. producers	0	2	1	0	0
Foreign demand	Importers	0	5	4	0	1
Foreign demand	Purchasers	0	2	2	1	0
Demand for end use products	Purchasers	0	1	4	1	0

Count in number of firms reporting

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

Housing starts were reported to have cooled off from their post-COVID-19 surge due to the pace of interest increases beginning in 2022.¹⁶ U.S. residential housing starts increased from 2020 to 2022 by 12.5 percent, increasing by 16.1 percent in 2021 and decreasing by 3.0 percent in 2022. In addition, housing starts were 12.0 percent lower in interim 2023 relative to interim 2022.¹⁷ As shown in table II-7 and figure II-1, with the exception of March, April and May, housing starts were lower at the beginning of 2023 than they had been during the same months in 2020.

¹⁶ Hearing transcript, p. 142 (Prusa).

¹⁷ U.S. Census Bureau and U.S. Department of Housing and Urban Development, New Privately-Owned Housing Units Started: Total Units ***, retrieved from FRED, Federal Reserve Bank of St. Louis; <u>https://fred.stlouisfed.org/series/HOUSTNSA</u>, retrieved November 16, 2023.

Table II-7Housing starts: Monthly privately owned housing units started not seasonally adjusted January2020 to September 2023

Period	2020	2021	2022	2023
January	113.1	115.2	121.0	97.7
February	111.6	102.1	126.1	103.2
March	104.5	140.6	142.6	114.0
April	84.9	135.5	164.3	121.7
Мау	95.1	145.7	140.6	146.0
June	118.8	154.3	144.9	132.6
July	138.7	143.9	123.7	131.4
August	122.5	140.0	134.5	115.8
September	126.3	135.2	127.5	116.3
October	131.2	133.6	121.6	115.4
November	117.8	130.8	111.1	n.a.
December	115.1	124.2	94.7	n.a.

Values are quantity in terms of 1,000 housing starts

Source: U.S. Census Bureau and U.S. Department of Housing and Urban Development, New Privately-Owned Housing Units Started: Total Units ***, retrieved from FRED, Federal Reserve Bank of St. Louis; <u>https://fred.stlouisfed.org/series/HOUSTNSA</u>, retrieved November 16, 2023.

Note: NA are not available.

Figure II-1 Housing starts: Monthly privately owned housing units started, not seasonally adjusted, January 2020 – September 2023



Source: https://fred.stlouisfed.org/series/HOUSTNSA, retrieved November 16, 2023.

Substitute products

One reporting producer indicated that there are substitutes for brass rod. A majority of importers (12 of 16 responding) and purchasers (7 of 13 responding) reported that there were no substitutes for brass rod. Some firms reported substitutes for brass rod including plastics and steel for plumping and valve fitting components, although plastic and steel were reported to be cheaper than brass rod. According to Petitioners, substituting other products for brass rod requires engineering design changes and is not generally done on a short-term basis. Petitioners reported that they did not observe any substitution of alternate products for brass rod during the period of investigation.¹⁸

Substitutability issues

This section assesses the degree to which U.S.-produced brass rod and imports of brass rod from subject countries can be substituted for one another by examining the importance of certain purchasing factors and the comparability of brass rod from domestic and imported sources based on those factors. Based on available data, staff believes that there is a moderate to high degree of substitutability between domestically produced brass rod and brass rod imported from subject sources.¹⁹ Factors contributing to this level of substitutability include similar quality and availability for brass rod, little preference for particular country of origin or producers, similarities between domestically produced brass rod and brass rod imported from subject sources. Factors that may reduce substitutability include longer lead times from foreign sources, differences in availability between sources at times during the period of investigation, and possible purchaser preferences for buying from producers offering brass scrap buyback programs, although most responding purchasers reported that these programs were not a significant factor in their purchase decisions for brass rod.²⁰

¹⁸ Investigation Nos. 701-686-688 and 731-TA-1612-1617 (Preliminary): Brass Rod from Brazil, Israel, Mexico, South Africa, and South Korea – Staff Report, INV-VV-049, June 5, 2023, p. II-9.

¹⁹ The degree of substitution between domestic and imported brass rod depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced brass rod to the brass rod imported from subject countries (or vice versa) when prices change. The degree of substitution may include such factors as relative prices (discounts/rebates), 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.).

²⁰ Nine (9) responding purchasers are distributors, 3 are end users, and 3 are "other" (*** identified as a broker/importer, *** identified as a manufacturer, and *** identified as a U.S. producer). Three (3) (continued...)

Factors affecting purchasing decisions

Purchaser decisions based on source

As shown in table II-8, most purchasers and their customers sometimes or never make purchasing decisions based on the producer or country of origin. ***, the one purchaser that reported that it always makes decisions based on the manufacturer, reported that it purchases material from long standing vendors with whom it has existing relationships.²¹

Table II-8

Brass rod: Count of purchasers' responses regarding frequency of purchasing decisions based on producer, country of origin, and buyback programs

Firm making decision	Decision based on	Always	Usually	Sometimes	Never
Purchaser	Producer	1	4	5	5
Customer	Producer	0	0	7	6
Purchaser	Country	0	2	5	7
Customer	Country	0	1	6	6
Purchaser	Buyback	1	0	3	10
Customer	Buyback	0	1	6	6

Count in number of firms reporting

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

Purchaser decisions based on scrap buyback program

Most of the responding purchasers never base their purchasing decisions on a scrap buyback program and the majority of their customers sometimes or never do (table II-8). Of the three end users that provided purchaser questionnaire responses, one, ***, reported that it never bases its purchasing decisions on a scrap buyback program, another, ***, reported that it always does, and *** reported that it sometimes does. Six of the responding 8 purchasers that identified as distributors reported that they never base their purchasing decisions on a scrap buyback program. One purchaser, ***, reported that it does not purchase C36000 from India because of impurities and potential downstream effects to the U.S. scrap stream.

^{(...}continued)

of 15 responding purchasers (***) reported that they participated in a scrap buyback program since January 1, 2020.

²¹ This purchaser reported that it purchases brass rod from domestic producers as well as subject and nonsubject producers.

Importance of purchasing domestic product

Twelve purchasers reported that the majority or all of their purchases did not require purchasing U.S.-produced product. None reported that domestic product was required by law, while 4 reported at least some portion of it was required by their customers. Of the firms reporting some domestic purchase requirements, three purchasers reported that purchases with such requirements comprised 1 to 8 percent of their total purchases, while one (***) reported that it was for 60 percent of its purchases). One purchaser (***) reported other preferences for domestic product, specifically for its customers that use scrap return.

Most important purchase factors

The most often cited top three factors firms consider in their purchasing decisions for brass rod were price (10 firms), followed by delivery/lead time (9 firms), as shown in table II-9. Quality (5 firms) followed by availability/supply (4 firms) were the most frequently cited first-most important factors. The second-most important factor was either price/cost or delivery/lead time (cited by 4 firms each). Delivery/lead time was the most frequently reported third-most important factor (5 firms).

Table II-9

Brass rod: Count of ranking of factors used in purchasing decisions as reported by purchasers, by factor

Factor	First	Second	Third	Total				
Availability / Supply	4	3	2	8				
Quality	5	1	2	8				
Price	2	4	4	10				
Delivery / Lead Time	0	4	5	9				
All other factors	3	3	1	NA				

Count in number of firms reporting

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

Note: Other first-most important factors included scrap buyback programs and size. NA are not available.

Most responding purchasers (8 of 15) reported that they sometimes purchase the lowest-priced product while the remaining 7 purchasers reported that always (3) or usually (4) purchase the lowest-priced product.

Importance of specified purchase factors

Purchasers were asked to rate the importance of 16 factors in their purchasing decisions (table II-10). The factors rated as very important by more than half of responding purchasers

were quality meets industry standards (reported by 14 purchasers); reliability of supply (12); availability and delivery time (11 each); product consistency (10); and price (9). Most purchasers reported that scrap buyback programs were not an important purchasing factor in their purchasing decisions.²²

Table II-10 Brass rod: Count of purchasers' responses regarding importance of purchase factors, by factor

	Somewhat	
Very important	Important	Not important
11	4	0
7	8	0
11	3	1
5	8	2
6	8	1
2	8	4
4	10	1
9	6	0
10	5	0
4	9	0
14	1	0
4	11	0
12	3	0
3	2	11
2	12	1
3	12	0
	Very important 11 7 11 5 6 2 4 9 10 4 10 4 12 3 2 3 2 3 2 3 2 3	Very important Somewhat important 11 4 7 8 11 3 5 8 6 8 2 8 4 10 9 6 10 5 4 9 14 1 12 3 3 2 3 12 3 12

Count in number of firms reporting

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

Lead times

Brass rod is primarily produced-to-order. Between *** and *** percent of U.S. producers' shipments between January 2020 – September 2023 were produced-to-order, with the balance being supplied from their U.S. inventories. Likewise, between *** and *** percent of U.S. importers' shipments were produced-to-order, with the balance from either their U.S. inventories or their foreign suppliers' inventories, but primarily from their U.S. inventories. Table II-11 shows U.S. producers' and U.S. importers' average lead times by reporting firm type, period, and type of sale. U.S. importer/purchaser Aviva Metals stated that it sells brass rod to distributors and end users using inventory from its affiliated mills.²³

²² Three (3) of 15 responding purchasers reported that they had participated in a scrap buyback program since January 1, 2020.

²³ Hearing transcript, p. 153 (Lazarus).

Table II-11 Brass rod: U.S. producers' and U.S. importers' leads times by reporting firm type, period, and type of sale

					Jan-Sep
Type of sale	Firm type	2020	2021	2022	2023
Produced to order	U.S. producers	***	***	***	***
Produced to order	Importers	***	***	***	***
From U.S. inventories	U.S. producers	***	***	***	***
From U.S. inventories	Importers	***	***	***	***

Lead time in average number of days

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

Supplier certification

More than half (9 out of 15) of responding purchasers require their suppliers to become certified or qualified to sell brass rod to their firm. Purchasers reported that the time to qualify a new supplier ranged from 1 to 120 days, with a plurality of purchasers reporting 14 or 30 days. U.S. importer/purchaser Aviva Metals stated that it "blacklisted" U.S. producer CXM due to CXM not meeting its quality standards and multiple shipments with rejections.²⁴

Minimum quality specifications

As can be seen from table II-12, almost all responding purchasers that had knowledge of minimum quality specifications reported that brass rod across all sources always or usually met minimum quality specifications. One purchaser, ***, reported that domestically produced brass rod rarely/never met minimum quality specifications.

²⁴ Hearing transcript, p. 219 (Lazarus). Purchaser *** also reported that ***.

Table II-12 Brass rod: Count of purchasers' responses regarding suppliers' ability to meet minimum quality specifications, by source

Source of purchases	Always	Usually	Sometimes	Rarely or never	Don't Know
United States	8	6	0	1	0
Brazil	6	2	0	0	5
India	4	3	0	0	4
Israel	8	5	0	0	1
Mexico	4	2	0	0	7
South Africa	4	3	0	0	5
South Korea	5	1	0	0	7
Nonsubject sources	3	2	0	0	2

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

Note: Purchasers were asked how often domestically produced or imported brass rod meets minimum quality specifications for their own or their customers' uses.

Fifteen of 17 purchasers reported factors that determined quality. Ten purchasers reported ability to meet ASTM/industry standards or specifications. Other reported factors were machinability, proximity to final location, surface condition, receiving undamaged product, "straightness" potentially exceeding ASTM requirements, and surface finish.

Changes in purchasing patterns

Three purchasers reported that they had changed suppliers since January 1, 2020, while 12 reported that they had not. Specifically, *** dropped CXM due to quality issues and added ***, and *** added Finkelstein ***. *** reported ***.

Purchasers were also asked about changes in their purchasing patterns from different countries since January 1, 2020 (table II-13). Five purchasers each reported that their purchases of U.S.-produced brass rod and brass rod produced in South Africa had fluctuated down. Reasons cited for these changes in purchases of U.S.-produced brass rod were availability, demand, mill lead times, and a market surge followed by correction. Reasons cited for these changes in purchases of brass rod from South Africa were availability, demand, U.S. capacity constraints, and supply chain issues. Four purchasers each reported that purchases of product from Israel fluctuated up or fluctuated down. Reasons for purchases fluctuating up included the availability of depot stocks. Reasons for purchases from Israel fluctuating down included less advantageous pricing and demand/availability factors. Three purchasers each reported that

purchases from Brazil fluctuated down or up. Reasons cited for these changes included matching increased demand and COVID-19 affecting the 2020 comparison. Purchasers reported varying trends for brass rod purchases from nonsubject sources.

Table II-13
Brass rod: Count of purchasers' responses regarding changes in purchase patterns from U.S.,
subject, and nonsubject countries

Source of purchases	Steadily Increase	Fluctuate Up	No change	Fluctuate Down	Steadily Decrease	Did not purchase
United States	0	6	2	5	1	1
Brazil	0	3	0	3	0	7
India	0	3	2	1	1	6
Israel	1	4	2	4	0	3
Mexico	0	1	1	2	0	8
South Africa	0	1	1	5	1	6
South Korea	0	1	1	2	1	8
Nonsubject sources	0	3	1	3	1	5

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

Purchase factor comparisons of domestic products, subject imports, and nonsubject imports

Purchasers were asked a number of questions comparing brass rod produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 16 factors (tables II-14) for which they were asked to rate the importance (table II-10).

No purchasers reported domestically produced brass rod as inferior to brass rod produced in subject countries on the basis of quality meets industry standards, one of the factors purchasers ranked as "very important" from table II-10. With respect to the other factors ranked by U.S. purchasers as "very important", U.S. producers were ranked as inferior for one or more subject sources eight times in the comparisons for "availability" (or 20.5 percent of the comparisons made), twice for the comparisons for "delivery time" (or 5.4 percent of the comparisons), one time in the comparisons for "product consistency" (or 2.6 percent of the comparison), and three times for the comparisons for "reliability of supply" (or 7.9 percent of the comparisons made). In every factor except price that purchasers indicated was "very important", purchasers indicated that U.S. product was at least comparable if not superior to subject product in the vast majority of comparisons made. A majority or plurality of responding purchasers reported that the domestically produced product was inferior on the basis of price (i.e., higher-priced) compared to brass rod from each subject country except Israel (for which a majority rated the sources as comparable). When asked to compare domestically produced brass rod with brass rod from Brazil, the majority of purchasers reported that the domestically produced product was inferior on price (four firms) and discounts offered and product range (3 firms each). Compared to brass rod produced in India, purchasers reported that U.S.-produced brass rod was inferior on the basis of discounts offered and price (3 firms each). For comparisons between U.S. product and product produced in Israel, there was no factor for which a majority of responding purchasers indicated U.S. product was inferior. Compared to brass rod produced in Mexico, the majority of purchasers reported that U.S.-produced brass rod was inferior on the basis of price (3 firms) and discounts offered (2 firms). Compared to brass rod produced in South Africa, the majority of purchasers reported that U.S.-produced brass rod was inferior on the basis of discounts offered and price (3 firms). Compared to brass rod produced in South Africa, the majority of purchasers reported that U.S.-produced brass rod was inferior on the basis of discounts offered and price (3 firms each). Compared to brass rod produced in South Korea, the majority of purchasers reported that U.S.-produced brass rod was inferior on the basis of price (4 firms).

Most purchasers reported that U.S. and nonsubject brass rod were comparable on minimum quantity requirements, packaging, payment terms, and product consistency (6 firms each), product range, quality meets industry standards, quality exceeds industry standards, and technical support/service (5 firms each), and delivery terms and U.S. transportation costs (4 firms each). Compared to nonsubject brass rod, most purchasers reported that U.S.-produced brass rod was inferior on the basis of price (4 firms).

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Brazil	3	1	2
Delivery terms	U.S. vs Brazil	1	5	0
Delivery time	U.S. vs Brazil	3	2	0
Discounts offered	U.S. vs Brazil	0	2	3
Minimum quantity requirements	U.S. vs Brazil	0	3	2
Packaging	U.S. vs Brazil	0	5	0
Payment terms	U.S. vs Brazil	0	5	1
Price	U.S. vs Brazil	0	2	4
Product consistency	U.S. vs Brazil	0	6	0
Product range	U.S. vs Brazil	0	2	3
Quality meets industry standards	U.S. vs Brazil	0	5	0
Quality exceeds industry standards	U.S. vs Brazil	0	6	0
Reliability of supply	U.S. vs Brazil	3	2	1
Scrap buyback programs	U.S. vs Brazil	5	0	0
Technical support/service	U.S. vs Brazil	1	4	0
U.S. transportation costs	U.S. vs Brazil	2	3	0

Table II-14

Brass rod: Count of purchasers	responses comparing U.Sproduced and imported product, by
factor and country pair	

Table II-14 Continued

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs India	2	0	2
Delivery terms	U.S. vs India	1	3	0
Delivery time	U.S. vs India	4	0	0
Discounts offered	U.S. vs India	0	1	3
Minimum quantity requirements	U.S. vs India	0	2	2
Packaging	U.S. vs India	0	4	0
Payment terms	U.S. vs India	1	3	0
Price	U.S. vs India	0	1	3
Product consistency	U.S. vs India	0	4	0
Product range	U.S. vs India	0	2	2
Quality meets industry standards	U.S. vs India	0	4	0
Quality exceeds industry standards	U.S. vs India	0	4	0
Reliability of supply	U.S. vs India	2	1	1
Scrap buyback programs	U.S. vs India	4	0	0
Technical support/service	U.S. vs India	0	4	0
U.S. transportation costs	U.S. vs India	1	3	0

Brass rod: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

Table continued.

Table II-14 Continued

Brass rod: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Israel	4	8	1
Delivery terms	U.S. vs Israel	3	8	2
Delivery time	U.S. vs Israel	5	7	1
Discounts offered	U.S. vs Israel	2	7	3
Minimum quantity requirements	U.S. vs Israel	0	11	1
Packaging	U.S. vs Israel	0	11	1
Payment terms	U.S. vs Israel	0	13	0
Price	U.S. vs Israel	0	10	3
Product consistency	U.S. vs Israel	1	12	0
Product range	U.S. vs Israel	1	11	0
Quality meets industry standards	U.S. vs Israel	0	11	0
Quality exceeds industry standards	U.S. vs Israel	1	12	0
Reliability of supply	U.S. vs Israel	4	8	0
Scrap buyback programs	U.S. vs Israel	7	5	0
Technical support/service	U.S. vs Israel	3	9	0
U.S. transportation costs	U.S. vs Israel	4	9	0

Table II-14 ContinuedBrass rod: Count of purchasers' responses comparing U.S.-produced and imported product, byfactor and country pair

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Mexico	3	1	0
Delivery terms	U.S. vs Mexico	0	4	0
Delivery time	U.S. vs Mexico	2	2	0
Discounts offered	U.S. vs Mexico	0	1	2
Minimum quantity requirements	U.S. vs Mexico	0	4	0
Packaging	U.S. vs Mexico	0	4	0
Payment terms	U.S. vs Mexico	0	4	0
Price	U.S. vs Mexico	0	1	3
Product consistency	U.S. vs Mexico	0	4	0
Product range	U.S. vs Mexico	0	3	1
Quality meets industry standards	U.S. vs Mexico	0	4	0
Quality exceeds industry standards	U.S. vs Mexico	0	3	0
Reliability of supply	U.S. vs Mexico	2	2	0
Scrap buyback programs	U.S. vs Mexico	3	1	0
Technical support/service	U.S. vs Mexico	0	3	1
U.S. transportation costs	U.S. vs Mexico	0	4	0

Table continued.

Table II-14 Continued

Brass rod: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs South Africa	2	2	2
Delivery terms	U.S. vs South Africa	0	5	1
Delivery time	U.S. vs South Africa	3	2	1
Discounts offered	U.S. vs South Africa	1	2	3
Minimum quantity requirements	U.S. vs South Africa	0	5	1
Packaging	U.S. vs South Africa	0	6	0
Payment terms	U.S. vs South Africa	0	5	1
Price	U.S. vs South Africa	1	2	3
Product consistency	U.S. vs South Africa	0	5	1
Product range	U.S. vs South Africa	0	5	1
Quality meets industry standards	U.S. vs South Africa	0	6	0
Quality exceeds industry standards	U.S. vs South Africa	0	6	0
Reliability of supply	U.S. vs South Africa	2	3	1
Scrap buyback programs	U.S. vs South Africa	4	2	0
Technical support/service	U.S. vs South Africa	0	5	1
U.S. transportation costs	U.S. vs South Africa	0	6	0

Table II-14 Continued Brass rod: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs South Korea	4	1	1
Delivery terms	U.S. vs South Korea	1	5	0
Delivery time	U.S. vs South Korea	4	1	0
Discounts offered	U.S. vs South Korea	0	3	2
Minimum quantity requirements	U.S. vs South Korea	0	5	0
Packaging	U.S. vs South Korea	0	5	0
Payment terms	U.S. vs South Korea	0	6	0
Price	U.S. vs South Korea	0	2	4
Product consistency	U.S. vs South Korea	0	6	0
Product range	U.S. vs South Korea	0	4	1
Quality meets industry standards	U.S. vs South Korea	0	5	0
Quality exceeds industry standards	U.S. vs South Korea	0	5	0
Reliability of supply	U.S. vs South Korea	3	3	0
Scrap buyback programs	U.S. vs South Korea	4	2	0
Technical support/service	U.S. vs South Korea	2	3	0
U.S. transportation costs	U.S. vs South Korea	0	5	0

Table II-14 Continued Brass rod: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Nonsubject sources	5	1	0
Delivery terms	U.S. vs Nonsubject sources	2	4	0
Delivery time	U.S. vs Nonsubject sources	4	2	0
Discounts offered	U.S. vs Nonsubject sources	0	3	2
Minimum quantity requirements	U.S. vs Nonsubject sources	0	6	0
Packaging	U.S. vs Nonsubject sources	0	6	0
Payment terms	U.S. vs Nonsubject sources	0	6	0
Price	U.S. vs Nonsubject sources	0	2	4
Product consistency	U.S. vs Nonsubject sources	0	6	0
Product range	U.S. vs Nonsubject sources	0	5	1
Quality meets industry standards	U.S. vs Nonsubject sources	1	5	0
Quality exceeds industry standards	U.S. vs Nonsubject sources	1	5	0
Reliability of supply	U.S. vs Nonsubject sources	3	3	0
Scrap buyback programs	U.S. vs Nonsubject sources	4	2	0
Technical support/service	U.S. vs Nonsubject sources	1	5	0
U.S. transportation costs	U.S. vs Nonsubject sources	2	4	0

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

Note: A rating of superior means that price/U.S. transportation cost is generally lower. For example, if a firm reported "U.S. superior," it meant that the U.S. product was generally priced lower than the imported product.

Comparison of U.S.-produced and imported brass rod

In order to determine whether U.S.-produced brass rod can generally be used in the same applications as imports from each subject country and nonsubject countries, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in tables II-15 to II-17, all U.S. producers, most U.S. importers, and the majority of purchasers reported that brass rod is always interchangeable across domestic, subject, and nonsubject sources. One importer and four purchasers reported that since brass rod is subject to international ASTM standards, brass rod is interchangeable if it meets the alloy needed and the standard requirements. However, importer *** reported that product specifications with customized rod/profile products are a key differentiating factor, and that ***. Importer *** also reported that although all brass rod is produced to the same ASTM standard, each mill offers brass rod that differs with handling scrap, so consumers are "locked in".

Table II-15

Brass rod: Count of U.S. producers reporting the interchangeability between product produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
United States vs. Brazil	3	0	0	0
United States vs. India	3	0	0	0
United States vs. Israel	3	0	0	0
United States vs. Mexico	3	0	0	0
United States vs. South Africa	3	0	0	0
United States vs. South Korea	3	0	0	0
Brazil vs. India	3	0	0	0
Brazil vs. Israel	3	0	0	0
Brazil vs. Mexico	3	0	0	0
Brazil vs. South Africa	3	0	0	0
Brazil vs. South Korea	3	0	0	0
India vs. Israel	3	0	0	0
India vs. Mexico	3	0	0	0
India vs. South Africa	3	0	0	0
India vs. South Korea	3	0	0	0
Israel vs. Mexico	3	0	0	0
Israel vs. South Africa	3	0	0	0
Israel vs. South Korea	3	0	0	0
Mexico vs. South Africa	3	0	0	0
Mexico vs. South Korea	3	0	0	0
South Africa vs. South Korea	3	0	0	0
United States vs. Other	3	0	0	0
Brazil vs. Other	3	0	0	0
India vs. Other	3	0	0	0
Israel vs. Other	3	0	0	0
Mexico vs. Other	3	0	0	0
South Africa vs. Other	3	0	0	0
South Korea vs. Other	3	0	0	0

Table II-16

Brass rod: 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
United States vs. Brazil	7	1	3	0
United States vs. India	6	1	2	0
United States vs. Israel	5	1	3	0
United States vs. Mexico	4	1	3	0
United States vs. South Africa	5	0	1	0
United States vs. South Korea	6	1	3	0
Brazil vs. India	6	1	2	0
Brazil vs. Israel	5	2	1	0
Brazil vs. Mexico	4	1	1	0
Brazil vs. South Africa	5	1	0	0
Brazil vs. South Korea	5	1	0	0
India vs. Israel	4	1	2	0
India vs. Mexico	4	0	2	0
India vs. South Africa	5	0	1	0
India vs. South Korea	4	1	1	0
Israel vs. Mexico	4	1	1	0
Israel vs. South Africa	4	1	1	0
Israel vs. South Korea	5	1	1	0
Mexico vs. South Africa	4	1	0	0
Mexico vs. South Korea	4	1	0	0
South Africa vs. South Korea	4	1	0	0
United States vs. Other	5	1	3	0
Brazil vs. Other	5	1	2	0
India vs. Other	4	1	3	0
Israel vs. Other	5	1	1	0
Mexico vs. Other	4	1	2	0
South Africa vs. Other	4	1	1	0
South Korea vs. Other	4	1	1	0

Table II-17

Brass rod: Count of purchasers reporting the interchangeability between product produced in	ו the
United States and in other countries, by country pair	

Country pair	Always	Frequently	Sometimes	Never
United States vs. Brazil	6	1	1	0
United States vs. India	5	0	2	1
United States vs. Israel	7	6	0	0
United States vs. Mexico	4	0	1	1
United States vs. South Africa	5	2	0	1
United States vs. South Korea	5	2	0	1
Brazil vs. India	5	0	2	0
Brazil vs. Israel	5	1	0	0
Brazil vs. Mexico	4	0	1	0
Brazil vs. South Africa	5	0	0	0
Brazil vs. South Korea	4	1	0	0
India vs. Israel	5	0	1	0
India vs. Mexico	4	0	1	0
India vs. South Africa	5	0	0	0
India vs. South Korea	4	0	1	0
Israel vs. Mexico	4	0	0	0
Israel vs. South Africa	4	2	0	0
Israel vs. South Korea	5	2	0	0
Mexico vs. South Africa	4	0	0	0
Mexico vs. South Korea	4	0	0	0
South Africa vs. South Korea	4	1	0	0
United States vs. Other	4	3	1	0
Brazil vs. Other	4	1	1	0
India vs. Other	4	0	2	0
Israel vs. Other	5	3	0	0
Mexico vs. Other	4	0	1	0
South Africa vs. Other	4	1	0	0
South Korea vs. Other	5	2	0	0

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

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of brass rod from the United States, subject, or nonsubject countries. As seen in tables II-18 to II-20, all U.S. producers reported that differences other than price were sometimes or never significant across subject sources. Most U.S. importers reported that differences other than price were never significant in country comparisons except for the following comparisons: United States and India, United States and Mexico, United States and South Africa, India and Israel, Israel and Mexico, Israel and South Africa, and India and nonsubject countries. Importers reported that domestic mills have

advantages in freight range, freight costs, lead times/faster delivery, scrap buyback programs, portfolio range on shapes and hollow bars, and orders for which a customer requests domestically produced brass rod. Importers also reported customer prioritization, delivery, product range (sizes and shapes), quality, reliability, service, supplier relationships, and technical support as factors other than price. Purchaser responses varied, although the majority reported that differences other than price were sometimes significant in most country comparisons. When asked to discuss relevant factors other than price and the advantages or disadvantages of such factors, purchasers reported that U.S. mills have an advantage in freight range and overall lead times and that if the supplier has the wrong size or unacceptable lead time, then price does not factor into the equation. Purchaser *** reported that differences other states and brass rod produced in Mexico, Brazil and India. *** Purchaser *** also added that India produces alloys that U.S. producers do not focus on, such as ***.

Table II-18

Brass rod: Count of U.S. producers 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. Brazil	0	0	1	2
United States vs. India	0	0	1	2
United States vs. Israel	0	0	1	2
United States vs. Mexico	0	0	1	2
United States vs. South Africa	0	0	1	2
United States vs. South Korea	0	0	1	2
Brazil vs. India	0	0	1	2
Brazil vs. Israel	0	0	1	2
Brazil vs. Mexico	0	0	1	2
Brazil vs. South Africa	0	0	1	2
Brazil vs. South Korea	0	0	1	2
India vs. Israel	0	0	1	2
India vs. Mexico	0	0	1	2
India vs. South Africa	0	0	1	2
India vs. South Korea	0	0	1	2
Israel vs. Mexico	0	0	1	2
Israel vs. South Africa	0	0	1	2
Israel vs. South Korea	0	0	1	2
Mexico vs. South Africa	0	0	1	2
Mexico vs. South Korea	0	0	1	2
South Africa vs. South Korea	0	0	1	2
United States vs. Other	0	0	1	2
Brazil vs. Other	0	0	1	2
India vs. Other	0	0	1	2
Israel vs. Other	0	0	1	2
Mexico vs. Other	0	0	1	2
South Africa vs. Other	0	0	1	2
South Korea vs. Other	0	0	1	2

Table II-19

Brass rod: 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. Brazil	3	1	2	4
United States vs. India	3	0	2	3
United States vs. Israel	1	1	1	4
United States vs. Mexico	2	1	1	2
United States vs. South Africa	2	0	1	2
United States vs. South Korea	2	1	1	4
Brazil vs. India	3	0	1	4
Brazil vs. Israel	1	0	1	5
Brazil vs. Mexico	2	0	0	3
Brazil vs. South Africa	2	0	0	3
Brazil vs. South Korea	1	0	0	3
India vs. Israel	1	0	2	3
India vs. Mexico	2	0	0	3
India vs. South Africa	2	0	0	3
India vs. South Korea	1	0	1	3
Israel vs. Mexico	2	0	1	3
Israel vs. South Africa	2	0	1	3
Israel vs. South Korea	1	0	1	4
Mexico vs. South Africa	2	0	0	3
Mexico vs. South Korea	1	0	0	3
South Africa vs. South Korea	1	0	0	3
United States vs. Other	1	0	2	4
Brazil vs. Other	1	0	1	3
India vs. Other	1	0	2	3
Israel vs. Other	1	0	1	4
Mexico vs. Other	1	0	1	3
South Africa vs. Other	1	0	1	3
South Korea vs. Other	1	0	1	4

Table II-20

Brass rod: Count of purchasers 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. Brazil	3	1	3	2
United States vs. India	2	0	4	2
United States vs. Israel	3	1	5	2
United States vs. Mexico	1	1	3	1
United States vs. South Africa	2	1	4	1
United States vs. South Korea	2	2	3	1
Brazil vs. India	2	0	3	2
Brazil vs. Israel	0	1	2	2
Brazil vs. Mexico	1	0	2	2
Brazil vs. South Africa	1	0	2	2
Brazil vs. South Korea	0	1	2	2
India vs. Israel	0	0	3	2
India vs. Mexico	1	0	2	2
India vs. South Africa	1	0	2	2
India vs. South Korea	0	0	3	2
Israel vs. Mexico	1	0	2	2
Israel vs. South Africa	2	0	3	2
Israel vs. South Korea	2	1	2	2
Mexico vs. South Africa	1	0	3	2
Mexico vs. South Korea	0	0	2	2
South Africa vs. South Korea	1	0	2	2
United States vs. Other	2	1	4	1
Brazil vs. Other	1	1	2	2
India vs. Other	1	0	3	2
Israel vs. Other	2	1	3	2
Mexico vs. Other	0	0	2	2
South Africa vs. Other	0	0	2	2
South Korea vs. Other	2	1	2	2

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

Elasticity estimates

This section discusses elasticity estimates; parties were encouraged to comment on these estimates as an attachment to their prehearing or posthearing brief. Staff did not receive alternative numerical elasticity estimates.²⁵

U.S. supply elasticity

The domestic supply elasticity for brass rod measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of brass rod. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which producers can alter capacity, producers' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced brass rod. Analysis of these factors above indicates that the U.S. industry has the ability to greatly increase or decrease shipments to the U.S. market; an estimate in the range of 6 to 8 is suggested.

U.S. demand elasticity

The U.S. demand elasticity for brass rod measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of brass rod. This estimate depends on factors discussed above such as the existence, availability, and commercial viability of substitute products, as well as the component share of the brass rod in the production of any downstream products. Based on the available information, the aggregate demand for brass rod is likely to be inelastic; a range of -0.5 to -1.0 is suggested.

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.²⁵ Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/discounts/promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced brass rod and imported brass rod is likely to be in the range of 4 to 7. All U.S. producers, most U.S. importers, and the majority of purchasers reported that brass rod is always interchangeable across domestic, subject, and nonsubject sources, with firms reporting that brass rod is interchangeable when conforming to ASTM specifications.

²⁵ The substitution elasticity measures the responsiveness of the relative U.S. consumption levels of the subject imports and the domestic like products to changes in their relative prices. This reflects how easily purchasers switch from the U.S. product to the subject products (or vice versa) when prices change.

Part III: U.S. producers' 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 I of this report and information on the volume and pricing of imports of the subject merchandise is presented in Part IV and Part V. Information on the other factors specified is presented in this section and/or Part VI and (except as noted) is based on the questionnaire responses of three firms that accounted for all known U.S. production of brass rod during 2022.

U.S. producers

The Commission issued a U.S. producer questionnaire to three firms based on information contained in the petition. Three firms provided usable data on their operations. Staff believes that these responses represent all known U.S. production of brass rod.

Table III-1 lists U.S. producers of brass rod, their production locations, positions on the petition, and shares of total production.

Table III-1 Brass rod: U.S. producers, their positions on the petition, production locations, and shares of reported production, 2022

Firm	Position on petition	Production location(s)	Share of production
CXM	***	Cicero, IL	***
Mueller	Petitioner	Port Huron, MI Belding, MI	***
Wieland	Petitioner	Montpelier, OH	***
All firms	Various	Various	100.0

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

Table III-2 presents information on U.S. producers' ownership, related and/or affiliated firms.

Table III-2

Brass rod: U.S. producers' ownership, related and/or affiliated firms				
Reporting firm	Relationship type and related firm	Details of relationship		
***	***	***		
***	***	***		
***	***	***		

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

As indicated in table III-2, ***. ***. In addition, no U.S. producer directly imports the subject merchandise or purchases the subject merchandise from U.S. importers, although *** directly imports brass rod from a *** and *** directly imports brass rod from a ***. *** are not related to U.S. importers of the subject merchandise.¹ In the third quarter of 2023, Wieland acquired Farmers Copper, which ***.²

¹***. *** importer questionnaire response, section III-23 and email to USITC staff from ***, November 2, 2023.

²***, purchaser questionnaire, section II-1, emails to USITC staff from ***, November 2, 2023 and November 3, 2023, and <u>https://www.wieland.com/en/about/news/wieland-further-expands-north-american-footprint-with-the-acquisition-of-farmers-copper</u>, retrieved December 20, 2023.

Table III-3 presents events in the U.S. industry since January 1, 2020.

Item	Firm	Event
Acquisition	Wieland	In May 2022, Wieland acquired Total Metal Recycling, based in Granite City, IL. Wieland stated that the acquisition allowed Wieland to expand its processing of scrap materials including copper scrap.
Plant construction	Wieland	In June 2022, Wieland broke ground on a new recycling facility in Shelbyville, KY. Wieland stated that the plant will melt and recycle copper and copper alloy scrap for use in manufacturing semi-finished products.
Acquisition	Wieland	In July 2023, Weiland acquired Farmers Copper Ltd., a copper, brass, and bronze alloys supplier in North America.

