

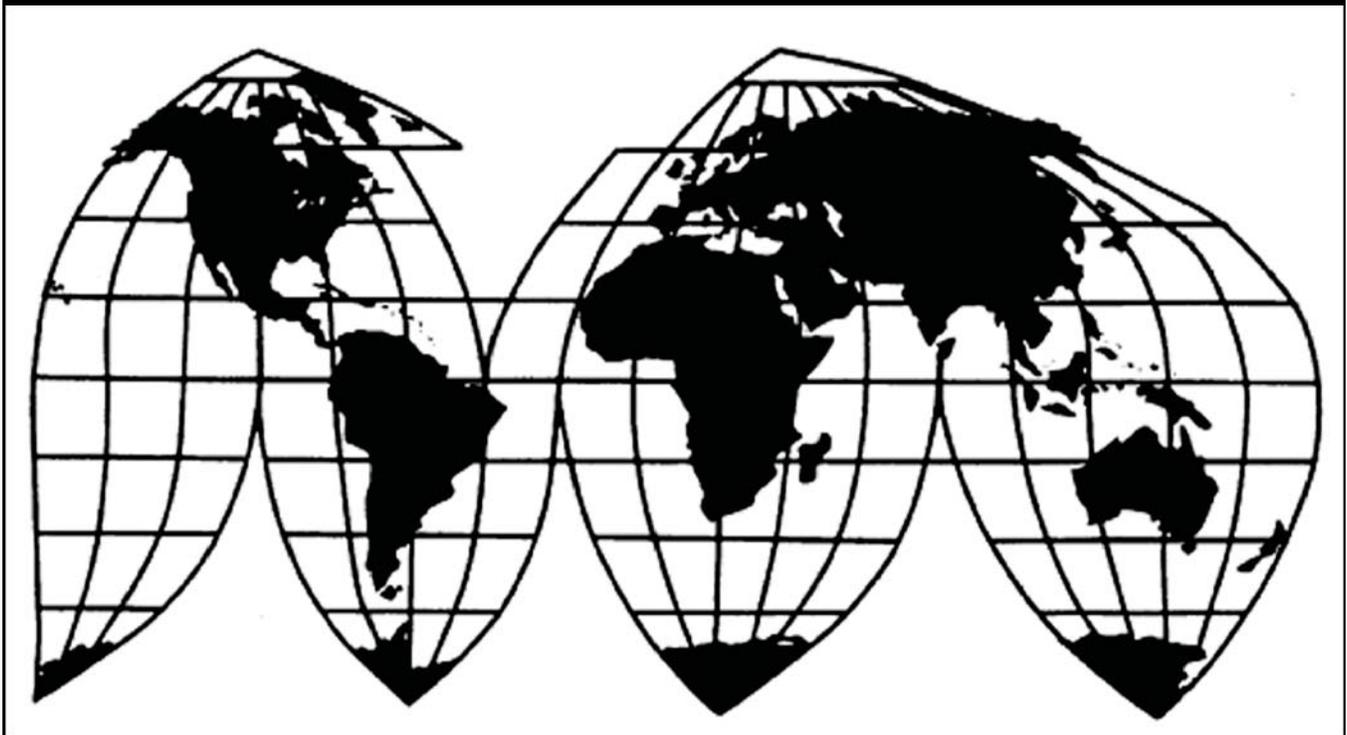
# **Certain Steel Grating from China**

Investigation Nos. 701-TA-465 and 731-TA-1161 (Review)

**Publication 4578**

**October 2015**

**U.S. International Trade Commission**



Washington, DC 20436

# U.S. International Trade Commission

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**UNITED STATES INTERNATIONAL TRADE COMMISSION**  
Investigation Nos. 701-TA-465 and 731-TA-1161 (Review)

Certain Steel Grating from China

**DETERMINATIONS**

On the basis of the record<sup>1</sup> developed in these subject five-year reviews, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930, that revocation of the antidumping and countervailing duty orders on certain steel grating 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, pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)), instituted these reviews on June 1, 2015 (80 F.R. 31071) and determined on September 4, 2015 that it would conduct expedited reviews (80 F.R. 57387, September 23, 2015).

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<sup>1</sup> 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 these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the antidumping and countervailing duty orders on certain steel grating (“steel grating”) 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 Commission instituted the original investigations of steel grating from China on May 29, 2009, in response to petitions filed by Alabama Metal Industries Corp. and Fisher & Ludlow, Inc., domestic producers of steel grating. In July 2010, the Commission determined that an industry in the United States was materially injured by reason of subject imports of steel grating from China found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value and subsidized by the government of China.<sup>1</sup> On July 23, 2010, Commerce issued an antidumping duty order and a countervailing duty order on imports of steel grating from China.<sup>2</sup>

The Commission instituted these first five-year reviews on June 1, 2015.<sup>3</sup> The Commission received a joint response to the notice of institution from the Metal Grating Coalition and its five individual members, each of which is a domestic producer of steel grating: Alabama Metal Industries Corporation; Fisher & Ludlow, Inc.; Harsco Industrial IKG; Interstate Gratings, LLC; and Ohio Gratings, Inc. (collectively “domestic producers”). The Commission did not receive a response to the notice of institution from any respondent interested party. On September 4, 2015, the Commission determined that the domestic interested party group response to its notice of institution was adequate. In the absence of an adequate respondent interested party group response, or any other circumstances that would warrant full reviews, the Commission determined that it would conduct expedited reviews of the orders.<sup>4</sup>

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<sup>1</sup> *Certain Steel Grating from China*, Inv. Nos. 701-TA-465 and 731-TA-1161 (Final), USITC Pub. 4168 (Jul. 2010) (“Original Determination, USITC Pub. 4168”).

<sup>2</sup> 75 Fed. Reg. 43143 (Jul. 23, 2010) (antidumping duty order), 75 Fed. Reg. 43144 (Jul. 23, 2010) (countervailing duty order). Commerce subsequently issued a notice correcting the antidumping duty order, a notice amending the weighted-average dumping margins for two exporter/manufacturers pursuant to a decision of the U.S. Court of International Trade, and a notice correcting those amended margins. 75 Fed. Reg. 69626 (Nov. 15, 2010) (corrected); 79 Fed. Reg. 43396 (Jul. 25, 2014) (Commerce notice amending its final determination with respect to Yantai Xinke Steel Structure Co., Ltd. and Ningbo Haitian International Co., Ltd. pursuant to the decision of the U.S. Court of International Trade in *Yantai Xinke Steel Structure Co., Ltd. v. United States*, Slip Op. 2014–38 (Ct. Int’l Trade, Apr. 9, 2014), which sustained Commerce’s results of redetermination, pursuant to the CIT’s remand order); 79 Fed. Reg. 47617 (Aug. 14, 2014) (correction of Jul. 25, 2014, notice amending final determination pursuant to court decision).

<sup>3</sup> 80 Fed. Reg. 31071 (Jun. 1, 2015).

<sup>4</sup> 80 Fed. Reg. 57387 (Sep. 23, 2015).

## 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.”<sup>5</sup> 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.”<sup>6</sup> 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.<sup>7</sup>

Commerce has defined the scope of the orders in these five-year reviews as follows:

Certain steel grating, consisting of two or more pieces of steel, including load-bearing pieces and cross pieces, joined by any assembly process, regardless of: (1) size or shape; (2) method of manufacture; (3) metallurgy (carbon, alloy, or stainless); (4) the profile of the bars; and (5) whether or not they are galvanized, painted, coated, clad or plated. Steel grating is also commonly referred to as “bar grating,” although the components may consist of steel other than bars, such as hot-rolled sheet, plate, or wire rod.

The scope of the order excludes expanded metal grating, which is comprised of a single piece or coil of sheet or thin plate steel that has been slit and expanded, and does not involve welding or joining of multiple pieces of steel. The scope of the order also excludes plank type safety grating which is comprised of a single piece or coil of sheet or thin plate steel, typically in thickness of 10 to 18 gauge, that has been pierced and cold formed, and does not involve welding or joining of multiple pieces of steel.

Certain steel grating that is the subject of the order is currently classifiable in the Harmonized Tariff Schedule of the United States (“HTSUS”) under subheading 7308.90.7000. While the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of the order is dispositive.<sup>8</sup>

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<sup>5</sup> 19 U.S.C. § 1677(4)(A).

<sup>6</sup> 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, 96<sup>th</sup> Cong., 1<sup>st</sup> Sess. 90-91 (1979).

<sup>7</sup> *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).

<sup>8</sup> Commerce’s Issues and Decision Memorandum for the Expedited Sunset Review of the Antidumping Duty Order on Certain Steel Grating from the People’s Republic of China (Oct. 5, 2015);

(continued...)

This scope definition is unchanged from Commerce’s scope definition in the original investigations.<sup>9</sup>

Steel grating is a fabricated product consisting of bearing bars that extend across the length and crossbars that transverse (typically perpendicular to) the bearing bars to form a panel. Steel grating is available in various forms, including “standard welded bar grating” with crossbars welded across the tops of the bearing bars, “press-locked grating” with notched bearing bars and sometimes notched crossbars mechanically pressed together, “swage-locked grating” characterized by crossbars passing through and swaged (crimped) on each side of bearing bars, and “riveted grating” distinguished by reticulated (pre-bent) bars riveted between adjacent bearing bars to enhance load-carrying capacity. Upper edges of the bearing bars can be serrated for greater traction. Common end uses include walkways, mezzanines, and catwalks; platforms for overhead signs, fire escapes, and railway rolling-stock stand platforms; and stairways and flooring. Steel grating is also used in heavier duty applications, such as decking and supports for motor-vehicle bridges, railway rolling-stock flooring, drainage pit covers, boat landing ramps, truck beds, running boards, and mooring docks. Steel grating is commonly produced to American National Standards Institute (“ANSI”)/National Association of Architectural Metal Manufacturers (“NAAMM”) standards MBG 531-09 or MBG 532-09.<sup>10</sup>

In the original investigations, the Commission considered whether the domestic like product should be defined more broadly than the scope to include other types of grating, including expanded metal, safety plank grating, fiberglass grating, and aluminum bar grating. The Commission found that, although steel grating within the scope may overlap with other grating in certain lightweight applications, its physical characteristics differed from the other four types of grating in that it could be used in heavy load-bearing applications. Acknowledging that steel grating had the same channels of distribution as the other types of gratings, the Commission observed that expanded metal and steel grating were perceived to be distinct products and were manufactured using different processes and different employees. Finally, the Commission found that steel grating was priced higher than expanded metal and safety plank grating and was priced lower than aluminum bar grating due to input costs. Based on these differences, the Commission found a clear dividing line between steel grating and other types of grating and defined the domestic like product as steel grating, coextensive with Commerce’s scope.<sup>11</sup>

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(...continued)

Commerce’s Issues and Decision Memorandum for the Expedited Sunset Review of the Countervailing Duty Order on Certain Steel Grating from the People’s Republic of China (Oct. 5, 2015).

