

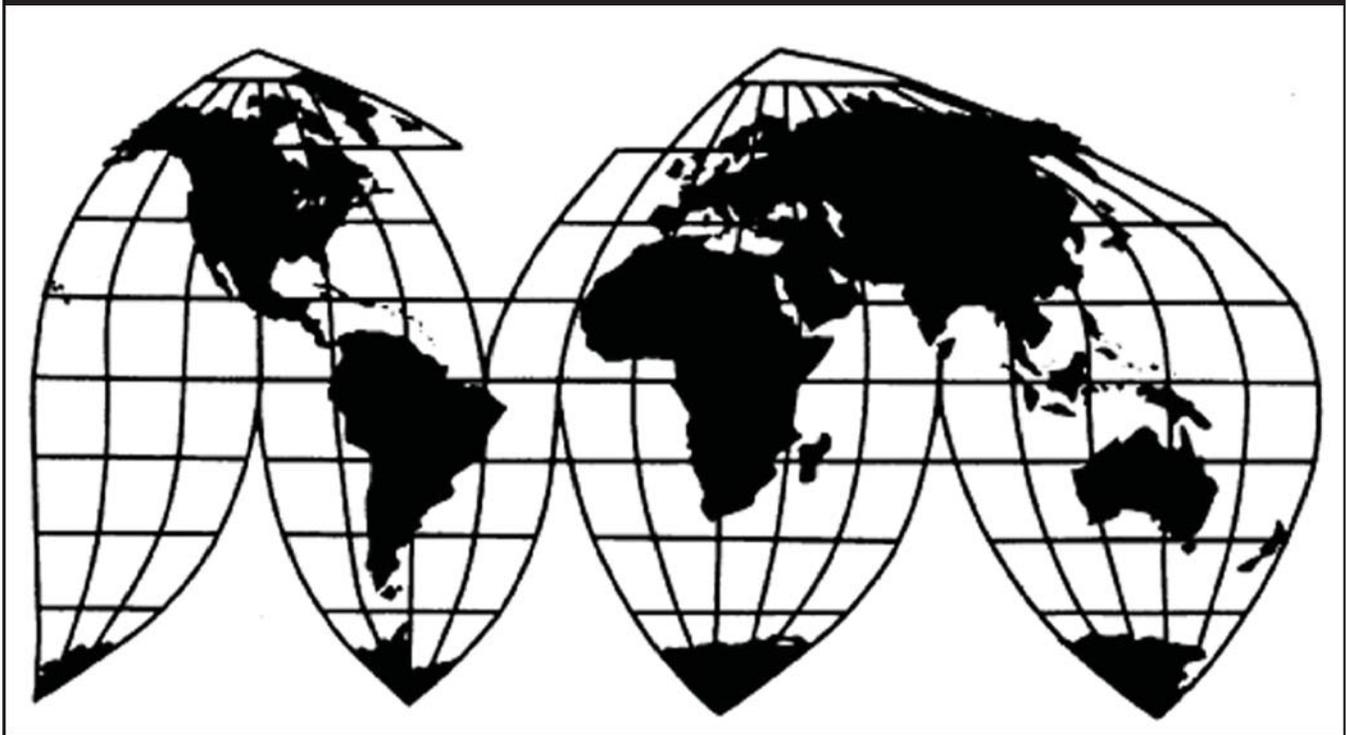
STEEL THREADED ROD FROM CHINA

Investigation No. 731-TA-1145 (Review)

Publication 4483

August 2014

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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CONTENTS

	Page
Determination	1
Views of the Commission	3
Information obtained in the review	I-1
Introduction	I-1
Background	I-1
The original investigation	I-2
Commerce's original determination and subsequent review determinations	I-2
Previous and related investigations	I-3
The product	I-3
Commerce's scope	I-3
U.S. tariff treatment	I-4
Domestic like product and domestic industry	I-4
Description and applications	I-5
Manufacturing process	I-5
The industry in the United States	I-7
U.S. producers	I-7
U.S. producers' trade and financial data	I-8
U.S. imports and apparent consumption	I-9
U.S. imports	I-9
Apparent U.S. consumption and market shares	I-13
The industry in China	I-13
Exports	I-14
Antidumping or Countervailing Duty Orders in Third-Country Markets	I-15
The global market	I-15
Appendixes	
A. Adequacy statement	A-1
B. Summary data	B-1

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-1145 (Review)

CERTAIN STEEL THREADED ROD FROM CHINA

DETERMINATION

On the basis of the record¹ developed in the subject five-year review, the United States International Trade Commission (Commission) determines, pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)), that revocation of the antidumping duty order on certain steel threaded rod from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted this review on March 3, 2014 (79 FR 11827), and determined on June 6, 2014 that it would conduct an expedited review (79 FR 34783, June 18, 2014).

The Commission completed and filed its determination in this review on August 4, 2014. The views of the Commission are contained in USITC Publication 4483 (August 2014), entitled *Certain Steel Threaded Rod from China: Investigation No. 731-TA-1145 (Review)*.

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

Views of the Commission

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the antidumping duty order on certain steel threaded rod (“CSTR”) from China would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

The original investigation of CSTR from China was instituted in response to a petition by Vulcan Threaded Products, Inc. (“Vulcan”), filed on March 5, 2008.¹ On April 6, 2009, the Commission determined that an industry in the United States was materially injured by reason of imports of CSTR from China that the U.S. Department of Commerce (“Commerce”) found had been sold at less than fair value.² Commerce issued an antidumping duty order on imports of CSTR from China on April 8, 2009.³

The Commission instituted this review on March 3, 2014.⁴ The Commission received a substantive response to the notice of institution jointly filed by All America Threaded Products, Inc. (“All America”), Bay Standard Manufacturing, Inc. (“Bay Standard”), and Vulcan (collectively, “Domestic Producers”).⁵ It did not receive a response from any respondent interested party. On June 6, 2014, the Commission found each of the Domestic Producers’ responses to the notice of institution individually adequate, the domestic industry party group response adequate, and the respondent interested party group response inadequate.⁶ The Commission did not find any circumstances that would warrant conducting a full review and determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Tariff Act.⁷

¹ *Certain Steel Threaded Rod from China*, Inv. No. 731-TA-1145 (Final), USITC Pub. 4070 (April 2009) (“USITC Pub. 4070”) at 3.

² USITC Pub. 4070 at 3; *Certain Steel Threaded Rod from China Determination*, 74 Fed. Reg. 16427 (April 10, 2009) and *Certain Steel Threaded Rod from the People’s Republic of China; Final Determination of Sales at Less Than Fair Value*, 74 Fed. Reg. 8907 (February 27, 2009).

³ *Certain Steel Threaded Rod from the People’s Republic of China; Notice of Antidumping Duty Order*, 74 Fed. Reg. 17154 (April 14, 2009).

⁴ *Certain Steel Threaded Rod from China: Institution of Five-Year Review*, 79 Fed. Reg. 11827 (March 3, 2014).

⁵ Domestic Producers’ Substantive Response to the Commission’s Notice of Institution (April 2, 2014) (“Response”). In the original investigation, the petition identified nine producers of CSTR: All Ohio Threaded Rod Company (“All Ohio”), Bay Standard, Conklin & Conklin Inc., Interstate Fittings, Inc., Lancaster Threaded Products, Inc., Rods of Indiana, Threaded Rod Company, Inc., Vulcan, and Watson Metal Products Corporation. USITC Pub. 4070 at 14.

⁶ Summary Voting Sheet, EDIS Doc. 535427.

⁷ 19 U.S.C. § 1675(c)(3); *see also* Explanation of Commission Determination on Adequacy, EDIS Doc. 535694, and 79 Fed. Reg. 34783 (June 18, 2014).

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”⁸ 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 under this subtitle.”⁹ The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.¹⁰

Commerce has defined the scope of the order in this five-year review as follows:

The merchandise . . . is steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon quality steel, having a solid, circular cross section, of any diameter, in any straight length, that have been forged, turned, cold-drawn, cold-rolled, machine straightened, or otherwise cold-finished, and into which threaded grooves have been applied. In addition, the steel threaded rod, bar, or studs subject to the order are nonheaded and threaded along greater than 25 percent of their total length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (*i.e.*, galvanized, whether by electroplating or hotdipping), paint, and other similar finishes and coatings, may be applied to the merchandise. Included in the scope . . . are steel threaded rod, bar, or studs, in which: (1) Iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese, or
- 1.50 percent of silicon, or

⁸ 19 U.S.C. § 1677(4)(A).