Table III-3 Brass rod: Important industry events since 2020

Source: Wieland, "With the acquisition of Totall Metal Recycling, Wieland steps ahead towards red metal recycling leadership in North America," May 2, 2022, <u>https://www.wieland.com/en/Media/press-releases/press-release-wieland-acquires-totall-metal-recycling.pdf</u>. Wieland, "Wieland breaks ground on recycling and refining center in Shelbyville, KY," June 30, 2022, <u>https://www.wieland.com/en/Media/press-releases/press-release-wieland-breaks-ground-on-recycling-center-in-shelbyville.pdf</u>. Wieland, "Wieland further expands North American footprint with the acquisition of Farmers Copper," November 07, 2023, <u>https://www.wieland.com/en/about/news/wieland-further-expands-north-american-footprint-with-the-acquisition-of-farmers-copper</u>.

Producers in the United States were asked to report any change in the character of their operations or organization relating to the production of brass rod since 2020. *** indicated in their questionnaires that they had experienced such changes.³ Table III-4 presents the changes identified by these producers.

Table III-4

Brass rod: U.S. producers' reported changes in operations, since January 1, 2020

ltem	Firm name and narrative response on changes in operations
Prolonged	***
shutdowns	
Production	***
curtailments	
Expansions	***
Expansions	***

³ A Mueller witness testified that it idled its brass rod production facility in Belding, Michigan at the end of 2019. The facility produced specialty brass rod products in a more efficient manner than its current production facility in Port Huron, Michigan. The Mueller witness testified that if demand were in place, the facility could be operational in three to four months. Conference transcript, pp. 34-37 (Mitchell and Levy).

ltem	Firm name and narrative response on changes in operations
Weather-related	***
or force majeure	
events	
Other	***
Other	***

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

U.S. production, capacity, and capacity utilization

Table III-5 presents U.S. producers' installed and practical capacity and production on the same equipment. During 2020-22, U.S. producers' installed overall capacity increased by *** percent and was *** percent lower in interim 2023 compared to interim 2022. Meanwhile, practical overall capacity remained the same during 2020-21 and decreased by *** percent in 2022. U.S. producers' practical overall capacity decreased by *** percent during the interim periods. Changes in installed and practical capacity were driven by ***.⁴

U.S producers' practical brass rod capacity *** during 2020-2022, and was 1.0 percent lower in interim 2023 compared to interim 2022.⁵ During 2020-22 and both interim periods, *** devoted over *** percent of their practical overall capacity to brass rod and *** devoted *** percent of its practical overall capacity to brass rod. Overall production on the same equipment and machinery and brass rod production were both highest in 2021 but overall increased by *** percent and by *** percent, respectively, during 2020-22. Overall production on the same equipment and machinery and brass rod production were both lower in interim 2023 compared to interim 2022. Capacity utilization for overall production and brass rod production were also highest in 2021, with an overall increase of *** percentage points and *** percentage points,

⁴ Mueller installed a new finishing line at its Port Huron Facility in 2021. ***. *** U.S. producer questionnaire, section II-2a; email to USITC staff from ***, October 31, 2023; and hearing transcript, p. 35 (Denner).

^{5 ***.}

respectively during 2020-22. Capacity utilization for overall practical production and brass rod production were both lower in interim 2023 compared to interim 2022.

Table III-5

Brass rod: U.S. producers' installed and practical capacity and production on the same equipment as in-scope production, by period

Suparity and production in 1,000 poundo, dail2dition in percent						
Item	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical brass rod	Capacity	***	***	***	***	***
Practical brass rod	Production	***	***	***	***	***
Practical brass rod	Utilization	***	***	***	***	***

Capacity and production in 1,000 pounds; utilization in percent

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

Table III-6 presents U.S. producers' reported narratives regarding practical capacity

constraints.

Table III-6

Brass rod: U.S. producers' reported capacity constraints since January 1, 2020

	Firm name and narrative response on constraints to practical overall
ltem	capacity
Production bottlenecks	***
Production bottlenecks	***
Production bottlenecks	***
Existing labor force	***
Existing labor force	***
Other constraints	***

Table III-7 presents U.S. producers' reported impacts of the COVID-19 pandemic.

Brass rod: U.S. producers' reported impacts due to COVID-19, since January 1, 2020				
Firm	Narrative response on COVID-19 impact			
CXM	***			
Mueller	***			
Wieland	***			

Table III-7

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

Table III-8 and figure III-1 present U.S. producers' production, capacity, and capacity utilization. During 2020-22 and both interim periods, CXM's and Wieland's capacity *** in each period.⁶ All three U.S. producers experienced their highest production and capacity utilization in 2021 but ended 2022 with higher production and capacity utilization rates than in 2020. All three U.S. producers experienced lower production and capacity utilization in interim 2023 compared to interim 2022.

During 2020-22, CXM's, Mueller's, and Wieland's production increased by *** percent, by *** percent, and by *** percent, respectively. During 2020-22, CXM's, Mueller's, and Wieland's capacity utilization rates increased by *** percentage points, by *** percentage points, and by *** percentage points, respectively.

Table III-8

Brass rod: U.S. producers' output, by firm and period

Capacity in 1,000 pounds					
Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Practical capacity

⁶ ***. Petitioner's posthearing brief, p. III-6.

Table III-8 Continued Brass rod: U.S. producers' output, by firm and period

Production

Production in 1,000 pounds

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table III-8 Continued Brass rod: U.S. producers' output, by firm and period

Capacity utilization

Capacity utilization in percent

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Note: Capacity utilization ratio represents the ratio of the U.S. producer's production to its production capacity.

Table continued.

Share in percent

Table III-8 Continued Brass rod: U.S. producers' output, by firm and period

Share of production

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	100.0	100.0	100.0	100.0	100.0

Figure III-1 Brass rod: U.S. producers' output, by period

* * * * * *
Alternative products

As shown in table III-9, over *** percent of the product produced on the same equipment and machinery during 2020-22 and both interim periods by U.S. producers was brass rod.⁷ ***.⁸

Table III-9

Brass rod: U.S. producers' overall production on the same equipment as in-scope production, by period

Quantity in 1,000 pounds; share in percent

Product type	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brass rod	Quantity	***	***	***	***	***
Other brass products	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
All out-of-scope products	Quantity	***	***	***	***	***
All products on the same machinery	Quantity	***	***	***	***	***
Brass rod	Share	***	***	***	***	***
Other brass products	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
All out-of-scope products	Share	***	***	***	***	***
All products on the same machinery	Share	100.0	100.0	100.0	100.0	100.0

⁷ ***. Email to USITC staff from ***, October 31, 2023.

⁸ *** U.S. producer questionnaire responses, section II-3a.

U.S. producers' U.S. shipments and exports

Table III-10 presents U.S. producers' U.S. shipments, export shipments, and total shipments. U.S. shipments accounted for over *** percent of total shipments, both in terms of quantity and in terms of value, during the period for which data were collected. Overall, U.S. shipments' share of total shipments, both in terms of quantity and in terms of value, remained somewhat constant during 2020-22 and both interim periods.⁹ U.S. producers' U.S. shipments, in terms of quantity and in terms of value, were highest in 2021 and overall increased by *** percent and by *** percent, respectively, during 2020-22. U.S. producers' U.S. shipments, in terms of quantity and in terms of value, were *** percent and *** percent lower, respectively, in interim 2023 compared to interim 2022. During 2020-22, the unit value of U.S. producers' U.S. shipments increased¹⁰ by *** percent (\$*** per pound).¹¹ The unit value of U.S. producer' U.S. shipments was *** percent (\$*** per pound) lower in interim 2023 than in interim 2022.

⁹ ***. *** U.S. producer questionnaire response, section II-8.

¹⁰ Counsel reported that the increase in the unit value of U.S. producers' U.S. shipments is driven by ***. Email to USITC staff from ***, November 29, 2023.

¹¹ ***. Petitioners' counsel noted that CXM is focused on lower volumes and specialty products. A company official from Mueller testified that "when we receive orders for certain specialty products, we typically refer that business to CXM, which is equipped to process smaller billets down to 520 pounds and specializes in custom shapes, sizes, and alloys in small volumes." Conference transcript, p. 30 (Levy) and hearing transcript, p. 28 (Mitchell). Respondents assert that *** and that Respondent Aviva blacklisted CXM for poor quality. Joint Respondents' posthearing brief, p. 3; and hearing transcript, p. 219 (Lazarus).

Table III-10 Brass rod: U.S. producers' total shipments, by destination and period

					Jan-Sep	Jan-Sep
ltem	Measure	2020	2021	2022	2022	2023
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	***	***	***	***	***
	Share of					
U.S. shipments	quantity	***	***	***	***	***
Export	Share of					
shipments	quantity	***	***	***	***	***
	Share of					
Total shipments	quantity	***	***	***	***	***
U.S. shipments	Share of value	***	***	***	***	***
Export						
shipments	Share of value	***	***	***	***	***
Total shipments	Share of value	***	***	***	***	***

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; shares in percent

Table III-11 presents U.S. producers' U.S. shipments by type including toll production and table III-12 presents U.S. producers' U.S. shipments excluding toll production. Figure III-2 presents the average unit value of U.S. producers' U.S. shipments by shipment type.¹² During 2020-22 and both interim periods, total commercial U.S. shipments accounted for over *** percent of U.S. shipments both in terms of quantity and in terms of value. Tolled commercial shipments accounted for between *** percent and *** percent of U.S. shipments by quantity and between *** percent and *** percent of U.S. shipments by value.

*** engage in toll production, producing brass rod from raw materials provided and owned by the customer. The unit value of tolled U.S. shipments was between \$*** per pound lower in 2020 and \$*** per pound lower in interim 2022 than commercial non-tolled U.S. shipments. Transfers accounted for less than *** percent of U.S. shipments, both including tolled commercial shipments and excluding tolled commercial shipments during 2020-22 and both interim periods. No U.S. producer reported *** during the period for which data were collected and *** was the only firm to report transfers to related firms.¹³

¹² ***. Email to USITC staff from ***, October 31, 2023 and hearing transcript, pp. 134-135 (Mitchell).

¹³ *** reported transfers to related firms, which were ***. *** U.S. producer questionnaire response, section II-12.

Table III-11 Brass rod: U.S. producers' U.S. shipments, by type and period

Item	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Commercial non-toll U.S.						
shipments	Quantity	***	***	***	***	***
Commercial toll U.S.						
shipments	Quantity	***	***	***	***	***
Commercial U.S.						
shipments	Quantity	***	***	***	***	***
Transfers to related firms	Quantity	***	***	***	***	***
U.S. shipments	Quantity	***	***	***	***	***
Commercial non-toll U.S.						
shipments	Value	***	***	***	***	***
Commercial toll U.S.						
shipments	Value	***	***	***	***	***
Commercial U.S.						
shipments	Value	***	***	***	***	***
Transfers to related firms	Value	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
Commercial non-toll U.S.						
shipments	Unit value	***	***	***	***	***
Commercial toll U.S.						
shipments	Unit value	***	***	***	***	***
Commercial U.S.						
shipments	Unit value	***	***	***	***	***
Transfers to related firms	Unit value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Commercial non-toll U.S.	Share of					
shipments	quantity	***	***	***	***	***
Commercial toll U.S.	Share of					
shipments	quantity	***	***	***	***	***
Commercial U.S.	Share of					
shipments	quantity	***	***	***	***	***
	Share of	***	***	ب دید.		
I ransfers to related firms	quantity	~~~	***			~~~
LLC chipmonto	Share of	100.0	100.0	100.0	100.0	100.0
Commorgial page tall LLS	Quantity Shore of	100.0	100.0	100.0	100.0	100.0
commercial non-toll 0.5.		***	***	***	***	***
	Share of					
shipments		***	***	***	***	***
Commercial U.S.	Share of					
shipments	value	***	***	***	***	***
	Share of					
Transfers to related firms	value	***	***	***	***	***
	Share of					
U.S. shipments	value	100.0	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; shares in percent

Table III-12Brass rod:U.S. producers' U.S. shipments excluding toll shipments, by type and period

14	Maaaaaa	0000	0004	0000	Jan-Sep	Jan-Sep
	Measure	2020	2021	2022	2022	2023
Commercial non-toll U.S.						
shipments	Quantity	***	***	***	***	***
Transfers to related firms	Quantity	***	***	***	***	***
U.S. shipments excluding						
toll shipments	Quantity	***	***	***	***	***
Commercial non-toll U.S.						
shipments	Value	***	***	***	***	***
Transfers to related firms	Value	***	***	***	***	***
U.S. shipments excluding						
toll shipments	Value	***	***	***	***	***
Commercial non-toll U.S.	Unit					
shipments	value	***	***	***	***	***
	Unit					
Transfers to related firms	value	***	***	***	***	***
U.S. shipments excluding	Unit					
toll shipments	value	***	***	***	***	***
Commercial non-toll U.S.	Share of					
shipments	quantity	***	***	***	***	***
	Share of					
Transfers to related firms	quantity	***	***	***	***	***
U.S. shipments excluding	Share of					
toll shipments	quantity	***	***	***	***	***
Commercial non-toll U.S.	Share of					
shipments	value	***	***	***	***	***
	Share of					
Transfers to related firms	value	***	***	***	***	***
U.S. shipments excluding	Share of					
toll shipments	value	***	***	***	***	***

Quantity in 1,000 pounds; value in 1,000 dollars; unit values in dollars per pound

Figure III-2 Brass rod: Average unit value of U.S. producers' U.S. shipments, by shipment type and period

* * * * * *

U.S. producers' inventories

Table III-13 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. *** reported end-of-period inventories during the period for which data were collected. U.S. producers' end-of-period inventories increased by *** percent during 2020-22 and were *** percent higher in interim 2023 compared to interim 2022. The increase in end-of-period inventories¹⁴ was primarily driven by ***.¹⁵ During 2020-22, U.S. producers' end-of-period inventories as a ratio to U.S. production, U.S. shipments, and total shipments increased annually and overall, with all three ratios ending *** percentage points, *** percentage points, and *** percentage points, respectively, higher in 2022 compared to 2020. U.S. producers' end-of-period inventories as a ratio to U.S. production, U.S. shipments, and total shipments were higher in interim 2023 compared to interim 2022 by *** percentage points, *** percentage points, and *** percentage points, and total shipments were higher in interim 2023 compared to interim 2022 by *** percentage points, *** percentage points, and ***

Table III-13

Brass rod: U.S. producers' inventories and their ratio to select items, by period

Item	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
End-of-period inventory quantity	***	***	***	***	***
Inventory ratio to U.S. production	***	***	***	***	***
Inventory ratio to U.S. shipments	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***

Quantity in 1,000 pounds; inventory ratios in percent

¹⁴ ***. Email to USITC staff from ***, November 29, 2023. Respondents contend that the increase in domestic inventories was unrelated to subject imports, arguing that it was attributable to ***. Joint Respondents' posthearing brief, p. 15; and hearing transcript, pp. 177-179 (Kendler).

¹⁵ Wieland testified that in 2021, customers sought to replenish inventories that were depleted in 2020, but that demand receded somewhat in 2022. Conference transcript, p. 27 (Christie).

U.S. producers' imports from subject sources

No responding U.S. producer reported imports from subject sources of brass rod during the period for which data were collected.

U.S. producers' purchases of imports from subject sources

No responding U.S. producer¹⁶ reported purchases of brass rod from subject sources during 2020-22 or the interim periods.¹⁷

¹⁶ In the ***. ***, purchaser questionnaire, section II-1; and emails to USITC staff from ***, November 2, 2023 and November 3, 2023.

¹⁷ ***. *** U.S. producer questionnaire, section II-13.

U.S. employment, wages, and productivity

Table III-14 shows U.S. producers' employment-related data. During 2020-21, production related workers ("PRWs") increased by *** percent, then decreased to a similar level in 2022 as in 2020. Both interim periods had similar levels of PRWs.¹⁸ Total hours worked, hours worked per PRW, and total wages all were highest in 2021, but overall increased by *** percent, by *** percent, and by *** percent, respectively, during 2020-22.¹⁹ Hourly wages and unit labor costs increased annually and overall, by *** percent and by *** percent, respectively, during 2020-22. Productivity fluctuated during the period, reaching its highest level in 2021 but decreasing *** percent during 2020-22. The number of PRWs and productivity were lower in interim 2023 compared to interim 2022 while total hours worked, hours worked per PRW, wages, hourly wages, and unit labor costs were higher in interim 2023 compared to interim 2022.²⁰

Table III-14

ltem	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
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 (pounds per hour)	***	***	***	***	***
Unit labor costs (dollars per pound)	***	***	***	***	***

¹⁸ ***. *** U.S. producer questionnaire responses, section II-11.

¹⁹ ***. Email to USITC staff from ***, November 3, 2023.

²⁰ ***. Email to USITC staff from ***, October 31, 2023.

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

U.S. importers

The Commission issued importer questionnaires to 52 firms believed to be importers of subject brass rod, as well as to all U.S. producers of brass rod.¹ Usable questionnaire responses² were received from 21 companies³, representing *** percent of U.S. imports from Brazil; *** percent of U.S. imports from India; *** percent of U.S. imports from South Korea; *** U.S. imports from Mexico and South Africa, *** percent of U.S. imports from nonsubject sources, and *** percent of U.S. imports from all sources in 2022 under HTS subheadings 7407.21.15, 7407.21.30, 7407.21.50, 7407.21.70, and 7407.21.90 "basket" categories and *** U.S. imports from Israel in 2022 under HTS subheading 7407.21.90.⁴ Table IV-1 lists all responding U.S. importers of brass rod from Brazil, India, Israel, Mexico, South Africa, South Korea, and other sources, their locations, and their shares of U.S. imports, in 2022.⁵

¹ The Commission issued questionnaires to those firms identified in the petition, along with firms that, based on a review of data from third-party sources.

² *** indicated that they have not imported brass rod from any source since January 1, 2020.

^{3 ***.}

⁴ U.S. imports from Israel previously classified under HTS subheading 7403.21.00 were reclassified as being imported under HTS subheading 7407.21.90 by the U.S. Department of Commerce Census Bureau.

⁵ U.S. imports are based on questionnaire data. Official import statistics are presented in appendix D.

Table IV-1 Brass rod: U.S. importers, their headquarters, and share of imports within each source, by firm, 2022

· · · ·				All
		Subject	Nonsubject	import
Firm	Headquarters	sources	sources	sources
Alpax	Houston, TX	***	***	***
Alpine	Tampa, FL	***	***	***
Aviva	Houston, TX	***	***	***
Cambridge-Lee	Reading, PA	***	***	***
Concast	Wakeman, OH	***	***	***
Daechang Lloyds	Irvine, CA	***	***	***
Delta	Indianapolis, IN	***	***	***
Economy Products	Macon, MO	***	***	***
Finkelstein USA	Elk Grove Village, IL	***	***	***
KKSP	Glendale Heights, IL	***	***	***
Lewis	Middle Village, NY	***	***	***
Liberty	Livingston, NJ	***	***	***
Nacobre	Houston, TX	***	***	***
Poongsan America	Los Angeles, CA	***	***	***
Sequoia	Hayward, CA	***	***	***
Termomecanica São Paulo	São Bernardo Do Campo, SP	***	***	***
Traxys	New York, NY	***	***	***
Vail	New York, NY	***	***	***
Vero	Wayne, NJ	***	***	***
Wieland	Montpelier, OH	***	***	***
Wieland Nemco	Northampton, United Kingdom,	***	***	***
All firms	Various	100.0	100.0	100.0

Table IV-1 Continued Brass rod: U.S. importers, their headquarters, and share of imports within each source, by firm, 2022

						South	South
Firm	Headquarters	Brazil	India	Israel	Mexico	Africa	Korea
Alpax	Houston, TX	***	***	***	***	***	***
Alpine	Tampa, FL	***	***	***	***	***	***
Aviva	Houston, TX	***	***	***	***	***	***
Cambridge-Lee	Reading, PA	***	***	***	***	***	***
Concast	Wakeman, OH	***	***	***	***	***	***
Daechang Lloyds	Irvine, CA	***	***	***	***	***	***
Delta	Indianapolis, IN	***	***	***	***	***	***
Economy Products	Macon, MO	***	***	***	***	***	***
Finkelstein USA	Elk Grove Village, IL	***	***	***	***	***	***
KKSP	Glendale Heights, IL	***	***	***	***	***	***
Lewis	Middle Village, NY	***	***	***	***	***	***
Liberty	Livingston, NJ	***	***	***	***	***	***
Nacobre	Houston, TX	***	***	***	***	***	***
Poongsan America	Los Angeles, CA	***	***	***	***	***	***
Sequoia	Hayward, CA	***	***	***	***	***	***
Termomecanica São Paulo	São Bernardo Do Campo, SP	***	***	***	***	***	***
Traxys	New York, NY	***	***	***	***	***	***
Vail	New York, NY	***	***	***	***	***	***
Vero	Wayne, NJ	***	***	***	***	***	***
Wieland	Montpelier, OH	***	***	***	***	***	***
Wieland Nemco	Northampton, United Kingdom,	***	***	***	***	***	***
All firms	Various	100.0	100.0	100.0	100.0	100.0	100.0

Share in percent

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 "---".

U.S. imports

Table IV-2, table IV-3, and figure IV-1 present data for U.S. imports of brass rod from Brazil, India, Israel, Mexico, South Africa, South Korea, and all other sources.

U.S. imports of brass rod from combined subject sources during 2020-22 accounted for a decreasing share of total imports of brass rod, decreasing from 94.8 percent in 2020 to 92.9 percent in 2021 and 2022, in terms of quantity, and were 0.9 percentage points lower in interim 2023 compared to interim 2022. During 2020-22, U.S. imports of brass rod from subject sources were highest in 2021 (all sources but ***), but increased overall during 2020-22 by 36.4 percent and by 106.8 percent, in terms of quantity and value, respectively. U.S. imports of brass rod from subject sources, in terms of quantity, were 23.7 percent lower in interim 2023 compared to interim 2022 (29.0 percent in terms of value).

During 2020-22, the unit value of U.S. imports of brass rod from subject sources increased by 51.6 percent from \$2.46 per pound of brass rod in 2020 to \$3.73 per pound of brass rod in 2022. The unit value of imports from subject sources was 6.9 percent lower in interim 2023 compared to interim 2022. As a ratio to U.S. production, U.S. imports of brass rod from subject sources and nonsubject sources increased during 2020-22 and remained below *** percent and *** percent, respectively, of U.S. production throughout the period for which data were collected.

Table IV-2 Brass rod: U.S. imports, by source and period

Sourco	Moasuro	2020	2021	2022	Jan-Sep	Jan-Sep
Brazil	Quantity	***	202 i ***	***	***	ZUZJ ***
India	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Africa	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Subject sources except Israel	Quantity	***	***	***	***	***
Israel	Quantity	***	***	***	***	***
Subject sources	Quantity	23.438	36.401	31.975	25.315	19.315
Nonsubiect sources	Quantity	1.294	2.780	2,452	1.669	1.482
Nonsubject sources plus Israel	Quantity	***	***	***	***	***
All import sources except Israel	Quantity	***	***	***	***	***
All import sources	Quantity	24,732	39,181	34,427	26,984	20,797
Brazil	Value	***	***	***	***	***
India	Value	***	***	***	***	***
Mexico	Value	***	***	***	***	***
South Africa	Value	***	***	***	***	***
South Korea	Value	***	***	***	***	***
Subject sources except Israel	Value	***	***	***	***	***
Israel	Value	***	***	***	***	***
Subject sources	Value	57,630	125,577	119,184	95,797	68,013
Nonsubject sources	Value	3,531	10,182	11,177	7,601	6,744
Nonsubject sources plus Israel	Value	***	***	***	***	***
All import sources except Israel	Value	***	***	***	***	***
All import sources	Value	61,161	135,759	130,361	103,398	74,757
Brazil	Unit value	***	***	***	***	***
India	Unit value	***	***	***	***	***
Mexico	Unit value	***	***	***	***	***
South Africa	Unit value	***	***	***	***	***
South Korea	Unit value	***	***	***	***	***
Subject sources except Israel	Unit value	***	***	***	***	***
Israel	Unit value	***	***	***	***	***
Subject sources	Unit value	2.46	3.45	3.73	3.78	3.52
Nonsubject sources	Unit value	2.73	3.66	4.56	4.55	4.55
Nonsubject sources plus						
	Unit value	***	***	***	***	***
All import sources except Israel	Unit value	***	***	***	***	***
All import sources	Unit value	2.47	3.46	3.79	3.83	3.59

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound

Table IV-2 Continued Brass rod: U.S. imports by source and period

Share and ratio in percent

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brazil	Share of quantity	***	***	***	***	***
India	Share of quantity	***	***	***	***	***
Mexico	Share of quantity	***	***	***	***	***
South Africa	Share of quantity	***	***	***	***	***
South Korea	Share of quantity	***	***	***	***	***
Subject sources except Israel	Share of quantity	***	***	***	***	***
Israel	Share of quantity	***	***	***	***	***
Subject sources	Share of quantity	94.8	92.9	92.9	93.8	92.9
Nonsubject sources	Share of quantity	5.2	7.1	7.1	6.2	7.1
Nonsubject sources plus Israel	Share of quantity	***	***	***	***	***
All import sources except Israel	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0
Brazil	Share of value	***	***	***	***	***
India	Share of value	***	***	***	***	***
Mexico	Share of value	***	***	***	***	***
South Africa	Share of value	***	***	***	***	***
South Korea	Share of value	***	***	***	***	***
Subject sources except Israel	Share of value	***	***	***	***	***
Israel	Share of value	***	***	***	***	***
Subject sources	Share of value	94.2	92.5	91.4	92.6	91.0
Nonsubject sources	Share of value	5.8	7.5	8.6	7.4	9.0
Nonsubject sources plus Israel	Share of value	***	***	***	***	***
All import sources except Israel	Share of value	***	***	***	***	***
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0
Brazil	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Mexico	Ratio	***	***	***	***	***
South Africa	Ratio	***	***	***	***	***
South Korea	Ratio	***	***	***	***	***
Subject sources except Israel	Ratio	***	***	***	***	***
Israel	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
Nonsubject sources plus Israel	Ratio	***	***	***	***	***
All import sources except Israel	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***

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

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; ratios are U.S. imports to production.

Figure IV-1 Brass rod: U.S. import quantities and average unit values, by source and period

* * * * * *

During 2020-22, U.S. imports of brass rod from Brazil increased annually and overall, in terms of quantity and in terms of value, by *** percent and by *** percent, respectively. As a result of value increasing at a higher rate than quantity, the unit value of U.S. imports from Brazil increased from \$*** per pound in 2020 to \$*** per pound in 2022. U.S. imports from Brazil were *** percent lower in interim 2023 compared to interim 2022, in terms of quantity, and *** percent lower in terms of value. During 2020-22, U.S. imports of brass rod from Brazil had a fluctuating share of total imports, in terms of quantity, accounting for *** percent of imports in 2021 and *** percent of imports in 2022.

During 2020-22, U.S. imports of brass rod from India fluctuated but overall, in terms of quantity, increased by *** percent. Meanwhile, during 2020-22, U.S. imports of brass rod from India increased annually and overall, in terms of value, by *** percent. As a result of value increasing at a higher rate than quantity, the unit value of U.S. imports from India increased from \$*** per pound in 2020 to \$*** per pound in 2022. U.S. imports from India were *** percent higher in interim 2023 compared to interim 2022, in terms of quantity, and *** percent lower in terms of value. During 2020-22, U.S. imports of brass rod from India had a fluctuating share of total imports, in terms of quantity, accounting for between *** percent of imports in 2021 and *** percent of imports in 2020.

During 2020-22, U.S. imports of brass rod from Israel fluctuated but overall, in terms of quantity and in terms of value, increased by *** percent and by *** percent, respectively. As a result of value increasing at a higher rate than quantity, the unit value of U.S. imports from Israel increased from \$*** per pound in 2020 to \$*** per pound in 2022. U.S. imports from Israel were *** percent higher in interim 2023 compared to interim 2022, in terms of quantity, and *** percent lower in terms of value. During 2020-22, U.S. imports of brass rod from Israel had a fluctuating share of total imports, in terms of quantity, accounting for between *** percent of imports in 2020 and *** percent of imports in 2021.

During 2020-22, U.S. imports of brass rod from Mexico fluctuated but overall, in terms of quantity and in terms of value, increased by *** percent and by *** percent, respectively. As a result of value increasing at a higher rate than quantity, the unit value of U.S. imports from Mexico increased from \$*** per pound in 2020 to \$*** per pound in 2022. U.S. imports from Mexico were *** percent higher in interim 2023 compared to interim 2022, in terms of quantity, and *** percent lower in terms of value. During 2020-22, U.S. imports of brass rod from Mexico had a decreasing share of total imports, in terms of quantity, accounting for *** percent of imports in 2020 and *** percent of imports in 2022.

During 2020-22, U.S. imports of brass rod from South Africa fluctuated but overall, in terms of quantity and in terms of value, increased by *** percent and by *** percent,

respectively. As a result of value increasing at a higher rate than quantity, the unit value of U.S. imports from South Africa increased from \$*** per pound in 2020 to \$*** per pound in 2022. U.S. imports from South Africa, in terms of quantity, were *** in interim 2023 compared to interim 2022 and *** percent lower in terms of value. During 2020-22, U.S. imports of brass rod from South Africa had a fluctuating share of total imports, in terms of quantity, accounting for between *** percent of imports in 2022 and *** percent of imports in 2022.

During 2020-22, U.S. imports of brass rod from South Korea fluctuated but overall, in terms of quantity and in terms of value, increased by *** percent and by *** percent, respectively. As a result of value increasing at a higher rate than quantity, the unit value of U.S. imports from South Korea increased from \$*** per pound in 2020 to \$*** per pound in 2022. U.S. imports from South Korea were *** percent lower in interim 2023 compared to interim 2022, in terms of quantity, and *** percent lower in terms of value. During 2020-22, U.S. imports of brass rod from South Korea had a decreasing share of total imports, in terms of quantity, accounting for *** percent of imports in 2020 and *** percent of imports in 2022.

During 2020-22, U.S. imports of brass rod from nonsubject sources fluctuated but overall, in terms of quantity and in terms of value, increased by 89.5 percent and by 216.5 percent. As a result of value increasing at a higher rate than quantity, the unit value of U.S. imports from nonsubject sources increased from \$2.73 per pound in 2020 to \$4.56 per pound in 2022. U.S. imports from nonsubject sources were 11.2 percent lower in interim 2023 compared to interim 2022, in terms of quantity, and 11.3 percent lower in terms of value. During 2020-22, U.S. imports of brass rod from nonsubject sources had an increasing share of total imports, in terms of quantity, accounting for 5.2 percent of imports in 2020 and 7.1 percent of imports in 2022.

Table IV-3Brass rod: Changes in import quantity, values, and unit values between comparison periods

Changes (Δ) in percent

Source	Measure	2020-22	2020-21	2021-22	Jan-Sep 2022-23
Brazil	%∆ Quantity	▲ ***	***	▲ ***	▼***
India	%∆ Quantity	▲ ***	▼***	***	***
Mexico	%∆ Quantity	▲ ***	***	▼***	***
South Africa	%∆ Quantity	▲ ***	***	▼***	***
South Korea	%∆ Quantity	▲ ***	▲ ***	▼***	▼***
Subject sources except Israel	%∆ Quantity	▲ ***	***	▼***	▼***
Israel	%∆ Quantity	▲ ***	▲ ***	▼***	***
Subject sources	%∆ Quantity	▲36.4	▲55.3	▼(12.2)	▼(23.7)
Nonsubject sources	%∆ Quantity	▲89.5	▲114.8	▼(11.8)	▼(11.2)
Nonsubject sources plus Israel	%∆ Quantity	▲ ***	***	▼***	***
All import sources except Israel	%∆ Quantity	▲ ***	▲ ***	▼***	***
All import sources	%∆ Quantity	▲ 39.2	▲58.4	▼(12.1)	▼(22.9)
Brazil	%∆ Value	▲ ***	***	▲ ***	▼***
India	%∆ Value	▲ ***	▲ ***	▲ ***	A ***
Mexico	%∆ Value	▲ ***	▲ ***	▼***	▼***
South Africa	%∆ Value	▲ ***	▲ ***	▼***	▼***
South Korea	%∆ Value	▲ ***	▲ ***	▼***	***
Subject sources except Israel	%∆ Value	▲ ***	▲ ***	▲ ***	▼***
Israel	%∆ Value	▲ ***	▲ ***	▼***	***
Subject sources	%∆ Value	▲106.8	▲117.9	▼(5.1)	▼(29.0)
Nonsubject sources	%∆ Value	▲216.5	▲188.4	▲9.8	▼(11.3)
Nonsubject sources plus Israel	%∆ Value	▲ ***	▲ ***	▼***	A ***
All import sources except Israel	%∆ Value	▲ ***	▲ ***	▲ ***	▼***
All import sources	%∆ Value	▲113.1	▲ 122.0	▼(4.0)	▼(27.7)
Brazil	%∆ Unit value	▲ ***	▲ ***	▼***	▼***
India	%∆ Unit value	▲ ***	▲ ***	▲ ***	▼***
Mexico	%∆ Unit value	▲ ***	▲ ***	▲ ***	▼***
South Africa	%∆ Unit value	▲ ***	▲ ***	▲ ***	▼***
South Korea	%∆ Unit value	▲ ***	▲ ***	▲ ***	▼***
Subject sources except Israel	%∆ Unit value	▲ ***	▲ ***	▲ ***	▼***
Israel	%∆ Unit value	▲ ***	▲ ***	▲ ***	▼***
Subject sources	%∆ Unit value	▲51.6	▲40.3	▲8.0	▼(6.9)
Nonsubject sources	%∆ Unit value	▲67.0	▲34.2	▲24.5	▼(0.1)
Nonsubject sources plus Israel	%∆ Unit value	▲ ***	▲ ***	▲ ***	***
All import sources except Israel	%∆ Unit value	▲ ***	▲ ***	▲ ***	▼***
All import sources	%Δ Unit value	▲53.1	▲ 40.1	▲9.3	▼(6.2)

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Table IV-4 presents U.S. imports by U.S. producers and/or affiliated firms. *** reported imports of brass rod from ***.

Table IV-4

Brass rod: U.S. imports by U.S. producers and/or affiliated firms

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brazil	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Africa	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Subject sources except Israel	Quantity	***	***	***	***	***
Israel	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources except Israel	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
Brazil	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Mexico	Ratio	***	***	***	***	***
South Africa	Ratio	***	***	***	***	***
South Korea	Ratio	***	***	***	***	***
Subject sources except Israel	Ratio	***	***	***	***	***
Israel	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources except Israel	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***

Quantity in 1,000 pounds; ratio in percent

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---". The ratios represent the portion of official U.S. import statistics within the specified source that was imported by U.S. producers and/or their affiliates. These ratios are calculated off of data shown in this table (numerators) and in table IV-2 (denominators).

Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.⁶ 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 during the applicable 12-month period, then imports from such countries are deemed not to be negligible.⁷ Imports from combined subject sources accounted for *** percent of total imports of brass rod by quantity during April 2022 through March 2023.

⁶ 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)).

⁷ Section 771 (24) of the Act (19 U.S.C § 1677(24)).

Table IV-5 Brass rod: U.S. imports in the twelve-month period preceding the filing of the petition, by source, April 2022 through March 2023

Source of imports	Quantity	Share of quantity
Brazil	***	***
India	***	***
Mexico	***	***
South Africa	***	***
South Korea AD	***	***
South Korea CVD	***	***
Israel	***	***
Nonsubject sources	***	***
All import sources	***	100.0

Quantity in 1,000 pounds; share in percent

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

Note: South Korea AD represents imports from all suppliers in South Korea; South Korea CVD represents imports from all suppliers except BooYoung Industry, which received a preliminary de minimis subsidy rate from the Department of Commerce; consequently, the South Korea CVD data are a subset of the South Korea AD data.

Cumulation considerations

In assessing whether imports should be cumulated, the Commission determines whether U.S. imports from the subject countries compete with each other and with the domestic like product and has generally considered four factors: (1) fungibility, (2) presence of sales or offers to sell in the same geographical markets, (3) common or similar channels of distribution, and (4) simultaneous presence in the market. Information regarding channels of distribution, market areas, and interchangeability appear in Part II. Additional information concerning fungibility, geographical markets, and simultaneous presence in the market is presented below.

