Polyethylene Retail Carrier Bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam

Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (First Review)
and 731-TA-1043-1045 (Second Review)

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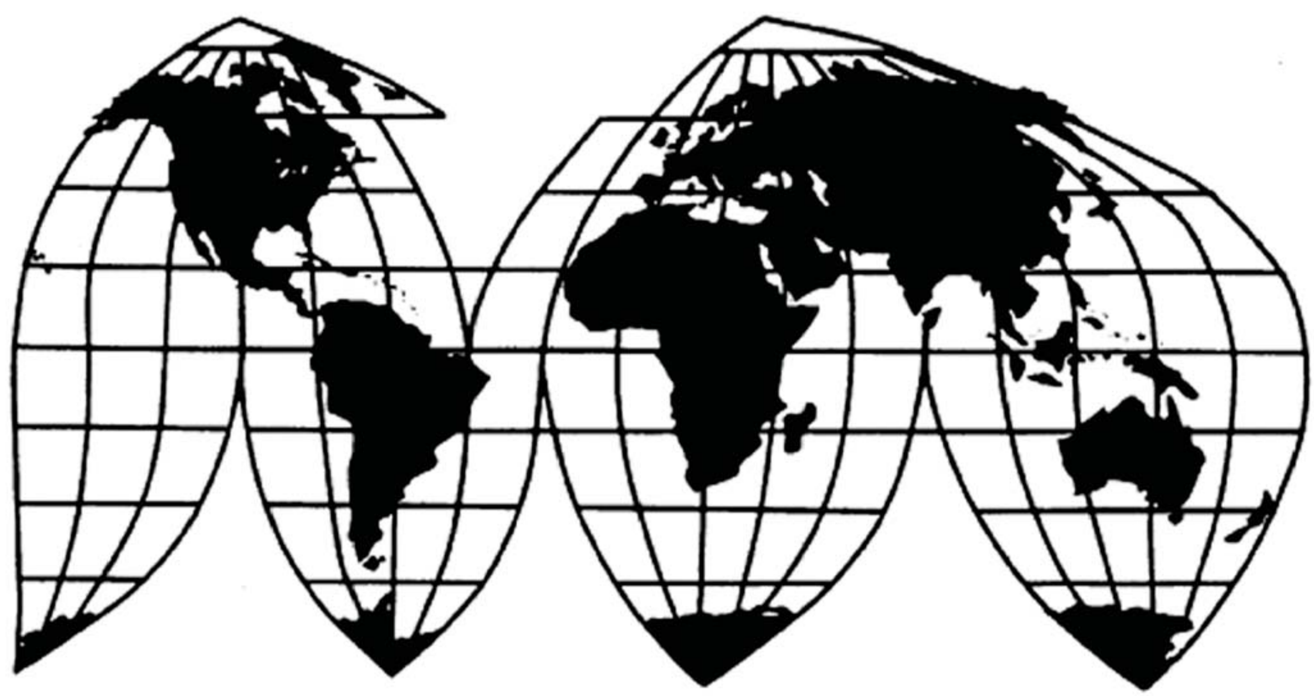

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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (First Review)
and 731-TA-1043-1045 (Second Review)

Polyethylene retail carrier bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam

DETERMINATIONS

On the basis of the record[1] developed in the subject five-year reviews, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930, that revocation of the countervailing duty order on polyethylene retail carrier bags from Vietnam and revocation of the antidumping duty orders on polyethylene retail carrier bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam 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 April 1, 2015 (80 F.R. 17490) and determined on July 6, 2015 that it would conduct full reviews (80 F.R. 43118, July 21, 2015). Notice of the scheduling of the Commission's reviews and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on October 15, 2015 (80 F.R. 62110). The hearing was held in Washington, DC, on February 18, 2016, and all persons who requested the opportunity were permitted to appear in person or by counsel.

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

Views of the Commission

Based on the record in 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 countervailing duty order on polyethylene retail carrier bags ("PRCBs") from Vietnam and the antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

The current proceeding combines the second five-year reviews of antidumping duty orders on PRCBs from China, Malaysia, and Thailand with the first reviews of the countervailing duty order on PRCBs from Vietnam and the antidumping duty orders on PRCBs from Indonesia, Taiwan, and Vietnam, which arose from separate original investigations, as discussed below.

A. Prior Proceedings

Original investigations of imports from China, Malaysia, and Thailand: In response to June 20, 2003 antidumping duty petitions filed by the Polyethylene Retail Carrier Bag Committee ("the PRCB Committee"),[1] an *ad hoc* coalition of domestic PRCB producers, the Commission determined on August 3, 2004, that an industry in the United States was materially injured by reason of cumulated subject imports of PRCBs from China, Malaysia, and Thailand.[2] The U.S. Department of Commerce ("Commerce") excluded from the August 9, 2004 antidumping duty orders on PRCBs from China, Malaysia, and Thailand imports from certain firms for which it had computed *de minimis* antidumping duty margins: Hang Lung Plastic Manufactory, Ltd. ("Hang Lung") (China); Nantong Huasheng Plastic Products Co., Ltd.

[1] At the time, the PRCB Committee included the following U.S. producers of PRCBs: Inteplast Group, Ltd. ("Inteplast"); PCL Packaging, Inc. ("PCL"); Sonoco Products Co. ("Sonoco"); Superbag Corporation ("Superbag"); and Vanguard Plastics, Inc. ("Vanguard"). Hilex Poly Co. LLC ("Hilex") purchased the high-density film division of Sonoco Products Co. in February 2004. Confidential Report, Memorandum INV-OO-021 (Mar. 16, 2016), as modified by Memorandum INV-OO-024 (Mar. 22, 2016) and Memorandum INV-OO-026 (Mar. 24, 2016) ("CR") at I-3 at n.6; Public Report, *Polyethylene Retail Carrier Bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam*, Inv. Nos. 701-TA-462 and 731-TA-1156 to 1158 (First Review) and 731-TA-1043 to 1045 (Second Review), USITC Pub. 4605 ("PR") at I-2 n.6 (Apr. 2016). On November 4, 2014, the holding company of Hilex changed its name to Novolex Holdings, Inc. ("Novolex"). CR/PR at Table I-12 at n.4.

[2] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, Inv. Nos. 731-TA-1043 to 1045 (Final), USITC Pub. 3710 (Aug. 2004).

("Nantong Huasheng") (China); and Bee Lian Plastic Industries, Sdn. Bhd. ("Bee Lian") (Malaysia).[3]

Original investigations of imports from Indonesia, Taiwan, and Vietnam: On March 31, 2009, Hilex and Superbag filed antidumping duty petitions regarding PRCBs from Indonesia, Taiwan, and Vietnam and a countervailing duty petition regarding PRCBs from Vietnam. On April 15, 2010, the Commission determined that an industry in the United States was threatened with material injury by reason of cumulated subject imports from the three subject countries.[4] On May 4, 2010, Commerce published the antidumping duty orders on PRCBs from Indonesia, Taiwan, and Vietnam,[5] and it published a countervailing duty order on imports from Vietnam except for PRCBs from Chin Sheng Co. Ltd. ("Chin Sheng"), which were excluded on the basis of a *de minimis* subsidy rate.[6]

First reviews of the orders on imports from China, Malaysia, and Thailand: Effective July 1, 2009, the Commission instituted first five-year reviews of the antidumping duty orders on imports from China, Malaysia, and Thailand.[7] After conducting full reviews of all three orders,[8] the Commission determined that revocation of the orders would be likely to lead to the continuation or recurrence of material injury to the domestic industry within the reasonably foreseeable future.[9] On July 7, 2010, Commerce published a notice continuing the antidumping duty orders on PRCBs from China, Malaysia, and Thailand.[10]

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[3] 69 Fed. Reg. 48201 (Aug. 9, 2004) (China); 69 Fed. Reg. 48203 (Aug. 9, 2004) (Malaysia); 69 Fed. Reg. 48204 (Aug. 9, 2004) (Thailand).

[4] *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam*, Inv. Nos. 701-TA-462 and 731-TA-1156 to 1158 (Final), USITC Pub. 4144 (Apr. 2010).

[5] 75 Fed. Reg. 23667 (May 4, 2010).

[6] 75 Fed. Reg. 23670 (May 4, 2010).

[7] 74 Fed. Reg. 31750 (Jul. 2, 2009) (Commission); 74 Fed. Reg. 31412 (Jul. 1, 2009) (Commerce).

[8] In the first reviews of the orders on subject PRCBs from China, Malaysia, and Thailand, the Commission found that the response to the notice of institution submitted by the PRCB Committee and its individual members (Command Packaging ("Command"); Genpak LLC ("Genpak"); Hilex; Roplast Industries, Inc. ("Roplast"); Superbag; and Unistar Plastics, LLC ("Unistar")) was adequate and that the response by the Malaysian Task Force and its individual members was adequate. No respondent interested party from China or Thailand responded to the notice of institution. In light of its decision to conduct a full review of the order on PRCBs from Malaysia, the Commission determined to conduct full reviews of all orders in the interest of administrative efficiency. *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, Inv. Nos. 731-TA-1043 to 1045 (Review), USITC Pub. 4160 at 3 (Jun. 2010). Commerce made affirmative determinations in its expedited reviews of all three orders. 74 Fed. Reg. 53470 (Oct. 19, 2009).

[9] USITC Pub. 4160 at 3.

[10] 75 Fed. Reg. 38978 (Jul. 7, 2010).