⁹ 19 U.S.C. § 1677(10); *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); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

¹⁰ *See, e.g., Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

- 1.00 percent of copper, or
- 0.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 1.25 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.012 percent of boron, or
- 0.10 percent of molybdenum, or
- 0.10 percent of niobium, or
- 0.41 percent of titanium, or
- 0.15 percent of vanadium, or
- 0.15 percent of zirconium.

* * *

Excluded from the scope of the Order are: (a) Threaded rod, bar, or studs which are threaded only on one or both ends and the threading covers 25 percent or less of the total length; and (b) threaded rod, bar, or studs made to American Society for Testing and Materials (“ASTM”) A193 Grade B7, ASTM A193 Grade B7M, ASTM A193 Grade B16, or ASTM A320 Grade L7.¹¹

The scope definition set out above is unchanged from that in the original investigation.¹²

CSTR is used primarily in commercial construction to suspend electrical conduits, plumbing pipes, HVAC ductwork, and fire-protection sprinkler pipes. It is also used to hang suspended ceilings and elevated conveyor belts, in joint restraint systems for underground

¹¹ *Certain Steel Threaded Rod from the People’s Republic of China: Final Results of the Expedited First Sunset Review of the Antidumping Duty Order*, 79 Fed. Reg. 36288, 36289 (June 26, 2014) (“*Commerce Sunset Review*”).

¹² On February 25, 2013, Commerce issued a final determination of circumvention of the antidumping duty order by Gem-Year Industrial Company Ltd. (“Gem-Year”). See *Certain Steel Threaded Rod from the People’s Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order*, 78 Fed. Reg. 12718 (February 25, 2013). Commerce determined that imports of steel threaded rod from China containing greater than 1.25 percent chromium, by weight, and produced by Gem-Year, which otherwise met the description of subject merchandise in the scope of the order, were subject to the antidumping duty order on CSTR from China. 78 Fed. Reg. at 12719.

pipings, in structural tie downs in earthquake and hurricane-resistant roofing systems, as headless screws, for bolting pipe joints in waterworks applications, and for basic industrial repair. The low carbon steel used to make CSTR allows the rod to be cut to the desired length on site. CSTR is threaded along its entire length.¹³

In the original investigation, the Commission found that all CSTR had common physical characteristics (in particular, it had threaded grooves and was composed of low and medium carbon steel) and uses (non-critical bolting applications); that CSTR was not interchangeable with other threaded rod or other products; that almost all domestically produced CSTR was sold through distributors; that the full range of CSTR products was produced using common manufacturing facilities, production processes, and employees; and that customers perceived CSTR as having distinct properties from other types of threaded rod in that CSTR can be easily cut to desired lengths.¹⁴ In light of these facts, the Commission defined a single domestic like product consisting of CSTR, coextensive with the scope of the investigation.¹⁵ There is no new information obtained during this review that would suggest any reason to revisit the Commission's domestic like product definition from the original determination, and the responding domestic producers agree with that definition.¹⁶ Accordingly, we define the domestic like product as CSTR, coextensive with Commerce's scope description.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry 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."¹⁷ In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigation, responding importer Porteous Fastener Company requested that the Commission exclude related party *** from the domestic industry.¹⁸ The Commission found that, although *** was a related party under the statute due to its importation of subject CSTR during the period of investigation,¹⁹ appropriate circumstances did not exist to exclude *** from the domestic industry.²⁰ The Commission also found that Vulcan

¹³ Memorandum INV-MM-063, Confidential Report ("CR") at I-7 to I-8, Public Report ("PR") at I-6.

¹⁴ USITC Pub. 4070 at 5-6.

¹⁵ USITC Pub. 4070 at 6. The definition of the domestic like product was not disputed in either the preliminary or final phase investigations. *Id.*

¹⁶ See generally CR at I-4 to I-6, PR at I-3 to I-5; Response at 17.

¹⁷ 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. See 19 U.S.C. § 1677.

¹⁸ USITC Pub. 4070 at 7. Petitioner Vulcan argued that appropriate circumstances did not exist to exclude this firm from the domestic industry. *Id.*

¹⁹ USITC Pub. 4070 at 7.

²⁰ USITC Pub. 4070 at 8.

was a related party due to its importation of subject CSTR during the period of investigation.²¹ The Commission found, however, that appropriate circumstances did not exist to exclude Vulcan from the domestic industry. The Commission defined the domestic industry as consisting of all domestic producers of CSTR.²²

In this review, the domestic producers have stated that they agree with the domestic industry definition in the original investigation.²³ There is no evidence in the record of this review to cause us to revisit the definition of the domestic industry determined in the original investigation and there are no related party issues in this review.²⁴ Therefore, in light of the definition of the domestic like product, we define the domestic industry as all domestic producers of CSTR.

III. Revocation of the Antidumping Duty Order Would Likely Lead to Continuation or Recurrence of Material Injury Within a Reasonably Foreseeable Time

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”²⁵ The Statement of Administrative Action (“SAA”) states that “under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”²⁶ Thus, the likelihood standard is prospective in nature.²⁷ The U.S. Court of

²¹ USITC Pub. 4070 at 9.

²² USITC Pub. 4070 at 9.

²³ Response at 12. Vulcan, All America, and Bay Standard produce the vast majority of steel threaded rod in the United States. *Id.* and Domestic Producers’ Final Written Comments (July 8, 2014) (“Comments”) at 1.

²⁴ There were three domestic producers of CSTR that did not respond to the notice of institution: All Ohio; Conklin & Conklin; and Interstate Threaded Products (“Interstate”). Response at 12. All Ohio and Interstate were the only domestic producers reported to have imported CSTR from China during the period of review. Response, Exhibit 1 at 1. Because All Ohio and Interstate did not respond to the notice of institution, there is no information in the record pertaining to them to exclude from the review, even assuming *arguendo* that appropriate circumstances existed to exclude one or both of them.

²⁵ 19 U.S.C. § 1675a(a).

²⁶ SAA at 883-84. The SAA states that “{t}he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” *Id.* at 883.

International Trade has found that “likely,” as used in the five-year review provisions of the Tariff Act, means “probable,” and the Commission applies that standard in five-year reviews.²⁸

The statute states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.”²⁹ According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”³⁰

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”³¹ It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order under review is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).³² The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination.³³

²⁷ While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

²⁸ See *NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), *aff’d mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion;” “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); *Usinor v. United States*, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

²⁹ 19 U.S.C. § 1675a(a)(5).

³⁰ SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

³¹ 19 U.S.C. § 1675a(a)(1).

³² 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings nor has it conducted any administrative reviews, new shipper reviews, or scope inquiry reviews of the antidumping duty order on CSTR from China. CR at I-3, PR at I-2.

³³ 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.³⁴ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) 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.³⁵

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.³⁶

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.³⁷ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the order under review and whether the industry is vulnerable to material injury upon revocation.³⁸

No respondent interested party participated in this expedited review. The record, therefore, contains limited new information with respect to the CSTR industry in China. There

³⁴ 19 U.S.C. § 1675a(a)(2).

³⁵ 19 U.S.C. § 1675a(a)(2)(A-D).

³⁶ See 19 U.S.C. § 1675a(a)(3). The SAA states that “{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

³⁷ 19 U.S.C. § 1675a(a)(4).

³⁸ The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, 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 may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.” SAA at 885.

also is limited information on the CSTR market in the United States during the period of review. Accordingly, for our determination, we rely as appropriate on the facts available from the original investigation and data submitted in the response to the notice of institution.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”³⁹ The following conditions of competition inform our determination.

Demand Conditions. In the original investigation and as discussed above, the Commission found that overall demand was derived from demand for its end-use applications, primarily in commercial construction. The Commission found that apparent U.S. consumption of CSTR increased by 1.1 percent from 2005 to 2007, and was 4.3 percent higher in the first nine months (“interim”) of 2008 than in interim 2007.⁴⁰

The Commission also found that most producers and importers reported that there were no substitute products for threaded rod. They also reported that there was little interchangeability between STR and other types of threaded rod, which contained materials other than low-carbon steel and were produced to different specifications than STR.⁴¹

There is no information on the record of this review to suggest that the demand conditions present in the original investigation have subsequently changed. The record in this review indicates that overall demand for CSTR remains derived from demand for its end-use applications, primarily in commercial construction.⁴² Apparent U.S. consumption of CSTR was lower in 2013, at *** pounds, than in 2007, when it was *** pounds.⁴³

Supply Conditions. In the original investigation, the Commission found three sources of supply in the U.S. market: domestic production, imports of subject CSTR, and imports of CSTR from nonsubject sources. The petitioner, Vulcan, was the largest domestic producer, accounting for *** percent of domestic production in 2007.⁴⁴ The Commission found that the domestic industry’s capacity remained stable from 2005 to 2007, and then decreased in 2007, with one plant closure during the period of investigation (“POI”). The Commission also found that the domestic industry’s market share decreased from 58.8 percent in 2005 to 43.8 percent in 2007, and was lower in interim 2008 than in interim 2007.⁴⁵

With respect to subject imports, the Commission found that more than 400 firms in China were believed to be producing and exporting CSTR with one firm accounting for over *** percent of exports to the United States, *** firms accounting for *** percent of exports to the

³⁹ 19 U.S.C. § 1675a(a)(4).