Fungibility

Table IV-6 and figure IV-2 present U.S. producers' and U.S. importers' U.S. shipments, by type of brass rod (lead-free, low-lead, and other). The majority of U.S. producers' and U.S. importers' U.S. shipments were other types of brass rod. In 2022, U.S. producers and U.S. importers from South Africa and nonsubject sources reported U.S. shipments in all three categories. In 2022, U.S. importers did not report any U.S. shipments of lead-free brass rod from subject sources except South Africa. U.S. importers' U.S. shipments of brass rod from Brazil, India, Israel, and South Korea were in low-lead and other types of brass rod, while U.S. importers' U.S. shipments of brass rod.

Table IV-6Brass rod: U.S. producers' and U.S. importers' U.S. shipments, by source and lead content, 2022

Source	Lead-free	Low-lead	Other	All lead contents
U.S. producers	***	***	***	***
Brazil	***	***	***	***
India	***	***	***	***
Mexico	***	***	***	***
South Africa	***	***	***	***
South Korea	***	***	***	***
Subject sources except Israel	***	***	***	***
Israel	***	***	***	***
Subject sources	***	***	***	***
Nonsubject sources	***	***	***	***
All import sources	***	***	***	***
All sources	***	***	***	***

Quantity in 1,000 pounds

Table IV-6 ContinuedBrass rod:U.S. producers' and U.S. importers' U.S. shipments, by source and lead content, 2022

Share across in percent

Source	Lead-free	Low-lead	Other	All lead contents
U.S. producers	***	***	***	100.0
Brazil	***	***	***	100.0
India	***	***	***	100.0
Mexico	***	***	***	100.0
South Africa	***	***	***	100.0
South Korea	***	***	***	100.0
Subject sources except Israel	***	***	***	100.0
Israel	***	***	***	100.0
Subject sources	***	***	***	100.0
Nonsubject sources	***	***	***	100.0
All import sources	***	***	***	100.0
All sources	***	***	***	100.0

Table continued.

Table IV-6 ContinuedBrass rod:U.S. producers' and U.S. importers' U.S. shipments, by source and lead content, 2022

Share down in percent

Source	Lead-free	Low-lead	Other	All lead contents
U.S. producers	***	***	***	***
Brazil	***	***	***	***
India	***	***	***	***
Mexico	***	***	***	***
South Africa	***	***	***	***
South Korea	***	***	***	***
Subject sources except Israel	***	***	***	***
Israel	***	***	***	***
Subject sources	***	***	***	***
Nonsubject sources	***	***	***	***
All import sources	***	***	***	***
All sources	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 "---".

Figure IV-2 Brass rod: U.S. producers' and U.S. importers' U.S. shipments, by source and by lead content, 2022

* * * * * *

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

Table IV-7 and figure IV-3 present U.S. producers' and U.S. importers' U.S. shipments, by shape of brass rod (round with a diameter of 1 inch or less, round with a diameter greater than 1 inch, square or rectangular, and all other shapes). In 2022, U.S. producers and U.S. importers from all sources reported U.S. shipments in all four categories of shapes.

Table IV-7 Brass rod: U.S. producers' and U.S. importers' U.S. shipments, by source and shape, 2022

Quantity in 1,000 pounds

Source	Round with a diameter of 1 inch or less	Round with a diameter greater than 1 inch	Square or rectangular	All other shapes	All shapes
U.S. producers	***	***	***	***	***
Brazil	***	***	***	***	***
India	***	***	***	***	***
Mexico	***	***	***	***	***
South Africa	***	***	***	***	***
South Korea	***	***	***	***	***
Subject sources except Israel	***	***	***	***	***
Israel	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***
All sources	***	***	***	***	***

Table continued.

Table IV-7 Continued

Brass rod: U.S. producers' and U.S. importers' U.S. shipments, by source and shape, 2022

Share across in percent

Source	Round with a diameter of 1 inch or less	Round with a diameter greater than 1 inch	Square or	All other	All
U.S. producers	***	***	***	***	100.0
Brazil	***	***	***	***	100.0
India	***	***	***	***	100.0
Mexico	***	***	***	***	100.0
South Africa	***	***	***	***	100.0
South Korea	***	***	***	***	100.0
Subject sources except Israel	***	***	***	***	100.0
Israel	***	***	***	***	100.0
Subject sources	***	***	***	***	100.0
Nonsubject sources	***	***	***	***	100.0
All import sources	***	***	***	***	100.0
All sources	***	***	***	***	100.0
Table continued					

Table IV-7 ContinuedBrass rod:U.S. producers' and U.S. importers' U.S. shipments, by source and shape, 2022

Share down in percent

Source	Round with a diameter of 1 inch or less	Round with a diameter greater than 1 inch	Square or rectangular	All other shapes	All shapes
U.S. producers	***	***	***	***	***
Brazil	***	***	***	***	***
India	***	***	***	***	***
Mexico	***	***	***	***	***
South Africa	***	***	***	***	***
South Korea	***	***	***	***	***
Subject sources except Israel	***	***	***	***	***
Israel	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***
All sources	100.0	100.0	100.0	100.0	100.0

Figure IV-3 Brass rod: U.S. producers' and U.S. importers' U.S. shipments, by source and shape, 2022

* * * * * *

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

Table IV-8 presents U.S. producers' and subject U.S. importers' overlap in largest identified customers in 2022.

Table IV-8Brass rod:U.S. producers' and subject U.S. importers' overlap in largest identified customers,2022

ltem	Grouping	Count	Share
No overlap: Producer side only	Israel	25	55.6
No overlap: Subject source(s) side only	Israel	17	37.8
Overlap: Both producer and subject source(s)	Israel	3	6.7
All top customers: Producers or subject source(s)	Israel	45	100.0
No overlap: Producer side only	Subject sources less Israel	21	20.6
No overlap: Subject source(s) side only	Subject sources less Israel	74	72.5
Overlap: Both producer and subject source(s)	Subject sources less Israel	7	6.9
All top customers: Producers or subject source(s)	Subject sources less Israel	102	100.0
No overlap: Producer side only	All subject sources	21	19.6
No overlap: Subject source(s) side only	All subject sources	79	73.8
Overlap: Both producer and subject source(s)	All subject sources	7	6.5
All top customers: Producers or subject source(s)	All subject sources	107	100.0

Count in number of instances (i.e., top customers); Shares in percent

Geographical markets

Table IV-9 presents U.S. imports by source and border of entry in 2022. In 2022, U.S. imports of brass rod from Brazil, India, South Korea, and nonsubject sources entered the United States through ports located in all four regions. In 2022, U.S. imports of brass rod from Israel entered the United States through ports located in the East and North; U.S. imports of brass rod from Mexico entered the United States through ports located in the East, South, and West; and U.S. imports of brass rod from South Africa entered the United States through ports located in the North and South. The largest share of brass rod from Brazil (48.4 percent) entered the United States through ports in the East. The largest share of brass rod from Israel (72.9 percent) and nonsubject sources (50.4 percent) entered the United States through ports in the North. The largest share of brass rod from India (53.6 percent), Mexico (99.5 percent) and South Africa (66.3 percent) entered the United States through ports in the South. The largest share of brass rod from South Korea (68.0 percent) entered the United States through ports in the West.

Table IV-9

Brass rod: U.S. imports by source and border of entry, 2022

Quantity in 1,000 pounds

Source	East	North	South	West	All borders
Brazil	4,182	1,161	3,029	270	8,641
India	923	368	1,511	16	2,818
Mexico	0		1,929	10	1,939
South Africa		1,051	2,069		3,120
South Korea	3,467	852	5	9,183	13,507
Subject sources except Israel	8,572	3,432	8,543	9,479	30,026
Israel	1,770	4,766			6,536
Subject sources	10,341	8,198	8,543	9,479	36,562
Nonsubject sources	4,714	6,407	1,016	582	12,718
All import sources	15,055	14,605	9,559	10,061	49,280

Table IV-9 Continued Brass rod: U.S. imports by source and border of entry, 2022

Shares across in percent

Courses	Feet	N o réfo	Couth	Weet	All
Source	East	North	South	west	borders
Brazil	48.4	13.4	35.1	3.1	100.0
India	32.8	13.0	53.6	0.6	100.0
Mexico	0.0		99.5	0.5	100.0
South Africa		33.7	66.3		100.0
South Korea	25.7	6.3	0.0	68.0	100.0
Subject sources except Israel	28.5	11.4	28.5	31.6	100.0
Israel	27.1	72.9			100.0
Subject sources	28.3	22.4	23.4	25.9	100.0
Nonsubject sources	37.1	50.4	8.0	4.6	100.0
All import sources	30.5	29.6	19.4	20.4	100.0

Table continued.

Table IV-9 Continued Brass rod: U.S. imports by source and border of entry, 2022

Shares down in percent

Source	East	North	South	West	All borders
Brazil	27.8	8.0	31.7	2.7	17.5
India	6.1	2.5	15.8	0.2	5.7
Mexico	0.0		20.2	0.1	3.9
South Africa		7.2	21.6		6.3
South Korea	23.0	5.8	0.1	91.3	27.4
Subject sources except Israel	56.9	23.5	89.4	94.2	60.9
Israel	11.8	32.6			13.3
Subject sources	68.7	56.1	89.4	94.2	74.2
Nonsubject sources	31.3	43.9	10.6	5.8	25.8
All import sources	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7407.21.1500, 7407.21.3000, 7407.21.5000, 7407.21.7000, and 7407.21.9000, accessed on November 9, 2023. U.S. imports from Israel previously classified under 7403.21.0000 were reclassified as being imported under 7407.21.9000 by the U.S. Department of Commerce Census Bureau; https://www.census.gov/foreign-trade/statistics/corrections/index.html. All tables reflect these reclassifications. 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 "---".

Presence in the market

Table IV-10 and figures IV-4 and IV-5 present monthly official U.S. import statistics for subject and nonsubject sources. Imports of brass rod from subject and nonsubject sources were present along with the domestic product in every month during January 2020 through September 2023. U.S. imports of brass rod from Brazil, India, Israel, Mexico, South Korea, and nonsubject sources were present during each of the 45 months. U.S. imports of brass rod from South Africa were present in 44 of the 45 months, entering every month except June 2020.

Table IV-10

Brass rod: U.S. imports, by source and month

Quantity in 1,000 pounds

Year	Month	Brazil	India	Mexico	South Africa	South Korea
2020	January	345	170	123	245	1,460
2020	February	91	130	105	166	790
2020	March	431	129	173	211	1,407
2020	April	571	240	191	253	1,195
2020	May	605	40	312	290	1,039
2020	June	178	153	209		1,036
2020	July	225	83	247	406	655
2020	August	220	85	99	205	767
2020	September	236	63	253	319	535
2020	October	231	72	123	16	1,416
2020	November	163	14	190	207	794
2020	December	346	3	68	174	1,318
2021	January	254	73	112	337	881
2021	February	159	44	117	135	955
2021	March	131	19	229	253	1,517
2021	April	146	165	385	392	1,102
2021	Мау	190	110	202	505	969
2021	June	249	82	212	711	1,565
2021	July	493	186	219	63	1,035
2021	August	433	176	169	259	1,177
2021	September	583	157	221	306	1,087
2021	October	726	291	213	667	898
2021	November	410	310	251	589	1,224
2021	December	711	283	143	420	937

Table IV-10 Continued Brass rod: U.S. imports, by source and month

Quantity in 1,000 pounds

		Subject				
		sources		Subject	Nonoubiost	All
Year	Month	Israel	Israel	sources	sources	sources
2020	January	2.343	522	2.865	953	3.818
2020	February	1,280	411	1,692	753	2,445
2020	March	2,350	299	2,650	1,224	3,874
2020	April	2,449	647	3,096	815	3,911
2020	May	2,286	103	2,388	758	3,146
2020	June	1,576	102	1,678	1,190	2,868
2020	July	1,617	262	1,879	982	2,861
2020	August	1,376	155	1,531	805	2,336
2020	September	1,405	313	1,718	626	2,344
2020	October	1,857	167	2,025	681	2,705
2020	November	1,369	436	1,804	612	2,417
2020	December	1,908	542	2,450	765	3,216
2021	January	1,656	586	2,242	785	3,026
2021	February	1,410	315	1,724	494	2,219
2021	March	2,151	570	2,721	1,373	4,094
2021	April	2,191	697	2,888	1,235	4,123
2021	May	1,975	761	2,736	1,096	3,831
2021	June	2,819	841	3,661	1,405	5,066
2021	July	1,995	1,273	3,269	1,750	5,018
2021	August	2,214	398	2,613	2,530	5,143
2021	September	2,355	938	3,293	1,488	4,781
2021	October	2,796	588	3,384	1,373	4,757
2021	November	2,785	731	3,516	2,032	5,548
2021	December	2,494	1,052	3,546	719	4,265

Table IV-10 Continued Brass rod: U.S. imports, by source and month

Quantity in 1,000 pounds

Year	Month	Brazil	India	Mexico	South Africa	South Korea
2022	January	961	27	60	994	1,794
2022	February	781	140	268	65	1,872
2022	March	925	180	144	353	1,448
2022	April	1,062	216	109	93	1,828
2022	May	576	208	161	421	1,068
2022	June	928	191	292	44	1,146
2022	July	1,112	261	148	247	1,142
2022	August	624	252	184	125	452
2022	September	849	258	140	120	619
2022	October	322	627	148	333	664
2022	November	210	259	174	15	867
2022	December	291	197	112	309	607
2023	January	164	172	61	600	425
2023	February	268	299	223	38	528
2023	March	321	209	234	181	294
2023	April	87	171	176	345	1,065
2023	May	170	227	231	245	467
2023	June	435	209	301	224	427
2023	July	289	140	293	460	1,037
2023	August	131	196	182	188	556
2023	September	85	182	169	146	543

Table IV-10 Continued Brass rod: U.S. imports, by source and month

Quantity in 1,000 pounds

		Subject				A 11
		sources		Subject	Nonsubject	All
Year	Month	Israel	Israel	sources	sources	sources
2022	January	3,835	87	3,922	888	4,810
2022	February	3,126	435	3,561	889	4,450
2022	March	3,052	517	3,569	1,094	4,663
2022	April	3,309	602	3,910	1,169	5,079
2022	Мау	2,433	564	2,997	1,001	3,998
2022	June	2,601	819	3,420	961	4,382
2022	July	2,910	563	3,473	1,184	4,657
2022	August	1,638	298	1,937	1,448	3,384
2022	September	1,987	388	2,375	986	3,361
2022	October	2,094	647	2,741	815	3,556
2022	November	1,526	627	2,152	1,320	3,473
2022	December	1,516	988	2,504	965	3,469
2023	January	1,422	1,081	2,504	673	3,177
2023	February	1,356	520	1,876	789	2,665
2023	March	1,240	476	1,716	880	2,595
2023	April	1,844	656	2,499	922	3,421
2023	Мау	1,341	632	1,973	998	2,971
2023	June	1,596	489	2,085	1,260	3,344
2023	July	2,219	664	2,883	1,704	4,587
2023	August	1,254	623	1,877	1,357	3,233
2023	September	1,126	418	1,544	1,016	2,560

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7407.21.1500, 7407.21.3000, 7407.21.5000, 7407.21.7000, and 7407.21.9000, accessed on November 9, 2023. U.S. imports from Israel previously classified under 7403.21.0000 were reclassified as being imported under 7407.21.9000 by the U.S. Department of Commerce Census Bureau; https://www.census.gov/foreign-trade/statistics/corrections/index.html. All tables reflect these reclassifications. 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 "---".
Figure IV-4 Brass rod: U.S. imports from individual subject sources, by source and by month



—□— Brazil ---□-- India ---□-- Israel ---□-- Mexico ---□-- South Africa ----□--- South Korea

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7407.21.1500, 7407.21.3000, 7407.21.5000, 7407.21.7000, and 7407.21.9000, accessed on November 9, 2023. U.S. imports from Israel previously classified under 7403.21.0000 were reclassified as being imported under 7407.21.9000 by the U.S. Department of Commerce Census Bureau; https://www.census.gov/foreign-trade/statistics/corrections/index.html. All tables reflect these reclassifications. Imports are based on the imports for consumption data series.

Figure IV-5 Brass rod: U.S. imports from aggregated subject and nonsubject sources, by month



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7407.21.1500, 7407.21.3000, 7407.21.5000, 7407.21.7000, and 7407.21.9000, accessed on November 9, 2023. U.S. imports from Israel previously classified under 7403.21.0000 were reclassified as being imported under 7407.21.9000 by the U.S. Department of Commerce Census Bureau; https://www.census.gov/foreign-trade/statistics/corrections/index.html. All tables reflect these reclassifications. Imports are based on the imports for consumption data series.

Apparent U.S. consumption and market shares

Quantity

Table IV-11 and figure IV-6 present data on apparent U.S. consumption and U.S. market shares by quantity for brass rod. During 2020-21, apparent U.S. consumption, in terms of quantity, increased by *** percent, then decreased by *** from 2021 to 2022. Overall, during 2020-22, apparent U.S. consumption, in terms of quantity, increased by *** percent but was *** percent lower in interim 2023 compared to interim 2022.

U.S. producers' market share, in terms of quantity, decreased by *** percentage points during 2020-21 and remained at a similar level in 2022. After increasing by *** percentage points from 2020 to 2021, the market share of subject imports, in terms of quantity, decreased by *** percentage points from 2021 to 2022, ending *** percentage points higher in 2022 than in 2020. Israel, South Africa, and South Korea had their respective highest market shares in 2021, whereas U.S. producers and U.S. imports from India and Mexico experienced their highest market share in 2020, and U.S. imports from Brazil and nonsubject sources experienced their highest market share in 2022. Imports from Israel followed the same trend as combined subject imports, increasing in market share in 2021 and decreasing in 2022. The market share of nonsubject imports, in terms of quantity, increased by *** percentage points during 2020-22. U.S. producers, and U.S. imports from India, Israel, Mexico, and South Africa, had a higher share of apparent U.S. consumption in interim 2023 compared to interim 2022.

Table IV-11 Brass rod: Apparent U.S. consumption and market shares based on quantity, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Quantity	***	***	***	***	***
Brazil	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Africa	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Subject sources						
except Israel	Quantity	***	***	***	***	***
Israel	Quantity	***	***	***	***	***
Subject sources	Quantity	23,994	34,016	28,833	23,420	19,613
Nonsubject sources	Quantity	1,181	2,201	2,429	1,751	1,513
Nonsubject sources						
plus Israel	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All import cources	Quantity	25 175	26 217	21 262	25 171	21 126
All import sources	Quantity	25,175	30,217	31,202	20,171	21,120
	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
Brazil	Share	۰	*** ***	*** ***		
India	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Africa	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Subject sources	Chana	***	***	***	***	***
except Israel	Share	۰	*** ***	*** ***		
Israel	Share	***	***	***	***	***
Subject sources	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
Nonsubject sources	Chara	***	***	***	***	***
All import sources	Share					
except Israel	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; shares in percent

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

Figure IV-6 Brass rod: Apparent U.S. consumption based on quantity, by source and period

* * * * * *

Source: Compiled from data submitted in response to Commission questionnaires

Value

Table IV-12 and figure IV-7 present data on apparent U.S. consumption and U.S. market shares by value for brass rod. During 2020-21, apparent U.S. consumption, in terms of value, increased by *** percent then decreased by *** percent from 2021 to 2022. Overall, during 2020-22, apparent U.S. consumption, in terms of value, increased by *** percent, but was *** percent lower in interim 2023 compared to interim 2022. U.S. producers' market share, in terms of value, decreased by *** percentage points during 2020-22. During 2020-22, the market share of subject imports, in terms of value, increased by *** percentage points. The market share of nonsubject imports, in terms of value, increased by *** percentage points during 2020-22. U.S. producers' and subject sources' market shares were lower in interim 2023 compared to interim 2023.

Table IV-12 Brass rod: Apparent U.S. consumption and market shares based on value, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Value	***	***	***	***	***
Brazil	Value	***	***	***	***	***
India	Value	***	***	***	***	***
Mexico	Value	***	***	***	***	***
South Africa	Value	***	***	***	***	***
South Korea	Value	***	***	***	***	***
Subject sources except Israel	Value	***	***	***	***	***
Israel	Value	***	***	***	***	***
Subject sources	Value	63,191	121,266	112,940	92,367	75,155
Nonsubject sources	Value	3,784	9,260	11,925	8,413	7,465
Nonsubject sources plus Israel	Value	***	***	***	***	***
All import sources except Israel	Value	***	***	***	***	***
All import sources	Value	66,975	130,526	124,865	100,780	82,620
All sources	Value	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
Brazil	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Africa	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Subject sources except Israel	Share	***	***	***	***	***
Israel	Share	***	***	***	***	***
Subject sources	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
Nonsubject sources plus Israel	Share	***	***	***	***	***
All import sources except Israel	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Value in 1,000 dollars; shares in percent

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

Figure IV-7 Brass rod: Apparent U.S. consumption based on value, by source and period

* * * * * *

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

Tables IV-13 through IV-16 present apparent U.S. consumption by type of user: end users that purchase brass rod pursuant to a scrap buyback program; end users that do not purchase brass rod pursuant to a scrap buyback program; and distributors.⁸

Table IV-13

Brass rod: Buyback users' apparent U.S. consumption based on quantity data, market shares, and ratio to overall apparent U.S. consumption, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Quantity	***	***	***	***	***
Brazil	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Africa	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Subject sources except Israel	Quantity	***	***	***	***	***
Israel	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
Nonsubject sources plus Israel	Quantity	***	***	***	***	***
All import sources except Israel	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
Brazil	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Africa	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Subject sources except Israel	Share	***	***	***	***	***
Israel	Share	***	***	***	***	***
Subject sources	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
Nonsubject sources plus Israel	Share	***	***	***	***	***
All import sources except Israel	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Quantity in 1.000 pounds: shares in percent

⁸ This does not include U.S. shipments to toll end users, which represented less than *** percent of U.S. shipments, by quantity, in any one period during 2020-22, and interim 2022 and interim 2023.

Table IV-13 Continued

Brass rod: Buyback users' apparent U.S. consumption based on quantity data, market shares, and ratio to overall apparent U.S. consumption, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Ratio	***	***	***	***	***
Brazil	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Mexico	Ratio	***	***	***	***	***
South Africa	Ratio	***	***	***	***	***
South Korea	Ratio	***	***	***	***	***
Subject sources except Israel	Ratio	***	***	***	***	***
Israel	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
Nonsubject sources plus Israel	Ratio	***	***	***	***	***
All import sources except Israel	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Ratios in percent; ratios represent the ratio to overall apparent U.S. consumption

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 "---". Import sources are based on U.S. importers' U.S. shipments of imports.

Table IV-14

Brass rod: Non-buyback users' apparent U.S. consumption based on quantity data, market shares, and ratio to overall apparent U.S. consumption, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Quantity	***	***	***	***	***
Brazil	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Africa	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Subject sources except Israel	Quantity	***	***	***	***	***
Israel	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
Nonsubject sources plus Israel	Quantity	***	***	***	***	***
All import sources except Israel	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
Brazil	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Africa	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Subject sources except Israel	Share	***	***	***	***	***
Israel	Share	***	***	***	***	***
Subject sources	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
Nonsubject sources plus Israel	Share	***	***	***	***	***
All import sources except Israel	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; shares in percent

Table IV-14 Continued

Brass rod: Non-buyback users' apparent U.S. consumption based on quantity data, market shares, and ratio to overall apparent U.S. consumption, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Ratio	***	***	***	***	***
Brazil	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Mexico	Ratio	***	***	***	***	***
South Africa	Ratio	***	***	***	***	***
South Korea	Ratio	***	***	***	***	***
Subject sources except Israel	Ratio	***	***	***	***	***
Israel	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
Nonsubject sources plus Israel	Ratio	***	***	***	***	***
All import sources except Israel	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Ratios in percent; ratios represent the ratio to overall apparent U.S. consumption

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 "---". Import sources are based on U.S. importers' U.S. shipments of imports.

Table IV-15

Brass rod: Distributors' apparent U.S. consumption based on quantity data, market shares, and ratio to overall apparent U.S. consumption, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Quantity	***	***	***	***	***
Brazil	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Africa	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Subject sources except Israel	Quantity	***	***	***	***	***
Israel	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
Nonsubject sources plus Israel	Quantity	***	***	***	***	***
All import sources except Israel	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
Brazil	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Africa	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Subject sources except Israel	Share	***	***	***	***	***
Israel	Share	***	***	***	***	***
Subject sources	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
Nonsubject sources plus Israel	Share	***	***	***	***	***
All import sources except Israel	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; shares in percent

Table IV-15 Continued

Brass rod: Distributors' apparent U.S. consumption based on quantity data, market shares, and ratio to overall apparent U.S. consumption, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Ratio	***	***	***	***	***
Brazil	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Mexico	Ratio	***	***	***	***	***
South Africa	Ratio	***	***	***	***	***
South Korea	Ratio	***	***	***	***	***
Subject sources except Israel	Ratio	***	***	***	***	***
Israel	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
Nonsubject sources plus Israel	Ratio	***	***	***	***	***
All import sources except Israel	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Ratios in percent; ratios represent the ratio to overall apparent U.S. consumption

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 "---". Import sources are based on U.S. importers' U.S. shipments of imports.

Table IV-16

Brass rod: Distributors' and non-buyback users' apparent U.S. consumption based on quantity data, market shares, and ratio to overall apparent U.S. consumption, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Quantity	***	***	***	***	***
Brazil	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Africa	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Subject sources except Israel	Quantity	***	***	***	***	***
Israel	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
Nonsubject sources plus Israel	Quantity	***	***	***	***	***
All import sources except Israel	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
Brazil	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Africa	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Subject sources except Israel	Share	***	***	***	***	***
Israel	Share	***	***	***	***	***
Subject sources	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
Nonsubject sources plus Israel	Share	***	***	***	***	***
All import sources except Israel	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; shares in percent

Table IV-16 Continued

Brass rod: Distributors' and non-buyback users' apparent U.S. consumption based on quantity data, market shares, and ratio to overall apparent U.S. consumption, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
U.S. producers	Ratio	***	***	***	***	***
Brazil	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Mexico	Ratio	***	***	***	***	***
South Africa	Ratio	***	***	***	***	***
South Korea	Ratio	***	***	***	***	***
Subject sources except Israel	Ratio	***	***	***	***	***
Israel	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
Nonsubject sources plus Israel	Ratio	***	***	***	***	***
All import sources except Israel	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Ratios in percent; ratios represent the ratio to overall apparent U.S. consumption

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 "---". Import sources are based on U.S. importers' U.S. shipments of imports.

Part V: Pricing data

Factors affecting prices

Raw material costs

Brass is a copper alloy that typically contains at least 15 percent zinc and may also contain other elements.¹ The most common type of brass rod is made up of about 60 percent copper (by weight), the cost of copper is reflected in the price of brass scrap and, as a result, the cost of copper is 70 to 80 percent of the cost of the raw materials used in brass rod.²

Brass rod is produced primarily from recycled materials.³ Up to 98 percent of the raw material used to produce brass rod comes from scrap,⁴ supplemented with pure copper, zinc, or lead, depending on the desired chemical composition of the finished brass rod. The preferred form of scrap material is brass turnings that are returned to the mill, which are supplemented with pure raw materials as well as other types of scrap.⁵

Figure V-1 and table V-1 provide indexes of the monthly average prices of copper, zinc, and yellow brass scrap.⁶ Petitioners explained that scrap prices generally follow the prices of the underlying metals.⁷ Prices of copper and brass scrap follow similar patterns. Zinc makes up a small share of the cost of brass rod. Between January 2020 and September 2023, copper prices increased by 37.2 percent, zinc prices increased by 6.0 percent, and yellow brass scrap prices increased by 47.2 percent.

Domestic producers' purchase prices for brass scrap from buyback programs were higher than their purchase prices for these alloys not from buyback programs in every quarter of the investigation period (see appendix E). Purchase price differences ranged from *** to *** percent for C3600 scrap alloy and from *** to *** percent for other alloys, during January 2020-September 2023.⁸ The differentials between buyback and non-buyback scrap

¹ Conference transcript, p. 19 (Mitchell) and hearing transcript pp. 21-22 (Mitchell).

² Conference transcript, pp. 57-58 (Mitchell).

³ Petition, Volume 1, Narrative, pp. 9-10. Respondents from Israel and South Africa also reported that availability of scrap limited their production of brass rod. Conference transcript, pp. 94, 149-150 (Apeloig, Greathead, Slazinas).

⁴ Brass and copper scrap are used in brass rod production, but zinc scrap is not available. Zinc and minor alloys are added in refined forms. Conference transcript, p. 55 (Mitchell).

⁵ Petition, Volume 1, Narrative, pp. 9-10 and hearing transcript, p. 154 (Lazarus).

⁶ The brass scrap typically used in brass rod production is yellow brass scrap. Conference transcript, p. 73 (Christie).

⁷ Conference transcript p. 78 (Mitchell).

⁸ For additional information on scrap buyback prices, please see Appendix E.

prices fluctuated over the period of investigation. Purchase prices for scrap (both buyback and non-buyback) were higher at the end of the period than at the beginning of the period of investigation, mirroring the increase in copper prices.

Figure V-1 Indexed prices of raw materials, by month, January 2020 - September 2023

Indexed prices in percent (January 2020 = 100.0 percent)



Source: Copper: <u>https://fred.stlouisfed.org/series/PCOPPUSDM;</u> Zinc <u>https://fred.stlouisfed.org/series/PZINCUSDM</u>; Yellow brass scrap: https://fred.stlouisfed.org/series/WPU10230103, accessed on October 30, 2023.

Table V-1Indexed prices of raw materials, by month, January 2020 - September 2023

Month and year	Copper	Zinc	Yellow brass scrap
January 2020	100.0	100.0	100.0
February 2020	94.3	89.8	95.1
March 2020	85.9	80.9	92.3
April 2020	83.9	80.8	84.0
May 2020	86.9	83.9	90.1
June 2020	95.4	86.0	96.7
July 2020	105.7	92.5	106.7
August 2020	107.9	102.5	105.9
September 2020	111.2	103.7	108.7
October 2020	111.3	103.7	108.3
November 2020	117.2	113.5	113.0
December 2020	128.9	118.1	128.7
January 2021	132.2	114.9	134.5
February 2021	140.5	116.6	136.8
March 2021	149.0	118.6	141.8
April 2021	154.6	120.2	152.5
May 2021	168.6	126.1	157.6
June 2021	159.7	125.4	154.8
July 2021	156.7	125.2	152.5
August 2021	155.4	126.9	149.6
September 2021	154.6	129.0	155.4
October 2021	163.0	142.7	161.8
November 2021	161.3	140.6	163.5
December 2021	158.4	144.4	161.8

Indexed prices in percent (January 2020 = 100.0 percent)

Table V-1 ContinuedIndexed prices of raw materials, by month, January 2020 - September 2023

Month and year	Copper	Zinc	Yellow brass scrap
January 2022	162.2	152.9	167.0
February 2022	164.9	153.8	170.8
March 2022	169.6	168.3	174.9
April 2022	168.7	185.7	174.3
May 2022	155.8	160.1	164.5
June 2022	150.3	155.2	160.1
July 2022	125.1	131.9	123.1
August 2022	132.5	152.5	132.9
September 2022	128.4	132.7	134.7
October 2022	126.9	126.0	134.4
November 2022	133.5	124.8	139.7
December 2022	138.8	132.4	144.7
January 2023	149.3	140.0	146.9
February 2023	148.2	133.1	151.5
March 2023	146.8	126.0	151.9
April 2023	146.1	117.7	155.0
May 2023	136.7	105.6	149.5
June 2023	139.2	100.9	150.6
July 2023	140.5	102.1	152.3
August 2023	138.4	102.2	149.2
September 2023	137.2	106.0	147.2

Indexed prices in percent (January 2020 = 100.0 percent)

Source: Copper: <u>https://fred.stlouisfed.org/series/PCOPPUSDM</u>; Zinc: <u>https://fred.stlouisfed.org/series/PZINCUSDM</u>; Yellow brass scrap: <u>https://fred.stlouisfed.org/series/WPU10230103</u>, accessed on October 30, 2023.

Transportation costs to the U.S. market

Transportation costs for brass rod shipped from subject countries to the United States averaged 5.3 percent for Brazil, 5.5 percent for India, 4.8 percent for Israel, 0.2 percent for Mexico, 3.4 percent for South Africa, 4.2 percent for South Korea, and 1.5 percent for nonsubject sources during 2022. These estimates were derived from official import data and represent the transportation and other charges on imports.⁹

⁹ The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2022 and then dividing by the customs value based on the HTS statistical reporting numbers 7407.21.1500. 7407.21.3000, 7407.21.5000, 7407.21.7000, and 7407.21.9000. U.S. imports from Israel previously classified under 7403.21.0000 were reclassified as being imported under 7407.21.9000 by the U.S. Department of Commerce Census Bureau; <u>https://www.census.gov/foreign-trade/statistics/corrections/index.html</u>.

U.S. inland transportation costs

All responding U.S. producers and 13 of 15 responding importers reported that they typically arrange transportation to their customers. U.S. producers reported that inland transportation costs ranged from *** percent. U.S. importers reported that their U.S. inland transportation costs ranged from 1.3 to 10 percent, with half of responding importers reporting costs of 3.0 to 3.5 percent.

Pricing practices

Pricing methods

U.S. producers reported setting prices using transaction-by-transaction negotiations, set price lists¹⁰, other methods, and contracts, while most importers reported setting prices using transaction-by-transaction negotiations (table V-2).¹¹

Table V-2

Method	U.S. producers	U.S. importers
Transaction-by-transaction	2	17
Contract	1	5
Set price list	2	4
Other	2	2
Responding firms	3	18

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.

U.S. producers' sales were nearly evenly divided between spot and contract sales in

2022, with annual and long-term contracts comprising about *** percent of sales (table V-3).

¹⁰ ***. Petitioners' posthearing brief, p. II-2 and Exhibits 6 and 7.

¹¹ Other reported methods of price setting consisted of tolling, and firms reporting that they do not sell brass rod.

Importers reported selling most of their brass rod in the spot market with almost all of the remainder under short-term contracts in 2022.

Table V-3

Brass rod: U.S. producers' and importers' shares of commercial U.S. shipments by type of sale, 2022

endree in percent		
ltem	U.S. producers	Subject U.S. importers
Long-term contracts	***	***
Annual contract	***	***
Short-term contracts	***	***
Spot sales	***	***
0 0 11 1 (

Shares in percent

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

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

One U.S. producer/importer *** reported a contract duration of 90 days, while another *** reported a contract duration of between 4 and 6 months. Two importers reported fixing short-term contracts to raw material costs, and 3 reported fixing long-term contracts to raw material costs. Most importers reported that contract provisions such as price renegotiation did not apply to them. A plurality of importers reported a 90-day contract term. U.S. producers and importers reported that they use indices such as COMEX for copper and London Metals Exchange (LME) for zinc, and U.S. producers also reported using AMM metal premiums and Kutco.

Five purchasers reported that they purchase product daily, 2 purchase weekly, 4 purchase monthly, 1 purchases quarterly, and 3 reported another frequency. Most responding purchasers (14 of 15) reported that their purchasing frequency had not changed since 2020. A plurality of purchasers (4 firms) contact 1 to 2 suppliers before making a purchase.

Sales terms and discounts

U.S. producers quote prices on an f.o.b. basis, while most importers typically quote prices on a delivered basis. Two U.S. producers offer quantity discounts, while 1 offers a volume discount and 1 offers another type of discount. ***.¹² Most importers reported that they did not have a discount policy.¹³

Price leadership

Nine of 17 purchasers named one or more price leaders. A plurality of purchasers identified Wieland as a price leader, while several purchasers identified Mueller and Termomecanica as price leaders, and one purchaser each identified Daechang and Finkelstein as price leaders. Purchasers indicating the presence of price leaders indicated that Mueller and Wieland are regarded as market leaders in terms of their pricing for CDA360, which they identified as one of the most prevalent brass alloys sold, and that Finkelstein (Israel), Termomecanica (Brazil), and Daechang (South Korea) were particularly promotional low-price leaders during 2021-22. One purchaser reported that Wieland was generally the first to release a published price change. Purchasers indicating the presence of price leaders reported that Termomecanica was a price leader by offering low prices (with one purchaser reporting that Termomecanica's freight costs from Brazil to Houston are cheaper than other suppliers), while Wieland was a price leader because it offered the highest prices.

¹² Petitioners' posthearing brief, p. II-2.

¹³ ***, reported that it offers *** discounts. Another importer, ***, reported that it offers volume discounts.

Price data

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following brass rod products shipped to unrelated U.S. customers during January 2020 - September 2023.