B. Current Reviews

Effective April 1, 2015, the Commission instituted the instant first reviews of the antidumping duty orders on PRCBs from Indonesia, Taiwan, and Vietnam and the countervailing duty order on subject PRCBs from Vietnam as well as the instant second reviews of the antidumping duty orders on subject PRCBs from China, Malaysia, and Thailand.[11] Whereas the Commission determined to conduct full reviews of all orders,[12] Commerce conducted expedited reviews of all orders.[13]

Parties to the current proceeding. In the current reviews, the Commission received prehearing and posthearing submissions from the PRCB Committee[14] and from the Task Force of Polyethylene Retail Carrier Bag Manufacturers of the Malaysian Plastics Manufacturers Association ("Malaysian Task Force"), an association of producers of PRCBs in Malaysia.[15] Sahachit Watana Plastic Industry Co. Ltd ("Sahachit"), a producer of PRCBs in Thailand, provided a response to the notice of institution but did not submit any brief. Representatives and counsel for the PRCB Committee and counsel for the Malaysian Task Force appeared at the hearing and submitted prehearing and posthearing briefs.

Data Response/Coverage. U.S. industry data in these reviews are based on the questionnaire responses of 11 U.S. producers that are believed to account for the vast majority of domestic PRCBs production in 2014.[16] U.S. import data and related information are based on the questionnaire responses of 27 firms, which accounted for *** percent of total imports and *** percent of total subject imports of PRCBs during the January 2009 to September 2015

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[11] 80 Fed. Reg. 17490 (Apr. 1, 2015); *see* 80 Fed. Reg. 17388 (Apr. 1, 2015) (Commerce's notice of initiation).

[12] The Commission found that the domestic interested party group response to the notice of institution from the PRCB Committee and its individual members (Command; Hilex/Novolex; Roplast; Superbag; and Unistar) was adequate and that the response from the Malaysian Task Force was adequate for the individual producers and the Malaysian respondents as a whole. On that basis, it determined to conduct a full review of the order on PRCBs from Malaysia. The Commission found that the respondent interested party group responses for the reviews on PRCBs from China, Indonesia, Taiwan, and Vietnam were inadequate because no respondent interested party responded to the notice of institution concerning these orders, and it found the respondent interested party group response for Thailand was inadequate because the only responding firm (Sahachit) accounted for a very small share of production in Thailand. Notwithstanding the inadequate respondent interested party group responses for the reviews on PRCBs from China, Indonesia, Taiwan, Thailand, and Vietnam, the Commission determined to conduct full reviews of all orders to promote administrative efficiency in light of its determination to conduct a full review of the order on PRCBs from Malaysia. July 6, 2015 Adequacy Statement.

[13] 80 Fed. Reg. 39997 (Jul. 13, 2015); 80 Fed. Reg. 46539 (Aug. 5, 2015).

[14] The PRCB Committee's current members are Command; Novolex; Roplast; Superbag; and Unistar. PRCB Committee's Response to Notice of Institution.

[15] CR at IV-26 at n.25; PR at IV-16 at n.25.

[16] CR at I-16; PR at I-13.

period of review ("POR"), and supplementary data from ***.[17] Foreign industry data and related information are based on the questionnaire responses of two producers that accounted for approximately *** percent of total PRCBs production in China; nine producers that accounted for approximately *** percent of total PRCBs production in Malaysia;[18] two producers in Thailand whose exports accounted for *** of subject U.S. imports from Thailand; and one producer that accounted for approximately *** percent of total PRCBs production in Vietnam.[19] The Commission did not receive a questionnaire response from any producer of subject merchandise in Indonesia or Taiwan.[20]

II. Domestic Like Product and Domestic 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."[21] 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."[22] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigations and consider whether the record indicates any reason to revisit the prior findings.[23]

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[17] CR at I-16; PR at I-13.

[18] In its response to the notice of institution, the Malaysian Task Force submitted data on the operations of the following fourteen subject producers in Malaysia: Chau Yang Plastics Industry Sdn Bhd ("Chau Yang"); Evermal Industry Sdn Bhd ("Evermal"); Euro SME Sdn Bhd ("Euro SME"); Fragstar Corporation Sdn Bhd ("Fragstar"); Hond Tat Industries Sdn Bhd ("Hond Tat"); Lension (M) Sdn Bhd ("Lension"); Ocmerit Plastic Sdn Bhd ("Ocmerit Plastic"), Plastik V Sdn Bhd ("Plastik V"); Sekoplas Industries Sdn Bhd ("Sekoplas"); Simply Packaging Sdn Bhd ("Simply Packaging"); ST Polymer Industries (M) Sdn Bhd ("ST Polymer"); Ten Optimum (M) Sdn Bhd ("Ten Optimum"); Teong Chuan Plastic (M) Sdn Bhd ("Teong Chuan"); and Thong Guan Plastic & Paper Industries Sdn Bhd ("Thong Guan"). They estimated that they and nonsubject producer Bee Lian accounted for all producers and exporters of PRCBs in Malaysia. Response to Notice of Institution. *** of the members of the Malaysian Task Force (***) ultimately did not submit questionnaire data and Sekoplas provided an incomplete questionnaire response. CR at IV-26 at n.25; PR at IV-16 n.25.

[19] CR at I-16; PR at I-13 to I-14.

[20] CR at I-16; PR at I-13.

[21] 19 U.S.C. § 1677(4)(A).

[22] 19 U.S.C. § 1677(10); *see*, *e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

[23] *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

(*continued*...)

In the instant reviews, the scope of all countervailing and antidumping duty orders under review is identical and includes the following imported merchandise:

> {PRCBs}, which may also be referred to as t-shirt sacks, merchandise bags, grocery bags, or checkout bags. The subject merchandise is defined as non-sealable sacks and bags with handles (including drawstrings), without zippers or integral extruded closures, with or without gussets, with or without printing, of polyethylene film having a thickness no greater than 0.035 inch (0.889 mm) and no less than 0.00035 inch (0.00889 mm), and with no length or width shorter than 6 inches (15.24 cm) or longer than 40 inches (101.6 cm). The depth of the bag may be shorter than 6 inches (15.24 cm) but not longer than 40 inches (101.6 cm). PRCBs are typically provided without any consumer packaging and free of charge by retail establishments, *e.g.*, grocery, drug, convenience, department, specialty retail, discount stores, and restaurants to their customers to package and carry their purchased products. The scope of these investigations excludes (1) polyethylene bags that are not printed with logos or store names and that are closeable with drawstrings made of polyethylene film and (2) polyethylene bags that are packed in consumer packaging with printing that refers to specific end uses other than packaging and carrying merchandise from retail establishments, *e.g.*, garbage bags, lawn bags, trash-can liners.[24]

This scope definition is unchanged from that used in several prior proceedings. Commerce has issued several scope and anti-circumvention rulings since the original countervailing and antidumping duty orders were published.[25]

PRCBs are bags with handles that retailers historically provided free of charge to their customers to package and carry their purchased goods home from the point of sale.[26] PRCBs

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(…*continued*)
(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).

[24] As a result of changes to the Harmonized Tariff Schedule of the United States ("HTSUS"), imports of the subject merchandise are currently classifiable under statistical category 3923.21.0085 of the HTSUS, although Commerce emphasized that the written description of the scope of the orders is dispositive. 80 Fed. Reg. 46539 (Aug. 5, 2015); 80 Fed. Reg. 39997 (Jul. 13, 2015); *see also* Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Polyethylene Retail Carrier Bags from Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam* (Jul. 6, 2015); Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, *Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Review of the Countervailing Duty Order on Polyethylene Retail Carrier Bags from the Socialist Republic of Vietnam* (Jul. 24, 2015).

[25] *See, e.g.*, CR at I-19 to I-22; PR at I-16 to I-18; CR/PR at Table I-4.

[26] CR at I-28; PR at I-25.

are manufactured from polyethylene film in several varieties.[27] T-shirt bags, which resemble tank-top styled undershirts, are manufactured from thinner (typically 1 mil or less), denser polyethylene film and generally printed with simple designs of one, two, or up to four colors.[28] So-called higher-end PRCBs range from medium-scale die-cut bags to higher-scale die-cut, drawstring, and soft-loop handle bags, which may possess flat bottoms and detailed higher-quality multicolored printing and graphics.[29]

In the original investigations and first reviews of PRCBs from China, Malaysia, and Thailand and in the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission defined the domestic like product to consist of the range of shapes and sizes of PRCBs manufactured with various features that corresponded to the scope of the proceedings.[30] For the reasons articulated in the prior proceedings, the PRCB Committee asks the Commission to apply the same domestic like product definition in the current reviews.[31] Thai respondent Sahachit agrees with the Commission's domestic like product definition from the prior proceedings.[32] The Malaysian Task Force has not commented on the domestic like product definition, although it frames its arguments in terms of a single domestic like product.

The record in these reviews indicates no material changes in the pertinent facts that would suggest that the Commission should reconsider the domestic like product definition used in the prior proceedings, and no party advocates for a different definition.[33] We thus define a single domestic like product consisting of the range of PRCBs corresponding to the scope of the reviews.

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

[27] CR at I-29 to I-30; PR at I-25.

[28] CR at I-29; PR at I-25.

[29] CR at I-29 to I-30; PR at I-25-I-26.

[30] *See, e.g.*, USITC Pub. 3710 at 9; USITC Pub. 4144 at 5; USITC Pub. 4160 at 6. In the original investigations of PRCBs from China, Malaysia, and Thailand and in the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission rejected respondents' request to define certain high-end PRCBs as a separate domestic like product because the argument did not account for the "vast array" of PRCBs that fall in between high-end and low-end PRCBs. USITC Pub. 3710 at 9; USITC Pub. 4144 at 7.