⁴⁰ USITC Pub. 4070 at 13.

⁴¹ USITC Pub. 4070 at 15.

⁴² CR at I-7, PR at I-5.

⁴³ CR/PR at Table I-7.

⁴⁴ USITC Pub. 4070 at 14 and Confidential Views at 19.

⁴⁵ USITC Pub. 4070 at 14.

United States, and *** firms accounting for *** percent of such exports.⁴⁶ The U.S. market share of subject imports increased from 34.8 percent in 2005 to 50.4 percent in 2007.⁴⁷

The Commission found that the principal sources for nonsubject imports were India, Japan, Belgium, Germany, and Mexico, with nearly 90 percent of the nonsubject imports coming from India. The market share of nonsubject imports decreased from 2005 to 2007, and was lower in interim 2008 than in interim 2007.⁴⁸

In this review, the record shows that Vulcan is still the primary producer of CSTR in the United States.⁴⁹ Since 2008, domestic producer Vulcan increased its production and All America also increased production and expanded its production capacity by acquiring existing threaded rod producers and reorganizing and consolidating its production.⁵⁰ The domestic industry's share of apparent U.S. consumption was higher in 2013, when it was *** percent, than it was in 2007, when it was *** percent.⁵¹

Imports of CSTR from China, as well as from nonsubject sources, have continued to supply the U.S. market since issuance of the antidumping duty order in 2007.⁵² The share of apparent U.S. consumption held by subject imports declined from *** percent in 2007 to *** percent in 2013. By contrast, the share of apparent U.S. consumption held by nonsubject imports increased from *** percent in 2007 to *** percent in 2013.⁵³ India, Thailand, Taiwan, and Malaysia are currently the largest suppliers of nonsubject imports of CSTR.⁵⁴

Substitutability and Other Conditions. In the original investigation, the Commission found that there was a high degree of interchangeability between CSTR produced in the United States, subject imports from China, and nonsubject imports. Most domestic producers, importers, and purchasers reported that the domestic like product, the subject imports, and nonsubject imports were “always” or “frequently” interchangeable. They also identified price most frequently as the most important factor in purchasing decisions. Most producers and importers reported that there were no substitute products for threaded rod. They also reported that there was little interchangeability between CSTR and other types of threaded rod, which contained materials other than low-carbon steel and were produced to different specifications than CSTR.⁵⁵

With respect to raw materials, the Commission found that the main raw material input used to produce CSTR was carbon steel wire rod. The Commission also found that approximately 80 percent of CSTR was made from wire rod, with the remaining 20 percent

⁴⁶ USITC Pub. 4070 at 13-14 and Confidential Views at 18-19.

⁴⁷ USITC Pub. 4070 at 14.

⁴⁸ USITC Pub. 4070 at 14.

⁴⁹ CR/PR at Table I-1.

⁵⁰ CR at I-9 to I-10, PR at I-7; Response at 35 and Exhibit 4.

⁵¹ CR/PR at Table I-7.

⁵² CR/PR at Tables I-4 and I-5.

⁵³ CR/PR at Table I-7.

⁵⁴ CR/PR at Table I-5. Prior to the time the record closed in this review, the Commission had issued a negative final determination in an antidumping duty investigation of CSTR from Thailand. *Certain Steel Threaded Rod from Thailand*, Inv. No. 731-TA-1214 (Final), USITC Doc. 4462 (May 2014).

⁵⁵ USITC Pub. 4070 at 15.

produced using steel bar. During the POI, the price of steel wire rod decreased in early 2005, but then generally increased through 2007.⁵⁶

In this review, there is no new information on the record to call into question the Commission's findings in the original investigation that there was a high degree of interchangeability between the domestic like product and the subject imports, that price played an important role in purchasing decisions, or that carbon steel wire rod was the main raw material input for CSTR. Accordingly, we again find that the domestic like product and subject CSTR are highly substitutable, that there are no substitute products for CSTR, and that price continues to be an important factor in purchasing decisions.

C. Likely Volume of Subject Imports

Original Investigation. In the original investigation, the Commission found that apparent U.S. consumption had risen modestly during January 2005-September 2008, but that the volume of subject imports had increased at a much higher rate.⁵⁷ The market share of subject imports also had risen over the POI, as had the ratio of subject imports to U.S. production. By contrast, the Commission found that the domestic industry's U.S. shipments and market share decreased over the POI. It also found that the volume and market share of nonsubject imports decreased over the POI. The Commission found that, during a period of stable to rising apparent U.S. consumption, subject imports gained market share in the United States almost entirely at the expense of the domestic industry. It subsequently found that the volume of subject imports and the increase in that volume were significant, both in absolute terms and relative to consumption and production in the United States.⁵⁸

Current Review. In this review, the information available indicates that the order has had a disciplining effect on the volume of subject imports, which decreased significantly since the imposition of the order in 2009.⁵⁹ Subject imports fell from 87.4 million pounds in 2007 to 3.7 million pounds in 2009, and then increased on an annual basis until reaching 20.1 million pounds in 2013. Subject import volume in 2013 remained well below the quantities observed during the original POI.⁶⁰

As previously stated, no foreign producer or exporter of subject merchandise from China participated in this expedited review. Nevertheless, available record data indicate that the CSTR industry in China continues to manufacture and export substantial volumes of CSTR.⁶¹ Moreover, Global Trade Atlas data indicate that China has been by far the largest global exporter of a category of products that includes the subject merchandise (as well as threaded screws and bolts) in each year from 2008 to 2013.⁶²

⁵⁶ USITC Pub. 4070 at 14.

⁵⁷ USITC Pub. 4070 at 15.

⁵⁸ USITC Pub. 4070 at 16.

⁵⁹ CR/PR at Tables I-4 and I-5.

⁶⁰ CR/PR at Tables I-4 and I-5.

⁶¹ CR/PR at Tables I-8 and I-9.

⁶² CR/PR at Table I-9.

The United States remains an attractive market for the CSTR industry in China. Subject imports from China have remained in the U.S. market since the imposition of the order in substantial quantities, and these quantities have increased since 2009.⁶³ The fact that Commerce has found that a Chinese exporter is circumventing the antidumping duty order provides further support that the U.S. market is attractive.⁶⁴ Additionally, the available Global Trade Atlas data indicate that the United States is China's largest export market for the broader category of steel threaded rod products.⁶⁵

In light of these considerations, we find that the subject producers are likely, absent the restraining effects of the order, to direct significant volumes of CSTR to the U.S. market, as they did during the POI.⁶⁶ We find that the likely volume of subject imports, both in absolute terms and relative to consumption in the United States, would be significant if the order were revoked.

D. Likely Price Effects

Original Investigation. In the original investigation, the Commission found that the pricing data showed widespread underselling (99 of 105 comparisons) by subject imports, sometimes at large margins, throughout the POI. In light of these facts, the Commission found that there was significant underselling of the domestic like product by subject imports from China.⁶⁷

The Commission found that, given that the domestic like product and subject imports were highly substitutable, that price was an important factor in purchasing decisions, and that subject imports undersold the domestic like product to a significant degree. Also, the price and volume data provided strong evidence that subject imports depressed domestic process to a significant degree from 2005 through the third quarter of 2007. It found that decreasing prices during a period when subject imports levels increased were particularly significant for a highly substitutable, price-competitive product, such as CSTR.⁶⁸

The Commission also found evidence that subject imports suppressed prices of the domestic like product to a significant degree. It determined that demand for CSTR had a low sensitivity to changes in price because there were few, if any, viable substitutes for CSTR for

⁶³ CR/PR at Table I-5. The record indicated that in 2013 subject imports from China accounted for *** percent of apparent U.S. consumption, although this figure may be somewhat overstated because not all domestic CSTR producers responded to the notice of institution. CR/PR at Table I-7.

⁶⁴ See note 12 *supra*.

⁶⁵ CR/PR at Table I-8.

⁶⁶ None of the responding parties reported antidumping or countervailing measures, or other barriers in place, against CSTR from China in third-country markets. CR at I-21, PR at I-15. Due to the failure of any foreign producer, exporter, or importer of subject merchandise from China to participate in this review, the record does not contain current information regarding existing inventories of subject merchandise, any likely increases in such inventories, or the potential for product shifting if production facilities in China which can be used to produce CSTR are currently being used to manufacture other products. CR at I-19 to I-20, PR at I-13 to I-14.