<sup>9</sup> See Original Determination, USITC Pub. 4168 at 4-5 (quoting Commerce’s scope definition).

<sup>10</sup> Confidential Report (“CR”) at I-5, Public Report (“PR”) at I-4.

<sup>11</sup> Original Determination, USITC Pub. 4168 at 5-6 (adopting analysis from preliminary determinations); see also *Certain Steel Grating from China*, Inv. Nos. 701-TA-465 and 731-TA-1161 (Preliminary), USITC Pub. 4087 (Jul. 2009) at 5-7.

In these reviews, domestic producers have indicated that they agree with the Commission's definition of the domestic like product in the original investigations.<sup>12</sup> The record of these reviews contains no information that suggests any reason to revisit the Commission's prior domestic like product definition.<sup>13</sup> We accordingly define the domestic like product as steel grating coextensive with Commerce's scope definition.

## **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."<sup>14</sup> 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 investigations, domestic producers \*\*\* and \*\*\* were related parties based on their importations of subject merchandise during the period of investigation. Petitioners requested that \*\*\* be excluded from the industry. The Commission did not find appropriate circumstances to exclude \*\*\* from the domestic industry.<sup>15</sup> Three of the six Commissioners found that appropriate circumstances existed to exclude \*\*\* from the industry.<sup>16</sup>

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<sup>12</sup> Domestic Producers' Response to the Notice of Institution (Jul. 1, 2015) ("Response to Notice of Institution") at 24.

<sup>13</sup> See generally CR at I-4-6, PR at I-3-5.

<sup>14</sup> 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.

<sup>15</sup> In deciding not to exclude \*\*\* from the industry, the Commission found that it imported subject merchandise in only two of the three years of the period of investigation, its ratio of subject imports from China to production was low in both years, and that it made significant capital expenditures during the period of investigation. As such, the Commission found that \*\*\* primary interest lay in domestic production rather than importation. It also stated that it did not appear that \*\*\* derived a significant benefit from its importation of the subject merchandise. Furthermore, the Commission concluded that, as \*\*\* was the \*\*\* producer of steel grating, its exclusion may have had the effect of skewing the domestic industry's data. Original Determination, USITC Pub. 4168 at 7-8.

<sup>16</sup> Commissioners Pearson, Lane, and Williamson found that appropriate circumstances did not exist to exclude \*\*\* from the domestic industry given the firm's capital expenditures and research and development expenses, which they concluded indicated that the firm's interest lay primarily in domestic production rather than importation. Additionally, they found that the firm did not derive a substantial financial benefit from its importation as its operating income and operating margin trends were similar to those of the other domestic producers. Finally, they found that exclusion or inclusion of the firm would not skew the data for the domestic industry. Original Determination, USITC Pub. 4168 at 9; Confidential Original Determination (EDIS Doc. 561041) at 14. Commissioners Okun, Aranoff, and Pinkert, on the other hand, concluded that appropriate circumstances existed to exclude the firm from

(continued...)

There are no related parties in these reviews.<sup>17</sup> We accordingly define the domestic industry to include all domestic producers of steel grating.

### **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.”<sup>18</sup> The Uruguay Round Agreements Act 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.”<sup>19</sup> Thus, the likelihood standard is prospective in nature.<sup>20</sup> The U.S. Court of International Trade has found that “likely,” as used in the five-year

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(...continued)

the domestic industry. They found, in light of \*\*\* substantial imports and its \*\*\* ratio of imports to domestic production, that its interest lay primarily in importation rather than domestic production. *Id.*

<sup>17</sup> Domestic producers indicate that \*\*\*. Response to Notice of Institution at Exhibit 2; *see also* CR at I-3-4, PR at I-3. \*\*\* did not export subject merchandise during the review period and \*\*\* did not export or import subject merchandise or control an exporter or importer of subject merchandise during that period. *See id.* at Exhibits 2-4. Consequently, \*\*\* is not a related party. *See* 19 U.S.C. § 1677(4)(B). The domestic producers – which include \*\*\* – did not list \*\*\* as an importer of subject merchandise. *See* Response to Notice of Institution at Exhibit 3. Thus, we do not find that \*\*\* is a related party in these reviews.

<sup>18</sup> 19 U.S.C. § 1675a(a).

<sup>19</sup> SAA, H.R. Rep. 103-316, vol. I at 883-84 (1994). 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.

<sup>20</sup> 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.

review provisions of the Tariff Act, means “probable,” and the Commission applies that standard in five-year reviews.<sup>21</sup>

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.”<sup>22</sup> 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.”<sup>23</sup>

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.”<sup>24</sup> 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 the orders are revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).<sup>25</sup> 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.<sup>26</sup>

In evaluating the likely volume of imports of subject merchandise if the orders under review are 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

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<sup>21</sup> 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’”).

<sup>22</sup> 19 U.S.C. § 1675a(a)(5).

<sup>23</sup> 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.*

<sup>24</sup> 19 U.S.C. § 1675a(a)(1).

<sup>25</sup> 19 U.S.C. § 1675a(a)(1). Commerce has made no duty absorption findings with respect to the antidumping duty order under review. Commerce’s Issues and Decision Memorandum for the Expedited Sunset Review of the Antidumping Duty Order on Certain Steel Grating from the People’s Republic of China (Oct. 2, 2015) at 4.

<sup>26</sup> 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

or relative to production or consumption in the United States.<sup>27</sup> 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.<sup>28</sup>

In evaluating the likely price effects of subject imports if the orders under review are 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.<sup>29</sup>

In evaluating the likely impact of imports of subject merchandise if the orders under review are 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.<sup>30</sup> 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.<sup>31</sup>

As stated above, the Commission received no responses to the notice of institution from steel grating producers in China. The record, therefore, contains limited new information with respect to the industry in China. Accordingly, for our determination, we rely as appropriate on

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<sup>27</sup> 19 U.S.C. § 1675a(a)(2).

<sup>28</sup> 19 U.S.C. § 1675a(a)(2)(A-D).

<sup>29</sup> 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.

<sup>30</sup> 19 U.S.C. § 1675a(a)(4).

<sup>31</sup> 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.

the facts available from the original investigations, data submitted in the response to the notice of institution, and other public data.

## **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.”<sup>32</sup> The following conditions of competition inform our determination.

**Demand Conditions.** In the original investigations, the Commission found the majority of steel grating was used in private industrial and commercial applications, including utility plants, offshore platforms, and manufacturing facilities. It found that demand for steel grating was derived from non-residential construction which included the manufacturing and power sectors.<sup>33</sup> During the period of investigation, apparent U.S. consumption of steel grating increased from 176.8 million kilograms in 2007 to \*\*\* kilograms in 2008, and then decreased to \*\*\* kilograms in 2009.<sup>34</sup> The Commission, however, gave greater weight to the non-residential construction spending data that showed fairly strong demand for steel grating throughout the period and only a moderate decline in demand at the end of the period.<sup>35</sup>

In these reviews, it appears that factors affecting buying patterns and demand for steel grating have largely remained unchanged since the original period.<sup>36</sup> Domestic producers contend that U.S. demand, as reflected by non-residential construction, decreased at the end of the original period of investigation and immediately after imposition of the order. They assert that non-residential construction remained sluggish through 2012 but has gradually increased from the low points experienced during the recession. They also state that, given the uptick in non-residential construction spending and power generation, demand going forward is expected to increase.<sup>37</sup> Apparent U.S. consumption of steel grating was 171.0 million kilograms in 2014.<sup>38</sup>

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<sup>32</sup> 19 U.S.C. § 1675a(a)(4).

<sup>33</sup> Original Determination, USITC Pub. 4168 at 14.

<sup>34</sup> Original Determination, USITC Pub. 4168 at 14-15; Confidential Original Determination at 22.

<sup>35</sup> Original Determination, USITC Pub. 4168 at 15-16; Confidential Original Determination at 22-24.

<sup>36</sup> *E.g.*, CR/PR at Appendix D (purchaser surveys). Responding purchasers reported no changes in the end uses or applications for steel grating in the U.S. market or China since 2010. CR/PR at D-4. One purchaser reported no change in the business cycle for steel grating in the U.S. market or China since 2010 and another purchaser reported a relatively recent increase in upstream energy consumption, although it is not apparent if or how that would have affected the business cycle. CR/PR at D-5.

<sup>37</sup> Response to Notice of Institution at 23.

<sup>38</sup> CR/PR at Table I-6.