[31] PRCB Committee's Prehearing Brief at 5-6; PRCB Committee's Response to Notice of Institution at 41.

[32] Sahachit's Response to Notice of Institution at 4.

[33] *See generally* CR at I-28 to I-33; PR at I-25-I-28.

the product."[34] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the domestic like product, whether toll-produced, captively consumed, or sold in the domestic merchant market. In all prior PRCBs proceedings, the Commission defined the domestic industry as all domestic PRCB producers.[35] No party to these reviews argues for a different definition. Based on our domestic like product definition, we define the domestic industry as all domestic producers of PRCBs.

These reviews also raise the issue of whether appropriate circumstances exist to exclude any producer from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.[36] Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.[37]

In the original investigations and first reviews of PRCBs from China, Malaysia, and Thailand, and in the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission did not exclude any firm as a related party producer.[38]

Of the 11 responding domestic producers in the current reviews, six are related parties based on their imports of subject merchandise during the POR: Advance Polybag; Ampac; Inteplast; Novolex; Poly-Pak; and Unistar.[39] No party argues for the exclusion of any domestic producer as a related party, and we determine that appropriate circumstances do not exist to

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[34] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 apply 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.

[35] *See, e.g.*, USITC Pub. 3710 at 12; USITC Pub. 4144 at 7; USITC Pub. 4160 at 7.

[36] *See Torrington Co v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int'l Trade 1992), *aff'd mem.*, 991 F.2d 809 (Fed. Cir. 1993); *Sandvik AB v. United States*, 721 F. Supp. 1322, 1331-32 (Ct. Int'l Trade 1989), *aff'd mem.,* 904 F.2d 46 (Fed. Cir. 1990); *Empire Plow Co. v. United States*, 675 F. Supp. 1348, 1352 (Ct. Int'l Trade 1987).

[37] The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude a related party include the following: (1) the percentage of domestic production attributable to the importing producer; (2) the reason the U.S. producer has decided to import the product subject to investigation (whether the firm benefits from the less than fair value sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market); (3) whether inclusion or exclusion of the related party will skew the data for the rest of the industry; (4) the ratio of import shipments to U.S. production for the imported product; and (5) whether the primary interest of the importing producer lies in domestic production or importation. *Changzhou Trina Solar Energy Co. v. United States Int'l Trade Comm'n*, 100 F. Supp. 3d 1314, 1326-31 (Ct. Int'l Trade 2015); *see also Torrington*, 790 F. Supp. at 1168.

[38] USITC Pub. 4160 at 7-8; USITC Pub. 4144 at 8-9; USITC Pub. 3710 at 11-12.

[39] CR/PR at Table III-7. Two of these firms are related to one or more subject foreign producers. Domestic producer API's sibling company Universal Polybag Co., Ltd. manufactures subject merchandise in Thailand, and domestic producer Inteplast has a *** ownership interest in TCI Plastics Co., Ltd. of Taiwan and a *** ownership interest in Alpha Plastics (Vietnam) Co., Ltd.. Additionally, API is related to Advance Polybag Company, Inc., a U.S. importer of the subject merchandise. CR/PR at Table I-12.

exclude any firm from the domestic industry on that basis.[40] Three firms only imported subject merchandise early in the POR.[41] Two firms intermittently imported subject merchandise during the POR, but the volume of each firm's imports was small relative to its domestic production.[42] The sixth firm had a somewhat higher ratio of subject imports to domestic production, but its domestic production was still considerably larger than its subject imports, indicating that it is primarily interested in domestic production.[43] All but *** support continuation of the orders, and ***.[44]

Consequently, we determine that appropriate circumstances do not exist to exclude any domestic producer from the domestic industry as a related party, and we define the domestic industry as all U.S. PRCB producers.

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[40] The PRCB Committee makes no arguments concerning the issue of related parties. The Malaysian Task Force observes that nine of eleven responding domestic producers imported PRCBs, and six of them imported PRCBs from subject countries. It does not ask the Commission to exclude any firm from the domestic industry as a related party. Malaysian Task Force's Prehearing Brief at 6.

[41] ***, which accounted for *** percent of domestic production during the POR, imported *** bags from *** in 2009, equivalent to *** percent of its domestic production in that year, and no subject merchandise thereafter. CR/PR at Table I-12, Table III-7.

***, which accounted for *** percent of domestic production during the POR, imported subject merchandise from *** early in the POR (***). ***'s imports from any single subject source were equivalent to no more than *** percent of its domestic production in any period, and its imports from all subject sources combined were equivalent to only *** percent of its domestic production in 2009. CR/PR at Table I-12, Table III-7.

***, which accounted for *** percent of domestic production during the POR, imported *** bags from *** in 2009, equivalent *** percent of its domestic production in that period, and no subject merchandise thereafter. Each of these three firms stated that it imported subject merchandise because of its lower price/cost. CR/PR at Table I-12, Table III-7.

[42] ***, which accounted for *** percent of domestic production during the POR, imported subject merchandise from *** in *** that was equivalent to *** percent of its domestic production in each of those periods; it imported to meet short-term customer needs and due to downward pricing pressure from nonsubject imports from China, Thailand, and Malaysia. *** imports of subject merchandise from *** never exceeded *** percent of its domestic production, and this firm, which accounted for *** percent of domestic production during the POR, reported importing due to price, quality, and availability of certain types of hand-made products that are not produced domestically. CR/PR at Table I-12, Table III-7.

[43] *** reported importing subject PRCBs from *** to supplement its domestic production capacity. Its imports grew over the POR from *** bags in 2009 to *** bags in 2014, and were *** in interim 2014 and *** bags in interim 2015. Expressed as a ratio to its domestic production, the firm's subject imports were equivalent to *** percent in 2009, *** percent in 2010, *** percent in 2011, *** percent in 2012, *** percent in 2013, *** percent in 2014, *** percent in interim 2014, and *** percent in interim 2015. CR/PR at Table III-7.

[44] CR/PR at Table I-12.

III. Cumulation

A. Legal Standard and Background

> With respect to five-year reviews, section 752(a) of the Tariff Act provides as follows: the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.[45]

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.[46] The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

In the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission cumulated subject imports from all three subject countries for purposes of its affirmative material injury determinations,[47] and in the first reviews of those orders, the Commission exercised its discretion to cumulate subject imports from China, Malaysia, and Thailand.[48] In the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission exercised its discretion to cumulate subject imports from all three subject countries for purposes of its analysis of threat of material injury.[49]

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[45] 19 U.S.C. § 1675a(a)(7).

[46] 19 U.S.C. § 1677(7)(G)(i); *see also*, *e.g.*, *Nucor Corp. v. United States*, 601 F.3d 1291, 1293 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); *Allegheny Ludlum Corp. v. United States*, 475 F. Supp. 2d 1370, 1378 (Ct. Int'l Trade 2006) (recognizing the wide latitude the Commission has in selecting the types of factors it considers relevant in deciding whether to exercise discretion to cumulate subject imports in five-year reviews); *Nucor Corp. v. United States*, 569 F. Supp. 2d 1328, 1337-38 (Ct. Int'l Trade 2008).

[47] USITC Pub. 3710 at 13-16.

[48] USITC Pub. 4160 at 8-18.

[49] USITC Pub. 4144 at 13-15.

In the current reviews, the PRCB Committee asks the Commission to exercise its discretion to cumulate subject imports from all six subject countries.[50] The Malaysian Task Force asks the Commission not to exercise its discretion to cumulate subject imports from Malaysia with other subject imports based on its contention that subject imports from Malaysia are likely to have no discernible adverse impact on the domestic industry in the event of revocation. Alternatively, it asks the Commission not to cumulate subject imports from Malaysia with other subject imports because subject imports from Malaysia are likely to compete differently in the U.S. market than other subject imports in the event of revocation.[51]

The statutory threshold for cumulation is satisfied because all reviews were initiated on the same day, April 1, 2015.[52] For the reasons discussed below, we determine to exercise our discretion to cumulate subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam for purposes of our analysis in these reviews.

B. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.[53] Neither the statute nor the Uruguay Round Agreements Act ("URAA") Statement of Administrative Action ("SAA") provides specific guidance on what factors the Commission is to consider in determining that imports "are likely to have no discernible adverse impact" on the domestic industry.[54] With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders are revoked. Our analysis for each of the subject countries takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations.

The PRCB Committee argues that subject imports from each of the six subject countries are likely to have a discernible adverse impact on the domestic industry in the event of revocation because subject imports from each source are likely to increase significantly and the frequency of underselling is also likely to increase.[55] The Malaysian Task Force asks the Commission not to exercise its discretion to cumulate subject imports from Malaysia with other

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[50] PRCB Committee's Posthearing Brief at 11, Response to Question 12; PRCB Committee's Prehearing Brief at 26-29; Hearing Tr. at 40-41 (Lawson), 41-48 (Snead).

[51] Malaysian Task Force's Posthearing Brief at 1-3, Exhibits 1-2; Hearing Tr. at 13-14 (Sim); Malaysian Task Force's Prehearing Brief at 1-8.

[52] CR at I-1; PR at I-1.

[53] 19 U.S.C. § 1675a(a)(7).

[54] URAA SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).