⁶⁷ USITC Pub. 4070 at 17.

⁶⁸ USITC Pub. 4070 at 17.

many applications and CSTR accounted for a low cost share in construction-related projects. Additionally, while demand for such a product may vary for reasons unrelated to price (such as a drop in construction-related activity), demand in the U.S. market was stable or increasing slightly from 2005 to 2007. The Commission reasoned that, in such a market, domestic producers would expect the ability to pass on higher production costs to purchasers, absent other evidence reflecting market conditions that would restrict price adjustments. It attributed the domestic industry's inability to raise prices to competition from a significant and growing volume of subject imports, which undersold and were highly substitutable with the domestic like product, in an environment in which price was the most important factor in purchasing decisions. The Commission determined, based on these data, that the domestic industry was experiencing a cost-price squeeze in 2007, when it should have been able to increase prices for CSTR, but subject imports were preventing price increases that otherwise would have occurred to a significant degree. The Commission further found that evidence of confirmed lost sales and revenues supported its finding that the subject imports depressed and suppressed prices of the domestic like product to a significant degree.⁶⁹

The Commission also found that the pendency of the investigation allowed domestic producers to regain customers and raise prices in interim 2008. These higher prices led to improvements in the domestic industry's financial performance.⁷⁰ The Commission acknowledged that the sharply rising cost of steel wire rod (the principal raw material used to produce CSTR) played an important role in the rising prices for CSTR in interim 2008, although it found that the price increases for CSTR were greater than the increases in raw material costs. It also found that the domestic producers would not have been able to implement the price increases without the pendency of the investigation and, consequently, the Commission gave less weight to the improvement in domestic prices in interim 2008 in its assessment of the price effects of subject imports.⁷¹

Current Review. Based on the available information, we find that the significant underselling observed during the original investigation would likely recur if the antidumping duty order were revoked. Moreover, we find that, given the highly substitutable nature of imported CSTR with the domestic like product and the importance of price in purchasing decisions, the significant volumes of subject imports likely in the event of revocation are likely to depress or suppress prices of the domestic like product to a significant degree or cause the industry to lose market share to increasing volumes of subject imports.

Given our finding that the volume of subject imports would likely increase in the event of revocation, we conclude that the likely significant volume of subject imports from China would likely undersell the domestic like product to a significant degree to gain market share and would also likely have significant effects on the domestic industry's prices.

⁶⁹ USITC Pub. 4070 at 18.

⁷⁰ USITC Pub. 4070 at 18-19.

⁷¹ USITC Pub. 4070 at 19.

E. Likely Impact⁷²

Original Investigation. In the original investigation, the Commission found that the trade and financial indicators of domestic industry performance showed sharp declines from 2005 through 2007.⁷³ The number of production and related workers, aggregate hours worked, and aggregate wages paid all decreased sharply over the POI, although the Commission acknowledged that there were some improvements in hourly wages and productivity.⁷⁴

The Commission found that the domestic industry's financial indicators – net sales measured by quantity and value, operating income, and operating margins – also decreased sharply over the POI. The Commission acknowledged that many of the domestic industry's financial indicators and some of its employment indicators showed improvements in interim 2008, but the Commission gave less weight to these improvements due to the effect of the pendency of the investigation, which allowed the domestic industry to raise prices and regain customers.⁷⁵

The Commission concluded that subject imports had an adverse impact on the condition of the domestic industry during the POI and, in particular, that both the absolute and relative volumes of subject imports had been significant. Subject imports gained market share at the expense of the domestic industry, undersold the domestic like product to a significant degree, and depressed and suppressed prices to a significant degree. The Commission found that, as the domestic industry's costs increased and significant volumes of lower-priced subject imports entered the U.S. market, the domestic industry was caught in a cost-price squeeze in 2007. The Commission found that the increase in subject imports and their adverse effects on U.S. prices had caused decreases in the domestic industry's trade, employment, and financial performance until interim 2008.⁷⁶

The Commission also examined market trends with respect to nonsubject imports. The Commission recognized that a majority of questionnaire respondents considered domestically produced CSTR and imports from China to be “always” or “frequently” interchangeable with nonsubject imports.⁷⁷ The Commission found that nonsubject imports' market share declined over the POI and was lower in interim 2008 than in interim 2007. It determined that

⁷² Under the statute, “the Commission may consider the magnitude of the margin of dumping” in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the “magnitude of the margin of dumping” to be used by the Commission in a five-year review as “the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title.” 19 U.S.C. § 1677(35)(C)(iv); *see also* SAA at 887. Commerce expedited its sunset review and found that revocation of the antidumping duty order would lead to a continuation or recurrence of dumping at the following margins: 43.37 percent for RMB Fasteners Ltd., and IFI & Morgan Ltd. (“RMB/IFI Group”); 206.00 percent for Ningbo Yinzhou Foreign Trade Company Ltd.; 55.16 percent for Non-examined exporters with a separate rate; and 206.00 percent for the PRC-Wide Entity. *Commerce Sunset Review*, 79 Fed. Reg. at 36289.

⁷³ USITC Pub. 4070 at 19-20.

⁷⁴ USITC Pub. 4070 at 20.

⁷⁵ USITC Pub. 4070 at 21.

⁷⁶ USITC Pub. 4070 at 21.

⁷⁷ USITC Pub. 4070 at 21-22.

nonsubject imports generally were higher valued than subject imports from China, although the evidence suggested that nonsubject imports, particularly from India and Mexico, were lower valued than the domestic like product. Therefore, the Commission found that any injury it found from subject imports from China could not be attributed to nonsubject imports because of the relatively low and declining levels of nonsubject imports.⁷⁸

Consequently, the Commission found that the record indicated a causal nexus between the subject imports and the condition of the domestic industry and thus demonstrated material injury by reason of the subject imports. The Commission concluded that the subject imports had a significant adverse impact on the domestic industry.⁷⁹

Current Review. The information available concerning the domestic industry's condition in this review consists of the data that the Domestic Producers provided in response to the notice of institution.⁸⁰ Because this is an expedited review, we have only limited information with respect to the domestic industry's financial performance. The limited record is insufficient for us to make a finding on whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.

The information on the record indicates that the Domestic Producers' capacity was *** pounds in 2013. Reported production was *** pounds in 2013; accordingly, capacity utilization was *** percent. U.S. shipments were *** pounds in 2013. The Domestic Producers reported an operating income of \$*** from sales of \$***, resulting in an operating margin of *** percent in 2013.⁸¹ The Domestic Producers maintain that the imposition of the antidumping duty order led to improvements in production, production capacity, capacity utilization, U.S. shipments, and operating performance.⁸²

Based on the information on the record, we find that, should the order be revoked, the likely significant volume of subject imports that would likely significantly undersell the domestic like product would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry. These declines would likely have a direct adverse impact on the domestic industry's profitability, as they did in the original investigation.

We also have considered the role of factors other than subject imports, including the presence of nonsubject imports, so as not to attribute injury from other factors to the subject imports. Imports of CSTR from nonsubject countries, particularly India and Thailand, have been present generally in increasing quantities in the U.S. market since the order was imposed in 2009.⁸³ The Commission found in its final determination concerning CSTR from Thailand that the domestic industry was neither materially injured nor threatened with material injury by reason of cumulated subject imports of CSTR from India and Thailand.⁸⁴ Indeed,

⁷⁸ USITC Pub. 4070 at 22.

⁷⁹ USITC Pub. 4070 at 22.

⁸⁰ Vulcan, All America, and Bay Standard estimate that they accounted for the vast majority of U.S. CSTR production in 2013. Response at 17.

⁸¹ CR/PR at Table I-2.

⁸² CR at I-10, PR at I-7; Response at 14-15.

⁸³ CR/PR at Table I-5.

⁸⁴ *Certain Steel Threaded Rod from Thailand*, USITC Pub. 4462 at 26, 31.

notwithstanding the increase in nonsubject imports during this period, the domestic industry was able to increase its share of the U.S. market since the end of the original POI.⁸⁵ Therefore, any increase in subject imports upon revocation would likely be, at least in substantial part, at the expense of the domestic industry.

Accordingly, we conclude that, if the antidumping duty order were revoked, subject imports from China would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

IV. Conclusion

For the above reasons, we determine that revocation of the antidumping duty order on CSTR from China would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

⁸⁵ CR/PR at Table I-7.