**Supply Conditions.** In the original investigations, the Commission stated that the domestic industry was the largest source of supply in the U.S. market, accounting for roughly \*\*\* of apparent U.S. consumption over the period of investigation. Domestic producers' capacity was greater than apparent U.S. consumption throughout the period of investigation and their capacity utilization rates declined steadily over the period. One domestic producer ceased operations during the period.<sup>39</sup>

The Commission found that subject import volume was already sizeable in 2007, increased in 2008, and declined in 2009. Subject imports' market share was 8.2 percent in 2007, \*\*\* percent in 2008, and \*\*\* percent in 2009. The volume of nonsubject imports declined from 2007 to 2009 and nonsubject imports' market share declined from 10.7 percent in 2007 to \*\*\* percent in 2008 and then increased \*\*\* to \*\*\* percent in 2009. The principal sources of nonsubject imports in 2009 were Canada, Taiwan, Mexico, and India. The Commission also found that, as indicated above, U.S. importers' inventories of imports from China were also a considerable source of supply during the period of investigation.<sup>40</sup>

In these reviews, domestic producers identify six U.S. producers of steel grating, five of which responded to the notice of institution; these five responding producers accounted for an estimated \*\*\* percent of domestic production in 2014. Domestic producer Banker Gratings accounted for the remainder of domestic production.<sup>41</sup> The domestic industry was the largest individual supplier of steel grating to the U.S. market in 2014. Its share of apparent U.S. consumption that year was 88.4 percent, higher than its \*\*\* percent share in 2009.<sup>42</sup> Nonsubject imports accounted for the next largest share of apparent U.S. consumption in 2014, with a 10.7 percent share, which was higher than their \*\*\* percent share in 2009.<sup>43</sup> Subject imports accounted for 0.9 percent of apparent U.S. consumption in 2014, which was substantially below both their \*\*\* percent share in 2009 and their peak \*\*\* percent share in 2008.<sup>44</sup>

**Substitutability.** In the original investigations, the Commission found that there was a high degree of interchangeability between steel grating from domestic and other sources, and that price was an important consideration in purchasing decisions. It explained that most steel grating is produced to ANSI standards and most producers, importers, and purchasers reported that subject imports, nonsubject imports, and the domestic like product were "always" or "frequently" interchangeable. Most producers reported that differences other than price were "sometimes" or "never" significant in purchasing decisions, whereas most importers reported that such differences were "frequently" or "sometimes" significant.<sup>45</sup>

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<sup>39</sup> Original Determination, USITC Pub. 4168 at 16.

<sup>40</sup> Original Determination, USITC Pub. 4168 at 16; Confidential Original Determination at 25.

<sup>41</sup> CR/PR at Table I-1; CR at I-9; PR at I-7.

<sup>42</sup> CR/PR at Table I-6.

<sup>43</sup> CR/PR at Table I-6.

<sup>44</sup> CR/PR at Table I-6.

<sup>45</sup> Original Determination, USITC Pub. 4168 at 16-17.

The information available in these expedited reviews does not include any new information indicating that the substitutability between steel grating from domestic and other sources or the importance of price has changed since the original investigations. Accordingly, we again find that subject imports and the domestic like product continue to be highly interchangeable and that price continues to be an important factor in purchasing decisions.

**Other Conditions.** In the original investigations, the Commission stated that nearly all U.S. producers and importers reported that steel grating was sold on a spot basis and that they determined their prices on a transaction-by-transaction basis. Steel grating was produced using coils of hot-rolled steel sheet and thin-gauge plate, or flat bars (merchant bars) and wire rods. Raw material costs constituted a substantial portion of the total cost of production.<sup>46</sup> The information available in these expedited reviews does not include any new information indicating that these conditions have changed since the original investigations.

### C. Likely Volume of Subject Imports

**The Original Investigations.** In the original investigations, the Commission found that the volume of subject imports increased from 14.4 million kilograms in 2007 to \*\*\* kilograms in 2008, an increase of \*\*\* percent, far outpacing the increase in nonresidential construction activity for the same period. From 2008 to 2009, the volume of subject imports declined by \*\*\* percent to \*\*\* kilograms. Subject imports' market share by quantity increased from 8.2 percent in 2007 to \*\*\* percent in 2008 and then fell to \*\*\* percent in 2009.<sup>47</sup>

The Commission found that, although the volume and market share of subject imports decreased \*\*\* in 2009, there had been a large build-up of U.S. importers' inventories of subject imports from 2007 to 2008. These substantial inventories of subject merchandise were depleted in 2009 and, together with subject imports that year, severely limited the domestic industry's ability to gain sales in the market place. The Commission found that, as inventories of subject imports were used in 2009, domestic producers' U.S. shipments declined by \*\*\* percent, far outpacing the \*\*\* percent decline in nonresidential construction spending in that year. Accordingly, the Commission concluded that subject import volume was significant, both in absolute terms and relative to consumption and production in the United States.<sup>48</sup>

**The Current Reviews.** The record indicates that the volume of subject imports was substantially lower during the period of review than during the original period of investigation. Subject import volume fell to 718,000 kilograms in 2010, declined further the next two years, increased to 1.2 million kilograms in 2013, and reached a period peak of 1.6 million kilograms in

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<sup>46</sup> Original Determination, USITC Pub. 4168 at 17.

<sup>47</sup> Original Determination, USITC Pub. 4168 at 17; Confidential Original Determination at 27.

<sup>48</sup> Original Determination, USITC Pub. 4168 at 18; Confidential Original Determination at 28-29.

2014.<sup>49</sup> Subject imports accounted for 0.9 percent of apparent U.S. consumption in 2014, compared with \*\*\* percent in 2009 and a peak of \*\*\* percent in 2008.<sup>50</sup>

As previously stated, no producer or exporter of subject merchandise participated in these expedited reviews. Nevertheless, available record data indicate that the industry in China continues to manufacture and export substantial volumes of steel grating. The record of the original investigations included a study indicating that steel grating capacity in China was 1.8 billion kilograms, or in excess of apparent U.S. consumption; the limited questionnaire data available in the original investigations indicated that for the responding producers, capacity rose \*\*\* during the period of investigation.<sup>51</sup> Domestic producers contend that the industry in China has continued to expand,<sup>52</sup> and the record contains no information to the contrary. Data from the original investigations indicate that the industry in China exported a substantial portion of its shipments.<sup>53</sup> The information available in these reviews indicates that the industry in China remains export oriented; China is the largest exporter of structures or parts of iron and steel, a product category that includes steel grating but is substantially broader than the scope definition.<sup>54</sup> China's exports in that category increased substantially overall from 2010 to 2014.<sup>55</sup> Consequently, on the basis of the facts available, we find that the subject producers continue to have substantial capacity and export orientation.

The domestic producers observe that the United States remains an attractive market to the industry in China. Indeed, subject imports have remained in the U.S. market, albeit at significantly reduced volumes.<sup>56</sup> Moreover, domestic producers have placed on the record promotional materials of Chinese producers/exporters of steel grating that reflect their continued interest in supplying the North American market generally and the U.S. market specifically.<sup>57</sup>

Accordingly, based on the demonstrated ability of the subject producers in China to increase imports into the U.S. market rapidly during the original investigations, their substantial production capacity, and the continued attractiveness of the U.S. market, we find that the likely volume of subject imports, both in absolute terms and as a share of the U.S. market, would be significant in the event of revocation.<sup>58</sup>

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<sup>49</sup> CR/PR at Table I-4.

<sup>50</sup> CR/PR at Table I-6; Original Determination, USITC Pub. 4168 at 17; Confidential Original Determination at 27.

<sup>51</sup> INV-HH-061 at VII-2, Table VII-1 (June 11, 2010) (EDIS Doc. 561302).

<sup>52</sup> Response to Notice of Institution at 16.

<sup>53</sup> INV-HH-061 at Table VII-1.

<sup>54</sup> CR/PR at Table I-8.

<sup>55</sup> CR/PR at Table I-8.

<sup>56</sup> CR/PR at Tables I-4, I-5, I-6.

<sup>57</sup> Response to Notice of Institution at 16-18, Exhibit 8. Steel grating from China has been subject to antidumping and countervailing duties in Canada since 2011. CR at I-18, PR at I-13. This is another factor that would make the U.S. market attractive to exporters of the subject merchandise upon revocation.

<sup>58</sup> The record lacks data addressing existing inventories of the subject merchandise and the potential for product shifting.

#### D. Likely Price Effects

***The Original Investigations.*** In the original investigations, the Commission found that the domestic like product and subject imports were highly interchangeable and that price was an important consideration in purchasing decisions. The Commission also found that subject imports undersold domestic products in 42 of the 51 possible quarterly price comparisons from January 2007 to December 2009, and underselling margins ranged as high as 48.7 percent. The Commission found, moreover, that most of the nine instances of overselling occurred in 2007, indicating that underselling intensified in 2008 as the volume and market share of subject imports grew. Accordingly, the Commission found subject imports' underselling of the domestic like product to be significant.<sup>59</sup>

The Commission found that domestic producers' prices fluctuated but ended the period of investigation lower than at the beginning, as subject import prices remained well below domestic producers' prices. The Commission found that, although the decline in domestic producers' prices in 2009 could be attributed in part to decreases in demand and raw material costs, subject imports contributed to this price depression. The Commission found as further evidence of price depression that, as the domestic industry's unit cost of goods sold declined from 2008 to 2009, its average unit sales value declined at a faster rate. Additionally, there were anecdotal reports of downward pressure on domestic producers' prices due to the subject imports as well as confirmed lost sales and lost revenues.<sup>60</sup>

Based on the foregoing, the Commission found that significant underselling by the subject imports led to lost sales throughout the period and depressed domestic prices in 2009 and, consequently, that subject imports had significant price effects on the domestic industry.<sup>61</sup>

***The Current Reviews.*** As discussed above, we continue to find that subject imports are highly substitutable for steel grating manufactured in the United States and that price is an important factor in purchasing decisions. The record does not contain current pricing comparisons due to the expedited nature of these reviews. Based on the available information, we find that, if the orders under review were revoked, significant volumes of cumulated subject imports likely would significantly undersell the domestic like product, as they did in the original investigations. These subject imports likely would have significant depressing and/or suppressing effects on the prices of the domestic like product, given the likely significant volume of cumulated subject imports, the importance of price in purchasing decisions for steel grating, and the interchangeability of subject imports and the domestic like product. For the foregoing reasons, we conclude that subject imports are likely to have significant price effects if the orders were revoked.