[55] PRCB Committee's Posthearing Brief at Response to Question 12; Hearing Tr. at 44-48 (Snead), 81-87 (Jones, Bazbaz, Taylor); PRCB Committee's Confidential Hearing Exhibits 1 to 3; PRCB Committee's Prehearing Brief at 26-27.

subject imports because subject imports from Malaysia are likely to have no discernible adverse impact on the domestic industry in the event of revocation.[56]

Based on the record in these reviews, we find that subject imports from each of the subject countries would not likely have no discernible adverse impact on the domestic industry in the event of revocation. Our analysis for each of the subject countries takes into account the nature of the product and the behavior of subject imports in the prior proceedings and current reviews. The record indicates a likely high degree of substitutability among subject imports from each of the subject countries and the domestic like product in the event of revocation.[57] Competition among them is likely to be based at least in part on price due to the importance of price in purchasing decisions.[58]

China. During the original investigations, the volume of subject imports from China increased absolutely and relative to apparent U.S. consumption between 2001 and 2003.[59] During the first reviews, the Commission found that subject imports from China maintained a significant, if reduced, presence in the U.S. market notwithstanding imposition of the antidumping duty order. Based on this, the Commission concluded that subject producers in China remained interested in the U.S. market and capable of serving U.S. customers.[60] The Commission found it noteworthy that nonsubject producers in China maintained a significant presence in the U.S. market, finding it likely that, if the order on subject PRCBs from China were revoked, subject producers in China would exhibit a similar degree of interest in serving the U.S.

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[56] Malaysian Task Force's Posthearing Brief at 1-3, Exhibits 1-2; Hearing Tr. at 13-14, 120-122, 131-132 (Sim); Malaysian Task Force's Prehearing Brief at 1-7.

[57] *See, e.g.*, CR/PR at Table II-12, Table II-13.

[58] *See, e.g.*, CR/PR at Table II-9 (ranking price as the most often cited top factor that firms consider in their purchasing decisions), Table II-10 (of several factors, purchasers most often ranked price as a very important factor in their purchasing decisions), Table II-15 (a majority of producers and importers reported that there are "never" differences other than price among subject imports and the domestic like product, and at least a plurality of purchasers reported that there are "sometimes" or "never" factors other than price that differentiate pairings of subject imports with one another and pairings of subject imports and the domestic like product).

[59] U.S. shipments of subject imports from China increased from *** bags in 2001 to *** bags in 2002 and *** bags in 2003, and they increased their market share from *** percent of apparent U.S. consumption in 2001 to *** percent in 2002 and *** percent in 2003. CR/PR at Table C-1 (Original investigations of PRCBs from China, Malaysia, and Thailand) (as amended by Memorandum INV-BB-092 (Jul. 13, 2004); USITC Pub. 3710 at Table C-1.

[60] Subject imports from China declined to *** bags in 2004, but then increased to *** bags in 2005 and *** bags in 2006 before declining *** to *** bags in 2007, increasing to *** bags in 2008, and then declining to *** bags in 2009. Their market share followed similar trends, declining to *** percent of apparent U.S. consumption in 2004, increasing to *** percent in 2005, declining to *** percent in 2006 and *** percent in 2007, increasing to *** percent in 2008, and declining to *** percent in 2009. Confidential First Reviews Opinion at 8-9; USITC Pub. 4160 at 11.

market, and a similar capability of doing so.[61] Based on the limited available questionnaire data on the PRCB industry in China in the first reviews, the Commission found that subject producers in China possessed significant capacity with which to increase exports to the U.S. market after revocation and also an incentive to increase exports to the U.S. market after revocation, given the government of China's restrictions on PRCB usage.[62] Based on this evidence, the high degree of substitutability between subject imports from China and the domestic like product, and the importance of price in purchasing decisions, the Commission found that subject imports from China would not likely have no discernible adverse impact on the domestic industry if the antidumping duty order on PRCBs from China were revoked.[63]

In the current reviews, the Commission received limited questionnaire data on subject PRCB operations in China.[64] The responding subject producers of PRCBs in China collectively reported fluctuating production capacity and production,[65] a substantial overall decline in

[61] Nonsubject imports from China increased from *** bags in 2004 to *** bags in 2009, and their market share increased from *** percent of apparent U.S. consumption in 2004 to *** percent in 2009. Confidential First Reviews Opinion at 9; USITC Pub. 4160 at 11.

[62] Reported PRCB capacity in China was *** bags from 2004 through 2007 and increased to *** bags in 2008 and 2009. Reported production of PRCBs in China increased from *** bags in 2004 to *** bags in 2005, *** bags in 2006, *** bags in 2007, and *** bags in 2008 and 2009. Reported capacity utilization rates for the industry in China increased throughout that period, from *** percent in 2004 to *** percent in 2005, *** percent in 2006, *** percent in 2007, *** percent in 2008, and *** percent in 2009. Reported PRCB exports from China increased from *** bags in 2004 to *** bags in 2005, *** bags in 2006, *** bags in 2007, and *** bags in 2008 and 2009. Responding PRCBs producers in China reportedly exported *** shipments throughout that period. Given the extremely low questionnaire coverage, the Commission also relied on public information concerning the industry in China submitted by the domestic interested parties. This information indicated that PRCB capacity in China was approximately 36.3 billion bags in 2009, equivalent to *** percent of apparent U.S. consumption that year. Confidential First Reviews Opinion at 9-10; USITC Pub. 4160 at 11.

[63] Confidential First Reviews Opinion at 9-10; USITC Pub. 4160 at 11-12.

[64] The PRCB Committee provided a list of 96 firms that it believes currently produce PRCBs in China. PRCB Committee's Response to Notice of Institution at Exhibit 31. The Commission requested data from 155 firms in China believed to be possible producers of PRCBs. Of these firms, only two, Rally Plastics Co., Ltd. ("Rally") and Universal Plastic & Metal Manufacturing, Ltd. ("Universal"), provided questionnaire responses containing useable data; the remainder of the firms did not respond. Responding firms estimated that they collectively accounted for approximately *** percent of PRCB production in China (*** percent and *** percent respectively). Reported exports of PRCBs to the United States by these firms in 2014 were equivalent to *** percent of the quantity of U.S. imports of PRCBs from China in that year. CR at IV-17; PR at IV-11.

[65] Reported PRCB capacity in China declined from *** bags in 2009 to *** bags in 2010 and *** bags in 2011, increased to *** bags in 2012, *** bags in 2013, and a period high of *** bags in 2014, and was *** bags in interim 2014 and *** bags in interim 2015. Reported PRCB production declined from *** bags in 2009 to *** bags in 2010 and *** bags in 2011, increased to *** bags in 2012 and *** bags in 2013, declined to *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. CR/PR at Table IV-7.

capacity utilization,[66] a high level of export orientation, and an overall increase in exports of subject PRCBs to the United States during the POR.[67] During the POR, subject imports from China remained in the market despite the order.[68] Nonsubject producers in China maintained a sizeable presence in the U.S. market throughout this period.[69] Based on the large and increasing volume of subject imports from China during the original investigations, the continued presence of both subject and nonsubject PRCBs from China in the U.S. market after imposition of the order, the large size of the industry in China, and its export orientation, we find that subject imports from China are not likely to have no discernible adverse impact upon revocation.

Indonesia. During the original investigations, the volume of subject imports from Indonesia increased overall.[70] In the current reviews, the record contains limited new information regarding the PRCB industry in Indonesia.[71] According to information that was

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[66] Reported capacity utilization for the industry in China declined overall; it was *** percent in 2009, *** percent in 2010, *** percent in 2011, *** percent in 2012, *** percent in 2013, and *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table IV-7.

[67] Responding PRCB producers in China exported *** percent of their shipments throughout that period. Their reported PRCB exports to the United States increased overall, increasing from *** bags in 2009 to *** bags in 2010, *** bags in 2011, and a period high of *** bags in 2012, and declining to *** bags in 2013 and *** bags in 2014; they were *** bags in interim 2014 and *** bags in interim 2015. CR/PR at Table IV-7.

[68] The volume of subject imports from China increased from *** bags in 2009 to *** bags in 2010, declined to *** bags in 2011, increased to *** bags in 2012, declined to *** bags in 2013 and *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. The market share of subject imports from China increased from *** percent in 2009 to *** percent in 2010, declined to *** percent in 2011, increased to a period high of *** percent in 2012, declined to *** percent in 2013 and *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table IV-1.

[69] The volume of nonsubject imports from China increased from *** bags in 2009 to *** bags in 2010 and *** bags in 2011, declined to *** bags in 2012 and *** bags in 2013, increased to *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. The market share of nonsubject imports from China increased from *** percent in 2009 to *** percent in 2010 and *** percent in 2011, declined to *** percent in 2012 and *** percent in 2013, increased to *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table C-1.

[70] The volume of subject imports from Indonesia increased from *** bags in 2006 to *** bags in 2007 and fell somewhat to *** bags in 2008, and their market share declined from *** percent of apparent U.S. consumption in 2006 to *** percent in 2007 and increased to *** percent in 2008. CR/PR at Confidential Report from Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table C-1; USITC Pub. 4144 at Table C-1.

[71] The PRCB Committee provided a list of 14 firms that it believes currently produce PRCBs in Indonesia. PRCB Committee's Response to Notice of Institution at Exhibit 31. The Commission requested data from 14 firms in Indonesia believed to be possible producers of PRCBs, but it did not receive responses from any foreign producers or exporters in Indonesia. CR at IV-22; PR at IV-14.