INFORMATION OBTAINED IN THE REVIEW

INTRODUCTION

Background

On March 3, 2014, the U.S. International Trade Commission (“Commission” or “USITC”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that it had instituted a review to determine whether revocation of the antidumping duty order on certain steel threaded rod (“CSTR”) from China would likely lead to the continuation or recurrence of material injury to a domestic industry.^{2,3} On June 6, 2014, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Act.⁴ The following tabulation presents information relating to the background and schedule of this proceeding:

¹ 19 U.S.C. 1675(c).

² *Certain Steel Threaded Rod From China; Institution of a Five-Year Review*, 79 FR 11827, March 3, 2014. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

³ In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of a five-year review of the subject antidumping duty order concurrently with the Commission’s notice of institution. *Initiation of Five-Year (“Sunset”) Review*, 79 FR 11762, March 3, 2014.

⁴ *Certain Steel Threaded Rod from China; Scheduling of an Expedited Five-Year Review*, (79 FR 14185, June 18, 2014). The Commission received one submission in response to its notice of institution in the subject review. A joint response was filed on behalf of All America Threaded Products, Inc., Bay Standard Manufacturing, Inc., and Vulcan Threaded Products, Inc., U.S. producers believed to account for a vast majority of U.S. production of the domestic like product in 2013. The Commission did not receive any responses from producers in China or importers of the subject merchandise from China. The Commission determined that the domestic interested party group response to its notice of institution was adequate and that the respondent interested party group response was inadequate. In the absence of respondent interested party responses and any other circumstances that would warrant the conduct of a full review, the Commission determined to conduct an expedited review.

Effective date	Action
March 3, 2014	Commission’s institution of first five-year review (79 FR 11827) http://www.gpo.gov/fdsys/pkg/FR-2014-03-03/html/2014-04605.htm
March 3, 2014	Commerce’s initiation of first five-year review (79 FR 11762) http://www.gpo.gov/fdsys/pkg/FR-2014-03-03/pdf/2014-04720.pdf
June 6, 2014	Commission’s determination to conduct expedited five-year review (79 FR 14185 , June 18, 2014) https://federalregister.gov/a/2014-14185
June 26, 2014	Commerce’s final result of expedited five-year review of the antidumping duty order (79 FR 36288) http://www.gpo.gov/fdsys/pkg/FR-2014-06-26/pdf/2014-15003.pdf
July 22, 2014	Scheduled date for the Commission’s vote
July 31, 2014	Scheduled date for the Commission’s determination and views

The original investigation

The original investigation resulted from a petition filed with Commerce and the Commission by Vulcan Threaded Products, Inc. (“Vulcan”), Pelham, AL, on March 5, 2008, 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 CSTR from China. On February 27, 2009, Commerce determined that imports of CSTR from China were being sold at LTFV, by margins of 55.16 to 206.00 percent.⁵ On April 6, 2009, the Commission determined that an industry in the United States was materially injured by reason of LTFV imports of CSTR from China.⁶ Commerce issued an antidumping duty order on CSTR from China on April 14, 2009.⁷

Commerce’s Original Determination and Subsequent Review Determinations

Commerce’s original determination was published on October 8, 2008, and the antidumping duty order concerning CSTR was issued on April 14, 2009. Since the issuance of the antidumping duty order, Commerce has not issued any duty absorption findings and has not conducted any new shipper reviews or changed circumstances reviews.⁸

⁵ *Certain Steel Threaded Rod from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value*, 74 FR 8907, February 27, 2009.

⁶ *Certain Threaded Steel Rod From China Determination*, 74 FR 16427, April 10, 2009.

⁷ *Certain Steel Threaded Rod from the People’s Republic of China: Notice of Antidumping Duty Order*, 74 FR 17154, April 14, 2009.

⁸ On February 25, 2013, Commerce issued a notice of a final determination of circumvention of the antidumping duty order by Gem-Year Industrial Co. Ltd. (“Gem-Year”). Commerce determined that imports from China of steel threaded rod containing greater than 1.25 percent chromium, by weight, produced by Gem-Year, but otherwise met the description of in-scope merchandise, were subject to the antidumping duty order on CSTR from China. *Certain Steel Threaded Rod from the People’s Republic of*

(continued...)

Commerce's Final Result of Expedited Five-Year Review

Commerce's results of its expedited review of the subject antidumping duty order were published in the Federal Register on June 26, 2014. Commerce determined that revocation of the subject order would likely lead to continuation or recurrence of dumping at rates of 47.37 percent for RMB Fasteners Ltd., and IFI & Morgan Ltd.; 206.00 percent for Ningbo Yinzhou Foreign Trade Co. Ltd; 55.16 percent for all non-examined exporters with a separate rate; and 206.00 percent for the PRC-wide entity.⁹

Previous and related investigations

CSTR has been the subject of one prior antidumping duty investigation in the United States. On June 27, 2013, Vulcan filed an antidumping duty petition against imports of threaded rod from Thailand and India. Following an affirmative determination by Commerce, on May 7, 2014, the Commission determined that an industry in the United States was not materially injured or threatened with material injury, and the establishment of an industry in the United States was not materially retarded by reason of imports from Thailand of certain steel threaded rod.¹⁰

THE PRODUCT

Commerce's scope

Commerce initially defined the subject merchandise as:

(C)ertain threaded rod, bar, or studs, of carbon quality steel, having a solid, circular cross section, of any diameter, in any straight length, that have been forged, turned, cold drawn, cold rolled, machine straightened, or otherwise cold finished, and into which threaded grooves have been applied. In addition, the steel threaded rod, bar, or studs subject to this investigation are non-headed and threaded along greater than 25 percent of their total length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (i.e., galvanized, whether by electroplating or hot-dipping), paint, and other similar finishes and coatings, may be applied to the merchandise. Included in the scope of this investigation are steel threaded rod, bar, or studs, in which: (1) iron predominates, by weight, over each of the other contained

(...continued)

China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order, 78 FR 12718 (February 25, 2013).

⁹ *Certain Steel Threaded Rod from the People's Republic of China: Final Results of Expedited Sunset Review of the Antidumping Duty Order*, 79 FR 36288, June 26, 2014.

¹⁰ *Certain Steel Threaded Rod from Thailand, Inv. No. 731-TA-1214 (Final)*, USITC Publication 4462, May 7, 2014, p. 1. The petition concerned STR from both India and Thailand. Commerce has not yet made its final dumping and subsidy determinations in its investigation of STR from India.

elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

1.80 percent of manganese, or; 1.50 percent of silicon, or; 1.00 percent of copper, or; 0.50 percent of aluminum, or; 1.25 percent of chromium, or; 0.30 percent of cobalt, or; 0.40 percent of lead, or; 1.25 percent of nickel, or; 0.30 percent of tungsten, or; 0.012 percent of boron, or; 0.10 percent of molybdenum, or; 0.10 percent of niobium, or; 0.41 percent of titanium, or; 0.15 percent of vanadium, or; 0.15 percent of zirconium.

Excluded from the scope of the order are: (a) threaded rod, bar, or studs which are threaded only on one or both ends and the threading covers 25 percent or less of the total length; and (b) threaded rod, bar, or studs made to American Society for Testing and Materials (“ASTM”) A193 Grade B7, ASTM A193 Grade B7M, ASTM A193 Grade B16, or ASTM A320 Grade L7.¹¹

U.S. tariff treatment

At the time of the original investigation, imports of CSTR were classifiable in the Harmonized Tariff Schedule of the United States (“HTSUS”) under subheading 7318.15.50 (studs) and reported for statistical purposes under the subheading 7318.15.5050 (continuously threaded rod), and were free of duty under the general duty rate, applicable to China¹². Effective on July 1, 2009, this subheading was annotated for statistical reporting purposes by action of the Committee for Statistical Annotation of Tariff Schedules. CSTR is currently imported under HTS statistical reporting number 7318.15.5056 (continuously threaded rod of nonalloy steel)¹³. CSTR imported from China continues to enter the U.S. market at a column 1-general duty rate of “free.”¹⁴

Domestic like product and domestic industry

The Commission examined the issue of the appropriate definition of domestic like product and the domestic industry in the preliminary phase of the original investigation. No issues were raised with respect to the proposed definition of either the domestic like product

¹¹ *Certain Steel Threaded Rod from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value*, 74 FR 8907, February 27, 2009. Commerce also noted the Harmonized Tariff Schedule of the United States (“HTSUS”) subheading for steel threaded rod subject to investigation, while observing that the written description of the scope was dispositive. *See also* the next section of this report for current U.S. tariff treatment.

¹² *Certain Steel Threaded Rod from China, Investigation No. 731-TA-1145 (Final)*, USITC Publication 4070, April 2009, p. I-7 (Table I-2).

¹³ *Certain Steel Threaded Rod from China, Investigation No. 731-TA-1145 (Review)*, Import Statistics, May 2014.