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<sup>59</sup> Original Determination, USITC Pub. 4168 at 19.

<sup>60</sup> Original Determination, USITC Pub. 4168 at 19-20.

<sup>61</sup> Original Determination, USITC Pub. 4168 at 20.

## E. Likely Impact<sup>62</sup>

***The Original Investigations.*** In its original determinations, the Commission found that subject imports had a significant adverse impact on the domestic industry. It found that the domestic industry experienced declines in almost all indicators as a result of the substantial presence of subject imports throughout the period of investigation. The Commission observed that the domestic industry's market share declined from 2007 to 2008 but then recovered \*\*\* in 2009 as the market share of subject imports declined. The domestic industry's production, shipments, and capacity utilization declined overall during the period of investigation.<sup>63</sup> Employment, wages, and hours worked increased from 2007 to 2008 but then declined in 2009, while productivity declined from 2007 to 2009. The Commission additionally found that one producer was forced to \*\*\* as a result of subject imports.<sup>64</sup>

The Commission found that the domestic industry's financial indicators also deteriorated. The domestic industry's net sales in terms of both quantity and value increased from 2007 to 2008, and then fell \*\*\* in 2009. The domestic industry's operating income increased \*\*\* from 2007 to 2008, but fell \*\*\* from 2008 to 2009. The domestic industry's operating income margin increased slightly from 2007 to 2008, but in 2009 was barely break-even.<sup>65</sup>

The Commission found that there was a causal nexus between the subject imports and the deteriorating condition of the domestic industry. It stated that this conclusion was based on the substantial presence of, and increase in, subject import volume and market share from 2007 to 2008, driven by pervasive subject import underselling. The Commission also found that

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<sup>62</sup> 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 five-year reviews 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 antidumping duty review determination and found that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of dumping at weighted-average margins up to 145.18 percent. 80 Fed. Reg. 60119 (Oct. 5, 2015).

Commerce expedited its countervailing duty review determination and found that revocation of the countervailing duty order would be likely to lead to continuation or recurrence of net subsidy at weighted-average margins of 62.46 percent for Ningbo Jiulong Machinery Manufacturing Co., Ltd. and all others. 80 Fed. Reg. 60120 (Oct. 5, 2015). Commerce found that certain of the subsidies were export subsidies. Commerce's Issues and Decision Memorandum for the Expedited Sunset Review of the Countervailing Duty Order on Certain Steel Grating from the People's Republic of China (Sept. 2, 2015) at 8.

<sup>63</sup> The Commission found that underselling had a direct effect on the domestic industry's level of production and sales, as the domestic industry sacrificed volume, particularly in the more common grating sizes, to maintain pricing. Thus, although nonresidential construction activity declined in 2009, both domestic production and U.S. shipments declined at a far greater rate. USITC Pub. 4168 at 19-20.

<sup>64</sup> Original Determination, USITC Pub. 4168 at 20-21; Confidential Original Determination at 33-34.

<sup>65</sup> Original Determination, USITC Pub. 4168 at 21; Confidential Original Determination at 34.

the adverse impact of subject imports continued into 2009, although the absolute volume of subject imports declined \*\*\* that year, subject imports continued to injure the domestic industry because importers and purchasers drew down their inventories of subject imports.<sup>66</sup>

The Commission considered whether there were other factors that may have had an impact on the domestic industry. It recognized that, while the decline in demand in 2009 played a role in the domestic industry's condition for that year, the injurious effects of subject imports on the domestic industry continued to be felt and worsened in 2009 primarily due to the drawing down of the large overhang of inventories in the United States. In contrast to the fairly moderate decline in nonresidential construction spending from 2008 to 2009, the declines in the domestic industry's trade and financial indicators were substantial. The Commission found that, at most, the decline in demand in 2009 served simply to aggravate the adverse effects caused by subject imports.<sup>67</sup>

The Commission also considered the role of nonsubject imports in the market and found that material injury suffered by the domestic industry could not be attributed to nonsubject imports. Nonsubject imports' share of apparent U.S. consumption declined from 10.7 percent in 2007 to \*\*\* percent in 2008 and then increased \*\*\* to \*\*\* percent in 2009. It found that, even though the market share of nonsubject imports rose \*\*\* in 2009 as compared with 2008, nonsubject imports were mostly priced higher than subject imports.<sup>68</sup>

**The Current Reviews.** Because these are expedited reviews, information on the record concerning the performance of the domestic industry since the original period of investigation, which was provided by domestic producers in response to the notice of institution, pertains only to certain factors and is available only for 2014. This limited information 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 orders.<sup>69</sup>

The information on the record indicates that in 2014 the capacity of the domestic industry was 305.4 million kilograms, production was 164.1 million kilograms, capacity utilization was 53.7 percent, net sales were \$\*\*\*, operating income was \$\*\*\*, and the ratio of operating income to net sales was 5.7 percent.<sup>70</sup> Each of these indicators, except capacity, was greater in 2014 than in 2009.<sup>71</sup>

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<sup>66</sup> Original Determination, USITC Pub. 4168 at 22.

<sup>67</sup> Original Determination, USITC Pub. 4168 at 22.

<sup>68</sup> Original Determination, USITC Pub. 4168 at 22; Confidential Original Determination at 36.

<sup>69</sup> Based on the limited record of this review, Vice Chairman Pinkert finds on balance that the domestic industry does not appear to be vulnerable to the continuation or recurrence of material injury in the event of revocation of the antidumping duty order. The domestic industry's market share, net sales value, unit value, production, and U.S. shipments were higher in 2014 than in 2007, 2008, and 2009. Further, the industry had a positive operating margin in 2014, albeit much lower than in 2007 and 2008. CR/PR at Tables I-3 and I-6.

<sup>70</sup> CR/PR at Table I-3.

<sup>71</sup> In 2009, the final full year of the original investigations, the capacity of the industry was 315.4 million kilograms, production was 117.7 million kilograms, capacity utilization was 37.3 percent, net

(continued...)

Based on the limited information on the record, we find that, should the orders be revoked, the likely significant volume and price effects of the subject imports would likely have a significant adverse impact on the domestic industry's market share, production, shipments, sales, and profitability, as well as its ability to raise capital and make and maintain necessary capital investments.

We have also 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. Based on available data, although nonsubject imports increased their market share from \*\*\* percent in 2009 to 10.7 percent in 2014,<sup>72</sup> the record provides no indication that the increased presence of nonsubject imports would prevent subject imports from entering the U.S. market in significant quantities upon revocation of the orders. Given the high degree of substitutability of steel grating and the fact that the domestic industry is currently by far the largest source of supply to the U.S. market, any increase in subject import market share would likely come, at least in substantial proportion, at the expense of the domestic industry. In light of these considerations, we find that any likely effects of imports from nonsubject countries are distinguishable from the likely effects we have attributed to the subject imports.

Accordingly, we conclude that if the orders were revoked, subject imports 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 and countervailing duty orders on steel grating from China would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

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*(...continued)*

sales were \$\*\*\*, operating income was \$\*\*\*, and the ratio of operating income to net sales was 2.9 percent. CR/PR at Table I-3.

<sup>72</sup> CR/PR at Table I-6.



## INFORMATION OBTAINED IN THESE REVIEWS

### BACKGROUND

On June 1, 2015, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),<sup>1</sup> that it had instituted reviews to determine whether revocation of antidumping and countervailing duty orders on certain steel grating (“CSG”) from China would likely lead to the continuation or recurrence of material injury to a domestic industry.<sup>2</sup> All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.<sup>3 4</sup> The following tabulation presents information relating to the background and schedule of this proceeding:

Effective or statutory date	Action
June 1, 2015	Notice of initiation and institution by Commerce and Commission
September 4, 2015	Commission vote on adequacy
September 29, 2015	Commerce results of its expedited review
October 29, 2015	Commission statutory deadline to complete expedited reviews

### RESPONSES TO THE COMMISSION’S NOTICE OF INSTITUTION

#### Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of the Metal Grating Coalition (“MGC”) and its individual members, Alabama Metal Industries Corporation (“AMICO”), Fisher & Ludlow, Inc. (“Fisher”),

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<sup>1</sup> 19 U.S.C. §1675(c).

<sup>2</sup> *Certain Steel Grating from China: Institution of Five-Year Reviews*, 80 FR 31071, June 1, 2015. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of five-year reviews of the subject antidumping and countervailing duty orders concurrently with the Commission’s notice of institution. *Initiation of Five-Year (“Sunset”) Review*, 80 FR 31012, June 1, 2015. Pertinent *Federal Register* notices are referenced in app. A, and may be found at the Commission’s website ([www.usitc.gov](http://www.usitc.gov)).

<sup>3</sup> As part of their response to the notice of institution, interested parties were requested to provide company-specific information. That information is presented in app. B. Summary data compiled in prior proceedings is presented in app. C.

<sup>4</sup> Interested parties were also requested to provide a list of three to five leading purchasers in the U.S. market for the subject merchandise. Presented in app. D are the responses received from purchaser surveys mailed to the purchasers identified in the adequacy phase of these reviews.

Harsco Industrial IKG (“Harsco”), Interstate Gratings, LLC (“Interstate”), and Ohio Gratings, Inc. (“Ohio Gratings”), domestic producers of CSG, collectively referred to herein as “domestic interested parties.”

A complete response to the Commission’s notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy and explain any deficiencies in their responses. A summary of the number of responses and estimates of coverage for each is shown in table I-1. The Commission did not receive any response from producers or exporters in China of the subject merchandise.