(*continued*...)

reported in the original investigations,[72] production capacity and production of PRCBs in Indonesia was sizeable,[73] and capacity utilization declined overall.[74] The responding producers of PRCBs in Indonesia were highly export oriented, and exports to the United States accounted for a substantial majority of their exports.[75] Available information does not indicate any contraction in the subject industry in Indonesia. After the order was imposed on PRCBs from Indonesia, the volume of subject imports from Indonesia declined substantially, but there continued to be intermittent subject imports from Indonesia in the U.S. market during the POR.[76] Based on the large and increasing volume of subject imports from Indonesia during the original investigations, the large size of the industry in Indonesia during the original investigations, its export orientation, the importance of the U.S. market relative to other markets at that time, and the intermittent presence of PRCBs from Indonesia in the U.S. market even after imposition of the order, we find that subject imports from Indonesia are not likely to have no discernible adverse impact upon revocation.

Malaysia. During the original investigations, the volume of subject imports from Malaysia increased absolutely and relative to apparent U.S. consumption.[77] Thereafter, subject

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(…*continued*)
Accordingly, for our determinations, we rely as appropriate on the facts available from the prior proceedings and the limited new information on the record in the current reviews.

[72] In the original investigations, the Commission requested data from 14 firms in Indonesia believed to be possible producers of PRCBs, and the three responding firms estimated that they accounted for *** percent of PRCB production in Indonesia and *** percent of PRCB exports from Indonesia to the United States in 2008; their reported U.S. exports to the United States were equivalent to *** percent of the quantity of U.S. imports of PRCBs from Indonesia in that year based on official Commerce statistics. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at VII-1, Table VII-1; USITC Pub. 4144 at VII-1, Table VII-1.

[73] Production capacity increased from *** bags in 2006 to *** bags in 2007 and declined to *** bags in 2008, and production of PRCBs in Indonesia increased from *** in 2006 to *** bags in 2007 and declined to *** bags in 2008. *See* Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-1; USITC Pub. 4144 at Table VII-1.

[74] Capacity utilization for responding PRCB producers in Indonesia declined overall, increasing from *** percent in 2006 to *** percent in 2007 and declining to *** percent in 2008. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-1; USITC Pub. 4144 at Table VII-1.

[75] Exports accounted for at least *** percent of total shipments by responding PRCB producers in Indonesia between 2006 and 2008, and their exports to the United States accounted for at least *** percent of total shipments during this period. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-1; USITC Pub. 4144 at Table VII-1.

[76] The volume of subject imports from Indonesia was *** bags in 2009, *** bags in 2010, *** bags in 2011, *** bags in 2012, *** bags in 2013, and *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. CR/PR at Table IV-1.

[77] U.S. shipments of subject imports from Malaysia increased from *** bags in 2001 to *** bags in 2002 and *** bags in 2003, and the market share of subject imports from Malaysia increased from *** percent of apparent U.S. consumption in 2001 to *** percent in 2002 and *** percent in 2003. CR/PR at Table I-1.

producers in Malaysia maintained a presence in the U.S. market notwithstanding the order, with an increased presence at the end of the first reviews. From this, the Commission found that subject producers in Malaysia remained interested in the U.S. market and capable of serving U.S. customers.[78] The Commission found it noteworthy that the PRCB producer in Malaysia not subject to the order had a significant and increasing presence in the U.S. market during the first reviews, finding it likely that, if the order on subject PRCBs from Malaysia were revoked, subject producers in Malaysia would exhibit a similar degree of interest in serving the U.S. market, and would have a similar capability to do so.[79] Responding subject producers in Malaysia also possessed significant excess capacity, equivalent to *** percent of apparent U.S. consumption in 2009.[80] Responding subject producers in Malaysia were highly dependent on exports throughout the first reviews, with the European Union as their primary market.[81] Based on this evidence, as well as the high degree of substitutability between subject imports from Malaysia and the domestic like product and the importance of price, the Commission found that subject imports from Malaysia would not likely have no discernible adverse impact on the domestic industry if the antidumping duty order on PRCBs from Malaysia were revoked.[82]

In the current reviews, the Commission received questionnaire responses from several producers of PRCBs in Malaysia.[83] The responding PRCB producers in Malaysia collectively

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[78] Subject imports from Malaysia declined from *** bags in 2004 to *** bags in 2005 and *** bags in 2006, increased to *** bags in 2007 and *** bags in 2008 and declined to *** bags in 2009. Their market share also generally declined during the first reviews, declining from *** percent of apparent U.S. consumption in 2004 to *** percent in 2005 and *** in 2006 and 2007, increasing to *** percent in 2008, then declining to *** percent in 2009. Confidential First Reviews Opinion at 10; USITC Pub. 4160 at 12.

[79] Imports of PRCBs from the nonsubject producer in Malaysia increased from *** bags in 2004 to *** bags in 2005, declined to *** bags in 2006, *** bags in 2007, and *** bags in 2008, and increased to *** bags in 2009. PRCB imports from the nonsubject producer in Malaysia accounted for *** percent of apparent U.S. consumption in 2004 and between *** and *** percent from 2005 to 2009. Confidential First Reviews Opinion at 10; USITC Pub. 4160 at 12.

[80] Reported subject PRCB capacity in Malaysia increased from 7.8 billion bags in 2004 to 8.3 billion bags in 2005, 9.1 billion bags in 2006, 10.5 billion bags in 2007, 11.3 billion bags in 2008, and 13.8 billion bags in 2009. Reported subject PRCB production in Malaysia also increased from 7.2 billion bags in 2004 to 7.5 billion bags in 2005, 8.3 billion bags in 2006, 9.8 billion bags in 2007, 10.1 billion bags in 2008, and 11.7 billion bags in 2009. The subject industry's capacity utilization level fluctuated, declining from 92.5 percent in 2004 to 89.5 percent in 2005, increasing to 91.1 percent in 2006 and 93.3 percent in 2007, and then declining to 89.5 percent in 2008 and 84.8 percent in 2009. Confidential First Reviews Opinion at 11; USITC Pub. 4160 at 13.

[81] In 2009, responding Malaysian producers reportedly exported 91.3 percent of their total shipments. Their PRCB exports increased from 6.4 billion bags in 2004 and 2005 to 7.2 billion bags in 2006 and 9.1 billion bags in 2007, declined to 9.0 billion bags in 2008, and then increased to 10.6 billion bags in 2009. Confidential First Reviews Opinion at 11-12; USITC Pub. 4160 at 13.

[82] Confidential First Reviews Opinion at 12; USITC Pub. 4160 at 14.

[83] The PRCB Committee provided a list of 23 firms that it believes currently produce PRCBs in Malaysia. PRCB Committee's Response to Notice of Institution at Exhibit 31. The Commission requested data from

(*continued*...)

reported increasing production capacity and production,[84] available production capacity,[85] and a high level of export orientation during the current reviews.[86] Indeed, Global Trade Atlas data indicate that the industry in Malaysia is one of the largest global exporters of "sacks and bags (including cones) of polymers of ethylene," a category that includes PRCBs.[87] Subject imports from Malaysia remained in the U.S. market during the POR despite the order, although their volume and market share declined overall between 2009 and 2014.[88] The nonsubject producer in Malaysia maintained a sizeable and irregularly increasing presence in the U.S. market throughout this period, further indicating the attractiveness of the U.S. market.[89] The Malaysian Task Force contends that producers of subject merchandise in Malaysia are so focused on supplying existing customers in the EU and Asia that they would not appreciably increase their exports to the U.S. market if the order were revoked.[90] We reject this argument

(…*continued*)
32 firms in Malaysia believed to be possible PRCBs producers. Of these firms, nine firms, all of which are subject to the order, provided questionnaire responses containing useable data. Responding firms estimated that they collectively accounted for approximately *** percent of PRCB production in Malaysia and *** exports of PRCBs from Malaysia to the United States. CR at IV-26; PR at IV-16.

[84] Reported PRCB capacity in Malaysia increased from 9.2 billion bags in 2009 to 16.0 billion bags in 2010, 17.1 billion bags in 2011, 17.3 billion bags in 2012, 18.0 billion bags in 2013, and 18.5 billion bags in 2014; it was 14.18 billion bags in interim 2014 and 14.15 billion bags in interim 2015. Reported PRCB production increased from 7.3 billion bags in 2009 to 11.8 billion bags in 2010 and 13.4 billion bags in 2011, declined to 11.9 billion bags in 2012, increased to 14.6 billion bags in 2013 and a period high of 14.9 billion bags in 2014; it was 11.4 billion bags in interim 2014 and 10.4 billion bags in interim 2015. CR/PR at Table IV-12.

[85] Reported capacity utilization for the industry in Malaysia declined from 79.8 percent in 2009 to 73.6 percent in 2010, increased to 78.6 percent in 2011, declined to 69.0 percent in 2012, increased to 81.2 percent in 2013, and declined to 80.3 percent in 2014; it was 80.4 percent in interim 2014 and 73.4 percent in interim 2015. CR/PR at Table IV-12.

[86] Responding PRCB producers in Malaysia exported *** percent of their shipments throughout the POR. Reported PRCB exports from Malaysia to the United States were *** bags in 2010, *** bags in 2011, *** bags in interim 2015, and *** in 2009, 2012, 2013, 2014, and interim 2014. CR/PR at Table IV-12.

[87] CR/PR at Table IV-23.

[88] The volume of subject imports from Malaysia decreased from *** bags in 2009 to *** bags in 2010, increased to *** bags in 2011, declined to *** bags in 2012, increased to *** bags in 2013 and declined to *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. Subject imports from Malaysia had a market share of *** percent in 2009 and *** percent thereafter. CR/PR at Table C-1.

[89] The volume of nonsubject imports from Malaysia decreased from *** bags in 2009 to *** bags in 2010, increased to *** bags in 2011 and *** bags in 2012, and declined to *** bags in 2013 and *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. Their market share declined from *** percent in 2009 to *** percent in 2010, increased to *** percent in 2011 and *** percent in 2012 and 2013, then fell to *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table C-1.