- Product 1.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program.
- Product 2.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that <u>did not</u> purchase the brass rod pursuant to your firm's brass scrap buyback program.
- Product 3.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors.
- Product 4.-- Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program.
- Product 5.-- Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that <u>did not</u> purchase the brass rod pursuant to your firm's brass scrap buyback program.
- *Product 6.--* Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. **Sold to distributors.**
- Product 7.-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program.
- Product 8.-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that <u>did not</u> purchase the brass rod pursuant to your firm's brass scrap buyback program.

Product 9.-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. **Sold to distributors.**

Three U.S. producers and 10 importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.¹⁴ Importers did not report any data for pricing products 1, 4, and 7 (pricing products sold pursuant to a scrap buyback program). Pricing data reported by these firms accounted for approximately *** percent of U.S. producers' U.S. shipments of brass rod, *** percent of U.S. shipments of subject imports from Brazil, *** percent of U.S. shipments of subject imports from Israel, *** percent of U.S. shipments of subject imports from Mexico, and *** percent of U.S. shipments of subject imports from Mexico, and *** percent of U.S. shipments of subject imports from South Korea in 2022.¹⁵

Price data for products 1-9 are presented in tables V-4 to V-12 and figures V-2 to V-10.

¹⁴ 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.

U.S. producer CXM (***), is reportedly referred business because it can process 520 pound billets and specializes in custom shapes, sizes, and alloys in small volumes, hearing transcript, pp. 22-23 and p. 33 (Mitchell and Christie). However, South Korean producer Booyoung Industry disputed CXM's ability to produce certain brass rod profiles due to the description of the production processes on CXM's website referring to extrusion using high-pressure hydraulic presses, which Booyoung reports can be done with bronze and nickel but not with brass or by using a smaller billet. Booyoung's posthearing brief, pp. 1-2 and Attachment 1. ***.

No usable price data were received for South African product. ***.

¹⁵ Pricing coverage is based on U.S. shipments reported in questionnaires.

Table V-4

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

Period	US price	US quantity
2020 Q1	***	***
2020 Q2	***	***
2020 Q3	***	***
2020 Q4	***	***
2021 Q1	***	***
2021 Q2	***	***
2021 Q3	***	***
2021 Q4	***	***
2022 Q1	***	***
2022 Q2	***	***
2022 Q3	***	***
2022 Q4	***	***
2023 Q1	***	***
2023 Q2	***	***
2023 Q3	***	***

Price in dollars per pound; quantity in 1,000 pounds

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

Note: Product 1: Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program.

Figure V-2 Brass rod: 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

*

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*

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

*

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*

Note: Product 1: Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program.

Table V-5

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	Brazil price	Brazil quantity	Brazil margin	India price	India quantity	India margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-5 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	lsrael price	lsrael quantity	lsrael margin	Mexico price	Mexico quantity	Mexico margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-5 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	South Korea price	South Korea quantity	South Korea margin
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

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

Note: Product 2: Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that did not purchase the brass rod pursuant to your firm's brass scrap buyback program.

Figure V-3 Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 2, by source and quarter

Price of product 2

* * * * * *

*

Volume of product 2

*

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*

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

*

*

*

Note: Product 2: Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that did not purchase the brass rod pursuant to your firm's brass scrap buyback program.

Table V-6

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	Brazil price	Brazil quantity	Brazil margin	India price	India quantity	India margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-6 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	lsrael price	lsrael quantity	lsrael margin	Mexico price	Mexico quantity	Mexico margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-6 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	South Korea price	South Korea quantity	South Korea margin
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

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

Note: Product 3: Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors.

Figure V-4 Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, by source and quarter

Price of product 3

* * * * * *

*

Volume of product 3

*

*

*

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

*

*

*

Note: Product 3: Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors.

Table V-7 Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 4 and margins of underselling/(overselling), by source and quarter

Period	US price	US quantity
2020 Q1	***	***
2020 Q2	***	***
2020 Q3	***	***
2020 Q4	***	***
2021 Q1	***	***
2021 Q2	***	***
2021 Q3	***	***
2021 Q4	***	***
2022 Q1	***	***
2022 Q2	***	***
2022 Q3	***	***
2022 Q4	***	***
2023 Q1	***	***
2023 Q2	***	***
2023 Q3	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

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

Note: Product 4: Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program.
Figure V-5 Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 4, by source and quarter

Price of product 4

* * * * * *

*

Volume of product 4

*

*

*

*

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

*

*

*

Note: Product 4: Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program.

Table V-8

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 5 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	Brazil price	Brazil quantity	Brazil margin	India price	India quantity	India margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-8 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 5 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	lsrael price	lsrael quantity	lsrael margin	Mexico price	Mexico quantity	Mexico margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-8 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 5 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	South Korea price	South Korea quantity	South Korea margin
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

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

Note: Product 5: Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that did not purchase the brass rod pursuant to your firm's brass scrap buyback program.

Figure V-6 Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 5, by source and quarter

Price of product 5

* * * * * *

*

Volume of product 5

*

*

*

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

* *

*

Note: Product 5: Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that did not purchase the brass rod pursuant to your firm's brass scrap buyback program.

Table V-9

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 6 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	Brazil price	Brazil quantity	Brazil margin	India price	India quantity	India margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-9 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 6 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	lsrael price	lsrael quantity	lsrael margin	Mexico price	Mexico quantity	Mexico margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-9 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 6 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	South Korea price	South Korea quantity	South Korea margin
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

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

Note: Product 6: Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors.

Figure V-7 Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 6, by source and quarter

Price of product 6

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Volume of product 6

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

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Note: Product 6: Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors.

Table V-10

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 7 and margins of underselling/(overselling), by source and quarter

Period	US price	US quantity
2020 Q1	***	***
2020 Q2	***	***
2020 Q3	***	***
2020 Q4	***	***
2021 Q1	***	***
2021 Q2	***	***
2021 Q3	***	***
2021 Q4	***	***
2022 Q1	***	***
2022 Q2	***	***
2022 Q3	***	***
2022 Q4	***	***
2023 Q1	***	***
2023 Q2	***	***
2023 Q3	***	***

Price in dollars per pound; quantity in 1,000 pounds

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

Note: Product 7: Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program.

Figure V-8 Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 7, by source and quarter

Price of product 7

* * * * * *

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Volume of product 7

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

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Note: Product 7: Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program.

Table V-11

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 8 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	Brazil price	Brazil quantity	Brazil margin	India price	India quantity	India margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-11 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 8 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	lsrael price	lsrael quantity	lsrael margin	Mexico price	Mexico quantity	Mexico margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Quantity in 1,000 pounds; prices in dollars per pound; margins in percent

Table V-11 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 8 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	South Korea price	South Korea quantity	South Korea margin
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Price in dollars per pound; guantity in 1,000 pounds; margins in percent

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

Note: Product 8: Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that did not purchase the brass rod pursuant to your firm's brass scrap buyback program.

Figure V-9 Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 8, by source and quarter

Price of product 8

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Volume of product 8

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

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Note: Product 8: Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that did not purchase the brass rod pursuant to your firm's brass scrap buyback program.

Table V-12

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 9 and margins of underselling/(overselling), by source and quarter

		U.S.	Brazil	Brazil	Brazil	India	India	India
Period	U.S. price	quantity	price	quantity	margin	price	quantity	margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-12 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 9 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	lsrael price	lsrael quantity	lsrael margin	Mexico price	Mexico quantity	Mexico margin
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***

Price in dollars per pound; quantity in 1,000 pounds; margins in percent

Table V-12 Continued

Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 9 and margins of underselling/(overselling), by source and quarter

Period	U.S. price	U.S. quantity	South Korea price	South Korea quantity	South Korea margin
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Price in dollars per pound; guantity in 1,000 pounds; margins in percent

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

Note: Product 9: Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors.

Figure V-10 Brass rod: Weighted-average f.o.b. prices and quantities of domestic and imported product 9, by source and quarter

Price of product 9

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Volume of product 9

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

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Note: Product 9: Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors.

Price trends

In general, prices increased during January 2020 - September 2023. Prices generally increased during 2020, 2021, and the first half of 2022, before fluctuating downwards during the remainder of the period. Table V-13 summarizes the price trends, by country and by product. Indexed prices are shown in tables V-14 to V-15 and figures V-11 and V-12.

Table V-13Brass rod: Summary of price data, by product and source, January 2020 – September 2023

									Percent change
		Number				First	Last		in price
Draduat	Source	of	Quantity	Low	High	quarter	quarter	Quarterly	over
Product	Source	quarters	Quantity	price	price	price	price	change	penou
Product 1	United States	***		~~~	~~~	***	***	~~~	
Product 1	Brazil	***	***	***	***	***	***	***	***
Product 1	India	***	***	***	***	***	***	***	***
Product 1	Israel	***	***	***	***	***	***	***	***
Product 1	Mexico	***	***	***	***	***	***	***	***
Product 1	South Africa	***	***	***	***	***	***	***	***
Product 1	South Korea	***	***	***	***	***	***	***	***
Product 2	United States	***	***	***	***	***	***	***	***
Product 2	Brazil	***	***	***	***	***	***	***	***
Product 2	India	***	***	***	***	***	***	***	***
Product 2	Israel	***	***	***	***	***	***	***	***
Product 2	Mexico	***	***	***	***	***	***	***	***
Product 2	South Africa	***	***	***	***	***	***	***	***
Product 2	South Korea	***	***	***	***	***	***	***	***
Product 3	United States	***	***	***	***	***	***	***	***
Product 3	Brazil	***	***	***	***	***	***	***	***
Product 3	India	***	***	***	***	***	***	***	***
Product 3	Israel	***	***	***	***	***	***	***	***
Product 3	Mexico	***	***	***	***	***	***	***	***
Product 3	South Africa	***	***	***	***	***	***	***	***
Product 3	South Korea	***	***	***	***	***	***	***	***

Prices in dollars per pound; quantity in 1,000 pounds; change in percent

Table continued.

Note: Products 1, 2, and 3 are the same product with different users: buyback end users, non-buyback end users, and distributors, respectively.

Table V-13 ContinuedBrass rod: Summary of price data, by product and source, January 2020 – September 2023

									Percent
		Number				First	Last		in price
		of		Low	High	quarter	quarter	Quarterly	over
Product	Source	quarters	Quantity	price	price	price	price	change	period
Product 4	United States	***	***	***	***	***	***	***	***
Product 4	Brazil	***	***	***	***	***	***	***	***
Product 4	India	***	***	***	***	***	***	***	***
Product 4	Israel	***	***	***	***	***	***	***	***
Product 4	Mexico	***	***	***	***	***	***	***	***
Product 4	South Africa	***	***	***	***	***	***	***	***
Product 4	South Korea	***	***	***	***	***	***	***	***
Product 5	United States	***	***	***	***	***	***	***	***
Product 5	Brazil	***	***	***	***	***	***	***	***
Product 5	India	***	***	***	***	***	***	***	***
Product 5	Israel	***	***	***	***	***	***	***	***
Product 5	Mexico	***	***	***	***	***	***	***	***
Product 5	South Africa	***	***	***	***	***	***	***	***
Product 5	South Korea	***	***	***	***	***	***	***	***
Product 6	United States	***	***	***	***	***	***	***	***
Product 6	Brazil	***	***	***	***	***	***	***	***
Product 6	India	***	***	***	***	***	***	***	***
Product 6	Israel	***	***	***	***	***	***	***	***
Product 6	Mexico	***	***	***	***	***	***	***	***
Product 6	South Africa	***	***	***	***	***	***	***	***
Product 6	South Korea	***	***	***	***	***	***	***	***

Prices in dollars per pound; quantity in 1,000 pounds; change in percent

Table continued.

Note: Products 4, 5, and 6 are the same product with different users: buyback end users, non-buyback end users, and distributors, respectively.

Table V-13 ContinuedBrass rod: Summary of price data, by product and source, January 2020 – September 2023

									Percent
		Numbor				Firet	Laet		change
		of		Low	Hiah	quarter	guarter	Quarterly	over
Product	Source	quarters	Quantity	price	price	price	price	change	period
Product 7	United States	***	***	***	***	***	***	***	***
Product 7	Brazil	***	***	***	***	***	***	***	***
Product 7	India	***	***	***	***	***	***	***	***
Product 7	Israel	***	***	***	***	***	***	***	***
Product 7	Mexico	***	***	***	***	***	***	***	***
Product 7	South Africa	***	***	***	***	***	***	***	***
Product 7	South Korea	***	***	***	***	***	***	***	***
Product 8	United States	***	***	***	***	***	***	***	***
Product 8	Brazil	***	***	***	***	***	***	***	***
Product 8	India	***	***	***	***	***	***	***	***
Product 8	Israel	***	***	***	***	***	***	***	***
Product 8	Mexico	***	***	***	***	***	***	***	***
Product 8	South Africa	***	***	***	***	***	***	***	***
Product 8	South Korea	***	***	***	***	***	***	***	***
Product 9	United States	***	***	***	***	***	***	***	***
Product 9	Brazil	***	***	***	***	***	***	***	***
Product 9	India	***	***	***	***	***	***	***	***
Product 9	Israel	***	***	***	***	***	***	***	***
Product 9	Mexico	***	***	***	***	***	***	***	***
Product 9	South Africa	***	***	***	***	***	***	***	***
Product 9	South Korea	***	***	***	***	***	***	***	***

Prices in dollars per pound; quantity in 1,000 pounds; change in percent

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

Note: Percent change column is percentage change from the first quarter 2020 to the last quarter in 2022. Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Note: Products 7, 8, and 9 are the same product are the same product with different users: buyback end users, non-buyback end users, and distributors, respectively.

Table V-14 Brass rod: Indexed U.S. producer prices, by quarter

Period	Product 1	Product 2	Product 3	Product 4	Product 5	Product 6	Product 7	Product 8	Product 9
2020 Q1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2020 Q2	96.8	102.9	94.3	97.8	108.9	93.6	97.3	97.7	93.6
2020 Q3	105.3	106.7	105.2	106.8	113.1	103.9	105.0	103.9	103.9
2020 Q4	110.9	114.2	114.2	114.3	123.5	113.3	112.9	109.6	114.2
2021 Q1	125.0	135.3	130.5	130.1	135.3	131.6	128.2	126.4	130.9
2021 Q2	140.4	150.6	143.7	147.1	150.4	145.3	144.8	138.8	146.1
2021 Q3	148.7	160.0	154.5	152.1	158.0	157.8	151.3	146.3	157.7
2021 Q4	150.2	156.2	157.9	153.6	162.8	161.0	153.8	150.1	160.6
2022 Q1	152.1	162.5	160.3	155.4	161.4	163.4	155.2	155.9	160.5
2022 Q2	152.2	165.7	164.3	155.9	165.8	165.1	156.1	153.8	163.6
2022 Q3	135.8	155.3	144.7	138.0	140.5	145.6	139.6	136.4	142.4
2022 Q4	137.5	140.9	146.0	137.1	144.8	145.8	138.2	134.2	144.5
2023 Q1	144.1	151.8	154.2	147.7	152.9	153.1	147.8	146.8	151.6
2023 Q2	140.0	156.7	143.9	143.7	145.7	148.4	144.6	145.6	144.0
2023 Q3	138.4	132.7	140.9	139.2	140.2	141.9	141.6	133.9	141.2

Indexed prices in percent (2020 Q1 = 100.0 percent)

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 "---".

Figure V-11 Brass rod: Indexed U.S. producer prices, by quarter



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

Table V-15Brass rod: Indexed subject U.S. importer prices, by quarter

Period	Product 2	Product 3	Product 5	Product 6	Product 8	Product 9
2020 Q1	100.0	100.0	100.0	100.0	100.0	100.0
2020 Q2	99.3	91.9	98.3	91.7	98.0	92.2
2020 Q3	99.1	107.5	90.1	98.9	99.3	102.0
2020 Q4	104.4	114.7	106.0	102.5	110.2	109.8
2021 Q1	119.2	128.4	115.7	116.1	127.5	127.7
2021 Q2	127.1	141.8	132.7	135.9	135.4	144.7
2021 Q3	134.4	150.7	127.8	144.1	146.6	154.4
2021 Q4	144.4	157.0	137.1	149.9	143.3	157.7
2022 Q1	138.8	155.0	136.5	148.0	154.2	154.2
2022 Q2	149.5	158.9	150.6	159.5	153.6	162.4
2022 Q3	146.7	146.6	139.5	148.3	141.8	149.0
2022 Q4	144.4	139.6	136.8	136.4	148.2	137.6
2023 Q1	142.8	148.0	137.2	142.3	145.8	150.6
2023 Q2	138.7	138.5	137.7	135.8	142.8	135.5
2023 Q3	133.6	138.8	132.9	131.4	143.0	133.6

Indexed prices in percent (2020 Q1 = 100.0 percent)

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 "---".

Figure V-12 Brass rod: Indexed subject U.S. importer prices, by quarter



Subject U.S. importers

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

Price comparisons

As shown in tables V-16 and V-17, prices for product imported from subject sources were below those for U.S.-produced product in 327 of 359 instances (36.0 million pounds); margins of underselling ranged from 0.1 to 51.2 percent. In the remaining 32 instances (543 thousand pounds), prices for product from subject sources were between 0.4 to 40.6 percent above prices for the domestic product. Prices for product imported from Israel were below those for U.S.-produced product in 86 out of 87 instances (***). As shown in the table, margins of underselling ranged from *** to *** percent during January 2020 – September 2023 while margins of overselling ranged from *** to *** percent. Margins of underselling for brass rod imported from Israel were between ***, while margins of overselling *** percent during January 2020 – September 2023 (table V-17). Appendix F presents price comparisons that combine data for brass rod products sold to end users pursuant to scrap buyback programs and not sold pursuant to scrap buyback programs, and to distributors.

Table V-16 Brass rod: Instances of underselling and overselling and the range and average of margins, by product

Due du sé	Trues	Number of	Quantita	Average		Max
Product	туре	quarters	Quantity	margin	Min margin	margin
Product 1	Underselling		***	***	***	***
Product 2	Underselling	57	***	***	***	***
Product 3	Underselling	49	***	***	***	***
Product 4	Underselling		***	***	***	***
Product 5	Underselling	59	***	***	***	***
Product 6	Underselling	53	***	***	***	***
Product 7	Underselling		***	***	***	***
Product 8	Underselling	56	***	***	***	***
Product 9	Underselling	53	***	***	***	***
Total, all products	Underselling	327	36,049	13.7	0.1	51.2
Product 1	Overselling		***	***	***	***
Product 2	Overselling	4	***	***	***	***
Product 3	Overselling	7	***	***	***	***
Product 4	Overselling		***	***	***	***
Product 5	Overselling	4	***	***	***	***
Product 6	Overselling	3	***	***	***	***
Product 7	Overselling		***	***	***	***
Product 8	Overselling	10	***	***	***	***
Product 9	Overselling	4	***	***	***	***
Total, all products	Overselling	32	543	(8.3)	(0.4)	(40.6)

Quantity in 1,000 pounds; margin in percent

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.

Table V-17 Brass rod: Instances of underselling and overselling and the range and average of margins, by source

Product	Туре	Number of quarters	Quantity	Average margin	Min margin	Max margin
Brazil	Underselling	73	***	***	***	***
India	Underselling	55	***	***	***	***
Israel	Underselling	86	***	***	***	***
Mexico	Underselling	50	***	***	***	***
South Africa	Underselling		***	***	***	***
South Korea	Underselling	63	***	***	***	***
Subject sources except Israel	Underselling	241	***	***	***	***
All subject sources	Underselling	327	36,049	13.7	0.1	51.2
Brazil	Overselling	14	***	***	***	***
India	Overselling	14	***	***	***	***
Israel	Overselling	1	***	***	***	***
Mexico	Overselling	3	***	***	***	***
South Africa	Overselling		***	***	***	***
South Korea	Overselling		***	***	***	***
Subject sources except Israel	Overselling	31	***	***	***	***
All subject sources	Overselling	32	543	(8.3)	(0.4)	(40.6)

Quantity	/ in	1 000	nounds.	margins	in	nercent	
Quantity	/ 11 1	1,000	pourius,	margins	111	percent	

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

In the preliminary phase of the investigations, the Commission requested that U.S. producers of brass rod report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of brass rod from Brazil during January 2020 - December 2022. Two U.S. producers submitted lost sales and lost revenue allegations, identifying 15 firms with which they lost sales or revenue (6 consisting lost sales allegations and 9 consisting of both types of allegations). Thirteen allegations listed Israel as a source (in 9 cases it was the only source listed). Brazil was listed 4 times (in one case it was the only source listed). South Africa was listed 3 times as one of multiple sources, South Korea was listed once as one of multiple sources, and "various" was listed once. ***. The lost sales and revenues were reported to occur in ***.

In the final phase of the investigations, all three U.S. producers reported that they had to reduce prices and had lost sales, and none reported that they had to roll back announced price increases.

Staff contacted 17 purchasers and received responses from 17 purchasers.¹⁶ Responding purchasers reported purchasing and importing 276.6 million pounds of brass rod during January 2020 - September 2023 (table V-18).¹⁷

Table V-19 shows that ***.

Of the 17 purchasers, 12 reported that, since 2020, they had purchased imported brass rod from one or more subject sources instead of domestic brass rod (5 from Brazil, 3 from India, 11 from Israel, 3 from Mexico, 5 from South Africa, and 4 from South Korea). Eleven of these purchasers reported that subject import prices were lower than U.S.-produced product, and 6 of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than U.S.-produced product. Six purchasers estimated the quantity of brass rod from subject sources purchased instead of domestic product; quantities ranged from *** (table V-20). Purchasers identified product availability, immediate availability, size range, quality issues, minimum order quantities, quality issues, and ability to address issues promptly and efficiently as non-price reasons for purchasing imported rather than U.S.-produced product.

Of the 17 purchasers, one (***) reported that U.S. producers had reduced prices in order to compete with lower-priced subject imports, specifically from Brazil, Israel, and South Korea. It reported estimated price reductions of 5.7 to 16.0 percent. Eight each purchasers reported that U.S. producers did not reduce prices to compete with lower-priced subject imports or that they did not know for one or more subject source.

¹⁶ One purchaser, ***, submitted lost sales lost revenue survey responses in the preliminary phase, but did not submit purchaser questionnaire responses in the final phase.

¹⁷ These firms' purchases totaled *** tons while their imports totaled *** tons.

Table V-18 Brass rod: Purchasers' reported purchases and imports, by firm and source

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

Quantity in 1,000 pounds, shares in percent

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.

Table V-19Brass rod: U.S. purchasers' scrap buyback program purchases, by firm and source

Quantity in 1,000	pounds, shares in	percent
-------------------	-------------------	---------

Purchaser	Participated in scrap buyback program	Share domestically produced	Quantity domestically produced	Share produced in subject countries	Quantity produced in subject countries	Narrative on scrap buyback program participation
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***

Table V-19 ContinuedBrass rod:U.S. purchasers' scrap buyback program purchases, by firm and source

Purchaser	Participated in scrap buyback program	Share domestically produced	Quantity domestically produced	Share produced in subject countries	Quantity produced in subject countries	Narrative on scrap buyback program participation
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***

Quantity in 1,000 pounds, shares in percent

Table V-19 ContinuedBrass rod:U.S. purchasers' scrap buyback program purchases, by firm and source

Purchaser	Participated in scrap buyback program	Share domestically produced	Quantity domestically produced	Share produced in subject countries	Quantity produced in subject countries	Narrative on scrap buyback program participation
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
All firms	Yes3; No 12	***	***	***	***	NA

Quantity in 1,000 pounds, shares in percent

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

Note: The "Quantity domestically produced" was calculated by applying the share of 2022 purchases to the purchasers' reported 2022 purchases.

Table V-20 Brass rod: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in 1,000 pounds

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
Table V-20 Continued Brass rod: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in 1,000	Quantity in 1,000 pounds							
Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation			
***	***	***	***	***	***			
***	***	***	***	***	***			
***	***	***	***	***	***			
***	***	***	***	***	***			
***	***	***	***	***	***			
***	***	***	***	***	***			
***	***	***	***	***	***			
***	***	***	***	***	***			
***	***	***	***	***	***			
***	***	***	***	***	***			
***	***	***	***	***	***			
All firms	Yes12; No 4	Yes11; No- -1	Yes6; No5	***	NA			

Table V-21 Brass rod: Purchasers' responses to purchasing subject imports instead of domestic product, by source

Quantity in 1,000 pounds

Source	Count of purchasers reporting subject instead of domestic	Count of purchasers reported that imports were priced lower	Count of purchasers reporting that price was a primary reason for shift	Quantity
Brazil	5	4	2	***
India	3	3	1	***
Israel	11	10	6	***
Mexico	3	2	1	***
South Africa	5	4	1	***
South Korea	4	3	1	***
Subject sources except Israel	8	7	3	***
Any subject source	12	11	6	***

Part VI: Financial experience of U.S. producers

Background¹

Three U.S. producers provided financial results on their brass rod operations. All three firms provided their financial results on a calendar-year and GAAP basis.²

The industry's net sales include commercial sales, transfers to related firms, and sales that are made pursuant to tolling arrangements. Transfers to related firms accounted for *** percent of the combined net sales quantity in 2022 and are not shown separately in this section of the report.³ The industry's sales made pursuant to a tolling arrangement accounted for *** percent of total net sales quantity in 2022.⁴

Staff verified the results of Mueller with its corporate records and all adjustments were incorporated into this report. Mueller's U.S. producer questionnaire response was changed as follows: ***.56

¹ The following abbreviations are used in the tables and/or text of this section: generally accepted accounting principles ("GAAP"), fiscal year ("FY"), net sales ("NS"), cost of goods sold ("COGS") cost of tolling services ("COTS"), 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 ***

³***. *** U.S. producer questionnaire, section II-12 and email from ***.

⁴ ***. Toll operations represented a noticeably smaller share of total net sales, by value (*** percent). This is because in a tolling arrangement, the tollee provides, and maintains title of, the raw material inputs (i.e., scrap) and the U.S. producers convert the scrap into brass rod. Conference transcript, pp. 47-48 (Christie). This means tolling revenue is noticeably less than non-toll revenue on a per-pound basis because tolling revenue does not need to cover the cost of raw materials, whereas non-toll revenue does.

⁵ Staff verification report, ***. Ibid.

^{6 ***}

Figure VI-1 presents the relative sizes of the U.S. producers by showing each firm's share of total net sales quantity in 2022.

Figure VI-1

Brass rod: U.S. producers' share of net sales quantity for combined operations in 2022, by firm

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

Operations on brass rod

*

Table VI-1 presents aggregated data on U.S. producers' non-toll operations in relation to brass rod, while table VI-2 presents the corresponding changes in AUVs. Table VI-3 presents aggregated data on U.S. producers' toll operations in relation to brass rod and table VI-4 presents the corresponding changes in AUVs. Table VI-5 presents the combined non-toll and toll operations for select measures, and table VI-6 presents the corresponding changes in AUVs for the combined data. Table VI-7 presents selected company-specific financial data for non-toll operations.⁷

⁷ Company-specific financial data for toll operations are shown in appendix G.

Table VI-1 Brass rod: U.S. producers' results of <u>non-toll</u> operations, by item and period

Item	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Net sales	Quantity	***	***	***	***	***
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	***	***	***	***	***
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 or (loss)	Ratio to NS	***	***	***	***	***
SG&A expenses	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***
COGS: Raw materials	Share of COGS	***	***	***	***	***
COGS: Direct labor	Share of COGS	***	***	***	***	***
COGS: Other factory	Share of COGS	***	***	***	***	***
COGS: Total	Share of COGS	***	***	***	***	***
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	***	***	***	***	***

Quantity in 1,000 pounds; value in 1,000 dollars; ratios and shares in percent; unit values in dollars per pound; count in number of firms reporting

Table VI-2Brass rod: Changes in AUVs between comparison periods for non-toll operations

Item	Measure	2020-22	2020-21	2021-22	Jan-Sep 2022-23
Net sales	Percent change	▲ ***	▲ ***	▲ ***	***
COGS: Raw materials	Percent change	▲ ***	▲ ***	▲ ***	***
COGS: Direct labor	Percent change	▲ ***	▼***	▲ ***	▲ ***
COGS: Other factory	Percent change	▲ ***	▲ ***	▲ ***	▲ ***
COGS: Total	Percent change	▲ ***	▲ ***	▲ ***	▼***
Gross profit or loss	Percent change	▲ ***	▼***	▲ ***	▲ ***
SG&A expenses	Percent change	▲ ***	▲ ***	▲ ***	▲ ***
Operating income or (loss)	Percent change	▼***	▼***	▼***	▲ ***
Net income or (loss)	Percent change	▼***	▼***	▼***	▲ ***
Net sales	Difference	▲ ***	▲ ***	▲ ***	▼***
COGS: Raw materials	Difference	▲ ***	▲ ***	▲ ***	***
COGS: Direct labor	Difference	▲ ***	▼***	▲ ***	▲ ***
COGS: Other factory	Difference	▲ ***	▲ ***	▲ ***	▲ ***
COGS: Total	Difference	▲ ***	▲ ***	▲ ***	***
Gross profit or loss	Difference	▲ ***	▼***	▲ ***	▲ ***
SG&A expenses	Difference	▲ ***	▲ ***	▲ ***	▲ ***
Operating income or (loss)	Difference	***	***	***	▲ ***
Net income or (loss)	Difference	***	***	▼***	▲ ***

Percent change in percent; difference in dollars per pound

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

Note: Differences shown as "0.00" represent values greater than zero, but less than "0.005." Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

Table VI-3Brass rod: U.S. producers' results of toll operations, by item and period

Item	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Net sales	Quantity	***	***	***	***	***
Net sales	Value	***	***	***	***	***
COTS: Direct labor	Value	***	***	***	***	***
COTS: Other factory	Value	***	***	***	***	***
COTS: Total	Value	***	***	***	***	***
Gross profit or loss	Value	***	***	***	***	***
G&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expense/(income), net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
COTS: Direct labor	Ratio to NS	***	***	***	***	***
COTS: Other factory	Ratio to NS	***	***	***	***	***
COTS: Total	Ratio to NS	***	***	***	***	***
Gross profit or loss	Ratio to NS	***	***	***	***	***
G&A expenses	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***
COTS: Direct labor	Share of COTS	***	***	***	***	***
COTS: Other factory	Share of COTS	***	***	***	***	***
COTS: Total	Share of COTS	***	***	***	***	***
Net sales	Unit value	***	***	***	***	***
COTS: Direct labor	Unit value	***	***	***	***	***
COTS: Other factory	Unit value	***	***	***	***	***
COTS: Total	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
G&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	***	***	***	***	***

Quantity in 1,000 pounds; value in 1,000 dollars; ratios in percent; shares in percent; unit values in dollars per pound; count in number of firms reporting

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Table VI-4Brass rod: Changes in AUVs between comparison periods for toll operations

Item	Measure	2020-22	2020-21	2021-22	Jan-Sep 2022-23
Net sales	Percent change	▲ ***	▲ ***	▲ ***	▲ ***
COTS: Direct labor	Percent change	▲ ***	▼***	▲ ***	▲ ***
COTS: Other factory	Percent change	▲ ***	▲ ***	▲ ***	▲ ***
COTS: Total	Percent change	▲ ***	▲ ***	▲ ***	▲ ***
Gross profit or (loss)	Percent change	▲ ***	▲ ***	▲ ***	▲ ***
G&A expenses	Percent change	▼***	▼***	▲ ***	▲ ***
Operating income or (loss)	Percent change	▲ ***	▲ ***	▲ ***	▲ ***
Net income or (loss)	Percent change	▲ ***	▲ ***	▲ ***	▲ ***
Net sales	Difference	▲ ***	▲ ***	▲ ***	▲ ***
COTS: Direct labor	Difference	▲ ***	▼***	▲ ***	▲ ***
COTS: Other factory	Difference	▲ ***	▲ ***	▲ ***	▲ ***
COTS: Total	Difference	▲ ***	▲ ***	▲ ***	▲ ***
Gross profit or (loss)	Difference	▲ ***	▲ ***	▲ ***	▲ ***
G&A expenses	Difference	▼***	▼***	▲ ***	▲ ***
Operating income or (loss)	Difference	▲ ***	▲ ***	▲ ***	▲ ***
Net income or (loss)	Difference	▲ ***	▲ ***	▲ ***	▲ ***

Percent change in percent; difference in dollars per pound

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

Note: Differences shown as "0.00" represent values greater than zero, but less than "0.005." Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

Table VI-5 Brass rod: U.S. producers' results of <u>combined</u> operations, by item and period

Item	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Total net sales	Quantity	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
Cost of sales (COGS and COTS)	Value	***	***	***	***	***
Gross profit	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expenses/(income), net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
Cost of sales (COGS and COTS)	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	***	***	***	***	***
Total net sales	Unit value	***	***	***	***	***
Cost of sales (COGS and COTS)	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	***	***	***	***	***

Quantity in 1,000 pounds; value in 1,000 dollars; ratios in percent; shares in percent; unit values in dollars per pound; count in number of firms reporting

Table VI-6 Brass rod: Changes in AUVs between comparison periods for combined operations

Item	Measure	2020-22	2020-21	2021-22	Jan-Sep 2022-23
Total net sales	Percent change	▲ ***	▲ ***	▲ ***	▼***
Cost of sales (COGS and COTS)	Percent change	▲ ***	▲ ***	▲ ***	▼***
Gross profit or (loss)	Percent change	▲ ***	***	▲ ***	▲ ***
SG&A expenses	Percent change	▲ ***	▲ ***	▲ ***	▲ ***
Operating income or (loss)	Percent change	▼***	***	▼***	▲ ***
Net income or (loss)	Percent change	▼***	▼***	▼***	▲ ***
Total net sales	Difference	▲ ***	▲ ***	▲ ***	▼***
Cost of sales (COGS and COTS)	Difference	▲ ***	▲ ***	▲ ***	▼***
Gross profit or (loss)	Difference	▲ ***	***	▲ ***	▲ ***
SG&A expenses	Difference	▲ ***	▲ ***	▲ ***	▲ ***
Operating income or (loss)	Difference	▼***	***	▼***	▲ ***
Net income or (loss)	Difference	▼***	▼***	▼***	▲ ***

Percent change in percent; difference in dollars per pound

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

Note: Differences shown as "0.00" represent values greater than zero, but less than "0.005." Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

Table VI-7 Brass rod: U.S. producers' <u>non-toll</u> sales, costs/expenses, and profitability, by firm and period

Net sales quantity

Quantity in 1,000 pounds

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

COGS

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued Brass rod: U.S. producers' <u>non-toll</u> sales, costs/expenses, and profitability, by firm and period

Gross profit or (loss)

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Net sales value

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

SG&A expenses

Value in 1,000 dollars Jan-Sep Jan-Sep 2020 2021 2023 Firm 2022 2022 *** *** *** *** *** CXM *** *** *** *** *** Mueller *** *** *** *** *** Wieland *** *** *** *** *** All firms

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Net income or (loss)

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

COGS to net sales ratio

Ratios in percent

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Operating income or (loss)

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Gross profit or (loss) to net sales ratio

Ratios in percent								
Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023			
CXM	***	***	***	***	***			
Mueller	***	***	***	***	***			
Wieland	***	***	***	***	***			
All firms	***	***	***	***	***			

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

SG&A expenses to net sales ratio

Ratios	in	percent	

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Operating income or (loss) to net sales ratio

Ratios in percent							
Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023		
CXM	***	***	***	***	***		
Mueller	***	***	***	***	***		
Wieland	***	***	***	***	***		
All firms	***	***	***	***	***		

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Net income or (loss) to net sales ratio

Ratios in percent

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table VI-7 Continued

Unit values in dollars per pound

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Unit net sales value

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Unit raw material costs

Unit values in dollars per pound

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Unit values in dollars per pound

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Unit direct labor costs

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' <u>non-toll</u> sales, costs/expenses, and profitability, by firm and period

Unit other factory costs

Unit values in dollars per pound

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table VI-7 Continued Brass rod: U.S. producers' <u>non-toll</u> sales, costs/expenses, and profitability, by firm and period

Unit COGS

Unit values in	dollars	per	pound	

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Unit gross profit or (loss)

Ur	nit va	lues i	in d	ollars	per	pou	nd

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Unit values in dollars per pound

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Unit SG&A expenses

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table VI-7 Continued

Brass rod: U.S. producers' non-toll sales, costs/expenses, and profitability, by firm and period

Unit operating income or (loss)

Unit values in dollars per pound

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table VI-7 Continued Brass rod: U.S. producers' <u>non-toll</u> sales, costs/expenses, and profitability, by firm and period

Jnit values in dollars per pound						
Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023	
CXM	***	***	***	***	***	
Mueller	***	***	***	***	***	
Wieland	***	***	***	***	***	
All firms	***	***	***	***	***	

Unit net income or (loss)

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 "---".