**Table I-1**  
**CSG: Summary of responses to the Commission’s notice of institution**

Type of interested party	Completed responses	
	Number	Coverage
Domestic producers	5	***% <sup>1</sup>

<sup>1</sup> The coverage figure presented, as provided by the domestic interested parties in their response, represents the firms’ aggregate share of total US. production of CSG during 2014.

### Party comments on adequacy

The Commission received one submission from the domestic interested parties commenting on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. Domestic interested parties noted that members of the Metal Grating Coalition (MGC) accounted for \*\*\* of the production of the domestic like product in 2014 and that its submissions and responses are complete and constitute an adequate response on behalf of the domestic industry. Domestic interested parties further argued that, because the Commission received no response to the notice of institution from any respondent interested party (despite several Chinese firms actively challenging the orders in U.S. courts), respondent interested parties’ response to the notice of institution is inadequate. MGC also argued that given respondent parties’ unwillingness to participate, the lack of evidence of a change in the conditions of competition or other factors that might compel the Commission to conduct full reviews, and certain other factors that evidence vulnerability on the part of the domestic industry, the Commission should conduct expedited reviews.<sup>5</sup>

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<sup>5</sup> *Domestic Interested Parties’ Comments on the Adequacy of Substantive Responses*, August 13, 2015, pp. 2-4.

## RECENT DEVELOPMENTS IN THE INDUSTRY

Since the Commission's original investigations, the following developments have occurred in the CSG industry.

- Harsco Industrial IKG, formerly known as IKG Industries, changed its name in January 2010.
- Harsco Industrial IKG invested in China, establishing a majority-owned subsidiary holding company in 2010 and a majority-owned producer of CSG, JiangSu Harsco in 2012. The firm's ownership stake in both subsidiaries was increased to 100 percent in 2014.<sup>6</sup>
- After U.S. antidumping and countervailing duties were imposed on U.S. imports of CSG from China, Canada imposed antidumping duties and countervailing duties on imports of CSG from China.

## THE PRODUCT

### Commerce's scope

Commerce has defined the subject merchandise as:

The products covered by this investigation are certain steel grating, consisting of two or more pieces of steel, including load-bearing pieces and cross pieces, joined by any assembly process, regardless of: (1) Size or shape; (2) method of manufacture; (3) metallurgy (carbon, alloy, or stainless); (4) the profile of the bars; and (5) whether or not they are galvanized, painted, coated, clad or plated. Steel grating is also commonly referred to as "bar grating," although the components may consist of steel other than bars, such as hot-rolled sheet, plate, or wire rod.

The scope of this investigation excludes expanded metal grating, which is comprised of a single piece or coil of sheet or thin plate steel that has been slit and expanded, and does not involve welding or joining of multiple pieces of steel. The scope of this investigation also excludes plank type safety grating

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<sup>6</sup> Harsco Industrial IKG's 2010 Form 10-K, exhibit 21 indicates that it formed the Harsco Industrial Grating China Holding Co. Limited, of which it was a 70-percent owner, in 2010, and that 70 percent share continued until it increased to 100 percent in 2014. In exhibit 21 to the 2012 Form 10-K JiangSu Harsco Industrial Grating Co. Limited (70 percent ownership share) also is listed while exhibit 21 to the 2014 Form 10-K shows that the ownership share increased to 100 percent. In the 2009 Form 10-K neither subsidiary is listed. JiangSu Harsco \*\*\*. *Domestic Interested Parties' Response to the Notice of Institution*, July 1, 2015, exh. 3.

which is comprised of a single piece or coil of sheet or thin plate steel, typically in thickness of 10 to 18 gauge, that has been pierced and cold formed, and does not involve welding or joining of multiple pieces of steel.<sup>7</sup>

### **Description and uses<sup>8</sup>**

CSG is a fabricated product distinguished by two sets of components– the “bearing bars” that extend across the length and the “crossbars” that transverse (typically perpendicular to) the bearing bars to form a “panel.” The dimensions and spacing of both the bearing bars and crossbars are designed for a wide variety of load-bearing and load-distribution applications. CSG is available in various forms, including “standard welded bar grating” with crossbars welded across the tops of the bearing bars, “press-locked grating” with notched bearing bars and sometimes notched crossbars mechanically pressed together, “swage-locked grating” characterized by crossbars passing through and swaged (crimped) on each side of bearing bars, and “riveted grating” distinguished by reticulated (pre-bent) bars riveted between adjacent bearing bars to enhance load-carrying capacity. Upper edges of the bearing bars can be serrated for greater traction. Common end uses include walkways, mezzanines, and catwalks; platforms for overhead signs, fire escapes, and railway rolling-stock stand platforms; and stairways and flooring. Decking and supports are heavier-duty applications for CSG, for example, motor-vehicle bridges, railway rolling-stock flooring, drainage pit covers, boat landing ramps, truck beds, running boards, and mooring docks. CSG is commonly produced to American National Standards Institute (“ANSI”)/National Association of Architectural Metal Manufacturers (“NAAMM”) standards MBG 531-09 or MBG 532-09.

### **U.S. tariff treatment**

CSG is currently provided for in HTS subheading 7308.90.70 (an *eo nomine* provision for steel grating).<sup>9</sup> CSG produced in China enters the U.S. market at a column 1-general duty rate of “free.”

### **The definition of the domestic like product and domestic industry**

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. In its original determinations, the Commission defined a single domestic

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<sup>7</sup> *Certain Steel Grating From the People’s Republic of China, Final Determination of Sales at Less Than Fair Value*, 75 FR 32366, June 8, 2010.

<sup>8</sup> Unless otherwise noted, this information is based on *Certain Steel Grating from China, Inv. Nos. 701-TA-465 and 731-TA-1161 (Final)*, USITC Publication 4168, July 2010, pp. I-6 through I-7.

<sup>9</sup> The classification of goods in the HTS is determined by U.S. Customs and Border Protection, and the Commission’s identification of appropriate HTS provisions is not binding on Customs.

like product consisting of CSG, coextensive with Commerce's scope of the investigations, and it defined a single domestic industry as all producers of CSG.<sup>10</sup>

In its notice of institution for these reviews, the Commission solicited comments from interested parties regarding the appropriate domestic like product. According to their response to the notice of institution, the domestic producers indicated that they agree with the Commission's definitions.<sup>11</sup>

## THE ORIGINAL INVESTIGATIONS

The original investigations resulted from petitions filed on May 29, 2009, with Commerce and the Commission by Alabama Metal Industries Corp., of Birmingham, Alabama ("AMICO") and Fisher & Ludlow, Inc., of Wexford, Pennsylvania. On June 8, 2010, Commerce made final affirmative dumping and subsidy determinations on U.S. imports of CSG from China.<sup>12</sup> On July 13, 2010, the Commission notified Commerce of its final affirmative determinations.<sup>13</sup> On July 23, 2010, Commerce issued an antidumping duty order and a countervailing duty order on imports of CSG from China.<sup>14</sup> Table I-2 presents the dumping margins and net countervailable subsidy rates calculated by Commerce in its original final investigations.

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<sup>10</sup> *Certain Steel Grating from China, Inv. Nos. 701-TA-465 and 731-TA-1161 (Final)*, USITC Publication 4168, July 2010, pp. 5-6.

<sup>11</sup> *Domestic Interested Parties' Response to the Notice of Institution*, July 1, 2015, p. 24.

<sup>12</sup> *Final Affirmative Countervailing Duty Determination*, 75 FR 32362, June 8, 2010, and *Final Determination of Sales at Less than Fair Value*, 75FR 32366, June 8, 2010.

<sup>13</sup> *Certain Steel Grating from China, Determination*, 75 FR 41889, July 19, 2010.

<sup>14</sup> *Antidumping Duty Order*, 75 FR 43143, July 23, 2010; corrected 75 FR 69626, November 15, 2010; amended 79 FR 43396, July 25, 2014; amended 79 FR 47617, August 14, 2014. *Countervailing Duty Order*, 75 FR 43144, July 23, 2010.

**Table I-2**

**CSG: Commerce's original investigation dumping margins and net countervailable subsidy rates**

<b>Producer/Exporterr</b>	<b>Antidumping duty margin (percent)</b>	<b>Net countervailable subsidy rate (percent)</b>
Sinosteel Yantai Steel Grating Co., Ltd/Sinosteel Yantai Steel Grating Co., Ltd.	136.76	
Ningbo Lihong Steel Grating Co., Ltd/ Ningbo Haitian International co., Ltd. <sup>1</sup>	136.76	
Yantai Xinke Steel Structure Co., Ltd/Yantai Xinke Steel Structure Co., Ltd. <sup>1</sup>	136.76	
PRC-wide entity <sup>2</sup>	145.18	
Ningbo Jiulong Machinery Manufacturing Co., Ltd./Ningbo Jiulong Machinery Manufacturing Co., Ltd.	145.18	62.46
All Others		62.46

<sup>1</sup> After litigation and under protest, the weighted-average dumping margin for Ningbo Haitan and Yantai Xinke was reduced to 38.16 percent. *Steel Grating from the People's Republic of China: Notice of Correction to the Notice of a Court Decision Not in Harmony with the Final Determination in the Less-Than-Fair-Value Investigation and Notice of Amended Final Determination Pursuant to Court Decision*, 79 FR 47617, August 14, 2014.

<sup>2</sup> Ningbo Jiulong Machinery Manufacturing Co., Ltd., Ninbbo Zhenhai Jiulong Electronic Equipment Factory and Shanghai DAHE grating Co., Ltd are part of the PRC-wide entity.

Source: *Antidumping Duty Order* (corrected), 75 FR 69626, November, 15, 2010; (amended) 79 FR 47617; *Countervailing Duty Order*, 75 FR 43144, July 3, 2010.