[90] *See, e.g.*, Malaysian Task Force's Posthearing Brief at 2-3; Hearing Tr. at 122 (Sim); Malaysian Task Force's Prehearing Brief at 6-7.

based on the continued presence of nonsubject imports in the U.S. market, the existence of substantial unused capacity for the subject producers, and the variety of destinations for exports of PRCBs from Malaysia.[91] Based on the increasing volume of subject imports from Malaysia during the original investigations, the presence of both subject and nonsubject PRCBs from Malaysia in the U.S. market after imposition of the order, the large size of the PRCB industry in Malaysia and its available capacity and export orientation, we find that subject imports from Malaysia are not likely to have no discernible adverse impact upon revocation of the order.

Taiwan. During the original investigations, the volume of subject imports from Taiwan increased both absolutely and relative to apparent U.S. consumption.[92] In the current reviews, the record contains limited new information regarding the PRCB industry in Taiwan.[93] According to information that was reported in the original investigations,[94] production capacity and production of PRCBs in Taiwan was sizeable and growing,[95] and the responding producers'

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[91] Subject producers in Malaysia continued to export PRCBs to the EU after the EU revoked its antidumping duty orders on PRCBs from China and Thailand and despite the EU's revocation of Malaysia's GSP status. Malaysian Task Force's Posthearing Brief at 2-3, Exhibits 1-2; Malaysian' Task Force's Prehearing Brief at 1-7. Notwithstanding these exports to the EU and elsewhere, responding subject PRCB producers in Malaysia reported considerable available capacity and a decrease in the share of total shipments accounted for by exports to the EU. CR/PR at Table IV-12.

[92] The volume of subject imports from Taiwan increased from *** bags in 2006 to *** bags in 2007 and *** bags in 2008, and their share of the U.S. market increased from *** percent of apparent U.S. consumption in 2006 to *** percent in 2007 and *** percent in 2008. CR at Table C-1 from Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam; USITC Pub. 4144 at Table C-1.

[93] The PRCB Committee provided a list of 25 firms that it believes currently produce PRCBs in Taiwan. PRCB Committee's Response to Notice of Institution at Exhibit 31. The Commission requested data from 26 firms in Taiwan believed to be possible producers of PRCBs, but it did not receive responses from any foreign producers or exporters in Taiwan. CR at IV-33; PR at IV-22. Accordingly, for our determinations, we rely as appropriate on the facts available from the prior proceedings and the limited new information on the record in the current reviews.

[94] In the original investigations, the Commission requested data from 23 firms in Taiwan believed to be possible producers of PRCBs, and the three responding firms estimated that they accounted for *** percent of PRCB production in Taiwan and *** percent of PRCB exports from Taiwan to the United States in 2008; their reported U.S. exports to the United States were equivalent to *** percent of the quantity of U.S. imports of PRCBs from Taiwan in that year based on official Commerce statistics. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at VII-3, Table VII-2; USITC Pub. 4144 at VII-1 to VII-2, Table VII-1.

[95] Reported production capacity and production for the PRCB industry in Taiwan increased overall during the original investigations. Production capacity increased from *** bags in 2006 to *** bags in 2007 and *** bags in 2008, and production of PRCBs in Taiwan increased from *** bags in 2006 to *** bags in 2007 and *** bags in 2008. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-2; USITC Pub. 4144 at Table VII-2.

capacity utilization declined substantially.[96] The responding producers of PRCBs in Taiwan were highly export oriented, and exports to the United States accounted for a substantial share of their exports.[97] Available information does not indicate any contraction in the subject industry in Taiwan. After the order was imposed on PRCBs from Taiwan, the volume of subject imports from Taiwan declined substantially, but there continued to be intermittent subject imports from Taiwan in the U.S. market during the POR.[98] Based on the large and increasing volume of subject imports from Taiwan during the original investigations, the large size of the industry in Taiwan during the original investigations, its export orientation, the importance of the U.S. market relative to other markets at that time, and the intermittent presence of PRCBs from Taiwan in the U.S. market even after imposition of the order, we find that subject imports from Taiwan are not likely to have no discernible adverse impact upon revocation.

Thailand. During the original investigations, subject imports from Thailand increased absolutely and relative to apparent U.S. consumption.[99] During the Commission's first reviews, which occurred prior to Commerce's revocation of the antidumping duty order with respect to certain producers/exporters in Thailand pursuant to a determination under section 129 of the URAA,[100] producers in Thailand maintained a significant presence in the U.S. market notwithstanding imposition of the antidumping duty order.[101] The Commission found that the limited

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[96] Capacity utilization for responding PRCB producers in Taiwan decreased from *** percent in 2006 to *** percent in 2007 and *** percent in 2008. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-2; USITC Pub. 4144 at Table VII-2.

[97] Exports accounted for at least *** percent of total shipments by responding PRCB producers in Taiwan between 2006 and 2008, and their exports to the United States accounted for at least *** percent of total shipments during this period. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-2; USITC Pub. 4144 at Table VII-2.

[98] The volume of subject imports from Taiwan declined from *** bags in 2009 to *** bags in 2010 and *** bags in 2011, increased to *** bags in 2012 and *** bags in 2013, and decreased to *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. CR/PR at Table IV-1.

[99] Subject imports from Thailand increased from *** bags in 2001 to *** bags in 2002 and *** bags in 2003, and their share of apparent U.S. consumption increased from *** percent in 2001 to *** percent in 2002 and *** percent in 2003. Confidential Report from Original Investigations of PRCBs from China, Malaysia, and Thailand at Table I-1; USITC Pub. 3710 at Table I-1.

[100] In response to a challenge by the government of Thailand before the World Trade Organization, the Office of the U.S. Trade Representative requested that Commerce issue a determination under Section 129 of the URAA (19 U.S.C. § 3538(b)). In that determination, Commerce recalculated the antidumping duty margins regarding PRCBs from Thailand and determined to revoke the order effective July 28, 2010 for the following firms for which the recalculated margins were *de minimis*: Thai Plastic Bags Industries Co., Ltd.; Winners Pack Co., Ltd.; and APEC Film Ltd. 75 Fed. Reg. 48940 (Aug. 12, 2010).

[101] Subject imports from Thailand declined to 5.8 billion bags in 2004, increased sharply to 11.0 billion bags in 2005 and 17.0 billion bags in 2006, declined to 5.9 billion bags in 2007, increased to 7.8 billion bags in 2008, and declined to 3.7 billion bags in 2009. In terms of apparent U.S. consumption, subject imports from Thailand declined to *** percent in 2004, increased to *** percent in 2005 and *** percent in 2006, declined to *** percent in 2007, increased to *** percent in 2008, and declined to *** percent in 2009. Confidential First Reviews Opinion at 12; USITC Pub. 4160 at 14.

questionnaire data indicated that the PRCB industry in Thailand possessed significant excess capacity with which to increase exports to the U.S. market after revocation, equivalent to *** bags or *** percent of apparent U.S. consumption in 2009.[102] Responding producers in Thailand also reported a high degree of export orientation, exporting *** percent of their total shipments in 2009.[103] Based on this evidence, as well as the high degree of substitutability between subject imports from Thailand and the domestic like product and the importance of price, the Commission found that subject imports from Thailand were not likely to have no discernible adverse impact on the domestic industry if the antidumping duty order on PRCBs from Thailand were revoked.[104]

In the current reviews, two producers of subject PRCBs in Thailand submitted questionnaire data on their operations.[105] They reported overall increases in their collective production capacity, production, and capacity utilization for subject PRCBs.[106] The responding producers of subject PRCBs in Thailand also reported a high level of export orientation and an

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[102] Reported PRCB capacity in Thailand fluctuated between 2004 and 2006, increasing from *** bags in 2004 to *** bags in 2005 before declining to *** bags in 2006, *** bags in 2007, *** bags in 2008, and *** bags in 2009. Reported PRCB production in Thailand increased from *** bags in 2004 to *** bags in 2005, declined to *** bags in 2006 and *** bags in 2007, increased to *** bags in 2008, and declined to *** bags in 2009. Reported capacity utilization by the responding producers in Thailand fluctuated, increasing from *** percent in 2004 to *** percent in 2005, declining to *** percent in 2006 and *** percent in 2007, increasing to *** percent in 2008, and declining to *** percent in 2009. Confidential First Reviews Opinion at 12-13; USITC Pub. 4160 at 14-15.

[103] Responding PRCB producers in Thailand reported increasing PRCB exports from *** bags in 2004 to *** bags in 2005, before reducing their exports to *** bags in 2006, *** bags in 2007, *** bags in 2008, and *** bags in 2009. Confidential First Reviews Opinion at 13; USITC Pub. 4160 at 15.

[104] Confidential First Reviews Opinion at 13; USITC Pub. 4160 at 15.

[105] The PRCB Committee provided a list of 38 firms that it believes currently produce PRCBs in Thailand. PRCB Committee's Response to Notice of Institution at Exhibit 31. The Commission requested data from 54 firms in Thailand believed to be possible producers of subject PRCBs. Two of these firms provided questionnaire responses containing useable data. One firm estimated that it accounted for *** percent of total PRCBs production in Thailand in 2014; the other did not provide any such estimate. Reported exports of PRCBs to the United States by these firms in 2014 collectively were equivalent to about *** percent of the quantity of U.S. imports of subject PRCBs from Thailand in that year. CR at IV-36 to IV-37; PR at IV-24.