Net sales

As mentioned previously, the industry's net sales include revenue from traditional sales of brass rod as well as sales that are made pursuant to tolling arrangements. The sales quantities for both non-toll sales (table VI-1) and toll sales (table VI-3) increased from 2020-21 and decreased from 2021-22 but remained above their 2020 levels, for an overall increase between 2020 and 2022. Both toll and non-toll sales quantities were lower in interim 2023 than they were in interim 2022.

The non-toll sales value also increased overall during the period examined after increasing from 2020-21 and decreasing from 2021-22. The toll sales value increased from 2020-21 and 2021-22.⁸ Both toll and non-toll sales values were lower in interim 2023 than in interim 2022.

The AUVs for non-toll sales were noticeably higher than the AUVs for toll sales, which is consistent with the difference in cost structures between these types of transactions. Sales made on a non-toll basis need to cover the cost of raw materials, whereas toll sales do not. On a per-pound basis, the non-toll sales values increased from \$*** in 2020 to \$*** in 2022 but were lower in interim 2023 (\$***) than in interim 2022 (\$***). Toll sales AUVs also increased, from \$*** per pound in 2020 to \$*** per pound in 2022 and were higher in interim 2023 (\$*** per pound) than in interim 2022 (\$*** per pound).

⁸ During the period examined, ***.

Cost of goods sold and gross profit or loss

Non-toll COGS

As shown in table VI-1, raw material costs were the largest component of non-toll COGS, representing between *** percent (interim 2023) and *** percent (2021) of non-toll COGS during the period examined. The average per-pound raw material costs increased from \$*** in 2020 to \$*** in 2022, an increase of *** percent. However, they were *** percent lower in interim 2023, at \$*** per pound, than in interim 2022, at \$*** per pound.

All of the U.S. producers reported an overall increase in their per-pound raw material costs from 2020-22 and lower per-pound raw material costs in interim 2023 than in interim 2022 (see table VI-7).⁹ Table VI-8 presents raw materials, by type.¹⁰ The table shows that scrap accounted for the large majority of raw material costs in 2022.

Table VI-8Brass rod: U.S. producers' raw material costs in 2022

Item	Value	Share of value
Brass scrap (from a buyback program)	***	***
Brass scrap (not from a buyback program)	***	***
All other scrap	***	***
Pure copper	***	***
Zinc	***	***
Lead	***	***
Other material inputs	***	***
All raw materials	***	***

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

⁹ As can be seen in table VI-7, ***.

¹⁰ ***. U.S. producers' questionnaire responses, sections III-6 and III-7a.

Direct labor is a cost associated with both toll and non-toll sales. For non-toll sales, it accounted for between *** percent of non-toll COGS during the period examined. On a perpound basis, non-toll direct labor increased from \$*** in 2020 to \$*** in 2022 and was \$*** in interim 2023 compared with \$*** in in interim 2023. ***. ***.^{11 12}

Other factory costs are also associated with both toll and non-toll sales. Non-toll other factory costs accounted for between *** percent of non-toll COGS during the period examined. On a per-pound basis, these costs increased from \$*** in 2020 to \$*** in 2022 and were higher in interim 2023, at \$***, than in interim 2022, at \$*** (see table VI-1). *** companies reported an increase in their other factory cost AUVs between 2020 and 2022 and had higher other factory cost AUVs in interim 2023 compared with interim 2022. ***.

Total non-toll COGS as a ratio to non-toll sales revenue increased irregularly from *** percent in 2020 to *** percent in 2022 but was lower in interim 2023 (*** percent) than in interim 2022 (*** percent). This also shows that non-toll gross profit as a ratio to non-toll sales value decreased from *** percent in 2020 to *** percent in 2022; it was *** percent in interim 2023 which was higher than the *** percent in interim 2022.

Non-toll COGS AUV increased from \$*** per pound in 2020 to \$*** in 2022 but was lower in interim 2023 (\$***) than in interim 2022 (\$***). As shown in table VI-2, the non-toll sales AUV increased \$*** between 2020 and 2022, whereas the non-toll COGS AUV increased \$*** during the same period. This resulted in a \$*** increase in the gross profit realized per pound. The industry's non-toll gross profit increased from \$*** in 2020 to \$*** in 2021 and then decreased to \$*** in 2022; it was \$*** in interim 2022 and \$*** in interim 2023.¹³

¹¹ Conference transcript, p. 30 (Levy).

¹² While ***.

^{13 ***.}

Cost of tolling services

As discussed previously, for the industry's sales made pursuant to a tolling agreement, the raw materials are provided for the U.S. producers to convert into brass rod in exchange for a tolling fee. Thus, the manufacturing costs incurred by the U.S. producers for these sales include only direct labor and other factory costs.

As shown in table VI-3, direct labor for tolling operations represented between *** percent of COTS, while other factory costs represented the remaining *** percent during the period examined. Direct labor AUVs from toll sales were similar, but *** than those reported for non-toll sales. Similarly, other factory cost AUVs from toll sales were similar to those for non-toll sales, but *** in some periods. ***.¹⁴

The ratio of COTS to toll sales value increased overall from *** percent in 2020 to *** percent in 2022; it was *** percent in interim 2022 and *** percent in interim 2023. On a perpound basis, COTS increased \$*** between 2020 and 2022 and was \$*** higher in interim 2023 than in interim 2022, both of which are similar to the combined increases in the per-pound non-toll direct labor and other factory costs for these periods. The industry's gross profit from toll sales increased from \$*** in 2020 to \$*** in 2022 and was lower in interim 2023, at \$***, than it was in interim 2022, at \$***.

Total cost of sales and gross profit

As shown in table VI-5, the industry's total cost of sales (COGS and COTS combined) increased from 2020-21 and decreased from 2021-22, for an overall increase from 2020-22. It was lower in interim 2023 than in interim 2022. Total cost of sales as a ratio to net sales increased irregularly from *** percent in 2020 to *** percent in 2022 and was lower in interim 2023 (*** percent) than in interim 2022 (*** percent). Total gross profit increased from \$*** in 2020 to a period high of \$*** in 2021, and then decreased to \$*** in 2022; it was lower in interim 2023, at \$***, than in interim 2022, at \$***.

SG&A expenses and operating income or loss

Non-toll SG&A expenses increased from \$*** in 2020 to \$*** in 2022 but were lower in interim 2023 (\$***) than in interim 2022 (\$***). G&A expenses¹⁵ for toll sales decreased irregularly from \$*** in 2020 to \$*** in 2022 but were higher in interim 2023 (\$***) than in interim 2022 (\$***).

For combined operations (table VI-5), SG&A expenses increased from \$*** in 2020 to \$*** in 2022 but were lower in interim 2023 (\$***) than in interim 2022 (\$***). The SG&A expense ratio for combined operations (total SG&A expenses divided by total net sales) increased irregularly from *** percent in 2020 to *** percent in 2022 and was higher in interim 2023 (*** percent) than in interim 2022 (*** percent).

The industry's combined operating income increased from \$*** in 2020 to \$*** in 2021, and then decreased to \$*** in 2022. It was higher in interim 2023, at \$***, than in interim 2022, at \$***. As a ratio to net sales value, operating income decreased from *** percent in 2020 to *** percent in 2022 but was higher in interim 2023, at *** percent, than it was in interim 2022, at *** percent. Figure VI-2 shows the industry's operating margin by operation type (i.e., non-toll, toll, and combined).

Figure VI-2 Brass rod: U.S. producers' operating margin, by operation type and year

¹⁵ Tolling operations usually incur general and administrative expenses, but generally do not have "selling" expenses.

All other expenses and net income or loss

Classified below the operating income level are interest expense, all other expenses, and all other income, which are often allocated to the product line from high levels in the corporation. These items are aggregated in tables VI-1, VI-3, and VI-5 and shown as "all other expenses/(income), net." All other expenses/income for both non-toll and toll operations decreased overall from 2020 to 2022 and were lower in interim 2023 than in interim 2022.¹⁶

For combined operations, all other expenses/income decreased irregularly from \$*** in 2020 to \$*** in 2022 and was lower in interim 2023 (negative \$***) than in interim 2022 (\$***).¹⁷ The negative value in interim 2023 indicates the net amount in that period is an income and has a positive effect on net income. The industry's net income for combined operations decreased irregularly from \$*** in 2020 to \$*** in 2022 but was higher in interim 2023 (\$***) than it was in interim 2022 (\$***).¹⁸

¹⁶ For non-toll operations, ***.

¹⁷ The negative other expenses/income in interim 2023 was attributable to ***. Email from ***.

¹⁸ A combined variance analysis is not shown because of the large variation in cost structures between non-toll and toll sales.

Capital expenditures and research and development expenses

Table VI-9 presents capital expenditures, by firm, and table VI-11 presents R&D expenses, by firm. Tables VI-10 and VI-12 present the firms' narrative explanations of the nature, focus, and significance of their capital expenditures and R&D expenses, respectively.

The industry's capital expenditures increased from 2020 to 2021 and decreased from 2021 to 2022 but remained above the 2020 level. They were higher in interim 2023 than in interim 2022. ***, accounted for the largest share of the industry's capital expenditures in each year.

*** accounted for the *** of the industry's R&D expenses, which increased from 2020 to 2022 but were lower in interim 2023 than in interim 2022. As shown in table VI-12, ***.

Jan-Sep

2023

Table VI-9 Brass rod: U.S. producers' capital expenditures, by firm and period

Jan-Sep 2020 2021 2022 2022 Firm CXM *** *** *** *** *** *** *** *** Mueller *** *** *** *** Wieland

Value in 1,000 dollars

All firms

Table VI-10 Brass rod: U.S. producers' narrative descriptions of their capital expenditures, by firm

Firm	Narrative on capital expenditures				
CXM	***				
Mueller	***				
Wieland	***				

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

Table VI-11 Brass rod: U.S. producers' R&D expenses, by firm and period

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

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

Table VI-12

Brass rod: U.S. producers' narrative descriptions of their R&D expenses, by firm

Firm	Narrative on R&D expenses
CXM	***
Mueller	***
Wieland	***

Assets and return on assets

Table VI-13 presents data on the U.S. producers' total assets while table VI-14 presents their operating ROA.¹⁹ Table VI-15 presents U.S. producers' narrative responses explaining their major asset categories and any significant changes in asset levels over time. Total assets decreased from 2020 to 2022. ***.²⁰ The operating ROA decreased irregularly from *** percent in 2020 to *** percent in 2022.

Table VI-13

Brass rod: U.S. producers' total net assets, by firm and period

Value in 1,000 dollars

Firm	2020	2021	2022
CXM	***	***	***
Mueller	***	***	***
Wieland	***	***	***
All firms	***	***	***

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

Table VI-14 Brass rod: U.S. producers' ROA, by firm and period

Ratio in percent

Firm	2020	2021	2022
CXM	***	***	***
Mueller	***	***	***
Wieland	***	***	***
All firms	***	***	***

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

Table VI-15

Brass rod: U.S. producers' narrative descriptions of their total net assets, by firm

Firm	Narrative on assets
CXM	***
Mueller	***
Wieland	***

¹⁹ 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.

Capital and investment

The Commission requested U.S. producers of brass rod to describe any actual or potential negative effects of imports of brass rod from Brazil, India, Israel, Mexico, South Africa, or South Korea on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table VI-16 presents the number of firms reporting an impact in each category and table VI-17 provides the U.S. producers' narrative responses.

Table VI-16

Brass rod: Count of firms indicating actual and anticipated negative effects of imports from subject sources on investment, growth, and development since January 1, 2020, by effect

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	***

Number of firms reporting

Table VI-17 Brass rod: U.S. producers' narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2020, by firm and effect

Item	Firm name and narrative on impact of imports
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***

Part VII: 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 IV and V; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in Part VI. 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 thirdcountry 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 Brazil

The Commission issued foreign producers' or exporters' questionnaires to one firm believed to produce and/or export brass rod from Brazil.³ A usable response to the Commission's questionnaire was received from Termomecanica. Termomecanica's exports to the United States accounted for over *** percent of U.S. imports of brass rod from Brazil in 2022. According to estimates requested of the responding producer in Brazil, the production of brass rod in Brazil reported in its questionnaire accounts for approximately *** percent of overall production of brass rod in Brazil in 2022.⁴ Table VII-1 presents information on the brass rod operations of the responding producer in Brazil.

Table VII-1

Brass	rod.	Summarv	data	for	nroducer	in	Brazil	2022
DIASS	rou.	Summary	uala	101	producer		Diazii,	2022

						Share of
				Share of		firm's total
			Exports to	reported		shipments
		Share of	the United	exports to	Total	exported to
	Production	reported	States	the United	shipments	the United
	(1,000	production	(1,000	States	(1,000	States
Firm	pounds)	(percent)	pounds)	(percent)	pounds)	(percent)
Termomecanica	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

³ This firm was identified through a review of information submitted in the petition and presented in third-party sources.

⁴ Termomecanica's foreign producer questionnaire response, section II-6a.

Changes in operations

The producer in Brazil was asked to report any change in the character of its operations or organization relating to the production of brass rod since 2020. Termomecanica indicated in its questionnaire that it had experienced such changes. Table VII-2 presents the changes identified by Termomecanica.

Table VII-2	
Brass rod: F	Reported changes in operations in Brazil since January 1, 2020, by firm
ltem	Firm name and narrative on reported changes in operations
Prolonged	***
shutdowns	

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

Operations on brass rod

Other

Table VII-3 presents Termomecanica's capacity and production on the same equipment and machinery used to produce brass rod. During the period for which data were collected, Termomecanica's installed overall capacity remained the same. During 2020-22, practical overall capacity fluctuated but overall increased by *** percent while its practical overall capacity was the same during both interim periods. During 2020-22, practical brass rod capacity fluctuated but overall decreased by *** percent. Practical brass rod capacity was *** percent higher in interim 2023 compared to interim 2022.

Termomecanica's production of brass rod was highest in 2021 but overall decreased by *** percent during 2020-22. Termomecanica's production of brass rod was *** percent higher in interim 2023 compared to interim 2022. Termomecanica's capacity utilization for brass rod increased by *** percentage points to its highest level in 2021 then decreased by *** percentage points from 2021 to 2022 for an overall decrease of *** percentage points during 2020-22. Termomecanica's capacity utilization for brass rod was *** percentage points during 2020-22. Termomecanica's capacity utilization for brass rod was *** percentage points lower in interim 2023 compared to interim 2022.

Table VII-3

Brass rod: Producer's in Brazil installed and practical capacity and production on the same equipment as subject production, by period

Item	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical brass rod	Capacity	***	***	***	***	***
Practical brass rod	Production	***	***	***	***	***
Practical brass rod	Utilization	***	***	***	***	***

Capacity and production in 1,000 pounds; utilization in percent

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

Table VII-4 presents data on Termomecanica's reported constraints to practical overall capacity.

capacity.

Table VII-4

Brass rod: Producer's in Brazil reported constraints to practical overall capacity, since January 1, 2020

	Firm name and narrative response on constraints to practical overall
ltem	capacity
Fuel or energy	***
Logistics/transportation	***

Table VII-5 presents information on the brass rod operations of the responding producer in Brazil. During 2020-22, Termomecanica's home market shipments decreased by *** percent, while exports to the United States increased by *** percent. Home market shipments were higher in interim 2023 compared to interim 2022 whereas exports to the United States were lower in interim 2023 compared to interim 2022. Termomecanica projects home market shipments to increase by *** percent while it projects exports to the United States to decrease by *** percent during 2022-24.

During the period for which data were collected, Termomecanica did not report any internal consumption or company transfers. Home market shipments had the largest yet decreasing share of total shipments during 2020-22 ranging from *** percent of total shipments in 2020 to *** percent of total shipments in 2022. Exports to the United States, which had the second largest share of total shipments, increased from *** percent in 2020 to *** percentage points higher in interim 2023 compared to interim 2022 whereas the share of exports to the United States of total shipments was *** percentage points lower in interim 2023 compared to interim 2022.

During 2020-22, Termomecanica's end-of-period inventories decreased by *** percent and the firm projects end-of-period inventories to be the same in 2023 and 2024 as in 2022. Termomecanica's end-of-period inventories were *** percent higher in interim 2023 compared to interim 2022. Termomecanica's inventory ratios to production and to total shipments remained below *** percent during the period for which data were collected.

Table VII-5 Brass rod: Data on industry in Brazil, by period

Item	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023	Projection 2023	Projection 2024
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market							
shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Quantity in 1,000 pounds

Table VII-5 Continued Brass rod: Data on industry in Brazil, by period

Shares and r	ratios in	percent
--------------	-----------	---------

Capacity utilization ratio *** *** *** *** Inventory ratio to production *** *** *** ***	2024
utilization *** *** *** *** *** ratio *** *** *** *** *** Inventory ratio to *** *** *** *** production *** *** *** *** ***	
ratio *** *** *** *** *** *** ***	
Inventory ratio to	***
ratio to roduction *** *** *** *** ***	
production *** *** *** *** ***	

Inventory	
ratio to total	
shipments *** *** *** ***	***
Internal	
consumption	
share **** **** **** **** **** ****	***
Commercial	
home market	
shipments	4.4.4
share **** **** **** **** **** ****	***
Home market	
shipments	***
share and and and and and and and and	
Exports to	
the United	***
States share	
ether	
markets	
share *** *** *** *** ***	***
Export Export	
shinments	
share *** *** *** *** ***	***
Total	+
shipments	
share 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0	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 "---".

Alternative products

As shown in table VII-6, *** percent of the product produced on the same equipment and machinery used to produce brass rod during 2022 by Termomecanica was brass rod. In addition to other products made of brass and bronze products, other out-of-scope products include: ***.⁵

Table VII-6

Brass rod: Producer's in Brazil production on the same equipment as subject production, by product type and period

Product type	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brass rod	Quantity	***	***	***	***	***
Other brass products	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
Out-of-scope products	Quantity	***	***	***	***	***
All products on the same machinery	Quantity	***	***	***	***	***
Brass rod	Share	***	***	***	***	***
Other brass products	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
Out-of-scope products	Share	***	***	***	***	***
All products on the same machinery	Share	100.0	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; share in percent

⁵ Termomecanica's foreign producer questionnaire, section II-3a.

Exports

According to GTA, the leading export markets for bars, rods, and profiles of copper-zinc base alloys from Brazil are the United States, Argentina, and Chile (table VII-7). During 2022, the United States was the top export market for bars, rods, and profiles of copper-zinc base alloys from Brazil, accounting for 83.9 percent of exports, followed by Argentina, accounting for 7.6 percent.

Table VII-7

Bars, rods and profiles of copper-zinc base alloys (brass): Exports from Brazil, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Quantity	3,771	5,106	8,213
Argentina	Quantity	898	831	743
Chile	Quantity	85	894	671
Egypt	Quantity	74	45	44
Colombia	Quantity	11	7	35
Mexico	Quantity	100		30
Paraguay	Quantity	15	3	19
Bolivia	Quantity			14
Uruguay	Quantity	6	7	11
All other destination markets	Quantity	63	4	5
All destination markets	Quantity	5,023	6,896	9,785
United States	Value	8,801	17,321	28,835
Argentina	Value	2,163	2,790	2,796
Chile	Value	203	3,015	2,277
Egypt	Value	199	140	202
Colombia	Value	71	37	131
Mexico	Value	212		99
Paraguay	Value	49	17	69
Bolivia	Value			53
Uruguay	Value	24	47	39
All other destination markets	Value	123	29	76
All destination markets	Value	11,846	23,395	34,578

Quantity in 1,000 pounds; value in 1,000 dollars
Table VII-7 Continued Bars, rods and profiles of copper-zinc base alloys (brass): Exports from Brazil, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Unit value	2.33	3.39	3.51
Argentina	Unit value	2.41	3.36	3.76
Chile	Unit value	2.41	3.37	3.39
Egypt	Unit value	2.69	3.12	4.64
Colombia	Unit value	6.66	5.37	3.77
Mexico	Unit value	2.13		3.29
Paraguay	Unit value	3.23	5.40	3.69
Bolivia	Unit value			3.69
Uruguay	Unit value	3.75	7.06	3.70
All other destination markets	Unit value	1.95	7.84	14.08
All destination markets	Unit value	2.36	3.39	3.53
United States	Share of quantity	75.1	74.0	83.9
Argentina	Share of quantity	17.9	12.1	7.6
Chile	Share of quantity	1.7	13.0	6.9
Egypt	Share of quantity	1.5	0.7	0.4
Colombia	Share of quantity	0.2	0.1	0.4
Mexico	Share of quantity	2.0		0.3
Paraguay	Share of quantity	0.3	0.0	0.2
Bolivia	Share of quantity			0.1
Uruguay	Share of quantity	0.1	0.1	0.1
All other destination markets	Share of quantity	1.3	0.1	0.1
All destination markets	Share of quantity	100.0	100.0	100.0

Unit value in dollars per pound; share in percent

Source: Official exports statistics under HS subheading 7407.21 as reported by SECEX – Foreign Trade Secretariat in the Global Trade Atlas Suite database, accessed October 19, 2023. These data may be overstated as the HS subheadings may contain products outside the scope of these investigations.

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 "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2022 data.

The industry in India

The Commission issued foreign producers' or exporters' questionnaires to one firm believed to produce and/or export brass rod from India.⁶ A usable response to the Commission's questionnaire was received from Rajhans. Rajhans' exports to the United States accounted for *** U.S. imports of brass rod from India in 2022. According to estimates requested of the responding producer in India, the production of brass rod in India reported in its questionnaire accounts for approximately *** percent of overall production of brass rod in India in 2022.⁷ Table VII-8 presents information on the brass rod operations of the responding producer in India.

Table VII-8

Brass	rod:	Summarv	data for	producer	in India.	2022
Diass	100.	Gainnary	autu ivi	producer	m maia,	~~~~

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Rajhans	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

⁶ This firm was identified through a review of information submitted in the petition and presented in third-party sources.

⁷ Rajhans' foreign producer questionnaire response, section II-6a.

Changes in operations

The producer in India was asked to report any change in the character of its operations or organization relating to the production of brass rod since 2020. Rajhans indicated in its questionnaire that it had experienced such changes. Table VII-9 presents the changes identified by Rajhans.

Table VII-9 Brass rod: Reported changes in operations in India since January 1, 2020, by firm Item Firm name and narrative on reported changes in operations Prolonged shutdowns ***

Operations on brass rod

Table VII-10 presents Rajhans' capacity and production on the same equipment and machinery used to produce brass rod. During the period for which data were collected, Rajhans' installed overall capacity, practical overall capacity, and practical brass rod capacity ***. Rajhans' production of brass rod increased annually and overall, by *** percent during 2020-22. Rajhans' production of brass rod was *** percent lower in interim 2023 compared to interim 2022. Rajhans' capacity utilization for brass rod increased by *** percentage points during 2020-22 and was *** percentage points lower in interim 2023 compared to interim 2022. Rajhans reported that ***.⁸

Table VII-10

Brass rod: Producer's in India installed and practical capacity and production on the same equipment as subject production, by period

ltem	Moasuro	2020	2021	2022	lan-Son 2022	Jan-Son 2023
item	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical brass rod	Capacity	***	***	***	***	***
Practical brass rod	Production	***	***	***	***	***
Practical brass rod	Utilization	***	***	***	***	***

Capacity and production in 1,000 pounds; utilization in percent

⁸ Rajhans' foreign producer questionnaire response, section II-2a.

Table VII-11 presents data on Rajhans' reported constraints to practical overall capacity.

Table VII-11

Brass rod: Producer's in India reported constraints to practical overall capacity, since January 1, 2020

Item	Firm name and narrative response on constraints to practical overall capacity
Other constraints	***
0	

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

Table VII-12 presents information on the brass rod operations of the responding producer in India. During 2020-22, Rajhans' home market shipments increased by *** percent, while exports to the United States ***. Home market shipments were higher in interim 2023 compared to interim 2022 whereas exports to the United States were lower in interim 2023 compared to interim 2022. Rajhans projects 2023 and 2024 home market shipments and exports to the United States to be similar to levels in 2022.

During the period for which data were collected, Rajhans *** report any internal consumption or company transfers. Home market shipments had the largest share of all shipments during 2020-22 ranging from *** percent of total shipments in 2022 to *** percent of total shipments in 2020. As a share of total shipments, home market shipments had a higher share in interim 2023 compared to interim 2022, while exports to the United States had a lower share in interim 2023 compared to interim 2022.

During 2020-22, Rajhans' end-of-period inventories decreased by *** percent and were *** percent higher in interim 2023 compared to interim 2022. The firm projects end-of-period inventories to decrease further during 2022-24. Rajhans' inventory ratios to production and to total shipments remained below *** percent during the period for which data were collected.

Table VII-12 Brass rod: Data on industry in India, by period

				Jan-Sep	Jan-Sep	Projection	Projection
ltem	2020	2021	2022	2022	2023	2023	2024
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period							
inventories	***	***	***	***	***	***	***
Internal							
consumption	***	***	***	***	***	***	***
Commercial							
home market							
shipments	***	***	***	***	***	***	***
Home market							
shipments	***	***	***	***	***	***	***
Exports to							
the United							
States	***	***	***	***	***	***	***
Exports to all							
other							
markets	***	***	***	***	***	***	***
Export							
shipments	***	***	***	***	***	***	***
Total							
shipments	***	***	***	***	***	***	***

Quantity in 1,000 pounds

Table VII-12 Continued Brass rod: Data on industry in India, by period

Shares and I	ratios in	percent
--------------	-----------	---------

H aran		0004	0000	Jan-Sep	Jan-Sep	Projection	Projection
Item	2020	2021	2022	2022	2023	2023	2024
Capacity							
utilization	***	***	***		***		
ratio	***	***	***	***	***	***	***
Inventory							
ratio to				4.4.4		4.4.4	
production	***	***	***	***	***	***	***
Inventory							
ratio to total							
shipments	***	***	***	***	***	***	***
Internal							
consumption							
share	***	***	***	***	***	***	***
Commercial							
home market							
shipments							
share	***	***	***	***	***	***	***
Home market							
shipments							
share	***	***	***	***	***	***	***
Exports to							
the United							
States share	***	***	***	***	***	***	***
Exports to all							
other							
markets							
share	***	***	***	***	***	***	***
Export							
shipments							
share	***	***	***	***	***	***	***
Total							
shipments							
share	100.0	100.0	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 "---".

Alternative products

As shown in table VII-13, *** percent of the product produced on the same equipment and machinery used to produce brass rod during 2022 by Rajhans was brass rod.

Table VII-13

Brass rod: Producer's in India production on the same equipment as subject production, by product type and period

Quantity in 1,000 pounds; share in percent

Product type	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brass rod	Quantity	***	***	***	***	***
Other brass products	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
Out-of-scope products	Quantity	***	***	***	***	***
All products on the same machinery	Quantity	***	***	***	***	***
Brass rod	Share	***	***	***	***	***
Other brass products	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
Out-of-scope products	Share	***	***	***	***	***
All products on the same machinery	Share	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 "---".

Exports

According to GTA, the leading export markets for bars, rods, and profiles of copper-zinc base alloys from India are the United States, the United Arab Emirates, and China (table VII-14). During 2022, the United States was the top export market for bars, rods, and profiles of copper-zinc base alloys from India, accounting for 63.0 percent of exports, followed by the United Arab Emirates, accounting for 10.4 percent.

Table VII-14

Bars, rods and profiles of copper-zinc base alloys (brass): Exports from India, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Quantity	1,491	2,303	2,988
United Arab Emirates	Quantity	327	295	493
China	Quantity	112	520	399
Australia	Quantity	262	390	303
Nepal	Quantity	50	250	236
Sri Lanka	Quantity	56	109	88
Saudi Arabia	Quantity	44	55	44
Netherlands	Quantity	0	5	27
Tanzania	Quantity	4	1	22
All other destination markets	Quantity	221	288	140
All destination markets	Quantity	2,566	4,217	4,740
United States	Value	4,080	8,999	11,643
United Arab Emirates	Value	762	893	1,529
China	Value	190	1,344	1,115
Australia	Value	596	1,256	954
Nepal	Value	103	712	686
Sri Lanka	Value	154	395	333
Saudi Arabia	Value	174	217	159
Netherlands	Value	0	19	89
Tanzania	Value	10	6	42
All other destination markets	Value	707	1,139	712
All destination markets	Value	6,777	14,981	17,262

Quantity in 1,000 pounds; value in 1,000 dollars

Table VII-14 Continued Bars, rods and profiles of copper-zinc base alloys (brass): Exports from India, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Unit value	2.74	3.91	3.90
United Arab Emirates	Unit value	2.33	3.03	3.10
China	Unit value	1.70	2.58	2.79
Australia	Unit value	2.28	3.22	3.15
Nepal	Unit value	2.08	2.84	2.91
Sri Lanka	Unit value	2.76	3.64	3.77
Saudi Arabia	Unit value	3.94	3.95	3.61
Netherlands	Unit value	24.92	4.18	3.36
Tanzania	Unit value	2.50	5.94	1.89
All other destination markets	Unit value	3.20	3.95	5.08
All destination markets	Unit value	2.64	3.55	3.64
United States	Share of quantity	58.1	54.6	63.0
United Arab Emirates	Share of quantity	12.7	7.0	10.4
China	Share of quantity	4.4	12.3	8.4
Australia	Share of quantity	10.2	9.3	6.4
Nepal	Share of quantity	1.9	5.9	5.0
Sri Lanka	Share of quantity	2.2	2.6	1.9
Saudi Arabia	Share of quantity	1.7	1.3	0.9
Netherlands	Share of quantity	0.0	0.1	0.6
Tanzania	Share of quantity	0.2	0.0	0.5
All other destination markets	Share of quantity	8.6	6.8	3.0
All destination markets	Share of quantity	100.0	100.0	100.0

Unit value in dollars per pound; share in percent

Source: Official exports statistics under HS subheading 7407.21 as reported by SECEX – Foreign Trade Secretariat in the Global Trade Atlas Suite database, accessed October 19, 2023. These data may be overstated as the HS subheadings may contain products outside the scope of these investigations.

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 "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2022 data.

The industry in Israel

The Commission issued foreign producers' or exporters' questionnaires to one firm believed to produce and/or export brass rod from Israel.⁹ A usable response to the Commission's questionnaire was received from Finkelstein. Finkelstein's exports to the United States accounted for all known U.S. imports of brass rod from Israel in 2022. According to estimates requested of the responding producer in Israel, the production of brass rod in Israel reported in the questionnaire accounts for all known production of brass rod in Israel in 2022.¹⁰ Table VII-15 presents information on the brass rod operations of the responding producer Israel.

Table VII-15

biass rou. Summary data for producer in Israel, 2022	Brass rod: Summary data for producer in	n Israel, 2022
--	---	----------------

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Finkelstein	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

⁹ This firm was identified through a review of information submitted in the petition and presented in third-party sources.

¹⁰ Finkelstein's foreign producer questionnaire response, section II-7a. At the staff conference Finkelstein confirmed it was the sole producer of brass rod in Israel. Conference transcript, p. 165 (Finkelstein) and hearing transcript, p. 146 (Kendler).

Changes in operations

The producer in Israel was asked to report any change in the character of its operations or organization relating to the production of brass rod since 2020. Finkelstein indicated in its questionnaire that it had experienced such changes. Table VII-16 presents the changes identified by Finkelstein.

Table VII-16 Brass rod: Reported changes in operations in Israel since January 1, 2020, by firm

	Firm name and narrative on reported changes in
Item	operations
Prolonged shutdowns	***
Weather-related or force majeure events	***
Other	***

Operations on brass rod

Table VII-17 presents Finkelstein's capacity and production on the same equipment and machinery used to produce brass rod. During 2020-22 and both interim periods, Finkelstein's installed overall capacity ***. During 2020-22, practical overall capacity and practical brass rod capacity were the *** during 2020-21, then decreased by *** percent and by *** percent, respectively in 2022. Practical overall capacity and practical brass rod capacity were higher in interim 2023 compared to interim 2022 (*** percent and *** percent, respectively).

Finkelstein's production of brass rod was highest in 2021 and overall increased by *** percent during 2020-22 and was *** percent lower in interim 2023 compared to interim 2022. Finkelstein's capacity utilization for brass rod increased by *** percentage points to its highest level in 2021 then decreased by *** percentage points from 2021 to 2022 for an overall increase of *** percentage points during 2020-22. Finkelstein's capacity utilization for brass rod was *** percentage points lower in interim 2023 compared to interim 2022.

Table VII-17

Brass rod: Producer's in Israel installed and practical capacity and production on the same equipment as subject production, by period

ltem	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical brass rod	Capacity	***	***	***	***	***
Practical brass rod	Production	***	***	***	***	***
Practical brass rod	Utilization	***	***	***	***	***

Capacity and production in 1,000 pounds; utilization in percent

Table VII-18 presents data on Finkelstein's reported constraints to practical overall capacity.

Table VII-18Brass rod: Producer's in Israel reported constraints to practical overall capacity, since January 1,2020

	Firm name and narrative response on constraints to practical overall
ltem	capacity
Production	***
bottlenecks	
Existing labor force	***
Supply of material	***
inputs	
Logistics/transportati	***
on	
Other constraints	***

Table VII-19 presents information on the brass rod operations of the responding producer in Israel. During 2020-22, Finkelstein's home market shipments decreased by *** percent, while exports to the United States increased by *** percent. Home market shipments were *** percent lower in interim 2023 compared to interim 2022 while exports to the United States were *** percent higher in interim 2023 compared to interim 2022. Finkelstein projects home market shipments and exports to the United States to decrease by *** percent and by *** percent during 2022-24.¹¹

During the period for which data were collected, Finkelstein did not report any internal consumption or company transfers. Exports to the United States were a majority of all shipments during 2020-22, ranging from *** percent of total shipments in 2020 to *** percent of total shipments during interim 2023. During 2020-22, Finkelstein's end-of-period inventories fluctuated but overall decreased by *** percent during 2020-22. Finkelstein's end-of-period inventories were *** percent lower interim 2023 compared to interim 2022. Finkelstein projects end-of-period inventories to increase by *** percent during 2022-24. Finkelstein's inventory ratios to production and to total shipments remained below *** percent during the period for which data were collected.

¹¹ ***. Finkelstein's foreign producer questionnaire, section II-9.

Table VII-19 Brass rod: Data on industry in Israel, by period

				Jan-Sep	Jan-Sep	Projection	Projection
Item	2020	2021	2022	2022	2023	2023	2024
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period							
inventories	***	***	***	***	***	***	***
Internal							
consumption	***	***	***	***	***	***	***
Commercial							
home market							
shipments	***	***	***	***	***	***	***
Home market							
shipments	***	***	***	***	***	***	***
Exports to							
the United							
States	***	***	***	***	***	***	***
Exports to all							
other							
markets	***	***	***	***	***	***	***
Export							
shipments	***	***	***	***	***	***	***
Total							
shipments	***	***	***	***	***	***	***

Quantity in 1,000 pounds

Table VII-19 Continued Brass rod: Data on industry in Israel, by period

Shares and ratios in percent

ltem	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023	Projection 2023	Projection 2024
Capacity							
utilization							
ratio	***	***	***	***	***	***	***
Inventory							
ratio to							
production	***	***	***	***	***	***	***
Inventory							
ratio to total							
shipments	***	***	***	***	***	***	***
Internal							
consumption							
share	***	***	***	***	***	***	***
Commercial							
home							
market							
shipments	4.4.4			1.1.1		1.1.1	1.1.1
share	***	***	***	***	***	***	***
Home							
market							
shipments	***	***	***	***	***	***	***
snare							
Exports to							
States share	***	***	***	***	***	***	***
States share							
all other							
markets							
share	***	***	***	***	***	***	***
Export							
shipments							
share	***	***	***	***	***	***	***
Total							
shipments							
share	100.0	100.0	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 "---".

Alternative products

As shown in table VII-20, *** percent of the product produced on the same equipment and machinery used to produce brass rod during 2022 by Finkelstein was brass rod.