**PRIOR RELATED INVESTIGATIONS**

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

**SUBSEQUENT ACTIONS AT COMMERCE**

Commerce has not made duty absorption findings and has not conducted any administrative reviews, scope inquiries, anti-circumvention inquiries, or changed circumstances reviews since the issuance of the antidumping duty and the countervailing duty orders.

Commerce notified the Commission that it had not received adequate responses from respondent interested parties to its notice of initiation of the current five-year reviews of the antidumping and countervailing duty orders on imports of CSG from China. Consequently, it

intends to conduct expedited reviews of the orders and to issue its final determinations by September 29, 2015.<sup>15</sup>

## THE INDUSTRY IN THE UNITED STATES

### U.S. producers

U.S. industry data collected in the original investigations were based on the questionnaire response of five domestic producers that accounted for virtually all U.S. production of CSG in 2009.<sup>16</sup> Two of these firms (\*\*\*), directly imported CSG from China.<sup>17</sup>

In response to the Commission's notice of institution in these current five-year reviews, domestic interested parties provided a list of six known and currently operating U.S. producers of CSG: AMICO (accounting for \*\*\* percent of 2014 U.S. CSG production); Fisher (\*\*\* percent); IKG (\*\*\* percent); Interstate (\*\*\* percent); Ohio Gratings (\*\*\* percent); and Banker Gratings (\*\*\* percent).<sup>18</sup> Domestic interested parties stated in their response that \*\*\*.<sup>19</sup>

### 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 current five-year review.<sup>20</sup> Table I-3 presents a compilation of the data submitted from all responding U.S. producers, as well as trade and financial data submitted by U.S. producers in the original investigations.

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<sup>15</sup> Letter to Catherine DeFilippo, Director, Office of Investigations, U.S. International Trade Commission from Erin Begnal, Director, Office AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce International Trade Administration, July 20, 2015.

<sup>16</sup> Questionnaire responses were received from AMICO, Fisher, IKG, Leavitt, and Ohio Gratings but not from two other firms, Bailey or Laurel, which were identified in the petitions as producing CSG. Bailey produced \*\*\* kilograms of CSG in 2008 and Laurel produced \*\*\* kilograms; together they accounted for less than \*\*\* percent of domestic production in that year. Leavitt \*\*\*. In the original investigation, data for \*\*\*. *Certain Steel Grating from China, Inv. Nos. 701-TA-465 and 731-TA-1161 (Final)*—Staff Report, INV-HH-061, p. III-1, note 1 and pp. III-2-III-3. According to their Internet sites, both Bailey and Laurel produce heavy duty steel bar grating. See <http://www.baileybridge.com> for that firm's grating specifications and <http://www.mlpsteel.com> for the firm's catalog of its Laurel division's steel gratings.

<sup>17</sup> *Certain Steel Grating from China, Inv. Nos. 701-TA-465 and 731-TA-1161 (Final)*—Staff Report, INV-HH-061, p III-7. During the original investigations, the Commission determined that appropriate circumstances did not exist to exclude \*\*\* as related parties. Confidential Views of the Commission, pp. 9-15.

<sup>18</sup> *Domestic Interested Parties' Response to the Notice of Institution*, July 1, 2015 (supplemented on July 13, 2015), exh. SUPP-2. As noted earlier, \*\*\*.

<sup>19</sup> *Domestic Interested Parties' Response to the Notice of Institution*, July 1, 2015, exh. 2.

<sup>20</sup> Individual company trade and financial data are presented in app. B.

**Table I-3****CSG: Trade and financial data submitted by U.S. producers, 2007-09, and 2014**

Item	2007	2008	2009	2014
Capacity (1,000 kilograms)	277,153	332,185	315,447	305,448
Production (1,000 kilograms)	155,678	155,506	117,738	164,052
Capacity utilization (percent)	56.2	46.8	37.3	53.7
U.S. commercial shipments:				
Quantity (1,000 kilograms)	90,871	***	***	***
Value (\$1,000)	136,879	***	***	***
Unit value (per kilogram)	1.51	***	***	***
Internal consumption/company transfers:				
Quantity (1,000 kilograms)	52,622	***	***	***
Value (\$1,000)	82,518	***	***	***
Unit value (per kilogram)	1.57	***	***	***
Total U.S. shipments:				
Quantity (1,000 kilograms)	143,493	146,790	108,443	151,102
Value (\$1,000)	219,397	262,939	162,263	306,639
Unit value (per kilogram)	1.53	1.79	1.50	2.03
Exports:				
Quantity (1,000 kilograms)	***	***	***	***
Value (\$1,000)	***	***	***	***
Unit value (per kilogram)	***	***	***	***
Net sales (\$1,000)	***	***	***	***
COGS (\$1,000)	***	***	***	***
COGS/net sales	77.9	77.7	84.9	80.4
Gross profit (\$1,000)	***	***	***	***
SG&A expenses (\$1,000)	***	***	***	***
Operating income (\$1,000)	***	***	***	***
Operating income/net sales (percent)	12.2	13.4	2.9	5.7

Source: For the years 2007-09, data are compiled using data submitted in the Commission's original investigations. See table III-3 of the original investigations BPI staff report. For the year 2014, data are compiled using data submitted by domestic interested parties. *Domestic Interested Parties' Response to the Notice of Institution*, July 1, 2015, exh. 6 and Supplemental Response, July 15, 2015 exh. SUPP-2.

## U.S. IMPORTS AND APPARENT CONSUMPTION

### U.S. importers

In the final phase of the original investigations, the Commission issued questionnaires to 35 firms believed to be importers of subject CSG, as well as to all U.S. producers of CSG. Usable questionnaire responses were received from 16 companies, representing 49.3 percent of total imports from China under HTS subheading 7308.90.70 for January 2007-June 2010.<sup>21</sup>

In their response to the Commission's notice of institution in these reviews, domestic interested parties provided a list of nine known and currently operating U.S. importers of CSG from China.<sup>22</sup>

### U.S. imports

In its original investigations, the Commission found that the volume of subject imports was significant, both in absolute terms and relative to consumption and production in the United States. The Commission noted that the presence of subject imports in the U.S. market was more significant than the data on import volume and market share in 2009 suggest because there were substantial inventories of CSG from China, which limited the domestic industry's ability to gain sales. Although subject imports from China fell between 2008 and 2009, there were continuing imports of low-priced subject product at a lower volume that competed for limited sales during the 2009 recession with CSG produced by the domestic industry.<sup>23</sup>

Table I-4 presents the quantity, value, and unit value for imports from China as well as the other top sources of U.S. imports for 2010-14.<sup>24</sup> U.S. imports from China fell from \*\*\* kilograms in 2009 (see table I-5) to 717,659 kilograms in 2010, before falling further to 244,417 kilograms in 2012. Though substantially lower in quantity than during 2007-09, imports of CSG from China increased to 1.2 million kilograms in 2013 and further to 1.6 million kilograms in 2014.

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<sup>21</sup> U.S. import data presented in the Commission's original final staff report are based on official Commerce statistics for all steel grating (HTS subheading 7308.90.70), as adjusted to delete imports by \*\*\* of nonsubject structural steel. *Certain Steel Grating from China, Inv. Nos. 701-TA-465 and 731-TA-1161 (Final)—Staff Report*, INV-HH-061, pp. IV-1 and IV-3.

<sup>22</sup> *Domestic Interested Parties' Response to the Notice of Institution*, July 1, 2015, exh. 3.

<sup>23</sup> *Certain Steel Grating from China, Inv. Nos. 701-TA-465 and 731-TA-1161 (Final)*, USITC Publication 4168, July 2010, pp. 17-18.

<sup>24</sup> The U.S. import data presented in this report are based on unadjusted official Commerce statistics for all steel grating (HTS subheading 7308.90.70). As previously noted, the import data presented in the Commission's staff report in the original investigations were adjusted to remove nonsubject imports of structural steel by \*\*\*. A review of the proprietary import statistics for 2010-14 indicates that \*\*\* imported only \*\*\* kilograms of merchandise from \*\*\* during 2010. Therefore, the import data in table I-4 has not been adjusted.

**Table I-4**  
**CSG: U.S. imports, 2010-14**

Item	2010	2011	2012	2013	2014
	<b>Quantity (1,000 kilograms)</b>				
China (subject)	718	385	244	1,176	1,591
Canada	10,691	9,990	9,671	8,271	8,308
India	847	2,951	2,655	3,160	4,153
Mexico	626	1,269	1,128	770	1,010
Netherlands	453	200	121	20	( <sup>1</sup> )
South Africa	89	90	65	66	80
Taiwan	2,389	3,080	3,395	2,526	2,149
United Arab Emirates	111	( <sup>2</sup> )	( <sup>2</sup> )	1,945	1,253
All other imports (nonsubject)	935	568	1,027	1,022	1,348
Total imports	16,858	18,532	18,307	18,954	19,891
	<b>Landed, duty-paid value (1,000 dollars)</b>				
China (subject)	1,253	1,360	707	2,590	3,433
Canada	19,573	23,073	24,161	15,140	14,701
India	1,093	4,220	3,914	3,935	5,780
Mexico	1,075	2,550	2,230	1,834	2,331
Netherlands	3,904	1,947	1,069	103	3
South Africa	1,409	1,240	837	919	1,017
Taiwan	2,873	4,225	4,345	3,275	2,816
United Arab Emirates	117	( <sup>2</sup> )	( <sup>2</sup> )	487	1,924
All other imports (nonsubject)	1,823	1,874	2,847	3,558	4,170
Total imports	33,119	40,489	40,109	31,840	36,175
	<b>Unit value (dollars per kilogram)</b>				
China (subject)	1.75	3.53	2.89	2.20	2.16
Canada	1.83	2.31	2.50	1.83	1.77
India	1.29	1.43	1.47	1.25	1.39
Mexico	1.72	2.01	1.98	2.38	2.31
Netherlands	8.62	9.75	8.84	5.23	8.64
South Africa	15.86	13.73	12.87	14.01	12.78
Taiwan	1.20	1.37	1.28	1.30	1.31
United Arab Emirates	1.06	( <sup>3</sup> )	( <sup>3</sup> )	0.25	1.54
All other imports (nonsubject)	1.95	3.30	2.77	3.48	3.09
Average total imports	1.96	2.18	2.19	1.68	1.82

<sup>1</sup> Less than 500 kilograms.