¹⁴ Harmonized Tariff Schedule of the United States (2014).

or the domestic industry in the original investigation. The Commission defined the domestic like product consisting of CSTR, coextensive with the scope of the investigation.¹⁵ In the final phase of the investigation, respondent Porteous Fastener Company (“Porteous”) requested that Bay Standard Manufacturing, Inc. (“Bay Standard”) be excluded from the definition of the domestic industry due to Bay Standard’s imports of the subject merchandise and its production of CSTR meeting the A-36 specification.¹⁶ The Commission did not find appropriate circumstances to exclude Bay Standard from the domestic industry, citing Bay Standard’s declining ratio of imports to domestic production, small share of overall domestic production, its support of the petition, and its reason for importing being due to competitive pressure of subject imports.¹⁷ Therefore, the Commission determined the domestic industry as a single domestic industry consisting of all domestic producers of CSTR.¹⁸

In its notice of institution for this review, the Commission solicited comments from interested parties regarding the appropriate definition of the domestic like product and domestic industry. In their response to the notice, the domestic industry agreed with the definitions of the domestic like product and the domestic industry.¹⁹

Description and applications²⁰

Threaded rod is fully threaded along its entire length and is of low- and medium-carbon steel²¹ for strength and ease of cutting.²² Threaded rod is primarily used in commercial construction to suspend electrical conduits; pipes for plumbing; heating, ventilation, and air-conditioning (HVAC) ductwork; sprinkler systems for fire protection, etc. Normally, one end of the threaded rod is fastened to the ceiling and the other end is fastened to the support for suspending the conduits, pipes, ductwork, or sprinkler system. It is also used in structural tie downs in earthquake- and hurricane-restraint systems for roofing. Threaded rod may also be used as headless screws in general fastener applications or for bolting together pipe joints.

¹⁵ *Certain Steel Threaded Rod from China, Investigation No. 731-TA-1145 (Final)*, USITC Publication 4070, April 2009, p.7.

¹⁶ Respondent Porteous’ prehearing brief, pp. 3-4 and posthearing brief, p. 3.

¹⁷ *Certain Steel Threaded Rod from China, Investigation No. 731-TA-1145 (Final)*, Confidential Views of the Commission, p. 11-12.

¹⁸ *Id.* p. 7.

¹⁹ Domestic Industry’s Response to the Commission’s Notice of Institution, April 2, 2014, p. 17.

²⁰ *Certain Steel Threaded Rod From China, Inv. No. 731-TA-11145(Final)*, USITC Publication 4070, April 2009, pp. I-6 – I-7.

²¹ Low-carbon rod has a carbon content between 0.2 and 0.3 percent, medium- and high-carbon rod have a carbon content between 0.3 and 1 percent carbon, and ultra-high carbon rod has a carbon content above 1 percent. The majority of all threaded rod produced in the United States is of low-carbon content and is produced by thread rolling. Some companies have the capability to thread-roll medium-carbon rod for use in applications where strength is an important factor, such as in the petroleum, machinery, or automobile industries. There is no known production of high- or ultra-high carbon rod.

²² Threaded rod is especially useful in applications where it may be cut to length on-site.

Manufacturing process²³

The primary raw material for most threaded rod is steel wire rod in coils. However, for larger diameter threaded rod, the raw material is steel bar. The basic production process is the same with either raw material, beginning with cleaning to remove surface scale.²⁴ The rod or bar is then cold-drawn through a series of dies, each one smaller than the preceding one, to reduce the rod diameter to the required size.²⁵ Afterwards, the resulting rod is straightened and cut to the desired length, most often into 8- and 10-foot sections. Next, the rod sections are fed through a threading machine, which forms the threaded grooves along the entire length by the process of thread rolling the rod between a pair of grooved dies.²⁶ Finally, the threaded rod is either coated with a plain oil finish during the threading process, or galvanized with zinc either by electroplating or hot-dipping, which imparts corrosion resistance.²⁷ After the threaded rod has received its oil finish or galvanizing, it is packed in paper tubes or otherwise prepared for shipment. Depending on the rod diameter, several may be packed in the same tube.

All but one of the responding domestic producers reported, in the final phase of the original investigation, that they manufacture other products on the same equipment and machinery and with the same production and related workers that they use to produce threaded rod. Other such reported products included partially threaded rod, stainless rod, alloy rod, anchor bolts, and coiled rod.

Domestic producers also reported, in the final phase of the original investigation, that threaded rod producers in China use the same basic manufacturing process, but may incur inefficiencies in feeding and off-loading their production machinery and in material movement throughout their plant, thus making their production process more labor intensive. There were also some reports, from the preliminary phase of the original investigation, that although the older Chinese plants may be inefficient, the more modern ones are very similar to those in the United States.

²³ *Certain Steel Threaded Rod From China*, Inv. No. 731-TA-11145(Final), USITC Publication 4070, April 2009, p. I-7; and *Certain Steel Threaded Rod From China*, Investigation No. 731-TA-1145 (Preliminary), USITC Pub. 3996, April 2008, pp. I-4– I-5.

²⁴ Scale is the iron oxides which form on the surface of the wire rod during the wire rod manufacturing process. This material will lower the quality of the threaded rod and therefore must be removed.

²⁵ This process is known as “cold-drawing” because no additional heat is supplied during this process.

²⁶ Because thread rolling does not involve cutting the steel, but rather pushes the steel into the die grooves, there is no scrap or waste material left over.

²⁷ Most threaded rod is zinc electroplated.

THE INDUSTRY IN THE UNITED STATES

U.S. producers

At the time of the original investigation, nine companies produced CSTR in the United States, as cited in the petition: All Ohio Threaded Rod Co. Inc. (“All Ohio”), Bay Standard, Conklin & Conklin, Inc. (“Conklin”), Interstate Fittings Inc. (“Interstate”), Lancaster Threaded Products, Inc. (“Lancaster”), Rods Indiana Inc. (“Rods Indiana”), Threaded Rod Company Inc. (“Threaded Rod”), Vulcan, and Watson Metal Products Corp. (“Watson”).²⁸ All companies except Interstate responded, with All Ohio ***. Vulcan accounted for *** of reported U.S. production in 2007, with the remaining respondents accounting for the remaining ***.

In response to the Commission’s notice of institution in this current review, domestic producers of CSTR provided a list of three known and currently operating U.S. producers of CSTR: All America Threaded Products Inc. (“All America”) (accounting for *** percent of 2013 U.S. CSTR production), Bay Standard (*** percent); and Vulcan (*** percent).²⁹ Domestic producers claim not to be affiliated with any of the Chinese producers or exporters of CSTR.³⁰

As noted by the domestic producers of CSTR, from 2009 to 2010, “Vulcan...increased its production by 17.6 percent...and consequently its capacity utilization rate improved by *** percent over the same period.”³¹ During the same period, All America “expanded its operations by acquiring existing threaded rod producers in Indiana, New Jersey, and Pennsylvania...and reorganized and consolidated these production facilities in anticipation of the beneficial effect of the antidumping order on threaded rod from China.”³²

Details regarding each firm’s location, position on the petition, production, and market share of U.S. producers are presented in table I-1.

²⁸ Petition for the Imposition of Antidumping Duties on Steel Threaded Rod from the People’s Republic of China, March 5, 2008, p. 2-4.

²⁹ Response of All America, Bay Standard, and Vulcan to the Notice of Institution, April 2, 2014, p. 35 (CBI Exhibit 4).

³⁰ *Id.* p. 13.

³¹ *Id.* p. 15.

³² *Id.*

Table I-1

Threaded Rod: US producers, locations, position on the petition, and production and shares of production in 2007 and 2013

Firm	Plant location(s)	Position	Reported production of threaded rod in 2007		Reported production of threaded rod in 2013	
			Quantity (1,000 pounds)	Share (Percent)	Quantity (1,000 pounds)	Share (Percent)
All America ¹	Denver, CO Indianapolis, IN Lancaster, PA	N/A	***	***	***	***
All Ohio	***	***	***	***	***	***
Bay Standard	Phoenix, AZ ; Brentwood, CA Fontana, CA ; Kapolei, HI Las Vegas, NV; Tigard, OR	Supports	***	***	***	***
Conklin	Union City, CA	Supports	***	***	***	***
Lancaster	Lancaster, PA	Supports	***	***	***	***
Rods Indiana	Butler, IN	Supports	***	***	***	***
Threaded Rod	Indianapolis, IN	Supports	***	***	***	***
Vulcan	Pelham, AL	Petitioner	***	***	***	***
Watson	Kenilworth, NJ Petersburg, VA	Supports	***	***	***	***

¹ All America's parent purchased Threaded Rod Company in Indianapolis, Indiana, in October 2008. In March 2010, All America's parent purchased Rods Indiana and moved the company's equipment into the existing Indianapolis plant in May 2010. In May 2009, All America's parent purchased Watson and then Lancaster in August 2009. Both of these facilities were closed and the equipment moved into the current Lancaster location in July 2010.