Table VII-20

Brass rod: Producer's in Israel production on the same equipment as subject production, by product type and period

Quantity in 1,000 pounds; share in percent

Product type	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brass rod	Quantity	***	***	***	***	***
Other brass products	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
Out-of-scope products	Quantity	***	***	***	***	***
All products on the same machinery	Quantity	***	***	***	***	***
Brass rod	Share	***	***	***	***	***
Other brass products	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
Out-of-scope products	Share	***	***	***	***	***
All products on the same machinery	Share	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 "---".

Exports

According to GTA, the leading export markets for bars, rods, and profiles of copper-zinc base alloys from Israel are the United States and Canada (table VII-21). During 2022, the United States was the top export market for bars, rods, and profiles of copper-zinc base alloys from Israel, accounting for 90.7 percent of exports, followed by Canada, accounting for 9.2 percent.

Table VII-21

Bars, rods and profiles of copper-zinc base alloys (brass): Exports from Israel, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Quantity	5,322	11,082	7,017
Canada	Quantity	121	445	715
Turkey	Quantity			2
United Kingdom	Quantity	54	201	
Spain	Quantity	51		
Italy	Quantity	44		
India	Quantity	32		
Germany	Quantity	13		
France	Quantity	13		
All other destination markets	Quantity	2		
All destination markets	Quantity	5,651	11,728	7,733
United States	Value	11,690	30,664	26,425
Canada	Value	265	1,232	2,515
Turkey	Value			3
United Kingdom	Value	118	556	
Spain	Value	111		
Italy	Value	96		
India	Value	71		
Germany	Value	29		
France	Value	28		
All other destination markets	Value	5		
All destination markets	Value	12,413	32,452	28,943

Quantity in 1,000 pounds; value in 1,000 dollars

Table VII-21 Continued Bars, rods and profiles of copper-zinc base alloys (brass): Exports from Israel, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Unit value	2.20	2.77	3.77
Canada	Unit value	2.20	2.77	3.52
Turkey	Unit value			1.50
United Kingdom	Unit value	2.20	2.77	
Spain	Unit value	2.20		
Italy	Unit value	2.20		
India	Unit value	2.20		
Germany	Unit value	2.20		
France	Unit value	2.20		
All other destination markets	Unit value	2.20		
All destination markets	Unit value	2.20	2.77	3.74
United States	Share of quantity	94.2	94.5	90.7
Canada	Share of quantity	2.1	3.8	9.2
Turkey	Share of quantity			0.0
United Kingdom	Share of quantity	1.0	1.7	
Spain	Share of quantity	0.9		
Italy	Share of quantity	0.8		
India	Share of quantity	0.6		
Germany	Share of quantity	0.2		
France	Share of quantity	0.2		
All other destination markets	Share of quantity	0.0		
All destination markets	Share of quantity	100.0	100.0	100.0

Unit value in dollars per pound; share in percent

Source: Official exports statistics under HS subheading 7403.21 as reported by UN Comtrade in the Global Trade Atlas Suite database, accessed October 19, 2023. These data may be overstated as the HS subheadings may contain products outside the scope of these investigations.

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 "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2022 data.

The industry in Mexico

The Commission issued foreign producers' or exporters' questionnaires to two firms believed to produce and/or export brass rod from Mexico.¹² A usable response to the Commission's questionnaire was received from Industrias Unidas.¹³ This firm's exports to the United States accounted for over *** percent of U.S. imports of brass rod from Mexico in 2022. According to estimates requested of the responding producer in Mexico, the production of brass rod in Mexico reported in its questionnaire accounts for *** percent of overall production of brass rod in Mexico in 2022.¹⁴ Table VII-22 presents information on the brass rod operations of the responding producer in Mexico.

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Industrias Unidas	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

Brass rod: Summary data for producer in Mexico, 2022

¹² These firms were identified through a review of information submitted in the petition and presented in third-party sources.

¹³ In the preliminary phase of these investigations, the Commission also received a response to its questionnaire from ***. Staff estimated that the firm reported that it accounted for approximately *** percent of overall production on brass rod in Mexico in 2022. *** reported producing *** pounds in 2020, *** pounds in 2021, and *** pounds in 2022. It projected producing *** pounds in 2023 and *** pounds in 2024. The firm reported exporting *** pounds to the United States in 2020, *** pounds in 2021 and *** pounds in 2022.

¹⁴ Industrias Unidas's foreign producer questionnaire response, section II-7a.

Changes in operations

The producer in Mexico was asked to report any change in the character of its operations or organization relating to the production of brass rod since 2020. Industrias Unidas did not report any such changes.

Operations on brass rod

Table VII-23 presents Industrias Unidas' capacity and production on the same equipment and machinery used to produce brass rod. During the period for which data were collected, Industrias Unidas' installed overall capacity, practical overall capacity, and brass rod capacity ***. Industrias Unidas' production of brass rod was highest in 2021 and overall decreased by *** percent during 2020-22. Industrias Unidas' production of brass rod was *** percent higher in interim 2023 compared to interim 2022.

Industrias Unidas' capacity utilization for brass rod increased by *** percentage points to its highest level in 2021 then decreased by *** percentage points in from 2021 to 2022, for an overall decrease of *** percentage points during 2020-22. Industrias Unidas' capacity utilization was *** percentage points higher in interim 2023 compared to interim 2022.

Table VII-23

Brass rod: Producer's in Mexico installed and practical capacity and production on the same equipment as subject production, by period

•								
ltem	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023		
Installed overall	Capacity	***	***	***	***	***		
Installed overall	Production	***	***	***	***	***		
Installed overall	Utilization	***	***	***	***	***		
Practical overall	Capacity	***	***	***	***	***		
Practical overall	Production	***	***	***	***	***		
Practical overall	Utilization	***	***	***	***	***		
Practical brass rod	Capacity	***	***	***	***	***		
Practical brass rod	Production	***	***	***	***	***		
Practical brass rod	Utilization	***	***	***	***	***		

Capacity and production in 1,000 pounds; utilization in percent

Table VII-24 presents data on Industrias Unidas' reported constraints to practical overall capacity.

Table VII-24

Brass rod: Producer's in Mexico reported constraints to practical overall capacity, since January 1, 2020

	Firm name and narrative response on constraints to practical overall
Item	capacity
Production bottlenecks	***
Supply of material inputs	***
Other constraints	***

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

Table VII-25 presents information on the brass rod operations of Industrias Unidas. During 2020-22, Industrias Unidas' home market shipments were highest in 2021 and decreased by *** percent overall during 2020-22. Exports to the United States were also highest in 2021 and decreased by *** percent overall during 2020-22.¹⁵ Home market shipments and exports to the United States were both higher in interim 2023 compared to interim 2022. Industrias Unidas projects home market shipments to increase by *** percent while it projects exports to the United States to decrease by *** percent during 2022-24.

During the period for which data were collected, Industrias Unidas reported between *** percent and *** percent of total shipments as internal consumption or company transfers. Home market shipments had a majority share of all shipments during the period for which data were collected, ranging from *** percent of total shipments in 2021 to *** percent of total shipments in 2022. Industrias Unidas projects home market shipments to have a similar share of total shipments during 2023-24.

During 2020-22, Industrias Unidas' end-of-period inventories decreased by *** percent and were *** percent lower in interim 2023 compared to interim 2022. Industrias Unidas projects end-of-period inventories to increase by *** percent during 2022-24. Industrias Unidas' inventory ratios to production and to total shipments remained below *** percent during the period for which data were collected.

¹⁵ Industrias Unidas reported that ***. Industrias Unidas' foreign producers questionnaire, section I-7.

Table VII-25 Brass rod: Data on industry in Mexico, by period

|--|

				Jan-Sep	Jan-Sep	Projection	Projection
Item	2020	2021	2022	2022	2023	2023	2024
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period							
inventories	***	***	***	***	***	***	***
Internal							
consumption	***	***	***	***	***	***	***
Commercial							
home market							
shipments	***	***	***	***	***	***	***
Home market							
shipments	***	***	***	***	***	***	***
Exports to							
the United							
States	***	***	***	***	***	***	***
Exports to all							
other							
markets	***	***	***	***	***	***	***
Export							
shipments	***	***	***	***	***	***	***
Total							
shipments	***	***	***	***	***	***	***

Table VII-25 Continued Brass rod: Data on industry in Mexico, by period

Shares and ratios in percent

ltom	2020	2024	2022	Jan-Sep	Jan-Sep	Projection	Projection
Item	2020	2021	2022	2022	2023	2023	2024
Capacity							
utilization	***	***	***	***	***	***	***
Inventory							
ratio to	***	***	***	+++	***	***	***
production							
Inventory							
ratio to total	***	***	***	***	***	***	***
shipments							
Internal							
consumption	***	***	***	***	***	***	***
Commorgial							
bomo morket							
chinmonte							
share	***	***	***	***	***	***	***
Home market							
shinmonte							
share	***	***	***	***	***	***	***
Exports to							
the United							
States share	***	***	***	***	***	***	***
Exports to all							
other							
markets							
share	***	***	***	***	***	***	***
Export							
shipments							
share	***	***	***	***	***	***	***
Total							
shipments							
share	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Alternative products

As shown in table VII-26, *** percent of the product produced on the same equipment and machinery used to produce brass rod during 2022 by Industrias Unidas was brass rod. ***.¹⁶

Table VII-26

Brass rod: Producer's in Mexico production on the same equipment as subject production, by product type and period

Quantity in 1,000 pounds; ratio and share in percent

Product type	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brass rod	Quantity	***	***	***	***	***
Other brass products	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
Out-of-scope products	Quantity	***	***	***	***	***
All products on the same machinery	Quantity	***	***	***	***	***
Brass rod	Share	***	***	***	***	***
Other brass products	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
Out-of-scope products	Share	***	***	***	***	***
All products on the same machinery	Share	100.0	100.0	100.0	100.0	100.0

¹⁶ *** foreign producer questionnaire, section II-3a.

Exports

According to GTA, the leading export markets for bars, rods, and profiles of copper-zinc base alloys from Mexico are the United States, the United Kingdom, and El Salvador (table VII-27). During 2022, the United States was the top export market for bars, rods, and profiles of copper-zinc base alloys from Mexico, accounting for 92.5 percent of exports, followed by the United Kingdom, accounting for 4.1 percent.

Table VII-27

Bars, rods and profiles of copper-zinc base alloys (brass): Exports from Mexico, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Quantity	2,091	2,471	1,939
United Kingdom	Quantity	47	13	86
El Salvador	Quantity	29	22	45
Colombia	Quantity	5		13
Venezuela	Quantity	1		7
Canada	Quantity	1	2	6
Guatemala	Quantity	46	4	0
France	Quantity			0
Italy	Quantity			0
All other destination markets	Quantity	60	12	0
All destination markets	Quantity	2,279	2,524	2,097
United States	Value	5,376	9,676	7,716
United Kingdom	Value	173	121	629
El Salvador	Value	81	106	176
Colombia	Value	16		62
Venezuela	Value	3		34
Canada	Value	2	10	35
Guatemala	Value	157	16	2
France	Value			3
Italy	Value			1
All other destination markets	Value	162	47	8
All destination markets	Value	5,971	9,975	8,665

Quantity in 1,000 pounds; value in 1,000 dollars

Table VII-27 Continued Bars, rods and profiles of copper-zinc base alloys (brass): Exports from Mexico, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Unit value	2.57	3.92	3.98
United Kingdom	Unit value	3.72	9.51	7.33
El Salvador	Unit value	2.76	4.82	3.92
Colombia	Unit value	3.28		4.81
Venezuela	Unit value	2.88		4.52
Canada	Unit value	3.61	5.24	6.43
Guatemala	Unit value	3.43	3.61	4.48
France	Unit value			11.20
Italy	Unit value			8.23
All other destination markets	Unit value	2.69	3.80	39.93
All destination markets	Unit value	2.62	3.95	4.13
United States	Share of quantity	91.7	97.9	92.5
United Kingdom	Share of quantity	2.0	0.5	4.1
El Salvador	Share of quantity	1.3	0.9	2.1
Colombia	Share of quantity	0.2		0.6
Venezuela	Share of quantity	0.1		0.4
Canada	Share of quantity	0.0	0.1	0.3
Guatemala	Share of quantity	2.0	0.2	0.0
France	Share of quantity			0.0
Italy	Share of quantity			0.0
All other destination markets	Share of quantity	2.6	0.5	0.0
All destination markets	Share of quantity	100.0	100.0	100.0

Unit value in dollars per pound; share in percent

Source: Official imports statistics of imports from Mexico (constructed export statistics for Mexico) under HS subheading 7407.21 as reported by various statistical reporting authorities in the Global Trade Atlas database, accessed October 19, 2023. These data may be overstated as the HS subheadings may contain products outside the scope of these investigations.

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 "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2022 data.

The industry in South Africa

The Commission issued foreign producers' or exporters' questionnaires to one firm believed to produce and/or export brass rod from South Africa.¹⁷ A usable response to the Commission's questionnaire was received from Non-Ferrous. Non-Ferrous' exports to the United States accounted for *** U.S. imports of brass rod from South Africa in 2022. According to estimates requested of the responding producer in South Africa, the production of brass rod in South Africa reported in its questionnaire accounts for approximately *** percent of the production of brass rod in South Africa in 2022.¹⁸ Table VII-28 presents information on the brass rod operations of the responding producer in South Africa.

Table VII-28

Brass rod:	Summarv	data for	producer i	n South	Africa.	2022
	••••••••••		p		/ . ,	

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Non-Ferrous	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

¹⁷ This firm was identified through a review of information submitted in the petition and presented in third-party sources.

¹⁸ Non-Ferrous' foreign producer questionnaire response, section II-7a.

Changes in operations

The producer in South Africa was asked to report any change in the character of its operations or organization relating to the production of brass rod since 2020. Non-Ferrous indicated in its questionnaire that it had experienced such changes. Table VII-29 presents the changes identified by Non-Ferrous.

Table VII-29 Brass rod: Reported changes in operations in South Africa since January 1, 2020, by firm

Item	Firm name and narrative on reported changes in operations
Plant openings	***
Prolonged	***
shutdowns	
Consolidations	***
Weather-related	***
or force majeure	
events	
Other	***

Operations on brass rod

Table VII-30 presents Non-Ferrous' capacity and production on the same equipment and machinery used to produce brass rod. During 2020-22, Non-Ferrous' installed overall capacity, practical overall capacity, and practical brass rod capacity decreased annually and overall by *** percent, by *** percent, and by *** percent respectively, during 2020-22. Installed overall capacity and practical overall capacity were higher in interim 2023 compared to interim 2022 while practical brass rod capacity was lower in interim 2023 compared to interim 2022.

Non-Ferrous' production of brass rod was highest in 2021 and decreased overall by *** percent during 2020-22.¹⁹ Non-Ferrous' production of brass rod was *** percent higher in interim 2023 compared to interim 2022. Non-Ferrous' capacity utilization for brass rod increased by *** percentage points during 2020-21 then deceased by *** percentage points during 2021-22 for an overall decrease of *** percentage points during 2020-22. Non-Ferrous' capacity utilization for brass rod was *** percentage points higher in interim 2023 compared to interim 2022.

Table VII-30

Brass rod: Producer's in South Africa installed and practical capacity and production on the same equipment as subject production, by period

Odpacity and production in 1,000 pounds, duitzation in percent						
ltem	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical brass rod	Capacity	***	***	***	***	***
Practical brass rod	Production	***	***	***	***	***
Practical brass rod	Utilization	***	***	***	***	***

Capacity and production in 1,000 pounds; utilization in percent

¹⁹ Non-Ferrous reported ***. Non-Ferrous' foreign producer questionnaire response, section II-2a.

Table VII-31 presents data on Non-Ferrous' reported constraints to practical overall capacity.

Table VII-31

Brass rod: Producer's in South Africa reported constraints to practical overall capacity, since January 1, 2020

	Firm name and narrative response on constraints to practical overall
Item	capacity
Production bottlenecks	***
Supply of material inputs	***
Fuel or energy	***
Logistics/transportation	***
Other constraints	***
0 0 1 1 0 1	

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

Table VII-32 presents information on the brass rod operations of the responding producer in South Africa. During 2020-21, Non-Ferrous' home market shipments reached their highest levels in 2021 and overall increased by *** percent during 2020-22. Exports to the United States were highest in 2021 and overall increased by *** percent during 2020-22. Home market shipments and exports to the United States were both higher in interim 2023 compared to interim 2022. Non-Ferrous projects home market shipments and exports to the United States were both higher in interim 2023 compared to increase by *** percent and by *** percent, respectively during 2022-24.

During 2020-22, exports to all other markets decreased by *** percent. During the period for which data were collected Non-Ferrous *** internal consumption or company transfers. Total exports were a majority of all shipments during 2020-21, ranging from *** percent of total shipments in 2020 to *** percent of total shipments in 2021. In 2022 and both interim periods home market shipments held the majority share (*** percent in 2022, *** percent in interim 2022, and *** percent in interim 2023).

During 2020-21, Non-Ferrous' end-of-period inventories ***, then increased by *** percent in 2022. End-of-period inventories were *** percent lower in

interim 2023 compared to interim 2022. Non-Ferrous projects end-of-period inventories to decrease by *** percent during 2022-23 then ***. Non-Ferrous' inventory ratios to production and to total shipments remained below *** percent during the period for which data were collected.

Table VII-32 Brass rod: Data on industry in South Africa, by period

				Jan-Sep	Jan-Sep	Projection	Projection
ltem	2020	2021	2022	2022	2023	2023	2024
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period							
inventories	***	***	***	***	***	***	***
Internal							
consumption	***	***	***	***	***	***	***
Commercial							
home market							
shipments	***	***	***	***	***	***	***
Home market							
shipments	***	***	***	***	***	***	***
Exports to the							
United States	***	***	***	***	***	***	***
Exports to all							
other markets	***	***	***	***	***	***	***
Export							
shipments	***	***	***	***	***	***	***
Total							
shipments	***	***	***	***	***	***	***
Table continue.	ام						

Quantity in 1,000 pounds

Table VII-32 ContinuedBrass rod: Data on industry in South Africa, by period

ltere	2020	2024	2022	Jan-Sep	Jan-Sep	Projection	Projection
Item	2020	2021	2022	2022	2023	2023	2024
Capacity							
utilization ratio	***	***	***	***	***	***	***
Inventory ratio							
to production	***	***	***	***	***	***	***
Inventory ratio							
to total							
shipments	***	***	***	***	***	***	***
Internal							
consumption							
share	***	***	***	***	***	***	***
Commercial							
home market							
shipments							
share	***	***	***	***	***	***	***
Home market							
shipments							
share	***	***	***	***	***	***	***
Exports to the							
United States							
share	***	***	***	***	***	***	***
Exports to all							
other markets							
share	***	***	***	***	***	***	***
Export							
shipments							
share	***	***	***	***	***	***	***
Total							
shipments							
share	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Shares and ratios in percent

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 "---".

Alternative products

As shown in table VII-33, *** percent of the product produced on the same equipment and machinery used to produce brass rod during 2022 by Non-Ferrous was brass rod. Other out-of-scope products include: ***.²⁰

Table VII-33

Brass rod: Producer's in South Africa production on the same equipment as subject production, by product type and period

Quantity in 1,000 pounds; share in percent

Product type	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brass rod	Quantity	***	***	***	***	***
Other brass products	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
Out-of-scope products	Quantity	***	***	***	***	***
All products on the same machinery	Quantity	***	***	***	***	***
Brass rod	Share	***	***	***	***	***
Other brass products	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
Out-of-scope products	Share	***	***	***	***	***
All products on the same machinery	Share	100.0	100.0	100.0	100.0	100.0

²⁰ Non-Ferrous' foreign producer questionnaire, section II-3a.

Exports

According to GTA, the leading export markets for bars, rods, and profiles of copper-zinc base alloys from South Africa are the United States, China, and Australia (table VII-34). During 2022, the United States was the top export market for bars, rods, and profiles of copper-zinc base alloys from South Africa, accounting for 69.2 percent of exports, followed by China, accounting for 12.6 percent.

Table VII-34

Bars, rods and profiles of copper-zinc base alloys (brass): Exports from South Africa, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Quantity	45,164	5,097	3,013
China	Quantity	2,367	827	550
Australia	Quantity	656	1,049	402
Eswatini	Quantity	614	249	257
Zimbabwe	Quantity	12	29	36
New Zealand	Quantity	54	63	34
France	Quantity	11	20	23
Botswana	Quantity	37	24	20
Zambia	Quantity	15	7	7
All other destination markets	Quantity	1,848	646	12
All destination markets	Quantity	50,778	8,011	4,353
United States	Value	6,638	16,097	10,441
China	Value	5,134	2,861	1,891
Australia	Value	1,599	3,627	1,476
Eswatini	Value	1,569	898	890
Zimbabwe	Value	57	109	176
New Zealand	Value	134	210	123
France	Value	32	72	115
Botswana	Value	96	86	63
Zambia	Value	30	28	20
All other destination markets	Value	3,799	1,881	93
All destination markets	Value	19,089	25,870	15,288

Quantity in 1,000 pounds; value in 1,000 dollars
Table VII-34 Continued Bars, rods and profiles of copper-zinc base alloys (brass): Exports from South Africa, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Unit value	0.15	3.16	3.47
China	Unit value	2.17	3.46	3.44
Australia	Unit value	2.44	3.46	3.67
Eswatini	Unit value	2.55	3.60	3.46
Zimbabwe	Unit value	4.74	3.81	4.95
New Zealand	Unit value	2.50	3.32	3.56
France	Unit value	2.87	3.69	5.00
Botswana	Unit value	2.61	3.52	3.17
Zambia	Unit value	2.01	4.17	3.05
All other destination markets	Unit value	2.06	2.91	8.09
All destination markets	Unit value	0.38	3.23	3.51
United States	Share of quantity	88.9	63.6	69.2
China	Share of quantity	4.7	10.3	12.6
Australia	Share of quantity	1.3	13.1	9.2
Eswatini	Share of quantity	1.2	3.1	5.9
Zimbabwe	Share of quantity	0.0	0.4	0.8
New Zealand	Share of quantity	0.1	0.8	0.8
France	Share of quantity	0.0	0.2	0.5
Botswana	Share of quantity	0.1	0.3	0.5
Zambia	Share of quantity	0.0	0.1	0.1
All other destination markets	Share of quantity	3.6	8.1	0.3
All destination markets	Share of quantity	100.0	100.0	100.0

Unit value in dollars per pound; share in percent

Source: Official exports statistics under HS subheading 7407.21 as reported by South African Revenue Service in the Global Trade Atlas database, accessed October 19, 2023. These data may be overstated as the HS subheadings may contain products outside the scope of these investigations.

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 "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2022 data.

The industry in South Korea

(1,000

pounds)

+++

The Commission issued foreign producers' or exporters' questionnaires to three firms believed to produce and/or export brass rod from South Korea.²¹ Usable responses to the Commission's questionnaire were received from two firms: Daechang and Poongsan Corporation ("Poongsan"). These firms' exports to the United States accounted for *** U.S. imports of brass rod from South Korea in 2022. According to estimates requested of the responding producers in South Korea, the production of brass rod in South Korea reported in their questionnaires accounts approximately *** percent of overall production of brass rod in South Korea in 2022.²² Table VII-35 presents information on the brass rod operations of the responding producers and exporters in South Korea.

(1,000

pounds)

States

(percent)

100.0

Share of firm's total shipments

exported to

the United

States

(percent)

(1,000

pounds)

+++

Diassiou.	Summary ua	aiui	producers	in South Kore	5a, 2022	
	Production	S.	Share of	Exports to the United States	Share of reported exports to the United	Total shipments
				0.0.00		

production

(percent)

Table VII-35

Firm

Daechang

Poongsan

All firms

Brass rod: Summary data for producers in South Korea, 2022

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

100.0

²¹ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

²² Daechang's and Poongsan's foreign producer questionnaire response, section II-7a.

Changes in operations

Producers in South Korea were asked to report any change in the character of their operations or organization relating to the production of brass rod since 2020. Neither firm indicated in their questionnaires that they had experienced such changes.

Operations on brass rod

Table VII-36 presents the capacity and production of producers in South Korea on the same equipment and machinery used to produce brass rod. During 2020-22 and both interim periods, producers' in South Korea installed overall capacity ***. During 2020-22, practical overall capacity and practical brass rod capacity increased by *** percent and by *** percent, respectively. South Korean producers' practical overall capacity was *** percent lower in interim 2023 compared to interim 2022 while practical brass rod capacity was *** percent higher in interim 2023 compared to interim 2022.

South Korean producers' production of brass rod was highest in 2021 and overall increased by *** percent during 2020-22. South Korean producers' production of brass rod was *** percent lower in interim 2023 compared to interim 2022. South Korean producers' capacity utilization for brass rod increased by *** percentage points to its highest level in 2021 then decreased by *** percentage points in from 2021 to 2022, for an overall decrease of *** percentage points during 2020-22. Capacity utilization was *** percentage points lower in interim 2023 compared to interim 2023.

Table VII-36

Brass rod: Producers' in South Korea installed and practical capacity and production on the same equipment as subject production, by period

ltem	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical brass rod	Capacity	***	***	***	***	***
Practical brass rod	Production	***	***	***	***	***
Practical brass rod	Utilization	***	***	***	***	***

Capacity and production in 1,000 pounds; utilization in percent

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

Table VII-37 presents data on producers' in South Korea reported constraints to practical overall capacity.

Table VII-37 Brass rod: Producers' in South Korea reported constraints to practical overall capacity, since January 1, 2020

a i	
Item	Firm name and narrative response on constraints to practical overall capacity
Production	***
bottlenecks	
Other	***
constraints	
0	

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

Table VII-38 presents information on the brass rod operations of the responding producers in South Korea. During 2020-22, South Korean producers' home market shipments were highest in 2021 and overall decreased by *** percent during 2020-22. Exports to the United States were also highest in 2021 and overall decreased by *** percent during 2020-22. Home market shipments and export to the United States were both lower in interim 2023 compared to interim 2022 (by *** percent and by *** percent, respectively). South Korean producers project home market shipments to decrease by *** percent while they project exports to the United States to decrease by *** percent during 2022-24.

During the period for which data were collected, South Korean producers reported over *** percent of home market shipments as commercial shipments. Total export shipments had a majority share of all shipments during the period for which data were collected, ranging from *** percent of total shipments in 2020 to *** percent of total shipments in interim 2022. During 2020-22 and both interim periods, export shipments to the United States accounted for less than *** percent of total export shipments.

During 2020-22, South Korean producers' end-of-period inventories fluctuated but overall increased by *** percent during 2020-22. South Korean producers' end-of-period inventories were *** percent lower in interim 2023 compared to interim 2022. South Korean producers project end-of-period inventories to increase by *** percent during 2022-24. South Korean producers' inventory ratios to production and to total shipments remained below *** percent during the period for which data were collected.

Table VII-38Brass rod: Data on industry in South Korea, by period

Quantity in 1,000 pounds

				Jan-Sep	Jan-Sep	Projection	Projection
Item	2020	2021	2022	2022	2023	2023	2024
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period							
inventories	***	***	***	***	***	***	***
Internal							
consumption	***	***	***	***	***	***	***
Commercial							
home market							
shipments	***	***	***	***	***	***	***
Home market							
shipments	***	***	***	***	***	***	***
Exports to the							
United States	***	***	***	***	***	***	***
Exports to all							
other markets	***	***	***	***	***	***	***
Export							
shipments	***	***	***	***	***	***	***
Total							
shipments	***	***	***	***	***	***	***
Resales							
exported to							
the United							
States	***	***	***	***	***	***	***
Adjusted total							
exports to the							
United States	***	***	***	***	***	***	***

Table VII-38 ContinuedBrass rod: Data on industry in South Korea, by period

ltem	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023	Projection 2023	Projection 2024
Capacity							
utilization ratio	***	***	***	***	***	***	***
Inventory ratio							
to production	***	***	***	***	***	***	***
Inventory ratio							
to total							
shipments	***	***	***	***	***	***	***
Internal							
consumption							
share	***	***	***	***	***	***	***
Commercial							
home market							
snipments	***	***	***	***	***	***	***
share							
Home market							
share	***	***	***	***	***	***	***
Exports to the							
Linited States							
share	***	***	***	***	***	***	***
Exports to all							
other markets							
share	***	***	***	***	***	***	***
Export							
shipments							
share	***	***	***	***	***	***	***
Total							
shipments							
share	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Resales							
exported to							
the United							
States	***	***	***	***	***	***	***
Adjusted							
exports to the							
United States							
share of total	***	***	***	***	***	***	***
snipments	***	***	***	***	***	***	***

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

Alternative products

As shown in table VII-39, *** percent of the product produced on the same equipment and machinery used to produce brass rod during 2022 by producers in South Korea was brass rod. In addition to other products made of brass other out-of-scope products include: ***.²³

Table VII-39 Brass rod: Producers' in South Korea production on the same equipment as subject production, by product type and period

Product type	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brass rod	Quantity	***	***	***	***	***
Other brass products	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
Out-of-scope products	Quantity	***	***	***	***	***
All products on the same machinery	Quantity	***	***	***	***	***
Brass rod	Share	***	***	***	***	***
Other brass products	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
Out-of-scope products	Share	***	***	***	***	***
All products on the						
same machinery	Share	100.0	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; ratio and share in percent

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 "---".

²³ *** foreign producer questionnaires, section II-3a.

Exports

According to GTA, the leading export markets for bars, rods, and profiles of copper-zinc base alloys from South Korea are China, Thailand, and the United States (table VII-40). During 2022, China was the top export market for bars, rods, and profiles of copper-zinc base alloys from South Korea, accounting for 24.2 percent of exports, followed by Thailand, accounting for 18.4 percent, and the United States accounting for 11.6 percent.

Table VII-40

Bars, rods and profiles of copper-zinc base alloys (brass): Exports from South Korea, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Quantity	13,347	16,581	12,883
China	Quantity	30,069	34,968	26,888
Thailand	Quantity	19,147	13,264	20,497
Vietnam	Quantity	6,798	7,069	9,124
Singapore	Quantity	3,803	6,611	8,700
Taiwan	Quantity	5,990	6,577	6,388
Malaysia	Quantity	5,680	7,182	6,205
India	Quantity	4,754	3,291	5,828
Japan	Quantity	2,902	3,552	3,248
All other destination markets	Quantity	14,099	12,735	11,434
All destination markets	Quantity	106,589	111,830	111,196
United States	Value	31,374	52,839	43,818
China	Value	65,538	107,983	87,024
Thailand	Value	38,807	40,545	62,487
Vietnam	Value	16,673	23,714	30,279
Singapore	Value	8,248	20,132	29,695
Taiwan	Value	12,248	19,818	19,694
Malaysia	Value	11,715	20,638	20,113
India	Value	10,537	10,121	18,008
Japan	Value	6,512	11,102	10,422
All other destination markets	Value	31,341	40,615	37,699
All destination markets	Value	232,991	347,507	359,240

Quantity in 1,000 pounds; value in 1,000 dollars

Table VII-40 Continued Bars, rods and profiles of copper-zinc base alloys (brass): Exports from South Korea, by destination market and by period

Destination market	Measure	2020	2021	2022
United States	Unit value	2.35	3.19	3.40
China	Unit value	2.18	3.09	3.24
Thailand	Unit value	2.03	3.06	3.05
Vietnam	Unit value	2.45	3.35	3.32
Singapore	Unit value	2.17	3.05	3.41
Taiwan	Unit value	2.04	3.01	3.08
Malaysia	Unit value	2.06	2.87	3.24
India	Unit value	2.22	3.08	3.09
Japan	Unit value	2.24	3.13	3.21
All other destination markets	Unit value	2.22	3.19	3.30
All destination markets	Unit value	2.19	3.11	3.23
United States	Share of quantity	12.5	14.8	11.6
China	Share of quantity	28.2	31.3	24.2
Thailand	Share of quantity	18.0	11.9	18.4
Vietnam	Share of quantity	6.4	6.3	8.2
Singapore	Share of quantity	3.6	5.9	7.8
Taiwan	Share of quantity	5.6	5.9	5.7
Malaysia	Share of quantity	5.3	6.4	5.6
India	Share of quantity	4.5	2.9	5.2
Japan	Share of quantity	2.7	3.2	2.9
All other destination markets	Share of quantity	13.2	11.4	10.3
All destination markets	Share of quantity	100.0	100.0	100.0

Unit value in dollars per pound; share in percent

Source: Official exports statistics under HS subheading 7407.21 as reported by Korea Trade Statistics Promotion Institute in the Global Trade Atlas database, accessed October 19, 2023. These data may be overstated as the HS subheadings may contain products outside the scope of these investigations.

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 "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2022 data.

Subject countries combined

Table VII-41 presents summary data on brass rod operations of the reporting subject producers in the subject countries and table VII-42 presents summary data on brass rod operations of the reporting subject producers in the subject countries excluding Israel.

Table VII-41Brass rod: Data on the industry in aggregated subject sources, by period

Item	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023	Projection 2023	Projection 2024
Capacity	402,944	416,162	427,143	318,318	323,531	427,368	425,917
Production	287,095	324,248	292,164	229,129	204,149	270,830	275,817
End-of-							
period							
inventories	15,658	17,522	14,288	17,930	13,681	14,720	14,139
Internal	***	***	***	***	***	***	***
Commorgial							
bome market							
shipments	***	***	***	***	***	***	***
Home							
market							
shipments	173,506	191,577	167,776	124,176	124,202	163,501	169,098
Exports to							
the United		***	***	***			***
States	***	***	***	***	***	***	***
Exports to all							
markets	***	***	***	***	***	***	***
Export							
shipments	114,381	130,686	127,701	104,645	80,333	105,273	106,206
Total							
shipments	287,887	322,263	295,477	228,821	204,535	268,774	275,304
Resales							
exported to							
the United	***	***	***	***	***	***	***
States		~~~					
Aujustea total oxporta							
to the United							
States	***	***	***	***	***	***	***

Quantity in 1,000 pounds

Table VII-41 ContinuedBrass rod: Data on the industry in aggregated subject sources, by period

Ratio and share in percent

Item	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023	Projection 2023	Projection 2024
Capacity							
utilization ratio	71.2	77.9	68.4	72.0	63.1	63.4	64.8
Inventory ratio							0.1.0
to production	5.5	5.4	4.9	5.9	5.0	5.4	5.1
Inventory ratio							
to total							
shipments	5.4	5.4	4.8	5.9	5.0	5.5	5.1
Internal consumption							
share	***	***	***	***	***	***	***
Commercial home market							
shipments share	***	***	***	***	***	***	***
Home market							
share	60.3	59.4	56.8	54.3	60.7	60.8	61.4
Exports to the							
United States							
share	***	***	***	***	***	***	***
Exports to all							
other markets							
share	***	***	***	***	***	***	***
Export							
snipments	20.7	10.0	40.0		20.2	20.0	20.0
Share	39.7	40.6	43.2	45.7	39.3	39.2	38.0
rolai							
share	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Resales	100.0	100.0	100.0	100.0	100.0	100.0	100.0
exported to the							
United States	***	***	***	***	***	***	***
Adjusted							
exports to the							
United States							
share of total							
shipments	***	***	***	***	***	***	***

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

Table VII-42Brass rod: Data on the industry in aggregated subject sources except Israel, by period

Quantity in 1,000 pounds

				Jan-Sep	Jan-Sep	Projection	Projection
Item	2020	2021	2022	2022	2023	2023	2024
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period							
inventories	***	***	***	***	***	***	***
Internal							
consumption/tra							
nsfers	***	***	***	***	***	***	***
Commercial							
home market							
shipments	***	***	***	***	***	***	***
Home market							
shipments	***	***	***	***	***	***	***
Exports to the							
United States	***	***	***	***	***	***	***
Exports to all							
other markets	***	***	***	***	***	***	***
Export							
shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***
Resales							
exported to the							
United States	***	***	***	***	***	***	***
Adjusted total							
exports to the							
United States	***	***	***	***	***	***	***

Table VII-42 ContinuedBrass rod: Data on the industry in aggregated subject sources except Israel, by period

				Jan-Sep	Jan-Sep	Projection	Projection
Item	2020	2021	2022	2022	2023	2023	2024
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to							
production	***	***	***	***	***	***	***
Inventory ratio to total							
shipments	***	***	***	***	***	***	***
Internal							
consumption/transfers							
share	***	***	***	***	***	***	***
Commercial home							
market shipments							
share	***	***	***	***	***	***	***
Home market							
shipments share	***	***	***	***	***	***	***
Exports to the United							
States share	***	***	***	***	***	***	***
Exports to all other							
markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Resales exported to the							
United States	***	***	***	***	***	***	***
Adjusted exports to the							
United States share of							
total shipments	***	***	***	***	***	***	***

Ratio and share in percent

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 "---".