<sup>2</sup> No imports reported.

<sup>3</sup> Not applicable.

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

Source: Official statistics of Commerce for HTS subheading 7308.90.70.

## Apparent U.S. consumption and market shares

Table I-5 presents data on U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, while table I-6 presents data on U.S. market shares of U.S. apparent consumption.

**Table I-5**

**CSG: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 2007-09, and 2014**

Item	2007	2008	2009	2014
	<b>Quantity (1,000 kilograms)</b>			
U.S. producers' U.S. shipments	143,493	146,790	108,443	151,102
U.S. imports from—				
China	14,450	***	***	1,591
All other	18,826	***	***	18,300
Total imports	33,276	***	***	19,891
Apparent U.S. consumption	176,769	***	***	170,993
	<b>Value (1,000 dollars)</b>			
U.S. producers' U.S. shipments	219,397	262,939	162,263	306,639
U.S. imports from—				
China	16,026	***	***	3,433
All other	32,795	***	***	32,742
Total imports	48,820	***	***	36,175
Apparent U.S. consumption	268,217	***	***	342,813

*Source:* For the years 2007-09, data are compiled using data submitted in the Commission's original investigations. *See app. C.* For the year 2014, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS subheading 7308.90.70.

Table I-6

## CSG: Apparent U.S. consumption and U.S. market shares, 2007-09, and 2014

Item	2007	2008	2009	2014
	<b>Quantity (1,000 kilograms)</b>			
Apparent U.S. consumption	176,769	***	***	170,993
	<b>Value (1,000 dollars)</b>			
Apparent U.S. consumption	268,217	***	***	342,813
	<b>Share of consumption based on quantity (percent)</b>			
U.S. producer's share	81.2	***	***	88.4
U.S. imports from--				
China	8.2	***	***	0.9
All other sources	10.7	***	***	10.7
Total imports	18.8	***	***	11.6
	<b>Share of consumption based on value (percent)</b>			
U.S. producer's share	81.8	***	***	89.4
U.S. imports from--				
China	6.0	***	***	1.0
All other sources	12.2	***	***	9.6
Total imports	18.2	***	***	10.6

Source: For the years 2007-09, data are compiled using data submitted in the Commission's original investigations. See *app. C*. For the year 2014, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS subheading 7308.90.70.

### THE INDUSTRY IN CHINA

During the final phase of the original investigations, the Commission issued foreign producer/exporter questionnaires to 40 firms identified as producers or exporters of CSG in China. No completed questionnaire responses were received in the Commission's final phase of the investigations. However, three firms responded in the preliminary phase of the investigations and estimated that they accounted for 6.0 percent of production of CSG in China and 32.3 percent of exports of CSG from China to the United States in 2008. Reported exports of CSG to the United States by these firms in 2008 were equivalent to \*\*\* percent, by quantity, of U.S. imports of CSG from China in 2008 based on official Commerce statistics. A study of the steel grating market in China commissioned by the petitioners in the original investigations indicated that the industry in China had an annual production capacity of approximately 1.8 billion kilograms in 2010. The study, prepared by \*\*\*, analyzed 57 producers in China who reportedly had a combined annual capacity of 975 million kilograms of CSG at that time.<sup>25</sup>

The Commission did not receive any responses to the notice of institution from foreign producers or exporters in these first five-year reviews although two Chinese firms have pursued

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<sup>25</sup> BPI staff report, p. VII-2.

litigation in the United States over their antidumping duty margins, as noted earlier in table I-2 (note 1). The domestic interested parties provided a list of 26 firms in their response that they believe currently produce CSG in China.<sup>26</sup>

### **ANTIDUMPING OR COUNTERVAILING DUTY ORDERS IN THIRD-COUNTRY MARKETS**

Since the original investigations, imports of CSG from China have become subject to antidumping and countervailing duty orders in Canada. Following a complaint filed by Fisher & Ludlow of Ontario, Canada, on September 21, 2010, the Canada Border Services Agency (CBSA) initiated antidumping and countervailing duty investigations concerning “carbon steel bar grating, consisting of load-bearing pieces and cross pieces, produced as standard grating or heavy-duty grating, in panel form, whether galvanized, painted, coated, clad or plated, originating in or exported from China.”<sup>27</sup> Antidumping duties of between 0 to 85 percent and countervailing duties of 543 to 13,064 RMB per metric ton were implemented by the Canada Border Services Agency on April 19, 2011 (table I-7).<sup>28</sup> The Canadian International Trade Tribunal (CITT) and CSBA recently initiated a 5-year review of the orders and are scheduled to issue their determinations by April 18, 2016.<sup>29</sup>

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<sup>26</sup> *Domestic Interested Parties’ Response to the Notice of Institution*, July 1, 2015, exh. 4. This list was supplemented with photocopied pages from the Internet sites of several of the firms. Ibid, exh. 8.

<sup>27</sup> Canada Border Services Agency, *Certain Steel Grating: Notice of Conclusion of Re-Investigation*, July 14, 2015, <http://www.cbsa-asfc.gc.ca/sima-1msi/i-e/ad1389-i10-nf-eng.html>, retrieved on July 30, 2015; and Canada International Trade Tribunal, *Steel Grating, Inquiry No. NQ-2010-002*, Findings issued April 19, 2011, corrigendum issued April 28, 2011, [http://www.citt.gc.ca/en/dumping/inquirie/findings/archive\\_nq2k002\\_e](http://www.citt.gc.ca/en/dumping/inquirie/findings/archive_nq2k002_e), retrieved July 30, 2015.

<sup>28</sup> Canada Border Services Agency, Anti-dumping and Countervailing Directorate, *SIMA-Notice of Final Determinations—Certain Steel Grating*, March 21, 2011, <http://www.cbsa-asfc.gc.ca/sima-imsi/i-e/ad1389-i10-nf-eng.html>, retrieved July 30, 2015; and Canada International Trade Tribunal, *Steel Grating, Inquiry no. NQ-2010-002*, Findings issued April 19, 2011, <http://www.citt.gc.ca/en/dumping/inquirie/findings/archive-nq2k002-e>, retrieved on July 30, 2015.

<sup>29</sup> Canadian International Trade Tribunal, *Steel Grating Expiry Review No. RR-2015-001*, August 12, 2015, <http://www.citt-tcce.gc.ca/en/node/7403>, retrieved August 12, 2015.

**Table I-7****CSG: Canada's final dumping and subsidy determinations on imported CSG from China**

Exporter	Quantity (Percent of total)	Margin of dumping (as percent of export price)	Amount of subsidy (Chinese Renminbi per metric ton)
Shanghai DAHE Grating Co. Ltd.	12.54	0	632
SinoSteel Yantai Steel Grating Co., Ltd.	5.86	16.26	543
All other exporters	81.6	85	13,064

Source: Archived-SIMA-Notice of Final Determination-Certain Steel Grating, <http://www.cbsa-asfc.gc.ca/sima-1msi/i-e/ad1389-i10-nf-eng.html>, retrieved July 30, 2015.

**THE GLOBAL MARKET**

Table I-8 presents the largest global export sources of structures or parts of iron or steel, nesoi (7308.90) during 2010-14. HS subheading 7308.90, iron and steel parts, is significantly broader than the subject HTS code and contains many nonsubject articles. However, China is by far the largest global exporter of these products in terms of volume, exporting nearly 3 to 4 times more than the second largest exporter, Germany, in every year from 2010 to 2014.

**Table I-8****CSG: Global exports by major sources, 2010-14**

Item	2010	2011	2012	2013	2014
	<b>Quantity (thousand kilograms)</b>				
China	3,830,752	4,393,385	4,970,778	4,805,950	4,787,998
Germany	940,067	1,024,374	1,018,507	969,132	978,220
Poland	538,419	597,330	668,909	726,240	772,615
South Korea	321,312	547,355	630,085	640,409	687,402
Belgium	544,767	684,038	586,565	596,950	602,229
Spain	187,683	261,126	316,271	457,115	582,183
Italy	352,827	377,775	391,733	403,086	453,715
Turkey	260,035	294,585	389,143	402,091	429,635
Czech Republic	307,805	330,184	348,154	370,826	361,712
United States	292,824	302,343	398,607	354,831	341,665
All other	3,053,184	3,348,890	3,790,248	3,943,566	4,038,969
Total <sup>1</sup>	10,629,675	12,161,385	13,509,000	13,670,196	14,036,343

<sup>1</sup> The total does not include Canada and Israel because these countries do not report quantity for this HS number. Canada and Israel were the 20<sup>th</sup> and 60<sup>th</sup> largest global exporters of merchandise categorized under HS subheading 7308.90 in terms of value in 2014.