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

Source: Compiled from data submitted in response to Commission questionnaires and domestic industry's response to 2014 notice of institution.

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution of the five-year review of the subject order. Table I-2 presents the data reported by responding U.S. producers from both the original investigation (2005-07) and the response to the notice of institution (2013). The data presented in table I-2 were provided by seven firms³³ for the period 2005-07 and by three firms³⁴ for 2013, but in all cases are believed to account for the vast majority of U.S. production of CSTR.

³³ All Ohio, Conklin, Lancaster, Rods Indiana, Threaded Rod, Vulcan, and Watson

³⁴ All America , Bay Standard, and Vulcan.

Table I-2
Threaded Rod: U.S. producers' trade and financial data, 2005-07 and 2013

* * * * *

The domestic producers of CSTR assert that the domestic industry “remains in a vulnerable position.” They observe that while two companies, All America and Vulcan, have expanded their operations, the issuance of the order against China “triggered an onslaught of unfairly traded imports from India and Thailand,” and that the revocation of the antidumping order on China would “likely lead to a continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.”³⁵

In the original investigation, the domestic industry experienced a *** percent decline in capacity from 2005 to 2007. Total U.S. production of CSTR decreased by *** percent during the same time, while U.S. shipment volume similarly decreased by *** percent. The quantity of net sales fell *** percent; however, the value of net sales saw a slight increase of *** percent. At the same time, the cost of goods sold as a percentage of net sales increased *** percent. The operating income of the domestic industry also saw a decrease of *** percent in the period of 2005-2007, with the industry operating at a loss in 2006 before increasing to its 2007 level.

U.S. IMPORTS AND APPARENT CONSUMPTION

U.S. imports

In its original investigation, the Commission found that the volume of subject imports and the increase in that volume were significant, both in absolute terms and relative to consumption and production in the United States. The Commission observed that the volume increased by 80.9 percent from 2005 to 2007, rising from 53.5 million pounds in 2005 to 78.3 million pounds in 2006, then to 96.8 million pounds in 2007. Subject imports also increased as a share of the market, and relative to U.S. production, during 2005-07. The ratio of the quantity of subject imports to U.S. production rose from 55.7 percent in 2005 to 79.9 percent in 2006 and 117.9 percent in 2007, and was 107.7 percent in interim 2007 compared with 110.6 percent in interim 2008. The Commission described the increase in subject import market share as coming “almost entirely at the expense of the domestic market.” From 2005 to 2007, the market share of subject imports rose by 15.6 percentage points, while that of the domestic industry fell by 15.0 percentage points.³⁶

Table I-4 presents data regarding U.S. imports of CSTR from the period 2005-07 and 2013. Although intended to be similar, it should be noted that the presented data are compiled

³⁵ Response of All America, Bay Standard, and Vulcan to the Notice of Institution, April 2, 2014, p. 4.

³⁶ *Certain Steel Threaded Rod from China, Investigation No. 731-TA-1145 (Final)*, Confidential Views of the Commission, p. 21-22.

from different sources – namely, questionnaire and adjusted official Commerce statistics for 2005-07, and official import statistics of Commerce for 2013.³⁷

³⁷ As noted previously, effective July 1, 2008, a separate HTS subheading 73 18.15.5050 was created for “continuously threaded rod” made of carbon or alloy steel. At the same time, the HTS subheading under which carbon and alloy steel threaded rod had previously been classified (7318.15.5060) was deleted, and a new HTS subheading 73 18.15.5090 for “other” products was added. E-mail from Frederick Waite, counsel for Vulcan, November 14, 2008.

Table I-4
CSTR: U.S. imports, 2005-07 and 2013

Item	2005	2006	2007	2013
Quantity (1,000 pounds)				
China	53,496	68,157	87,339	20,061
All other	***	***	***	61,470
Total imports	***	***	***	81,551
Landed, duty-paid value (\$1,000)				
China	17,237	20,610	28,273	16,010
All other	***	***	***	38,308
Total imports	***	***	***	54,318
Unit value (dollars per pound)				
China	0.32	0.30	0.32	0.79
All other	***	***	***	0.62
Average, total	***	***	***	0.67
Share of quantity (percent)				
China	***	***	***	24.6
All other	***	***	***	75.4
Total	100.0	100.0	100.0	100.0
Share of value (percent)				
China	***	***	***	29.5
All other	***	***	***	70.5
Total	100.0	100.0	100.0	100.0
Ratio to production (percent)				
China	***	***	***	***
All other	***	***	***	***
Total	***	***	***	***

Note.--Because of rounding, figure may not add to total shown.

Source: *Certain Steel Threaded Rod from China, Investigation No. 731-TA-1145 (Final)*, USITC Publication 4070, April 2009, p. IV-3; official statistics of Commerce for HTS statistical reporting number 7318.15.5056.

Table I-5 presents the quantity, value, and unit value for imports from China as well as the other top sources of U.S. imports (shown in descending order of 2013 imports by quantity). Though substantially lower in quantity than during 2005-07, CSTR from China retain a presence in the U.S. market.

Table I-5
CSTR: U.S. imports, 2010-13

Item	2009	2010	2011	2012	2013
Quantity (1,000 pounds)					
China (subject)	3,739	13,439	13,819	19,511	20,061
India	9,894	21,021	26,442	20,723	25,785
Thailand	268	6,244	8,402	22,088	20,631
Taiwan	3,757	16,665	11,550	10,712	9,632
Malaysia	2,099	5,560	3,902	3,997	3,488
United Arab Emirates	535	1,193	1,854	1,160	935
All other imports (nonsubject)	311	1,065	1,821	1,462	1,008
Total imports	20,604	65,187	67,790	79,651	81,562
Landed, duty-paid value (1,000 dollars)					
China (subject)	2,478	9,464	11,458	16,205	16,010
India	4,738	10,828	14,690	12,166	14,193
Thailand	124	2,977	4,256	11,099	10,519
Taiwan	2,200	10,135	8,085	7,543	6,602
Malaysia	1,255	3,303	2,727	3,232	3,616
United Arab Emirates	302	695	996	912	607
All other imports (nonsubject)	906	2,037	4,046	4,118	2,772
Total imports	12,002	39,440	46,257	55,275	54,318
Unit value (dollars per pound)					
China (subject)	0.66	0.70	0.83	0.83	0.79
India	0.48	0.52	0.56	0.59	0.55
Thailand	0.46	0.48	0.51	0.50	0.51
Taiwan	0.59	0.61	0.70	0.70	0.69
Malaysia	0.60	0.59	0.70	0.81	1.04
United Arab Emirates	0.56	0.58	0.54	0.79	0.65
All other imports (nonsubject)	2.91	1.91	2.22	2.82	2.75
Average, total	0.58	0.61	0.68	0.69	0.67

Note.--Because of rounding, figure may not add to total shown.

Source: Official statistics of Commerce for HTS statistical reporting number 7318.15.5056.

Apparent U.S. consumption and market shares

Table I-6 presents U.S. shipments of domestic product, U.S. imports and apparent U.S. consumption in 2005-07 and 2013. Data on U.S. market shares during 2005-07 and 2013 are presented in Table I-7.

Table I-6

CSTR: U.S. shipments of domestic product, U.S. shipments of imports, and apparent U.S. consumption, 2005-07 and 2013

* * * * *

Table I-7

CSTR: U.S. consumption and market shares, 2005-07 and 2013

* * * * *

THE INDUSTRY IN CHINA

The petition listed over 400 Chinese firms believed to be producing and/or exporting threaded rod. Foreign producer/exporter questionnaires were sent via fax and/or e-mail to more than 125 firms that accounted for nearly all of production/exports of product shipped to the United States under HTS 7318.15.5060.³⁸ Of those firms, proprietary data from U.S. Customs show that 6 firms accounted for two-thirds of those exports to the United States during 2005-2007 and 50 firms accounted for 90 percent of exports over the same period. One firm, IFI & Morgan,³⁹ accounted for more than *** percent of U.S.-bound exports from 2005 to 2007.⁴⁰

³⁸ As noted earlier, the HTS classification (statistical reporting number 73 18.15.5060) also included items outside the product scope such as threaded rods made from alloy steel (Le., stainless steel), hanger bolts, and rods which are not threaded along their entire length, etc. Hence, a portion of product shipped by Chinese producer/exporters may have been outside the scope of the investigation.