U.S. inventories of imported merchandise

Table VII-43 presents data on U.S. importers' reported inventories of brass rod. Eleven of the 21 responding firms reported inventories from subject sources and six reported inventories from nonsubject sources. U.S. importers' inventories of brass rod were highest in 2022 for all subject countries except South Korea. U.S. importers' inventories of brass rod from South Korea decreased annually during 2020-22. U.S. importers' inventories of brass rod were higher in interim 2023 compared to interim 2022 for all subject countries except Brazil and South Korea.

U.S. importers' inventories of brass rod from nonsubject countries fluctuated but overall increased during 2020-22. U.S. importers' inventories of brass rod from nonsubject sources were higher in interim 2023 compared to interim 2022. Overall, as a ratio to imports, U.S. shipments of imports, and total shipments of imports, U.S. importers' reported inventories of brass rod from all subject sources except South Korea increased during 2020-22. As a ratio to imports, U.S. shipments of imports, U.S. shipments of imports, and total shipments of imports, U.S. importers' reported inventories inventories of brass rod from all subject sources except South Korea increased during 2020-22. As a ratio to imports, U.S. shipments of imports, and total shipments of imports, U.S. importers' reported inventories of brass rod from all subject sources except Brazil, India, and Mexico were higher in interim 2023 compared to interim 2022.

Table VII-43 brass rod: U.S. importers' inventories and their ratio to select items, by source and period

Measure	Source	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Inventories quantity	Brazil	***	***	***	***	***
Ratio to imports	Brazil	***	***	***	***	***
Ratio to U.S. shipments of imports	Brazil	***	***	***	***	***
Ratio to total shipments of imports	Brazil	***	***	***	***	***
Inventories quantity	India	***	***	***	***	***
Ratio to imports	India	***	***	***	***	***
Ratio to U.S. shipments of imports	India	***	***	***	***	***
Ratio to total shipments of imports	India	***	***	***	***	***
Inventories quantity	Mexico	***	***	***	***	***
Ratio to imports	Mexico	***	***	***	***	***
Ratio to U.S. shipments of imports	Mexico	***	***	***	***	***
Ratio to total shipments of imports	Mexico	***	***	***	***	***
Inventories quantity	South Africa	***	***	***	***	***
Ratio to imports	South Africa	***	***	***	***	***
Ratio to U.S. shipments of imports	South Africa	***	***	***	***	***
Ratio to total shipments of imports	South Africa	***	***	***	***	***
Inventories quantity	South Korea	***	***	***	***	***
Ratio to imports	South Korea	***	***	***	***	***
Ratio to U.S. shipments of imports	South Korea	***	***	***	***	***
Ratio to total shipments of imports	South Korea	***	***	***	***	***

Quantity in 1,000 pounds; ratio in percent

Table VII-43 Continuedbrass rod: U.S. importers' inventories and their ratio to select items, by source and period

Measure	Source	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
	Subject		-	-	-	
	sources					
Inventories quantity	except Israel	***	***	***	***	***
	Subject					
	sources					
Ratio to imports	except Israel	***	***	***	***	***
	Subject					
Ratio to U.S.	sources					
shipments of imports	except Israel	***	***	***	***	***
	Subject					
Ratio to total	sources					
shipments of imports	except Israel	***	***	***	***	***
Inventories quantity	Israel	***	***	***	***	***
Ratio to imports	Israel	***	***	***	***	***
Ratio to U.S.						
shipments of imports	Israel	***	***	***	***	***
Ratio to total						
shipments of imports	Israel	***	***	***	***	***
Inventories quantity	Subject	3,122	4,641	6,971	5,865	6,118
Ratio to imports	Subject	13.3	12.7	21.8	17.4	23.8
Ratio to U.S.						
shipments of imports	Subject	13.0	13.6	24.2	18.8	23.4
Ratio to total						
shipments of imports	Subject	12.7	13.3	23.5	18.2	22.8
Inventories quantity	Nonsubject	632	1,147	1,053	964	974
Ratio to imports	Nonsubject	48.8	41.3	42.9	43.3	49.3
Ratio to U.S.						
shipments of imports	Nonsubject	53.5	52.1	43.4	41.3	48.3
Ratio to total						
shipments of imports	Nonsubject	52.4	50.6	41.4	39.0	46.8
Inventories quantity	All	3,754	5,788	8,024	6,829	7,092
Ratio to imports	All	15.2	14.8	23.3	19.0	25.6
Ratio to U.S.						
shipments of imports	All	14.9	16.0	25.7	20.3	25.2
Ratio to total						
shipments of imports	All	14.5	15.6	24.9	19.7	24.5

Quantity in 1,000 pounds; ratio in percent

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

U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of brass rod from individual sources after September 30, 2023. The responding firms' data are presented in table VII-44. Three firms reported arranged imports of brass rod from Brazil, India, and South Korea; one firm from Israel, Mexico, and South Africa; and seven firms from nonsubject sources. Twelve of 21 importers reported arranged imports of brass rod from at least one source.

Table VII-44

brass rod: U.S. importers' arranged imports, by source and period

Quantity i	า 1,000	pounds;	shares	in	percent
------------	---------	---------	--------	----	---------

		Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	
Source	Measure	2023	2024	2024	2024	Total
Brazil	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Africa	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Subject sources except Israel	Quantity	***	***	***	***	***
Israel	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources except Israel	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
Brazil	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Africa	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Subject sources except Israel	Share	***	***	***	***	***
Israel	Share	***	***	***	***	***
Subject sources	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources except Israel	Share	***	***	***	***	***
All import sources	Share	100.0	100.0	100.0	***	100.0

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Third-country trade actions

Based on available information, brass rod from Brazil, India, Israel, Mexico, South Africa, and South Korea has not been subject to other trade remedy actions outside the United States.

Information on nonsubject countries

Table VII-45 presents global export data for bars, rods, and profiles of copper-zinc base alloys (brass), a category that includes brass rod and out-of-scope products. Germany, Italy, and France were the largest exporters in 2022 and accounted for 23.2 percent, 18.2 percent, and 5.4 percent of total global exports by quantity, respectively. Brazil, India, Israel, Mexico, and South Africa each accounted for less than 3.0 percent of global exports.

Table VII-45 Bars, rods and profiles of copper-zinc base alloys (brass): Global exports by reporting country and by period

Exporting country	Measure	2020	2021	2022
United States	Quantity	38,070	47,534	34,521
Brazil	Quantity	5,023	6,896	9,785
India	Quantity	2,566	4,217	4,740
Mexico	Quantity	2,279	2,524	2,097
South Africa	Quantity	50,778	8,011	4,353
South Korea	Quantity	106,589	111,830	111,196
Subject exporters except Israel	Quantity	167,236	133,478	132,170
Israel	Quantity	5,651	11,728	7,733
Subject exporters	Quantity	172,887	145,206	139,904
Germany	Quantity	273,948	291,084	239,561
Italy	Quantity	135,434	196,931	187,466
France	Quantity	60,052	68,781	55,929
Malaysia	Quantity	48,971	66,677	29,980
Japan	Quantity	30,557	50,785	46,702
All other exporters	Quantity	320,655	365,864	332,117
All reporting exporters	Quantity	1,042,506	1,185,328	1,031,657
United States	Value	85,514	122,854	106,383
Brazil	Value	11,846	23,395	34,578
India	Value	6,777	14,981	17,262
Mexico	Value	5,971	9,975	8,665
South Africa	Value	19,089	25,870	15,288
South Korea	Value	232,991	347,507	359,240
Subject sources except Israel	Value	276,674	421,728	435,032
Israel	Value	12,413	32,452	28,943
Subject sources	Value	289,087	454,180	463,975
Germany	Value	649,539	909,975	800,955
Italy	Value	307,083	611,366	637,411
France	Value	121,820	179,176	178,760
Malaysia	Value	85,610	147,407	91,376
Japan	Value	97,794	195,871	185,260
All other exporters	Value	697,104	1,074,372	1,043,258
All reporting exporters	Value	2,248,035	3,572,347	3,400,994

Quantity in 1,000 pounds; value in 1,000 dollars

Table VII-45 Continued Bars, rods and profiles of copper-zinc base alloys (brass): Global exports by reporting country and by period

Exporting country	Measure	2020	2021	2022
United States	Unit value	2.25	2.58	3.08
Brazil	Unit value	2.36	3.39	3.53
India	Unit value	2.64	3.55	3.64
Mexico	Unit value	2.62	3.95	4.13
South Africa	Unit value	0.38	3.23	3.51
South Korea	Unit value	2.19	3.11	3.23
Subject sources except Israel	Unit value	1.65	3.16	3.29
Israel	Unit value	2.20	2.77	3.74
Subject sources	Unit value	1.67	3.13	3.32
Germany	Unit value	2.37	3.13	3.34
Italy	Unit value	2.27	3.10	3.40
France	Unit value	2.03	2.61	3.20
Malaysia	Unit value	1.75	2.21	3.05
Japan	Unit value	3.20	3.86	3.97
All other exporters	Unit value	2.17	2.94	3.14
All reporting exporters	Unit value	2.16	3.01	3.30
United States	Share of quantity	3.7	4.0	3.3
Brazil	Share of quantity	0.5	0.6	0.9
India	Share of quantity	0.2	0.4	0.5
Mexico	Share of quantity	0.2	0.2	0.2
South Africa	Share of quantity	4.9	0.7	0.4
South Korea	Share of quantity	10.2	9.4	10.8
Subject sources except Israel	Share of quantity	16.0	11.3	12.8
Israel	Share of quantity	0.5	1.0	0.7
Subject sources	Share of quantity	16.6	12.3	13.6
Germany	Share of quantity	26.3	24.6	23.2
Italy	Share of quantity	13.0	16.6	18.2
France	Share of quantity	5.8	5.8	5.4
Malaysia	Share of quantity	4.7	5.6	2.9
Japan	Share of quantity	2.9	4.3	4.5
All other exporters	Share of quantity	30.8	30.9	32.2
All reporting exporters	Share of quantity	100.0	100.0	100.0

Unit value in dollars per pound; share in percent

Source: Official exports statistics under HS subheading 7407.21 for all sources except Israel (HS subheading 7403.21) and official imports statistics of imports from Mexico (constructed export statistics for Mexico) under HS subheading 7407.21 as reported by various national statistical authorities in the Global Trade Atlas database, accessed October 19, 2023. These data may be overstated as the HS subheadings may contain products outside the scope of these investigations.

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top followed by the countries under investigation, all remaining top exporting countries in descending order of 2022 data.

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, <u>www.usitc.gov</u>. 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
88 FR 27921, May 3, 2023	Brass Rod From Brazil, India, Israel, Mexico, South Africa, and South Korea; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations	https://www.govinfo.gov/content/pkg/FR- 2023-05-03/pdf/2023-09369.pdf
88 FR 33575, May 24, 2023	Brass Rod From Brazil, India, Israel, Mexico, the Republic of Korea, and South Africa: Initiation of Less- Than- Fair-Value Investigations	https://www.govinfo.gov/content/pkg/FR- 2023-05-24/pdf/2023-11002.pdf
88 FR 33566, May 24, 2023	Brass Rod From India, Israel, and the Republic of Korea: Initiation of Countervailing Duty Investigations	https://www.govinfo.gov/content/pkg/FR- 2023-05-24/pdf/2023-11005.pdf
88 FR 39477, June 16, 2023	Brass Rod From Brazil, India, Israel, Mexico, South Africa, and South Korea Determinations	https://www.govinfo.gov/content/pkg/FR- 2023-06-16/pdf/2023-12886.pdf
88 FR 42300, June 30, 2023	Brass Rod From India, Israel, and the Republic of Korea: Postponement of Preliminary Determinations in the Countervailing Duty Investigations	https://www.govinfo.gov/content/pkg/FR- 2023-09-29/pdf/2023-21547.pdf
88 FR 62054, September 8, 2023	Brass Rod From Brazil, India, Israel, Mexico, the Republic of Korea, and South Africa: Postponement of Preliminary Determinations in the Less-Than-Fair-Value Investigations	https://www.govinfo.gov/content/pkg/FR- 2023-09-08/pdf/2023-19388.pdf
88 FR 67240, September 29, 2023	Brass Rod From India: Preliminary Affirmative Countervailing Duty Determination	https://www.govinfo.gov/content/pkg/FR- 2023-09-29/pdf/2023-21553.pdf
88 FR 67236, September 29, 2023	Brass Rod From Israel: Preliminary Affirmative Countervailing Duty Determination	https://www.govinfo.gov/content/pkg/FR- 2023-09-29/pdf/2023-21546.pdf

Citation	Title	Link
88 FR 67233, September 29, 2023	Brass Rod From South Korea: Preliminary Affirmative Countervailing Duty Determination	https://www.govinfo.gov/content/pkg/FR- 2023-09-29/pdf/2023-21547.pdf
88 FR 69229, October 5, 2023	Brass Rod From Brazil, India, Israel, Mexico, South Africa, and South Korea; Scheduling of the Final Phase of Countervailing Duty and Antidumping Duty Investigations	https://www.govinfo.gov/content/pkg/FR- 2023-10-05/pdf/2023-22150.pdf
88 FR 83900, December 1, 2023	Brass Rod From India: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures	https://www.govinfo.gov/content/pkg/FR- 2023-12-01/pdf/2023-26414.pdf
88 FR 83904, December 1, 2023	Brass Rod From South Africa: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures	https://www.govinfo.gov/content/pkg/FR- 2023-12-01/pdf/2023-26417.pdf
88 FR 83910, December 1, 2023	Brass Rod From Brazil: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures	https://www.govinfo.gov/content/pkg/FR- 2023-12-14/pdf/2023-27439.pdf
88 FR 83913, December 1, 2023	Brass Rod From Mexico: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures	https://www.govinfo.gov/content/pkg/FR- 2023-12-01/pdf/2023-26416.pdf
88 FR 83915, December 1, 2023	Brass Rod From the Republic of Korea: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures	https://www.govinfo.gov/content/pkg/FR- 2023-12-01/pdf/2023-26415.pdf

Citation	Title	Link
88 FR 86632, December	Brass Rod From Israel: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of	https://www.govinfo.gov/content/pkg/FR-
14, 2023	Provisional Measures	2023-12-14/pdf/2023-27439.pdf
88 FR 87407, December 18, 2023	Brass Rod From India: Final Affirmative Countervailing Duty Determination	https://www.govinfo.gov/content/pkg/FR- 2023-12-18/pdf/2023-27698.pdf

APPENDIX B

LIST OF HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing:

Subject:	Brass Rod from Brazil, India, Israel, Mexico, South Africa, and South Korea
Inv. Nos.:	701-TA-686-688 and 731-TA-1612-1617 (Final)
Date and Time:	December 12, 2023 - 9:30 a.m.

Sessions were held in connection with these investigations in the Main Hearing Room (Room 101), 500 E Street, SW., Washington, DC.

FOREIGN GOVERNMENT WITNESS:

Government of Israel Ministry of Economy and Industry

Natalie Gutman-Chen, Minister for Economic and Trade Affairs, Embassy of Israel

OPENING REMARKS:

In Support of Imposition (**Myles S. Getlan**, Cassidy Levy Kent (USA) LLP) In Opposition to Imposition (**Lizbeth R. Levinson**, Fox Rothschild LLP)

In Support of Imposition of <u>Antidumping and Countervailing Duty Orders:</u>

Cassidy Levy Kent (USA) LLP Rock Creek Trade LLP Washington, DC <u>on behalf of</u>

American Brass Rod Fair Trade Coalition ("Coalition") Mueller Brass Co. Wieland Chase LLC United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("USW") Chicago Extruded Metals ("CXM")

Chris Mitchell, President Brass & Aluminum, Mueller Brass Co.

Devin Denner, President, Wieland Chase LLC

In Support of Imposition of <u>Antidumping and Countervailing Duty Orders (continued):</u>

Tom Christie, Vice President, Commercial, Wieland Chase LLC

Jill Stough, 1 Local Leader, USW, Local 7248

Carl P. Moyer, Director of Economic Analysis, Rock Creek Trade LLP

Myles S. Getlan)
Thomas M. Beline) – OF COUNSEL
Jack A. Levy)

In Opposition to Imposition of <u>Antidumping and Countervailing Duty Orders:</u>

White & Case LLP Washington, DC on behalf of

Finkelstein Metals Ltd. and Finkelstein Metals USA Inc. (Collectively, "Finkelstein Metals")

Yitzhak Apeloig, Chairman of the Board, Finkelstein Metals Ltd.

Eitan Finkelstein, Chief Executive Officer, Finkelstein Metals Ltd.

Jonathan Havardi, Global Sales & Marketing Manager, Finkelstein Metals Ltd.

Dr. Thomas J. Prusa, Professor, Department of Economics, Rutgers University

David E. Bond)
) – OF COUNSEL
Ron Kendler)

In Opposition to Imposition of <u>Antidumping and Countervailing Duty Orders (continued)</u>:

Doyle, Barlow & Mazard PLLC Washington, DC <u>on behalf of</u>

Industrias Unidas, S.A. de C.V. ("IUSA") Cambridge-Lee Industries LLC ("CLI") (Collectively "DBM Respondents")

David Goad, the Vice President of Industrial Metals, CLI

Gerardo Rendon Gutierrez (remote Witness), Production Director, IUSA

Travis Pope, Consultant, Capital Trade, Inc.

Camelia C. Mazard

) – OF COUNSEL Andre P. Barlow

Fox Rothschild LLP Washington, DC <u>on behalf of</u>

Non-Ferrous Metals Works (SA) (PTY), Ltd. Aviva Metals, Inc.

Norman Lazarus, President of Aviva Metals Inc. a U.S. importer of Brass Rod from South Africa

Lizbeth R. Levinson

) – OF COUNSEL

Akin Gump Strauss Hauer & Feld LLP Washington, DC on behalf of

Government of Israel

Bernd G. Janzen)
) – OF COUNSEL
Sydney L. Stringer)

REBUTTAL/CLOSING REMARKS:

In Support of Imposition (Jack A. Levy, Rock Creek Trade LLP) In Opposition to Imposition (David E. Bond, White & Case LLP and Camelia C. Mazard, Doyle, Barlow & Mazard PLLC)

-END-

APPENDIX C

SUMMARY DATA

 Table C-1

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

 Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted

		R	eported data			Period changes			
-	Calendar year Jan-Sep			Sep	Comparison years Jan-S				
Item	2020	2021	2022	2022	2023	2020-22	2020-21	2021-22	2022-23
U.S. consumption quantity:									
Amount	***	***	***	***	***	▲ ***	▲ ***	▼***	***
Producers' share (fn1)	***	***	***	***	***	▼***	▼***	▲ ***	▲ ***
Importers' share (fn1):									
Brazil	***	***	***	***	***	▲ ***	A ***	▲ ***	▼***
India	***	***	***	***	***	▼***	▼***	▲ ***	▲ ***
Mexico	***	***	***	***	***	▼***	▼***	▼***	▲ ***
South Africa	***	***	***	***	***	▼***	***	▼***	▲ ***
South Korea	***	***	***	***	***	▲ ***	***	***	***
Subject sources except Israel	***	***	***	***	***	×**	×**	***	¥***
Israel	***	***	***	***	***	▲ ***	×**	** *	***
Subject sources	***	***	***	***	***	▲ ***	***	***	** *
Nonsubject sources	***	***	***	***	***	 _ ***	***	×***	***
Nonsubject sources plus Israel	***	***	***	***	***	▲ ▲ ***	* **	* ***	×**
All import sources excent Israel	***	***	***	***	***	A ***	***	***	***
All import sources	***	***	***	***	***	A ***	* **	* ***	***
All import sources						-	-	•	•
U.C. consumption unline									
U.S. consumption value:	***	***	***	***	***	A ***	. ***	* ***	* ***
Amount	+++	+++	+++	+++	+++	A	A		
Producers' snare (m1)						•	• • • • •	•	A
Importers' share (fn1):									
Brazil	***	***	***	***	***	A ****	A ***	A ****	• ***
India	***	***	***	***	***	***	• ***	A ****	A ****
Mexico	***	***	***	***	***	***	* ***	***	▲ ***
South Africa	***	***	***	***	***	▲ ***	▲ ***	▼***	▲ ***
South Korea	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▼***
Subject sources except Israel	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▼***
Israel	***	***	***	***	***	▲ ***	▲ ***	▼***	▲ ***
Subject sources	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▼***
Nonsubject sources	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▲ ***
Nonsubject sources plus Israel	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▲ ***
All import sources except Israel.	***	***	***	***	***	▲ ***	A ***	▲ ***	▼***
All import sources	***	***	***	***	***	▲ ***	A ***	▲ ***	▼***
U.S. importers' U.S. shipments of imports from	n:								
Brazil:									
Quantity	***	***	***	***	***	▲ ***	***	▲ ***	▼***
Value	***	***	***	***	***	▲ ***	***	***	***
Unit value	***	***	***	***	***	×**	×**	A ***	***
Ending inventory quantity	***	***	***	***	***	▲ ***	***	▲ ***	***
India:						_	-	-	
Quantity	***	***	***	***	***	***	***	***	A ***
Value	***	***	***	***	***	×**	×**	***	* **
Lipit value	***	***	***	***	***	▲ ▲ ***	▲ ▲ ***	▲ ▲ ***	* ***
Ending inventory quantity	***	***	***	***	***	▲ ▲ ***	* ***	▲ ▲ ***	×**
Ending inventory quantity						•	•	•	•
	***	***	+++	***	***		. ***		
Quantity	+++	+++	+++	+++	+++		A		A
	*		*			A	A	V	_
Unit value	***	***	***	***	***	A ***	A ***	A ***	***
Ending inventory quantity South Africa:	***	***	***	***	***	▲ ***	▼***	▲ ***	▲ ***
Quantity	***	***	***	***	***	▼***	A ***	▼***	▲ ***
Value	***	***	***	***	***	▲ ***	A ***	▼***	***
Unit value	***	***	***	***	***	***	▲ ***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
						-	-	-	_

 Table C-1 Continued

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

 Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted

Lem Calindar year Jan-Sep Comparison years Jan-Sep U.S. hypenetrs U.S. shipments of imports from: Continued 2022 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023 2023		Reported data					Period changes				
Item 2020 2021 2022 2023 2028-22 2028-21 2021-22 2022-23 U.S. importing 'U.S. shipments of imposts from: Continued South Coars.	—	C	alendar year	1	Jan-Sep		Comparison years		ars	Jan-Sep	
U.S. Imponents of Imports from: Continued Such Korzer: Overnity,	Item	2020	2021	2022	2022	2023	2020-22	2020-21	2021-22	2022-23	
U.S. Importary U.S. Importary U.S. Importary U.S. Important V.S. I											
South Kores:	U.S. importers' U.S. shipments of imports from	n: Continued									
Countly *** <	South Korea:										
Value	Quantity	***	***	***	***	***	▲ ***	▲ ***	***	▼***	
Unit value	Value	***	***	***	***	***	▲ ***	▲ ***	***	▼***	
Ending inventory quantity *** <t< td=""><td>Unit value</td><td>***</td><td>***</td><td>***</td><td>***</td><td>***</td><td>▲***</td><td>▲***</td><td>▲***</td><td>▼***</td></t<>	Unit value	***	***	***	***	***	▲ ***	▲ ***	▲***	▼***	
Subject sources except israel:	Ending inventory quantity	***	***	***	***	***	▼***	▼***	▼***	▼***	
Quantity	Subject sources except Israel:										
Value	Quantity	***	***	***	***	***	▲ ***	▲ ***	▼***	▼***	
Lind value	Value	***	***	***	***	***	▲ ***	▲ ***	▼***	▼***	
Ending inventory quantity	Unit value	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▼***	
Israel:	Ending inventory quantity	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▼***	
Quantity ***	Israel:										
Value	Quantity	***	***	***	***	***	▲ ***	▲ ***	▼***	▲ ***	
Unit value **** **** *** ***	Value	***	***	***	***	***	▲ ***	▲ ***	▼***	▲ ***	
Ending inventory quantity	Unit value	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▼***	
Subject sources: 23,994 34,016 28,833 23,420 19,613 420.2 41.8 V(15.2) V(16.3) Uartity	Ending inventory quantity	***	***	***	***	***	▲ ***	A ***	▲ ***	***	
Quantity	Subject sources:										
Value 63.191 12.260 112.940 92.367 75.155 A78.7 A91.9 V(6.6) V(16.6) Unit value 3.122 4.641 6.971 5.865 6,118 A123.3 A48.7 A50.2 A4.3 Nonsubject sources: 1.181 2.201 2.429 1.751 1.513 A105.7 A88.4 A10.4 V(13.6) Value 3.724 9.260 11.925 8.413 7.465 245.1 A14.7 2.288 V(13.6) Unit value 3.320 \$4.21 \$4.91 \$4.80 \$4.93 A53.2 A31.3 4.6.7 \$2.6 1.0 Nonsubject sources plus Israel: G3.2 1.147 1.053 964 974 A66.6 A81.5 V(8.2) A1.0 Nonsubject sources except Israel: Guantity	Quantity	23,994	34,016	28,833	23,420	19,613	▲20.2	▲41.8	▼(15.2)	▼(16.3)	
Unit value \$2.83 \$3.36 \$3.92 \$3.94 \$3.83 \$4.87 \$4.354 \$4.9.9 \$7(2.8) Rending inventory quantity \$1.122 4.641 6.971 5.865 6,118 \$4.23.3 \$4.8.7 \$4.50.2 \$4.33 Quantity \$1.181 2.201 2.429 1.751 1.513 \$4.65.4 \$4.13 7.445 \$2.151 \$4.14.7 \$4.28.8 \$4.93 \$4.66.6 \$4.15 \$4.67.6 \$2.77 Ending inventory quantity \$6.32 \$1.147 \$1.053 \$964 \$974 \$4.66.6 \$8.15 \$7(8.2) \$4.10 Nonsubject sources plus laraet: \$3.20 \$4.21 \$4.91 \$4.80 \$4.93 \$4.66.6 \$8.15 \$7(8.2) \$4.10 Nonsubject sources plus laraet: \$3.20 \$4.21 \$4.91 \$4.80 \$4.93 \$4.66.6 \$8.15 \$7(8.2) \$4.10 Nonsubject sources plus laraet: \$3.20 \$4.51 \$4.52 \$4.52 \$4.52 \$4.52 \$4.52 \$4.53 \$4.52	Value	63,191	121,266	112,940	92,367	75,155	▲78.7	▲91.9	▼(6.9)	▼(18.6)	
Ending inventory quantity	Unit value	\$2.63	\$3.56	\$3.92	\$3.94	\$3.83	▲48.7	▲35.4	▲9.9	▼(2.8)	
Nonsubject sources: 1.181 2.201 2.429 1.751 1.513 A105.7 A86.4 A10.4 Y(136) Quantity \$3.20 \$4.21 \$4.91 \$4.80 \$4.93 A53.2 \$4.31.3 \$4.67 \$2.20 \$1.751 1.513 A105.7 \$4.86 \$4.93 A53.2 \$3.13 \$4.67 \$2.20 \$1.751 \$1.925 \$8.413 7.465 \$4.215.1 \$4.44.7 \$2.828 \$4.93 \$4.53.2 \$3.13 \$4.67 \$2.20 \$1.000 \$1.925 \$8.413 \$4.80 \$4.93 \$6.52.2 \$3.13 \$4.67 \$2.20 \$1.000 <td< td=""><td>Ending inventory quantity</td><td>3,122</td><td>4,641</td><td>6,971</td><td>5,865</td><td>6,118</td><td>▲123.3</td><td>▲48.7</td><td>▲50.2</td><td>▲4.3</td></td<>	Ending inventory quantity	3,122	4,641	6,971	5,865	6,118	▲123.3	▲48.7	▲50.2	▲4.3	
Quarity	Nonsubject sources:	,			,	,					
Value	Quantity	1,181	2,201	2,429	1,751	1,513	▲105.7	▲86.4	▲10.4	▼(13.6)	
Unit value \$3.20 \$4.21 \$4.91 \$4.80 \$4.93 \$4.52 \$4.31.3 \$1.67. \$2.7.7 Ending inventory quantity 632 1,147 1,053 964 974 \$6.6.6 \$81.5 ¥(8.2) \$1.0 Nonsubject sources plus Israel:	Value	3,784	9,260	11,925	8,413	7.465	▲215.1	▲144.7	▲28.8	▼(11.3)	
Ending inventory quantity	Unit value.	\$3.20	\$4.21	\$4.91	\$4.80	\$4.93	▲53.2	▲31.3	▲ 16.7	▲2.7	
Nonsubject sources plus Israel:	Ending inventory quantity.	632	1.147	1.053	964	974	▲66.6	▲81.5	▼(8.2)	▲1.0	
Quantity	Nonsubject sources plus Israel		.,	.,		••••			. ()		
Value *** <td< td=""><td>Quantity</td><td>***</td><td>***</td><td>***</td><td>***</td><td>***</td><td>▲***</td><td>***</td><td>***</td><td>***</td></td<>	Quantity	***	***	***	***	***	▲ ***	***	***	***	
Unit value **** *** *** ***	Value	***	***	***	***	***	×**	×**	***	×**	
Ending inventory quantity	l Init value	***	***	***	***	***	▲ ***	▲ ***	×**	* **	
All import sources except Israel:	Ending inventory quantity	***	***	***	***	***	 _ ***	***	×**	×***	
Quantity	All import sources excent Israel:						-	-	-	-	
Value	Quantity	***	***	***	***	***	▲ ***	***	***	***	
Unit value	Value	***	***	***	***	***	 _ ***	***	***	***	
Unit Value **** **** *** ***	Linit value	***	***	***	***	***	A ***	A ***	A ***	***	
Linking inventory quantity	Ending inventory quantity	***	***	***	***	***	▲ ▲ ***	A ***	A ***	***	
An import success. 24.11 21.126 24.22 43.9 V(13.7) V(16.1) Value. 66.975 130.526 124.865 100.780 82.620 A86.4 A94.9 V(4.3) V(18.0) Unit value. \$2.66 \$3.60 \$3.99 \$4.00 \$3.91 A50.1 A35.5 A10.8 V(2.3) Fractical capacity quantity. 3.754 5,788 8.024 6.829 7.092 A113.7 A54.2 A38.6 A3.9 U.S. producers': Production quantity. *** *** *** *** *** *** *** V*** Capacity utilization (fn1) ***<	All import courses:						-	-	-	•	
Value 23,173 30,222 31,120 22,171 21,120 24,22 44.3 V(13.0) Value 66,975 130,526 124,865 100,780 82,620 A66.4 94.9 Y(4.3) Y(18.0) Unit value \$2,66 \$3,60 \$3,99 \$4,00 \$3,91 A50.1 A35.5 A10.8 Y(2.3) Ending inventory quantity 3,754 5,788 8,024 6,829 7,092 A113.7 A54.2 A38.6 A3.9 U.S. producers': Practical capacity quantity *** *** *** *** *** Y*** Y*** Production quantity *** *** *** *** *** Y*** Y**** Y*** Y*** <t< td=""><td>All Import sources.</td><td>25 175</td><td>26 217</td><td>21 262</td><td>25 171</td><td>21 126</td><td>A 24 2</td><td>A 12 0</td><td>(12 7)</td><td>V(16.1)</td></t<>	All Import sources.	25 175	26 217	21 262	25 171	21 126	A 24 2	A 12 0	(12 7)	V (16.1)	
Unit value 52,050 13,020 12,400 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 52,020 100,400 53,99 \$4,000 \$3,91 100,400 \$3,59 \$4,000 \$3,91 100,400 \$3,59 \$4,000 \$3,90 \$4,000 \$3,91 111,37 \$45,2 \$38,6 \$3,99 U.S. producers': Practical capacity quantity	Value	25,175	120 526	124 965	100 790	21,120	▲ 24.Z	▲43.9 ▲04.0	▼(13.7) ▼(4.2)	▼(10.1)	
U.S. producers': 3,754 5,788 8,024 6,829 7,092 A 113.7 A 54.2 A 38.6 A 3.9 U.S. producers': Practical capacity quantity	Value	00,975	130,520	124,000	100,780 ¢4.00	02,020	▲ 60.4 ▲ 50.1	▲ 94.9 ▲ 25 5	▼ (4.3)	▼(10.0)	
Ending inventory quantity	Unit value	\$∠.00 2.754	\$3.00 5 700	\$3.99 8.004	\$4.00 6.920	\$3.91 7.000	▲ 50. I	▲ 30.0 ▲ 54.0	▲ 10.8 ▲ 29.6	▼(2.3)	
U.S. producers': Practical capacity quantity	Ending inventory quantity	3,734	5,700	0,024	0,029	7,092	▲ 113. <i>1</i>	▲ 34.2	▲ 30.0	▲ 3.9	
Diss. producters. Practical capacity quantity	II S. producers's										
Production quantity	U.S. producers :	***	***	***	***	***	***	***	***	* ***	
Capacity utilization (fn1)	Practical capacity quantity	***	***	***	***	***	A ***	. ***	* ***	****	
Capacity utilization (m1) mail mailie mailie mail mail	Production quantity	***	***	***	***	+++	A ***	A ***			
U.S. shipments: Quantity	Capacity utilization (fn1)						A	A	•	• • • • •	
Quantity	U.S. shipments:	***	***	***		***					
Value *** <td< td=""><td>Quantity</td><td></td><td></td><td></td><td></td><td>***</td><td>A^{***}</td><td>A^^^</td><td>_</td><td>_</td></td<>	Quantity					***	A ^{***}	A ^^^	_	_	
Unit value ***	Value	***	***	***	***	***	A ****	A ***	****	×***	
Export shipments: Quantity** </td <td></td> <td>***</td> <td>***</td> <td>***</td> <td>***</td> <td>***</td> <td>A****</td> <td>A***</td> <td>A****</td> <td>****</td>		***	***	***	***	***	A ****	A ***	A ****	****	
Quantity	Export shipments:										
Value **** *** *** <t< td=""><td>Quantity</td><td>***</td><td>***</td><td>***</td><td>***</td><td>***</td><td>***</td><td>A****</td><td>****</td><td>****</td></t<>	Quantity	***	***	***	***	***	***	A ****	****	****	
Unit value	Value	***	***	***	***	***	▲ ***	▲ ***	***	▼***	
Ending inventory quantity** <th< td=""><td>Unit value</td><td>***</td><td>***</td><td>***</td><td>***</td><td>***</td><td>▲***</td><td>▲***</td><td>▼***</td><td>▲***</td></th<>	Unit value	***	***	***	***	***	▲ ***	▲ ***	▼***	▲ ***	
Inventories/total shipments (fn1)*************** $\star ***$	Ending inventory quantity	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▲ ***	
Production workers	Inventories/total shipments (fn1)	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▲ ***	
Hours worked (1,000s) ***	Production workers	***	***	***	***	***	▲ ***	▲ ***	▼***	▼***	
Wages paid (\$1,000) *** <t< td=""><td>Hours worked (1,000s)</td><td>***</td><td>***</td><td>***</td><td>***</td><td>***</td><td>▲***</td><td>▲***</td><td>***</td><td>▲***</td></t<>	Hours worked (1,000s)	***	***	***	***	***	▲ ***	▲ ***	***	▲ ***	
Hourly wages (dollars per hour) *** *** *** *** ▲***<	Wages paid (\$1,000)	***	***	***	***	***	▲ ***	▲ ***	▼***	▲ ***	
Productivity (pounds per hour) *** *** *** *** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▼*** ▲*** </td <td>Hourly wages (dollars per hour)</td> <td>***</td> <td>***</td> <td>***</td> <td>***</td> <td>***</td> <td>▲***</td> <td>▲***</td> <td>▲***</td> <td>▲***</td>	Hourly wages (dollars per hour)	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▲ ***	
Unit labor costs **** **** **** **** ★*** ▲**** ▲**** ▲**** ▲**** ▲****	Productivity (pounds per hour)	***	***	***	***	***	***	▲ ***	▼***	▼***	
	Unit labor costs	***	***	***	***	***	***	▲ ***	▲ ***	A ***	
Table C-1 Continued

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

 Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted

_		R	eported data				Period changes			
	C	alendar year		Jan-S	Sep	Co	mparison ye	ars	Jan-Sep	
Item	2020	2021	2022	2022	2023	2020-22	2020-21	2021-22	2022-23	
Non-toll operations of U.S. producers: Net sales:										
Quantity	***	***	***	***	***	***	***	***	▼***	
Value	***	***	***	***	***	***	×**	***	* **	
Unit value	***	***	***	***	***	***	×**	***	* **	
Cost of goods sold (COGS)	***	***	***	***	***	***	***	** *	***	
Gross profit or (loss) (fn2)	***	***	***	***	***	***	×**	***	* **	
SG&A expenses	***	***	***	***	***	A ***	×**	***	* **	
Operating income or (loss) (fn2)	***	***	***	***	***	* **	×**	* **	×**	
Net income or (loss) (fn2)	***	***	***	***	***	***	×**	¥***	×**	
Unit COGS	***	***	***	***	***	▲ ***	***	***	* **	
Unit SG&A expenses	***	***	***	***	***	▲ ***	***	***	***	
Unit operating income or (loss) (fn2)	***	***	***	***	***	* **	* ***	** *	***	
Linit net income or (loss) (fn2)	***	***	***	***	***	***	***	***	A ***	
COGS/sales (fn1)	***	***	***	***	***	***	***	***		
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***	***	
Net income or (loss)/sales (fr1)	***	***	***	***	***	***	***	***	* **	
Tolling operations of U.S. producers:										
Net toll transactions:										
Quantity	***	***	***	***	***	▲ ***	▲ ***	▼***	* ***	
Value of tolling conversion fees	***	***	***	***	***	▲ ***	▲ ***	▲ ***	* **	
Unit toll conversion fees	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▲ ***	
Cost of tolling services (COTS)	***	***	***	***	***	▲ ***	▲ ***	▲ ***	***	
Gross profit or (loss) (fn2)	***	***	***	***	***	▲ ***	▲ ***	▲ ***	***	
G&A expenses	***	***	***	***	***	▼***	***	A ***	▲ ***	
Operating income or (loss) (fn2)	***	***	***	***	***	▲ ***	▲ ***	▲ ***	▼***	
Net income or (loss) (fn2)	***	***	***	***	***	▲ ***	▲ ***	▼***	▼***	
Unit COTS (fn3)	***	***	***	***	***	▲ ***	▲ ***	A ***	▲ ***	
Unit G&A expenses	***	***	***	***	***	▼***	▼***	A ***	A ***	
Unit operating income or (loss) (fn2)	***	***	***	***	***	▲ ***	***	A ***	▲ ***	
Unit net income or (loss) (fn2)	***	***	***	***	***	▲ ***	***	A ***	A ***	
COTS/sales (fn1)	***	***	***	***	***	A ***	▼***	A ***	* **	
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▲ ***	A ***	▼***	▲ ***	
Net income or (loss)/sales (fn1)	***	***	***	***	***	▲ ***	***	***	▲ ***	

Table C-1 Continued

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

Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted

		R	eported data				Period	changes	
—	С	alendar year		Jan-S	Бер	Co	Comparison years		
Item	2020	2021	2022	2022	2023	2020-22	2020-21	2021-22	2022-23
Combined toll and non-toll operations of U.	S. producers:								
Quantity	***	***	***	***	***	▲ ***	▲ ***	** *	
Value	***	***	***	***	***	▲ ▲ ***	* ***	***	
Value	***	***	***	***	***	▲ ▲ ***	A ***	***	,
	***	***	***	***	***	▲ ▲ ***	A ***	A ****	;
COGS/COTS, IO(a)	***	***	***	***	***	▲ ▲ ***	A ***	***	×
	***	***	***	***	***	A ***	A ***	• ***	
SG&A expenses	***	***	***	***	***	A ****	A ***	A ***	
Operating income or (loss) (fn2)	***	***	+++	***	+++		A		A
Net income or (loss) (fn2)	***	***	+++	***	***		A		A '
	***	***	***	***	***	A	A	A	
Unit SG&A expenses	***	***	***	***	***	A ^{***}	_	A	^
Unit operating income or (loss) (fn2).	***	***	***	***	***			×***	▲ '
Unit net income or (loss) (fn2)	***	***	***	***	***	***	• ***	×***	▲ '
COGS/COTS to sales (tn1)	***	***	***	***	***	A ***	A ***	• ***	•
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	****	* ***	▲'
Net income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲'
Capital expenditures	***	***	***	***	***	▲ ***	▲ ***	▼***	▲'
Research and development expenses	***	***	***	***	***	▲ ***	▲ ***	▲ ***	₹,
Net assets	***	***	***	***	***	***	▼***	▼***	*

Source: Compiled from data submitted in response to Commission questionnaires. 508-compliant tables containing these data are contained in parts III, IV, VI, and VII of this report.