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7308.90

**APPENDIX A**

***FEDERAL REGISTER NOTICES***



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

Citation	Title	Link
80 FR 31012 June 1, 2015	<i>Steel Grating From China; Initiation of Five-Year ("Sunset") Reviews</i>	<a href="http://www.gpo.gov/fdsys/pkg/FR-2015-06-01/pdf/2015-31012.pdf">http://www.gpo.gov/fdsys/pkg/FR-2015-06-01/pdf/2015-31012.pdf</a>
80 FR 31071 June 1, 2015	<i>Certain Steel Grating from China: Initiation of Five-Year Reviews</i>	<a href="http://www.gpo.gov/fdsys/pkg/FR-2015-06-01/pdf/2015-31071.pdf">http://www.gpo.gov/fdsys/pkg/FR-2015-06-01/pdf/2015-31071.pdf</a>



**APPENDIX B**  
**COMPANY-SPECIFIC DATA**



**RESPONSE CHECKLIST FOR U.S. PRODUCERS**

Item	AMICO	IKG	Interstate	Ohio	Fisher	Total (MGC)
	Quantity=1,000 kilograms; value=1,000 dollars; ratios=percent					
Nature of operation	***	***	***	***	***	✓
Statement of intent to participate	***	***	***	***	***	✓
Statement of likely effects of revoking the order	***	***	***	***	***	✓
U.S. producer list	***	***	***	***	***	✓
U.S. importer/foreign producer list	***	***	***	***	***	✓
List of 3-5 leading purchasers	***	***	***	***	***	✓
List of sources for national/regional prices	***	***	***	***	***	?
Production:						
Quantity <sup>1</sup>	***	***	***	***	***	164,052
Percent of total reported <sup>1</sup>	***	***	***	***	***	***
Capacity	***	***	***	***	***	305,448
Commercial shipments:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Internal consumption/Transfers:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Net sales <sup>2</sup>	***	***	***	***	***	***
COGS	***	***	***	***	***	***
Gross profit	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***
Operating income	***	***	***	***	***	***
Changes in supply/demand	***	***	***	***	***	✓
<sup>1</sup> The Metal Grating Coalition estimated non-member *** production at *** of CSG in 2014, equivalent to ***% of U.S. production in that year. <sup>2</sup> Differences between commercial shipments plus internal consumption and total net sales are attributable to exports, which totaled *** kilograms, valued at \$*** in 2014.						
Note.—Trade and financial data are for calendar year 2014.						
✓ = response proved; ? = indicated that the information was not known.						



**APPENDIX C**

**SUMMARY DATA COMPILED IN ORIGINAL INVESTIGATIONS**



Table C-1

CSG: Summary data concerning the U.S. market, 2007-09, January-June 2009, and July-December 2009

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

Item	Reported data					Period changes			
	2007	2008	2009	January-June 2009	July-December 2009	2007-09	2007-08	2008-09	Jan.-June- July-Dec. 2009
	U.S. consumption quantity:								
Amount	176,769	***	***	***	***	***	***	***	***
Producers' share (1)	81.2	***	***	***	***	***	***	***	***
Importers' share (1):									
China	8.2	***	***	***	***	***	***	***	***
All other sources	10.7	***	***	***	***	***	***	***	***
Total imports	18.8	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	268,217	***	***	***	***	***	***	***	***
Producers' share (1)	81.8	***	***	***	***	***	***	***	***
Importers' share (1):									
China	6.0	***	***	***	***	***	***	***	***
All other sources	12.2	***	***	***	***	***	***	***	***
Total imports	18.2	***	***	***	***	***	***	***	***
U.S. imports from:									
China:									
Quantity	14,450	***	***	***	***	***	***	***	***
Value	16,026	***	***	***	***	***	***	***	***
Unit value	\$1.11	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All other sources:									
Quantity	18,826	***	***	***	***	***	***	***	***
Value	32,795	***	***	***	***	***	***	***	***
Unit value	\$1.74	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All sources:									
Quantity	33,276	***	***	***	***	***	***	***	***
Value	48,820	***	***	***	***	***	***	***	***
Unit value	\$1.47	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
U.S. producers:									
Average capacity quantity	277,153	332,185	315,447	161,167	154,280	13.8	19.9	-5.0	-4.3
Production quantity	155,678	155,506	117,738	59,002	58,736	-24.4	-0.1	-24.3	-0.5
Capacity utilization (1)	56.2	46.8	37.3	36.6	38.1	-18.8	-9.4	-9.5	1.5
U.S. shipments:									
Quantity	143,493	146,790	108,443	55,539	52,904	-24.4	2.3	-26.1	-4.7
Value	219,397	262,939	162,263	85,832	76,430	-26.0	19.8	-38.3	-11.0
Unit value	\$1.53	\$1.79	\$1.50	\$1.55	\$1.44	-2.1	17.2	-16.5	-6.5
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	17,539	15,653	16,923	14,643	16,923	-3.5	-10.8	8.1	15.6
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***
Production workers	598	626	518	533	503	-13.4	4.7	-17.3	-5.6
Hours worked (1,000s)	1,276	1,336	1,085	538	547	-15.0	4.7	-18.8	1.7
Wages paid (\$1,000s)	25,591	27,534	21,314	10,367	10,947	-16.7	7.6	-22.6	5.6
Hourly wages	\$20.06	\$20.61	\$19.64	\$19.27	\$20.01	-2.1	2.8	-4.7	3.9
Productivity (kilograms per hour)	122.0	116.4	108.5	109.6	107.4	-11.1	-4.6	-6.8	-2.0
Unit labor costs	\$0.16	\$0.18	\$0.18	\$0.18	\$0.19	10.2	7.7	2.3	6.0
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	7,580	3,071	6,320	5,390	930	-16.6	-59.5	105.8	-82.7
Unit COGS	\$1.18	\$1.39	\$1.27	\$1.35	\$1.17	7.2	17.5	-8.8	-13.2
Unit SG&A expenses	\$0.15	\$0.16	\$0.18	\$0.18	\$0.19	21.5	6.7	13.9	6.3
Unit operating income or (loss)	\$0.19	\$0.24	\$0.04	\$0.02	\$0.07	-76.6	28.6	-81.8	182.5
COGS/sales (1)	77.9	77.7	84.9	87.1	82.3	7.0	-0.2	7.2	-4.9
Operating income or (loss)/ sales (1)	12.2	13.4	2.9	1.5	4.6	-9.3	1.1	-10.4	3.1

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

Note.--Financial data are reported on a fiscal year basis 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 and from official Commerce statistics.

**Table C-2**  
**CSG: Summary data concerning the U.S. market (excluding \*\*), 2007-09, January-June 2009, July-December 2009**

\* \* \* \* \*

**Table C-3**  
**CSG: U.S. producer/fabricator data, 2007-09, January-June 2009, and July-December 2009**

\* \* \* \* \*

**Table C-4**  
**CSG: Combined operations of U.S. producers' subject imports and domestic production, 2007-09, January-June 2009, and July-December 2009**

\* \* \* \* \*

**APPENDIX D**  
**PURCHASER SURVEYS**



As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from domestic interested parties and it named the following 10 firms as the top purchasers of CSG: \*\*\*. Purchaser questionnaires were sent to these 10 firms and two firms (\*\*\*) provided responses, which are presented below.

1. a.) Have any changes occurred in technology; production methods; or development efforts to produce certain steel grating that affected the availability of certain steel grating in the U.S. market or in the market for certain steel grating in China since initial year of review (2010)?
  
- b.) Do you anticipate any changes in technology; production methods; or development efforts to produce certain steel grating that will affect the availability of certain steel grating in the U.S. market or in the market for certain steel grating in China within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
***	No	No
***	No	No

2. a.) Have any changes occurred in the ability to increase production of certain steel grating (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production) that affected the availability of certain steel grating in the U.S. market or in the market for certain steel grating in China since 2010?
  
- b.) Do you anticipate any changes in the ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production) that will affect the availability of certain steel grating in the U.S. market or in the market for certain steel grating in China within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
***	No	No
***	No	No

3. a.) Have any changes occurred in factors related to the ability to shift supply of certain steel grating among different national markets (including barriers to importation in foreign markets or changes in market demand abroad) that affected the availability of certain steel grating in the U.S. market or in the market for certain steel grating in China since 2010?

b.) Do you anticipate any changes in factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad) that will affect the availability of certain steel grating in the U.S. market or in the market for certain steel grating in China within a reasonably foreseeable time?

<b>Purchaser</b>	<b>Changes that have occurred</b>	<b>Anticipated changes</b>
***	No	No
***	No	No

4. a.) Have there been any changes in the end uses and applications of certain steel grating in the U.S. market or in the market for certain steel grating in China since 2010?

b.) Do you anticipate any changes in the end uses and applications of certain steel grating in the U.S. market or in the market for certain steel grating in China within a reasonably foreseeable time?

<b>Purchaser</b>	<b>Changes that have occurred</b>	<b>Anticipated changes</b>
***	No	No
***	No	No

5. a.) Have there been any changes in the existence and availability of substitute products for certain steel grating in the U.S. market or in the market for certain steel grating in China since 2010?

b.) Do you anticipate any changes in the existence and availability of substitute products for certain steel grating in the U.S. market or in the market for certain steel grating in China within a reasonably foreseeable time?

<b>Purchaser</b>	<b>Changes that have occurred</b>	<b>Anticipated changes</b>
***	No	No
***	No	No

6. a.) Have there been any changes in the level of competition between certain steel grating produced in the United States, certain steel grating produced in China, and such merchandise from other countries in the U.S. market or in the market for certain steel grating in China since 2010?

b.) Do you anticipate any changes in the level of competition between certain steel grating produced in the United States, certain steel grating produced in China, and such merchandise from other countries in the U.S. market or in the market for certain steel grating in China within a reasonably foreseeable time?

<b>Purchaser</b>	<b>Changes that have occurred</b>	<b>Anticipated changes</b>
***	We've seen significant increases and attractive commercial offers from Dubai and Taiwan since 2010.	No
***	No	No

7. a.) Have there been any changes in the business cycle for certain steel grating in the U.S. market or in the market for certain steel grating in China since 2010?

b.) Do you anticipate any changes in the business cycle for certain steel grating in the U.S. market or in the market for certain steel grating in China within a reasonably foreseeable time?

<b>Purchaser</b>	<b>Changes that have occurred</b>	<b>Anticipated changes</b>
***	We've seen an increase of upstream energy consumption over the last 6-12 months.	No
***	No	No