³⁹ According to IFI & Morgan's company web site, it operated six factories in China with locations in Haiyan, Dongguan, Ningbo, Tangshan, and Hangzhou. It stated that "major products produced/exported in our own invested factories and from our sub-contracted factories" include the subject product, fully threaded rods/studs, ranging in diameter from 1/4" to 2" (6mm to 50mm), with lengths of 1', 2', 3', 6', 10', 12', or special lengths available upon request, with or without chamfered on ends, and in both coarse and fine thread, "<http://www.ifi-fasteners.com/en/index.htm>," retrieved January 23, 2009.

⁴⁰ From January to October 2008, Customs data show that *** accounted for *** percent of total exports of threaded rod classified under HTS 73 18.15.5060 for January-June 2008 and HTS 73 18.15.5050 and 7318.15.5090 for July-October 2008.

No foreign producer/exporter in China submitted a questionnaire response in the final investigation.⁴¹ Three firms (one producer and two exporters)⁴² provided useable responses in the preliminary phase of the investigation. The exports to the United States of these firms were equivalent to *** percent of U.S. imports of threaded rod from China in 2007 as reported in Commission importer questionnaires. None of the firms reported any shipments going to the home market. From 2005 to 2007, the share of Chinese shipments going to the United States dropped from *** to *** percent while the share of shipments going to all other export markets rose from *** to *** percent. Third country markets included Asia, Australia, and Europe.

Exports

Table I-8 presents the volume of export shipments of threaded rod from China (as well as nonsubject threaded rod, bolts, and screws for 2008 through 2013.

⁴¹ One firm, ***, submitted a final phase foreign producer/exporter questionnaire with the same data from its response in the preliminary phase. Responses to the additional questions and January-September 2007 and January-September 2008 data were left blank.

⁴² The producer is UniTrend International, which began operations in 2007, and the exporters are Ningbo Yinzhou and Shanghai Prime Machinery. From 2005 to 2007, Ningbo Yinzhou was the fifth largest exporter accounting for 3.03 percent of exports to the United States, while Shanghai Prime Machinery accounted for 0.16 percent of exports over the same period. U.S. Customs data.

Table I-8
Steel Threaded Rod: China's exports, by quantity, 2008-13

Country	2008	2009	2010	2011	2012	2013
Quantity (1,000 pounds)						
United States	453,861	303,015	416,815	485,620	487,353	524,896
Russia	171,889	118,078	197,711	238,586	202,924	229,733
Japan	118,465	108,300	128,940	148,745	148,255	166,307
Australia	93,529	72,587	98,893	93,197	102,178	100,731
Saudi Arabia	39,265	49,418	47,743	70,685	77,939	85,830
United Arab Emirates	81,135	87,526	75,250	77,807	74,275	78,449
South Korea	43,204	37,232	51,376	58,412	60,338	76,107
Brazil	49,256	27,253	80,186	70,535	46,752	69,385
Malaysia	27,716	105,635	193,957	87,319	63,540	64,818
India	19,948	38,356	74,825	95,324	81,450	64,689
All other	1,856,141	812,165	1,043,187	1,327,146	1,154,849	1,147,888
Total	2,954,407	1,759,564	2,408,885	2,753,374	2,499,854	2,608,831

Note.--Because of rounding, figures may not add to total shown.

Source: Global Trade Information Services, Inc., *Global Trade Atlas*, HS subheading 7318.15. Data include product that is outside the scope of this review, i.e. threaded screws and bolts not elsewhere specified.

Antidumping or Countervailing Duty Orders in Third-Country Markets

None of the responding parties reported antidumping or countervailing duty orders in place against Chinese steel threaded rod in third-country markets.

THE GLOBAL MARKET

Table I-9 presents the largest global export sources of steel threaded rod (as well as nonsubject threaded rod, bolts, and screws) during 2008-13.

Table I-9
Steel Threaded Rod: Global exports by major sources, 2008-13

Item	2008	2009	2010	2011	2012	2013
Quantity (1,000 pounds)						
China	2,953,960	1,759,489	2,408,479	2,753,477	2,500,077	2,608,488
Taiwan	1,432,192	1,084,620	1,580,610	1,784,910	1,670,879	1,792,872
United States	1,091,101	1,197,591	1,598,554	1,166,433	642,122	659,037
Japan	416,087	332,528	463,141	457,896	474,720	488,092
India	149,195	118,495	123,982	207,616	268,658	272,324
South Korea	103,802	97,243	121,625	176,402	210,947	231,622
Thailand	135,546	78,572	128,150	205,337	204,344	203,694
Malaysia	225,635	224,644	452,425	235,756	173,385	200,699
Turkey	62,268	43,058	71,517	95,032	86,868	91,025
United Kingdom	54,471	46,007	50,611	78,184	72,305	72,584
All other	5,022,536	4,155,393	5,273,825	5,739,795	5,129,282	5,265,611
Total	11,646,793	9,137,640	12,272,919	12,900,838	11,433,587	11,886,048

Note.--Because of rounding, figures may not add to total shown.

Source: Global Trade Information Services, Inc., *Global Trade Atlas*, HS subheading 7318.15. Data include product that is outside the scope of this review, i.e. threaded screws and bolts not elsewhere specified.

Contains Business Proprietary Information

APPENDIX A
ADEQUACY STATEMENT

EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY

in

Certain Steel Threaded Rod from China
Inv. No. 731-TA-1145 (Review)

On June 6, 2014, the Commission unanimously determined to conduct an expedited review in the subject five-year review pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(B).

The Commission received a response to the notice of institution that was jointly filed by three U.S. producers of steel threaded rod: All America Threaded Products, Inc. (“All America”), Bay Standard Manufacturing, Inc. (“Bay Standard”), and Vulcan Threaded Products, Inc. (“Vulcan”). The Commission found the responses of All America, Bay Standard, and Vulcan to be individually adequate. Because the Commission received an adequate response from interested parties accounting for a substantial share of U.S. production of steel threaded rod in 2013, the Commission determined that the domestic interested party group response was adequate.

No respondent interested party responded to the notice of institution. Accordingly, the Commission determined that the respondent interested party group response was inadequate.

The Commission did not find any circumstances that would warrant conducting a full review. The Commission, therefore, decided to conduct an expedited review of this order.

A record of the Commissioners' votes is available from the Office of the Secretary and at the Commission's web site (www.usitc.gov).

APPENDIX B
SUMMARY DATA

Table C-1

Threaded rod Summary data concerning the U.S. market, 2005-07, January-September 2007, and January-September 2008

(Quantity=1,000 pounds, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per pound; period changes=percent, except where noted)

Item	Reported data					Period changes			
	2005	2006	2007	January-September		2005-07	2005-06	2006-07	Jan.-Sept. 2007-08
				2007	2008				
U.S. consumption quantity:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China	***	***	***	***	***	***	***	***	***
Other sources	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China	***	***	***	***	***	***	***	***	***
Other sources	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. shipments of imports from:									
China:									
Quantity	59,045	70,683	86,436	59,531	65,780	46.4	19.7	22.3	10.5
Value	38,163	44,775	53,323	36,656	50,561	39.7	17.3	19.1	37.9
Unit value	\$0.65	\$0.63	\$0.62	\$0.62	\$0.77	-4.6	-2.0	-2.6	24.8
Ending inventory quantity	21,856	21,295	21,678	20,790	23,410	-0.8	-2.6	1.8	12.6
All other sources:									
Quantity	10,861	10,696	9,943	7,244	6,799	-8.5	-1.5	-7.0	-6.1
Value	10,431	9,660	9,170	6,496	7,973	-12.1	-7.4	-5.1	22.7
Unit value	\$0.96	\$0.90	\$0.92	\$0.90	\$1.17	-4.0	-6.0	2.1	30.8
Ending inventory quantity	854	586	378	55	2,107	-55.7	-31.4	-35.5	3730.9
All sources:									
Quantity	69,906	81,379	96,379	66,775	72,579	37.9	16.4	18.4	8.7
Value	48,593	54,435	62,493	43,152	58,534	28.6	12.0	14.8	35.6
Unit value	\$0.70	\$0.67	\$0.65	\$0.65	\$0.81	-6.7	-3.8	-3.1	24.8
Ending inventory quantity	22,710	21,881	22,056	20,845	25,517	-2.9	-3.7	0.8	22.4
U.S. producers':									
Average capacity quantity	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***
Wages paid (\$1,000)	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***
Productivity (pounds per hour)	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.

(2) Not applicable.

(3) Undefined.

Note.—Financial data are reported on a fiscal year basis for 2006-08 and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

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

Table C-2
Threaded rod: Summary data concerning the U.S. market (excluding Bay Standard from U.S. producer data), 2005-07, January-September 2007, and January-September 2008

* * * * *