[106] Reported capacity for subject producers in Thailand increased from *** bags in 2009 to *** bags in 2010, where it remained in 2011, 2012, 2013, and 2014, and it was *** bags in interim 2014 and interim 2015. Responding subject producers in Thailand reported that PRCB production increased from *** bags in 2009 to *** bags in 2010, decreased to *** bags in 2011, increased to *** bags in 2012 and *** bags in 2013 and decreased to *** bags in 2014; it was *** bags in interim 2014 and interim 2015. The responding producers of subject PRCBs in Thailand reported that their capacity utilization increased from *** percent in 2009 to *** percent in 2010, decreased to *** percent in 2011, increased to *** percent in 2012 and *** percent in 2013, and decreased to *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table IV-17.

overall increase in their exports of subject merchandise to the United States.[107] During the POR, the volume and market share of subject imports from Thailand fluctuated annually.[108] Nonsubject producers in Thailand maintained a sizeable presence in the U.S. market throughout this period.[109] Based on the volume of subject imports from Thailand during the original investigations, the continued presence of both subject and nonsubject PRCBs from Thailand in the U.S. market after imposition of the order, the large and increasing capacity to produce PRCBs for responding producers of subject PRCBs from Thailand and their export orientation, we find that subject imports from Thailand are not likely to have no discernible adverse impact upon revocation.

Vietnam. The volume of subject imports from Vietnam increased overall both absolutely and relative to apparent U.S. consumption during the original investigations.[110] In the current reviews, the Commission received a single questionnaire response from *** during the POR.[111] During the POR, this firm reported overall increases in production capacity and production, stable capacity utilization, *** exports of subject merchandise to the United States,

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[107] Responding producers of subject PRCBs in Thailand exported *** percent of their shipments throughout the POR. They reported that their U.S. exports increased from *** bags in 2009 to *** bags in 2010, decreased to *** bags in 2011, and increased to *** bags in 2012 and *** bags in 2013 and 2014; they were *** bags in interim 2014 and *** bags in interim 2015. CR/PR at Table IV-17.

[108] The volume of subject imports from Thailand increased from *** bags in 2009 to *** bags in 2010, decreased to *** bags in 2011, *** bags in 2012 and 2013, and *** bags in 2014; it was *** bags in interim 2014 and interim 2015. Their market share increased from *** percent in 2009 to *** percent in 2010, decreased to *** percent in 2011 and *** percent in 2012, increased to *** percent in 2013, and decreased to *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table C-1.

[109] The volume of nonsubject imports from Thailand decreased from *** bags in 2009 to *** bags in 2010, increased to *** bags in 2011, *** bags in 2012, *** bags in 2013, and *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. Their market share increased overall during the POR; it decreased from *** percent in 2009 to *** percent in 2010, increased to *** percent in 2011, *** percent in 2012 and 2013, and *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table C-1.

[110] The volume of subject imports from Vietnam increased from 3.1 billion bags in 2006 to 7.3 billion bags in 2007 and then fell to 7.2 billion bags in 2008, and their market share increased from 2.8 percent in 2006 to 6.9 percent in 2007 and 7.1 percent in 2008. Confidential Report from Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table C-1; USITC Pub. 4144 at Table C-1.

[111] In the current reviews, the PRCB Committee provided a list of 59 firms that it believes currently produce PRCBs in Vietnam. PRCB Committee's Response to Notice of Institution at Exhibit 31. The Commission requested data from 60 firms in Vietnam believed to be possible producers of PRCBs, and only one of these firms submitted a questionnaire response containing useable data. This firm estimated that it accounted for *** of total PRCB production in Vietnam. Its reported exports of PRCBs to the United States in 2014 were equivalent to *** percent of U.S. imports of PRCBs from Vietnam in that year. CR at IV-42; PR at IV-26.

and a high level of export orientation.[112] We also considered as information available data reported during the original investigations,[113] which indicated overall growth in production capacity and production of PRCBs in Vietnam[114] and substantial unused capacity.[115] The responding producers of PRCBs in Vietnam were highly export oriented, and exports to the United States accounted for a substantial majority of their exports during the original investigations.[116] After the order was imposed on PRCBs from Vietnam, the volume of subject imports from Vietnam declined substantially but subject imports from Vietnam maintained a presence in the U.S. market during the POR.[117] Based on the large and increasing volume of subject imports from Vietnam during the original investigations, the export orientation of the responding producers, the importance of the U.S. market relative to other markets at that time, and the continued presence of PRCBs from Vietnam in the U.S. market even after imposition of the order, we find that subject imports from Vietnam are not likely to have no discernible adverse impact upon revocation.

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[112] The responding producer reported PRCB capacity in Vietnam of *** bags in 2009, *** bags in 2010, *** bags in 2011, *** bags in 2012, *** bags in 2013, *** bags in 2014, *** bags in interim 2014, and *** bags in interim 2015. It reported PRCB production of *** bags in 2009, *** bags in 2010, *** bags in 2011, *** bags in 2012, *** bags in 2013, *** bags in 2014, *** bags in interim 2014, and *** bags in interim 2015. Its reported capacity utilization was *** percent during the POR, and it exported *** percent of its shipments throughout the POR. CR/PR at Table IV-19.

[113] During the original investigations, the Commission requested data from 78 firms in Vietnam believed to be possible producers or exporters of PRCBs. Of these firms, 7 producers provided questionnaire responses containing useable production and/or export data, and these responding firms estimated that they collectively accounted for *** percent of production of PRCBs in Vietnam and *** percent of exports of PRCBs from Vietnam to the United States. Their reported exports of PRCBs were equivalent to *** percent of the quantity of U.S. imports of PRCBs from Vietnam in that year based on official Commerce statistics. Confidential Report from Original Investigations on PRCBs from Indonesia, Taiwan, and Vietnam at VII-5; USITC Pub. 4144 at VII-2.

[114] Reported production capacity and production for the PRCB industry in Vietnam increased overall during the original investigations. Production capacity increased from *** bags in 2006 to *** bags in 2007 and *** bags in 2008, and production of PRCBs in Vietnam increased from *** bags in 2006 to *** bags in 2007 and *** bags in 2008. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-3 (as amended); USITC Pub. 4144 at Table VII-3.

[115] Capacity utilization for responding PRCB producers in Vietnam increased from *** percent in 2006 to *** percent in 2007 and *** percent in 2008. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-3 (as amended); USITC Pub. 4144 at Table VII-3.

[116] Exports accounted for *** percent of total shipments by responding PRCB producers in Vietnam between 2006 and 2008, and their exports to the United States accounted for at least *** percent of total shipments during this period. *See* Confidential Report in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-3 (as amended); USITC Pub. 4144 at Table VII-3.

[117] The volume of subject imports from Vietnam declined from *** bags in 2009 to *** bags in 2010 and *** bags in 2011, increased to *** bags in 2012 and *** bags in 2013 and decreased to *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. CR/PR at Table IV-1.

C. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.[118] Only a "reasonable overlap" of competition is required.[119] In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.[120]

In the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission cumulated subject imports from all three subject countries for purposes of its affirmative material injury determinations,[121] and it found a likely reasonable overlap of competition among subject imports from China, Malaysia, and Thailand in the first reviews.[122] In the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission found a reasonable overlap of competition among all subject imports and the domestic like

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[118] The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are as follows: (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions; (2) the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product; (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and (4) whether subject imports are simultaneously present in the market with one another and the domestic like product. *See, e.g., Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int'l Trade 1989).

[119] *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int'l Trade 1996); *Wieland Werke,* 718 F. Supp. at 52 ("Completely overlapping markets are not required."); *United States Steel Group v. United States,* 873 F. Supp. 673, 685 (Ct. Int'l Trade 1994), *aff'd*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g.*, *Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812-13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff'd Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int'l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761 to 762 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

[120] *See generally Chefline Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int'l Trade 2002).

[121] The Commission reached this decision after finding a high degree of substitutability among these imports and the domestic like product, and because PRCBs from all sources were sold simultaneously, generally throughout the U.S. market, and in sufficiently overlapping channels of distribution to distributors and retailers. USITC Pub. 3710 at 13-16.

[122] USITC Pub. 4160 at 8-18.

product,[123] and it exercised its discretion to cumulate subject imports from all three subject countries for purposes of its affirmative threat of material injury determinations.[124]

In the current reviews, the PRCB Committee argues that there is likely to be a reasonable overlap of competition among subject imports from all six subject countries and the domestic like product.[125] The Malaysian Task Force does not discuss this issue. For the following reasons, we find that there would likely be a reasonable overlap in competition among subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam and between these imports and the domestic like product should the orders be revoked.

Fungibility. The record of these reviews indicates that there would likely be a high degree of fungibility among subject imports from all six subject countries and between subject imports and the domestic like product. The large majority of U.S. producers and importers reported that PRCBs from the subject countries are always interchangeable with one another and with the domestic like product, and a majority of purchasers reported these pairings are always interchangeable as well.[126] In the overwhelming majority of comparisons concerning 15 different factors that may affect purchasing decisions, majorities or pluralities of purchasers reported that the domestic like product and imports from each subject country are comparable.[127]

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[123] The Commission based this decision on its findings of high substitutability among PRCBs from each of these sources and that all were sold simultaneously in all regions of the U.S. market through the same general channels of distribution (end users and distributors). USITC Pub. 4144 at 11-12.