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 " \blacktriangle " represent an increase, while period changes preceded by a " \blacktriangledown " represent a decrease.

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.

fn3.--Unit value of net sales combining both toll and non-toll operations, as well as unit value of combined COGS/COTS to net sales is distorted by the lack of the inclusion of the value of the raw materials used in toll produced brass rod and should be used with caution. APPENDIX D

OFFICIAL U.S. IMPORT STATISTICS

Table D-1 Brass rod: Official U.S. import statistics, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brazil	Quantity	3,642	4,486	8,641	7,818	1,953
India	Quantity	1,182	1,897	2,818	1,735	1,806
Mexico	Quantity	2,091	2,471	1,939	1,506	1,871
South Africa	Quantity	2,491	4,638	3,120	2,463	2,427
South Korea	Quantity	12,412	13,348	13,507	11,369	5,342
Subject sources except	Quantity	21 818	26 840	30 026	24 890	13 398
Israel	Quantity	3.958	8.751	6.536	4,274	5.559
Subject sources	Quantity	25,776	35,591	36,562	29,164	18,957
Nonsubject sources	Quantity	10,163	16,280	12,718	9,618	9,598
Nonsubject sources plus Israel	Quantity	14,122	25,031	19,254	13,892	15,157
All import sources except						
Israel	Quantity	31,981	43,120	42,744	34,508	22,996
All import sources	Quantity	35,939	51,871	49,280	38,782	28,555
Brazil	Value	8,968	15,771	33,184	30,371	6,413
India	Value	3,386	8,056	12,832	8,149	7,435
Mexico	Value	5,396	9,700	7,736	6,330	6,567
South Africa	Value	5,879	14,928	11,051	8,838	8,283
South Korea	Value	31,445	47,331	53,913	46,163	19,982
Subject sources except	Value	55 074	05 785	118 716	00 852	48 670
	Value	10 188	34 411	26 679	18 311	24 378
	Value	65 262	130 196	145 395	118 163	73.058
Nonsubject sources	Value	31 871	64 166	61 191	47 127	47 848
Nonsubject sources plus	Value	01,071	04,100	01,101	77,127	0+0,1+
Israel	Value	42,059	98,577	87,871	65,438	72,226
All import sources except						
Israel	Value	86,946	159,951	179,907	146,978	96,527
All import sources	Value	97,134	194,362	206,586	165,290	120,905

Quantity in 1,000 pounds; value in 1,000 dollars

Table D-1 Continued Brass rod: Official U.S. import statistics, by source and period

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brazil	Unit value	2.46	3.52	3.84	3.88	3.28
India	Unit value	2.86	4.25	4.55	4.70	4.12
Mexico	Unit value	2.58	3.93	3.99	4.20	3.51
South Africa	Unit value	2.36	3.22	3.54	3.59	3.41
South Korea	Unit value	2.53	3.55	3.99	4.06	3.74
Subject sources except Israel	Unit value	2.52	3.57	3.95	4.01	3.63
Israel	Unit value	2.57	3.93	4.08	4.28	4.39
Subject sources	Unit value	2.53	3.66	3.98	4.05	3.85
Nonsubject sources	Unit value	3.14	3.94	4.81	4.90	4.99
Nonsubject sources plus Israel	Unit value	2.98	3.94	4.56	4.71	4.77
All import sources except Israel	Unit value	2.72	3.71	4.21	4.26	4.20
All import sources	Unit value	2.70	3.75	4.19	4.26	4.23
Brazil	Share of quantity	10.1	8.6	17.5	20.2	6.8
India	Share of quantity	3.3	3.7	5.7	4.5	6.3
Mexico	Share of quantity	5.8	4.8	3.9	3.9	6.6
South Africa	Share of quantity	6.9	8.9	6.3	6.4	8.5
South Korea	Share of quantity	34.5	25.7	27.4	29.3	18.7
Subject sources except Israel	Share of quantity	60.7	51.7	60.9	64.2	46.9
Israel	Share of quantity	11.0	16.9	13.3	11.0	19.5
Subject sources	Share of quantity	71.7	68.6	74.2	75.2	66.4
Nonsubject sources	Share of quantity	28.3	31.4	25.8	24.8	33.6
Nonsubject sources plus Israel	Share of quantity	39.3	48.3	39.1	35.8	53.1
All import sources except Israel	Share of quantity	89.0	83.1	86.7	89.0	80.5
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0

Unit values in dollars per pound; shares in percent

Table D-1 ContinuedBrass rod: Official U.S. import statistics, by source and period

Shares in percent

Source	Measure	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
Brazil	Share of value	9.2	8.1	16.1	18.4	5.3
India	Share of value	3.5	4.1	6.2	4.9	6.1
Mexico	Share of value	5.6	5.0	3.7	3.8	5.4
South Africa	Share of value	6.1	7.7	5.3	5.3	6.9
South Korea	Share of value	32.4	24.4	26.1	27.9	16.5
Subject sources except						
Israel	Share of value	56.7	49.3	57.5	60.4	40.3
Israel	Share of value	10.5	17.7	12.9	11.1	20.2
Subject sources	Share of value	67.2	67.0	70.4	71.5	60.4
Nonsubject sources	Share of value	32.8	33.0	29.6	28.5	39.6
Nonsubject sources plus Israel	Share of value	43.3	50.7	42.5	39.6	59.7
All import sources except Israel	Share of value	89.5	82.3	87.1	88.9	79.8
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7407.21.1500. 7407.21.3000, 7407.21.5000, 7407.21.7000, and 7407.21.9000, accessed on November 9, 2023. U.S. imports from Israel previously classified under 7403.21.0000 were reclassified as being imported under 7407.21.9000 by the U.S. Department of Commerce Census Bureau; https://www.census.gov/foreign-trade/statistics/corrections/index.html. All tables reflect these reclassifications. Imports are based on the imports for consumption data series.

APPENDIX E

SCRAP PURCHASE PRICES

U.S. producers and importers were requested to provide quarterly quantity and value data for their purchases of brass scrap, by type of scrap alloy (C36000 and all other alloys) and by type of purchase (whether or not under a scrap buyback program).

All three U.S. producers and six importers (including one U.S. producer/importer) reported purchasing brass scrap. Of these, one U.S. producer (***) and four importers reported purchasing brass scrap from their brass rod customers. U.S. producer *** reported that scrap buyback prices may change on a daily basis, while *** reported that customers have tried to sell it brass scrap from the buyback program that was generated from imports instead of produced in its mill. Importer *** reported that the acquisition of scrap from a customer is not linked to the sales of the final product to a customer. Other importers described their scrap buyback programs, accounting for *** and *** percent, respectively of their 2022 domestically-produced brass rod purchases.

Purchases of scrap made pursuant to buyback provisions were priced higher than their equivalent purchases not made pursuant to buyback provisions for both C36000 and other scrap alloys in nearly every quarter (tables E-1 to E-4).¹ These differences ranged between *** percent and *** percent for U.S. producers' C36000 scrap alloy purchases, and between *** percent and *** percent for U.S. importers' C36000 scrap alloy purchases.²

¹ The exception was importer purchases in one quarter (September – December 2022). ***.

² U.S. importers did not report purchasing any brass scrap of other alloys from their customers.

Table E-1 Brass rod: U.S. producers' scrap alloy C36000 purchases, by quarter and buyback program participation

Period	Buyback price	Buyback quantity	Non-buyback price	Non-buyback quantity	Difference in price
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Prices in dollars per pound; quantity in 1,000 pounds; price difference in percent

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

Note: Positive price differences indicate the purchases of scrap made pursuant to buyback provisions were priced higher than their equivalent purchases not made pursuant to buyback provisions; while negative numbers indicate the non-buy back purchases were priced higher than those made pursuant to buyback provisions.

Table E-2 Brass rod: U.S. producers' scrap other alloy purchases, by quarter and buyback program participation

Period	Buyback price	Buyback quantity	Non-buyback price	Non-buyback quantity	Difference in price
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Prices in dollars per pound; quantity in 1,000 pounds; price difference in percent

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

Note: Positive price differences indicate the purchases of scrap made pursuant to buyback provisions were priced higher than their equivalent purchases not made pursuant to buyback provisions; while negative numbers indicate the non-buy back purchases were priced higher than those made pursuant to buyback provisions.

Table E-3 Brass rod: U.S. importers' scrap alloy C36000 purchases, by quarter and buyback program participation

Period	Buyback price	Buyback guantity	Non-buyback price	Non-buyback quantity	Difference in price
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Prices in dollars per pound; quantity in 1,000 pounds; price difference in percent

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---". Quantities shown as "0" represent quantities greater than 0 pounds but less than 500 pounds. ***. ***, the vast majority of the reported buyback C36000 purchases were reported by importer ***. Positive price differences indicate the purchases of scrap made pursuant to buyback provisions were priced higher than their equivalent purchases not made pursuant to buyback provisions; while negative numbers indicate the non-buy back purchases were priced higher than those made pursuant to buyback provisions.

Table E-4 Brass rod: U.S. importers' scrap other alloy purchases, by quarter and buyback program participation

Period	Buyback price	Buyback quantity	Non-buyback price	Non-buyback quantity	Difference in price
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***

Prices in dollars per pound; quantity in 1,000 pounds; price difference in percent

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---". Quantities shown as "0" represent quantities greater than 0 pounds but less than 500 pounds. ***. Positive price differences indicate the purchases of scrap made pursuant to buyback provisions were priced higher than their equivalent purchases not made pursuant to buyback provisions; while negative numbers indicate the non-buy back purchases were priced higher than those made pursuant to buyback provisions.

APPENDIX F

COMBINED PRICING DATA COMPARISONS

Tables F-1 to F-3 present price comparisons for combined (buyback and non-buyback) sales to end users, along with distributor sales.¹ Table F-1 presents data that combine sales to end users participating in U.S. producers' brass scrap buyback programs as well as to end users not participating in U.S. producers' scrap buyback programs with no adjustment to reported prices. Table F-2 also presents combined sales to buyback end users and sales to non-buyback end users, but it first adjusts at the firm level, the U.S. producer's sales to buyback end users to reflect the combined sales value of that firm's equivalent sales to non-buyback end users as well as distributors (i.e., the price for example for products 2 and 3 combined and applied to the quantity for product 1).² This price-based adjustment reflects the price premium paid by customers of U.S. producers relative to other market participants for the specific products in question. Alternatively, Table F-3 uses a cost-based approach to uniformly adjust down based on the average net amount of scrap buyback program cost premium relative to net sales AUVs over the POI (which was approximately 8.7 percent) of all aggregated U.S. producers' reported

¹ Pricing products were as follows: **Product 1.--** Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program; Product 2.--Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that did not purchase the brass rod pursuant to your firm's brass scrap buyback program; Product 3.-- Brass rod of Alloy C36000, in diameter of greater than 0.25 inches and less than 0.50 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors; Product 4.-- Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program; Product 5.-- Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that did not purchase the brass rod pursuant to your firm's brass scrap buyback program; Product 6.-- Brass rod of Alloy C36000, in diameter of 0.50 inches to less than 0.75 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors; Product 7.--Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that purchased the brass rod pursuant to your firm's brass scrap buyback program; Product 8.-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to end users that did not purchase the brass rod pursuant to your firm's brass scrap buyback program; and Product 9.-- Brass rod of Alloy C36000, in diameter of 0.75 inches to less than 2.00 inches, in round/circular cross section, sold in 12-foot lengths. Sold to distributors.

² Note the prices for sales to non-buyback end users and the sales to distributors combined were used as the proxy for sales not impacted by any "premium" for participating in a U.S. producer's buyback program, as only one of the two firms with such a program (***) reported sales to both buyback end users and non-buyback end users. All of the other U.S. producer ***'s sales to end users were to sales made to customers participating in its buyback program (i.e., that firm reported no pricing data to end users not participating in its buyback program). The third U.S. producer in the pricing data compilation *** was not impacted by this adjustment as that firm reported no sales to end users participating in a buyback program.

pricing data.³ In all three compilations, prices for brass rod from subject countries undersold prices for U.S.-produced brass rod in at least 52 percent of instances.

³ The primary limitation of this cost-based approach to adjusting the reported U.S. producers' pricing data is that the cost differential between what U.S. producers pay for brass scrap from their buyback end users relative to their other brass scrap procurement does not necessarily reflect the total cost savings of procuring scrap from open market transactions. U.S. producers likely incur additional costs to test, clean, sort, and process scrap from open market transactions that they do not have to incur to process scrap from directly from their customers, and those additional costs to the U.S. producers occur after procurement cost of the scrap, i.e., are not reflected in those brass scrap purchase costs. As a result, there are additional cost savings in procuring scrap from U.S. producers' buyback customers that are unaccounted for in this cost-based adjustment to the prices of brass rod.

Table F-1

Brass rod: Instances and quantities of underselling/overselling and the range and average of margins, by product, combining together the end user products with no adjustments to reported data

Products	Source	Туре	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1 &			•	-		-	
2 combined	Israel	Underselling	13	***	***	***	***
Product 3	Israel	Underselling	14	***	***	***	***
Product 4 & 5 combined	Israel	Underselling	15	***	***	***	***
Product 6	Israel	Underselling	15	***	***	***	***
Product 7 & 8 combined	Israel	Underselling	14	***	***	***	***
Product 9	Israel	Underselling	15	***	***	***	***
All products	Israel	Underselling	86	***	***	***	***
Product 1 & 2 combined	Israel	Overselling		***	***	***	***
Product 3	Israel	Overselling	1	***	***	***	***
Product 4 & 5 combined	Israel	Overselling		***	***	***	***
Product 6	Israel	Overselling		***	***	***	***
Product 7 & 8 combined	Israel	Overselling		***	***	***	***
Product 9	Israel	Overselling		***	***	***	***
All products	Israel	Overselling	1	***	***	***	***

Quantity in 1,000 pounds; margins in percent

Table F-1 Continued

Brass rod: Instances and quantities of underselling/overselling and the range and average of margins, by product, combining together the end user products with no adjustments to reported data

Products	Source	Туре	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1 & 2 combined	Subject sources except Israel	Underselling	34	***	***	***	***
Product 3	Subject sources except	Underselling	35	***	***	***	***
Product 4 & 5 combined	Subject sources except Israel	Underselling	32	***	***	***	***
Product 6 Israe		Underselling	38	***	***	***	***
Product 7 & 8 combined	Subject sources except Israel	Underselling	38	***	***	***	***
Product 9	Subject sources except Israel	Underselling	38	***	***	***	***
All products	Subject sources except Israel	Underselling	215	***	***	***	***
Product 1 & 2 combined	Subject sources except Israel	Overselling	14	***	***	***	***
Product 3	Subject sources except Israel	Overselling	6	***	***	***	***
Product 4 & 5 combined	Subject sources except Israel	Overselling	16	***	***	***	***
Product 6	Subject sources except Israel	Overselling	3	***	***	***	***
Product 7 & 8 combined	Subject sources except Israel	Overselling	14	***	***	***	***
Product 9	Subject sources except Israel	Overselling	4	***	***	***	***
All products	Subject sources except Israel	Overselling	57	***	***	***	***

Quantity in 1,000 pounds; margins in percent

Table F-1 Continued

Brass rod: Instances and quantities of underselling/overselling and the range and average of margins, by product, combining together the end user products with no adjustments to reported data

Products	Source	Туре	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1.8	All subject		•				
2 combined	sources	Underselling	47	***	***	***	***
	All subject	0					
Product 3	sources	Underselling	49	***	***	***	***
Product 4 &	All subject						
5 combined	sources	Underselling	47	***	***	***	***
	All subject						
Product 6	sources	Underselling	53	***	***	***	***
Product 7 &	All subject						
8 combined	sources	Underselling	52	***	***	***	***
	All subject			****		***	
Product 9	sources	Underselling	53	***	***	***	***
AU 1 /	All subject		004		4.4.4 4	4-4-4	بلد بلد بلد
All products	sources	Underselling	301		~~~	~~~	~~~
Product 1 &	All subject			***	***	***	***
2 combined	sources	Overseiling	14				
Product 2	All subject	Overcelling	7	***	***	***	***
Product 3	Sources	Overseiling	1				
Froduct 4 &		Overselling	16	***	***	***	***
5 combined		Overseiling	10				
Product 6		Overselling	3	***	***	***	***
Product 7 &		Overeening	0				
8 combined	sources	Overselling	14	***	***	***	***
	All subject	g					
Product 9	sources	Overselling	4	***	***	***	***
	All subject						
All products	sources	Overselling	58	***	***	***	***

Quantity in 1,000 pounds; margins in percent

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 "---".

Table F-2

Brass rod: Instances and quantities of underselling/overselling and the range and average of margins, by product, combining together the end user products with an adjustment based on the reported pricing premium

Products	Source	Туре	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1 &							
2 combined	Israel	Underselling	11	***	***	***	***
Product 3	Israel	Underselling	14	***	***	***	***
Product 4 & 5 combined	Israel	Underselling	13	***	***	***	***
Product 6	Israel	Underselling	15	***	***	***	***
Product 7 & 8 combined	Israel	Underselling	12	***	***	***	***
Product 9	Israel	Underselling	15	***	***	***	***
All products	Israel	Underselling	80	***	***	***	***
Product 1 & 2 combined	Israel	Overselling	2	***	***	***	***
Product 3	Israel	Overselling	1	***	***	***	***
Product 4 & 5 combined	Israel	Overselling	2	***	***	***	***
Product 6	Israel	Overselling		***	***	***	***
Product 7 & 8 combined	Israel	Overselling	2	***	***	***	***
Product 9	Israel	Overselling		***	***	***	***
All products	Israel	Overselling	7	***	***	***	***

Quantity in 1	,000 pounds;	margins in p	ercent		
			1		

Table F-2 Continued

Brass rod: Instances and quantities of underselling/overselling and the range and average of margins, by product, combining together the end user products with an adjustment based on the reported pricing premium

Products	Source	Туре	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1 & 2	Subject sources except						
combined	Israel	Underselling	25	***	***	***	***
Product 2	Subject sources except	Underselling	35	***	***	***	***
FIDUUCI 3	Subject	Underseiling					
Product 4 & 5 combined	sources except Israel	Underselling	24	***	***	***	***
Product 6	Subject sources except Israel	Underselling	38	***	***	***	***
Product 7 & 8 combined	Subject sources except Israel	Underselling	29	***	***	***	***
Product 9	Subject sources except Israel	Underselling	38	***	***	***	***
All products	Subject sources except	Underselling	180	***	***	***	***
Product 1 & 2 combined	Subject sources except Israel	Overselling	23	***	***	***	***
Product 3	Subject sources except Israel	Overselling	6	***	***	***	***
Product 4 & 5 combined	Subject sources except Israel	Overselling	24	***	***	***	***
Product 6	Subject sources except Israel	Overselling	3	***	***	***	***
Product 7 & 8 combined	Subject sources except Israel	Overselling	23	***	***	***	***
Product 9	Subject sources except Israel	Overselling	4	***	***	***	***
All products	Subject sources except Israel	Overselling	83	***	***	***	***

Quantity in 1,000 pounds; margins in percent

Table F-2 Continued

Brass rod: Instances and quantities of underselling/overselling and the range and average of margins, by product, combining together the end user products with an adjustment based on the reported pricing premium

			Number of		Average		Мах
Products	Source	Туре	quarters	Quantity	margin	Min margin	margin
Product 1 & 2 combined	All subject sources	Underselling	36	***	***	***	***
Product 3	All subject sources	Underselling	49	***	***	***	***
Product 4 & 5 combined	All subject sources	Underselling	37	***	***	***	***
Product 6	All subject sources	Underselling	53	***	***	***	***
Product 7 & 8 combined	All subject sources	Underselling	41	***	***	***	***
Product 9	All subject sources	Underselling	53	***	***	***	***
All products	All subject sources	Underselling	269	***	***	***	***
Product 1 & 2 combined	All subject sources	Overselling	25	***	***	***	***
Product 3	All subject sources	Overselling	7	***	***	***	***
Product 4 & 5 combined	All subject sources	Overselling	26	***	***	***	***
Product 6	All subject sources	Overselling	3	***	***	***	***
Product 7 & 8 combined	All subject sources	Overselling	25	***	***	***	***
Product 9	All subject sources	Overselling	4	***	***	***	***
All products	All subject sources	Overselling	90	***	***	***	***

Quantity in 1,000 pounds; margins in percent

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: The adjustment in this table uses the U.S. producers reported prices for the non-buyback end users and distributors category combined (i.e., the price for example for products 2 and 3 combined and applied to the quantity for product 1) at the firm level if available (note both Mueller and Wieland reported prices in the distributor category, whereas only Wieland reported prices in the end-user non-buyback category). This adjustment methodology reflects the price premium paid by customers of U.S. producers relative to other market participants for the specific products in question.

Table F-3

Brass rod: Instances and quantities of underselling/overselling and the range and average of margins, by product, combining together the end user products with an adjustment based on the reported scrap cost premium

Products	Source	Type	Number of quarters	Quantity	Average margin	MIn margin	Max margin
Product 1 &		5 11			5	5	
2 combined	Israel	Underselling	6	***	***	***	***
Product 3	Israel	Underselling	8	***	***	***	***
Product 4 & 5 combined	Israel	Underselling	6	***	***	***	***
Product 6	Israel	Underselling	8	***	***	***	***
Product 7 & 8 combined	Israel	Underselling	3	***	***	***	***
Product 9	Israel	Underselling	4	***	***	***	***
All products	Israel	Underselling	35	***	***	***	***
Product 1 & 2 combined	Israel	Overselling	7	***	***	***	***
Product 3	Israel	Overselling	7	***	***	***	***
Product 4 & 5 combined	Israel	Overselling	9	***	***	***	***
Product 6	Israel	Overselling	7	***	***	***	***
Product 7 & 8 combined	Israel	Overselling	11	***	***	***	***
Product 9	Israel	Overselling	11	***	***	***	***
All products	Israel	Overselling	52	***	***	***	***

Quantity in 1	,000 pounds;	margins in pe	rcent	

Table F-3 Continued

Brass rod: Instances and quantities of underselling/overselling and the range and average of margins, by product, combining together the end user products with an adjustment based on the reported scrap cost premium

Products	Source	Туре	Number of quarters	Quantity	Average margin	MIn margin	Max margin
Product 1 & 2	Subject sources except	Lindercolling	22	***	***	***	***
combined	Subject	Underseiling	22				
Product 3	sources except Israel	Underselling	29	***	***	***	***
Product 4 & 5	Subject sources except Israel	Underselling	21	***	***	***	***
Product 6	Subject sources except Israel	Underselling	27	***	***	***	***
Product 7 & 8 combined	Subject sources except Israel	Underselling	21	***	***	***	***
Product 9	Subject sources except Israel	Underselling	31	***	***	***	***
All products	Subject sources except Israel	Underselling	151	***	***	***	***
Product 1 & 2 combined	Subject sources except Israel	Overselling	26	***	***	***	***
Product 3	Subject sources except Israel	Overselling	12	***	***	***	***
Product 4 & 5 combined	Subject sources except Israel	Overselling	27	***	***	***	***
Product 6	Subject sources except Israel	Overselling	14	***	***	***	***
Product 7 & 8 combined	Subject sources except Israel	Overselling	31	***	***	***	***
Product 9	Subject sources except Israel	Overselling	11	***	***	***	***
All products	Subject sources except Israel	Overselling	121	***	***	***	***

Quantity in 1,000 pounds; margins in percent

Table F-3 Continued

Brass rod: Instances and quantities of underselling/overselling and the range and average of margins, by product, combining together the end user products with an adjustment based on the reported scrap cost premium

Breducto	Source	Turne	Number of	Quantity	Average	Min	Max
Products	Source	туре	quarters	Quantity	margin	margin	margin
Product 1 & 2 combined	All subject sources	Underselling	28	***	***	***	***
Product 3	All subject sources	Underselling	37	***	***	***	***
Product 4 & 5 combined	All subject sources	Underselling	27	***	***	***	***
Product 6	All subject sources	Underselling	35	***	***	***	***
Product 7 & 8 combined	All subject sources	Underselling	24	***	***	***	***
Product 9	All subject sources	Underselling	35	***	***	***	***
All products	All subject sources	Underselling	186	***	***	***	***
Product 1 & 2 combined	All subject sources	Overselling	33	***	***	***	***
Product 3	All subject sources	Overselling	19	***	***	***	***
Product 4 & 5 combined	All subject sources	Overselling	36	***	***	***	***
Product 6	All subject sources	Overselling	21	***	***	***	***
Product 7 & 8 combined	All subject sources	Overselling	42	***	***	***	***
Product 9	All subject sources	Overselling	22	***	***	***	***
All products	All subject sources	Overselling	173	***	***	***	***

Quantity in 1,000 pounds; margins in percent

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

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 "---".

The adjustment in this table uses a uniform adjustment down based on the average net amount of scrap buyback program cost premium relative to net sales AUVs over the POI (which was approximately 8.7 percent). The primary limitation of this adjustment is that the cost differential between what U.S. producers pay for brass scrap from their buyback end users and other brass scrap procurement does not necessarily reflect the total cost savings of procuring scrap from open market transactions. U.S. producers likely incur additional costs to test, clean, sort, and process scrap from open market transactions that they do not have to incur to process scrap directly from their customers, and those additional costs to the U.S. producers occur after procurement cost of the scrap, i.e., are not reflected in those scrap purchase cost differentials used in the adjustment in the above table. As a result, there are additional cost savings in procuring scrap from U.S. producers' buyback customers that are unaccounted for in this cost-based adjustment to the prices of brass rod Additionally, note, that since brass scrap purchased back from customers as well as all other purchased brass scrap is part of overall raw material inputs used in any subsequent sales (whether to buyback end users or not), this cost-based adjustment is

conducted on all reported U.S. producer pricing data and is not limited to just sales to end users participating in the buyback program.

Table F-4Brass rod: Summary of summaries of underselling/overselling

Source	Туре	Metric	Part V: Separated products	F-1: Combined end user products, no adjustment	F-2: Combined end user products, price-based adjustment	F-3: Combined end user products, cost-based adjustment
Israel	Israel	Instances	86	86	80	35
Israel	Israel	Instances	1	1	7	52
Israel	Israel	Instances	87	87	87	87
Israel	Israel	Percent instances	98.9	98.9	92.0	40.2
Israel	Israel	Percent instances	1.1	1.1	8.0	59.8
Israel	Israel	Percent instances	100.0	100.0	100.0	100.0
Israel	Israel	Quantity	***	***	***	***
Israel	Israel	Quantity	***	***	***	***
Israel	Israel	Quantity	***	***	***	***
Israel	Israel	percent quantity	***	***	***	***
Israel	Israel	percent quantity	***	***	***	***
Israel	Israel	percent quantity	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; margins in percent

Table F-4 ContinuedBrass rod:Summary of summaries of underselling/overselling

				F-1:	F-2:	F-3:
				Combined	Combined	Combined
				end user	end user	end user
			Part V:	products,	products,	products,
0	T	Matula	Separated	no	price-based	cost-based
Source	Туре	Metric	products	adjustment	adjustment	adjustment
Subject sources	Subject sources				(00	. – .
except Israel	except Israel	Instances	241	215	189	151
Subject sources	Subject sources					
except Israel	except Israel	Instances	31	57	83	121
Subject sources	Subject sources					
except Israel	except Israel	Instances	272	272	272	272
Subject sources	Subject sources	Percent				
except Israel	except Israel	instances	88.6	79.0	69.5	55.5
Subject sources	Subject sources	Percent				
except Israel	except Israel	instances	11.4	21.0	30.5	44.5
Subject sources	Subject sources	Percent				
except Israel	except Israel	instances	100.0	100.0	100.0	100.0
Subject sources	Subject sources					
except Israel	except Israel	Quantity	***	***	***	***
Subject sources	Subject sources					
except Israel	except Israel	Quantity	***	***	***	***
Subject sources	Subject sources					
except Israel	except Israel	Quantity	***	***	***	***
Subject sources	Subject sources	percent				
except Israel	except Israel	quantity	***	***	***	***
Subject sources	Subject sources	percent				
except Israel	except Israel	quantity	***	***	***	***
Subject sources	Subject sources	percent				
except Israel	except Israel	quantity	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; margins in percent

Table F-4 ContinuedBrass rod:Summary of summaries of underselling/overselling

	-		Part V: Separated	F-1: Combined end user products, no	F-2: Combined end user products, price-based	F-3: Combined end user products, cost-based
Source	Туре	Metric	products	adjustment	adjustment	adjustment
All subject	Underselling	Instances	327	301	269	186
All subject	Overselling	Instances	32	58	90	173
All subject	Both	Instances	359	359	359	359
All subject	Underselling	Percent instances	91.1	83.8	74.9	51.8
All subject	Overselling	Percent instances	8.9	16.2	25.1	48.2
All subject	Both	Percent instances	100.0	100.0	100.0	100.0
All subject	Underselling	Quantity	***	***	***	***
All subject	Overselling	Quantity	***	***	***	***
All subject	Both	Quantity	***	***	***	***
All subject	Underselling	percent quantity	***	***	***	***
All subject	Overselling	percent quantity	***	***	***	***
All subject	Both	percent quantity	100.0	100.0	100.0	100.0

Quantity in 1,000 pounds; margins in percent

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 "---".

APPENDIX G

FIRM-BY-FIRM FINANCIAL RESULTS FOR TOLL OPERATIONS
Net quantity tolled

Quantity in 1,000 pounds

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 Continued

Value in 1,000 dollars

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Net tolling revenue

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 Continued

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

COTS

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 ContinuedBrass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Gross profit or (loss)

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

/alue in 1,000 dollars									
Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023				
CXM	***	***	***	***	***				
Mueller	***	***	***	***	***				
Wieland	***	***	***	***	***				
All firms	***	***	***	***	***				

G&A expenses

Table continued.

Table G-1 Continued

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Operating income or (loss)

Value in 1,000 dollars

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 Continued

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Value in 1,000 dollars

Net income or (loss)

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 Continued Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

COTS to tolling revenue ratio

Ratios in percent

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Gross profit or (loss) to tolling revenue ratio

Ratios in percent								
Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023			
CXM	***	***	***	***	***			
Mueller	***	***	***	***	***			
Wieland	***	***	***	***	***			
All firms	***	***	***	***	***			

Table continued.

Table G-1 Continued

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

G&A expenses to tolling revenue ratio

Ratios in percent

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 Continued

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Operating income or (loss) to tolling revenue ratio

Ratios in percent								
Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023			
CXM	***	***	***	***	***			
Mueller	***	***	***	***	***			
Wieland	***	***	***	***	***			
All firms	***	***	***	***	***			

Table continued.

Table G-1 Continued Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Net income or (loss) to tolling revenue ratio

Ratios in percent

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Jnit values in dollars per pound							
Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023		
CXM	***	***	***	***	***		
Mueller	***	***	***	***	***		
Wieland	***	***	***	***	***		
All firms	***	***	***	***	***		

Unit net tolling revenue

Table continued.

Table G-1 Continued

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Unit direct labor costs

Unit values in dollars per pound

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 Continued

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Unit	values	in	dollars	per	pound
Offic	values		uoliai 3	per	pound

Unit other factory costs

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 Continued Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Unit COTS

Unit values in dollars per pound

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Unit values in dollars per pound Jan-Sep Jan-Sep Firm 2020 2021 2022 2022 2023 *** *** *** *** *** CXM *** *** Mueller *** *** *** *** *** *** *** *** Wieland *** *** *** *** *** All firms

Unit gross profit or (loss)

Table continued.

Table G-1 Continued

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Unit G&A expenses

Unit values in dollars per pound

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 Continued

Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Unit operating income or (loss)

Unit values in dollars per pound

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table G-1 Continued Brass rod: U.S. producers' toll sales, costs/expenses, and profitability, by firm and period

Unit net income or (loss)

Unit values in dollars per pound

Firm	2020	2021	2022	Jan-Sep 2022	Jan-Sep 2023
CXM	***	***	***	***	***
Mueller	***	***	***	***	***
Wieland	***	***	***	***	***
All firms	***	***	***	***	***

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