[124] The Commission determined to exercise its discretion to cumulate because it found no indication that the reasonable overlap of competition would not continue into the imminent future. It found that subject imports from Indonesia, Taiwan, and Vietnam were likely to compete under similar conditions of competition, given that subject imports from all three sources increased overall absolutely and relative to apparent U.S. consumption, the record did not indicate differences in terms of product mix among the sources, each of the subject countries exhibited similar patterns of over- and underselling the domestic like product with respect to specific pricing products, and foreign producers in the subject countries exhibited a similar dependence on exports to the U.S. market, lack of a significant home market, and degree of excess capacity towards the end of the period. USITC Pub. 4144 at 13-15.

[125] The PRCBs Committee observes that, as the Commission previously found, PRCBs from the subject countries are highly substitutable for one another and the domestic like product. Subject imports from all subject countries except Malaysia have been sold throughout the contiguous U.S. states alongside the domestic like product, subject imports from all six countries and the domestic like product were sold in each year of the POR, and most were sold to both distributors and end users. PRCB Committee's Prehearing Brief at 27-29; Hearing Tr. at 42-43 (Snead).

[126] CR/PR at Table II-13. A majority of producers and importers reported that there are never differences other than price among all country pairs, and most purchasers reported there are sometimes or never differences other than price among these country pairs, except when comparing the United States to China, for which a plurality of purchasers reported that there are always factors other than price that differentiate PRCBs from these countries. CR/PR at Table II-15.

[127] CR/PR at Table II-12.

Channels of Distribution. Importers of subject PRCBs from five of the subject countries and the domestic industry reported selling PRCBs through distributors, although importers from Thailand sold a greater share of their products to end users than distributors.[128] ***.[129]

Geographic Overlap. PRCBs from each of the subject countries entered the U.S. Customs district in Los Angeles, California, and PRCBs from all subject countries except for Vietnam entered the U.S. Customs district in New York, New York.[130] Additionally, the domestic industry reported selling PRCBs in all regions in the contiguous United States, as did importers of subject merchandise from all subject countries other than Malaysia.[131]

Simultaneous Presence in Market. Subject imports from each of the six subject countries and the domestic like product were sold in the U.S. market in each year of the POR.[132]

Conclusion. The record indicates that subject PRCBs from each of the subject countries and the domestic like product are fungible and were simultaneously sold in the U.S. market during each year of the POR. The domestic like product and subject PRCBs from five of the subject countries were primarily shipped through the same channels of distribution in at least some overlapping geographic markets. During the current reviews, the record contains limited information on channels of distribution for subject PRCBs from Malaysia, ***,[133] and limited information about geographical markets for subject imports from Malaysia. In view of our conclusion on no discernible adverse impact, however, we find on revocation that subject imports from Malaysia would likely have a continued presence in the U.S. market, as they did during the original investigations. Based on the record from the original investigations and the current and prior reviews and the fungible nature of PRCBs from all sources, we find that upon revocation, subject imports from Malaysia and each of the other subject countries and the domestic like product likely would again be sold in similar channels of distribution in overlapping geographic markets. We consequently find that there would likely be a reasonable overlap of competition among subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam, and between subject imports from each source and the domestic like product, were the orders to be revoked.

D. Likely Conditions of Competition

In determining whether to exercise our discretion to cumulate subject imports, we also assess whether subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam are likely to compete under similar or different conditions of competition in the U.S. market in the event the orders were revoked. In the first reviews of the orders on PRCBs from China, Malaysia, and Thailand, the Commission found that subject imports from each of those subject

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[128] CR/PR at Table II-1.
[129] CR at II-2 at n.1; PR at II-1 at n.1.
[130] CR/PR at Table IV-5.
[131] CR/PR at Table II-2. ***. CR at II-4; PR at II-2.
[132] CR/PR at Table IV-4, Figure IV-4, Table C-1.
[133] CR at II-2 at n.1; PR at II-1 at n.1.

countries would be likely to compete under similar conditions of competition in the U.S. market in the event of revocation.[134] In the current reviews, the Malaysian Task Force advocates that the Commission not cumulate subject imports from Malaysia with other subject imports on the basis that subject imports from Malaysia are likely to compete differently than other subject imports in the U.S. market if the orders were revoked.[135] The PRCB Committee argues that the record contains no evidence that subject imports from Malaysia would compete differently than other subject imports if the orders were revoked; it argues that the only participating hearing witness with first-hand knowledge of production and sales activities by the industry in Malaysia testified that producers in Malaysia sold many of the same PRCB products to many of the same customers as the domestic industry.[136]

In these reviews, we do not find any significant differences in how imports of subject PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam are likely to compete in the U.S. market. Upon revocation, we instead find a number of likely similarities between how these subject industries are likely to compete in the U.S. market. As discussed above, available information indicates that each of the subject industries possesses available PRCB production capacity, depends heavily on exports of PRCBs,[137] and exported PRCBs to the United States after imposition of the orders.[138] The record indicates that PRCBs are highly substitutable regardless of where they are manufactured.[139] In order to maximize capacity utilization, each subject industry has a similar incentive to increase exports to the United States in the event of revocation. Consequently, we do not find that subject imports from Malaysia or subject imports from any other subject country are likely to compete differently in the U.S. market than

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[134] The Commission found that the subject industries in China, Malaysia, and Thailand maintained a presence in the U.S. market after the orders were imposed, were similarly dependent on exports and lacked a significant home market, had excess capacity, and confronted significant restrictions on usage of PRCBs in their home markets, giving them similar capabilities and incentives to increase their exports to the United States in the event of revocation. Confidential Opinion in First Reviews of PRCBs from China, Malaysia, and Thailand at 16-17; USITC Pub. 4160 at 17-18.

[135] The Malaysian Task Force argues that cumulating subject imports from Malaysia with subject imports that still have a sizeable U.S. market presence and whose exporters "are not even arguing that the orders against them should be revoked" would not serve the purpose of preventing the "hammering effect" of imports from multiple countries. Its other arguments parallel those on no discernible adverse impact, relying on the small quantity of subject imports from Malaysia in the original investigations and subsequent periods; the fact that most imports from Malaysia during these periods were from nonsubject producer Bee Lian; the Malaysian industry's capacity utilization; and the Malaysian industry's focus on non-U.S. markets such as the European Union, which imposed duties on PRCBs from other countries, but not Malaysia. Malaysian Task Force's Prehearing Brief at 1-2, 7-8; Hearing Tr. at 122-123, 131-132, 154 (Sim); Malaysian Task Force's Posthearing Brief at 1-3.

[136] PRCB Committee's Posthearing Brief at 11; Hearing Tr. at 40-41 (Lawson), 43-48 (Snead).

[137] CR/PR at Table IV-7 (China), Table IV-12 (Malaysia), Table IV-17 (Thailand), Table IV-19 (Vietnam); Confidential Report in PRCBs from Indonesia, Taiwan, and Vietnam at Table VII-1 (Indonesia), Table VII-2 (Taiwan), and Table VII-3 (Vietnam); USITC Pub. 4144 at Tables VII-1 to VII-3.

[138] CR/PR at Table IV-1.

[139] CR/PR at Table II-12, Table II-13.

subject imports from any other subject country in the event of revocation so as to warrant declining to exercise our discretion to cumulate.

E. Conclusion

For the reasons discussed above, we determine to exercise our discretion to cumulate subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam for purposes of our analysis in these reviews.

IV. Whether Revocation of the Antidumping and Countervailing Duty Orders Would Likely Lead to Continuation or Recurrence of Material Injury to a Domestic Industry 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."[140] The URAA 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."[141] Thus, the likelihood standard is prospective in nature.[142] The U.S. Court of International Trade has found that "likely," as used in the five-year review provisions of the Tariff Act, means "probable," and the Commission applies that standard in five-year reviews.[143]

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[140] 19 U.S.C. § 1675a(a).

[141] URAA SAA at 883-84. The URAA 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.

[142] While the URAA 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." URAA SAA at 884.

[143] *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

(*continued*...)

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."[144] According to the URAA 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."[145]

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."[146] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[147] 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.[148]

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.[149] In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely

(…*continued*)

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'").

[144] 19 U.S.C. § 1675a(a)(5).

[145] URAA 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*.

[146] 19 U.S.C. § 1675a(a)(1).

[147] 19 U.S.C. § 1675a(a)(1). Commerce has issued two duty absorption findings: (1) an affirmative determination concerning PRCBs from China with respect to Dongguan Nowaza Plastics Ltd. and United Power Packaging, Ltd. on all sales made through their affiliated importers during the 2005-2006 administrative review and (2) an affirmative determination concerning PRCBs from Thailand with respect to UPC/API on all U.S. sales during the 2005-2006 administrative review and with respect to Master Packaging on all sales in the 2007-2008 administrative review. CR at I-17 at n.23; PR at I-14 at n.23.

[148] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. URAA SAA at 886.

[149] 19 U.S.C. § 1675a(a)(2).

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.[150]

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[151]

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[152] All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are

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[150] 19 U.S.C. § 1675a(a)(2)(A) to (D).

[151] *See* 19 U.S.C. § 1675a(a)(3). The URAA 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." URAA SAA at 886.

[152] 19 U.S.C. § 1675a(a)(4). Section 752(a)(6) of the Tariff Act states that "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy" 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 1675(a)(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv); *see also* URAA SAA at 887. Commerce conducted expedited reviews of all orders. For the antidumping duty orders, Commerce assigned a likely margin of 77.57 percent for subject imports from China; a likely margin of 85.17 percent for imports from Indonesia; a likely margin of 101.74 percent for subject imports from Malaysia; a likely margin of 95.81 percent for subject imports from Taiwan; a likely margin of 122.88 percent for subject imports from Thailand; and a likely margin of 76.11 percent for subject imports from Vietnam. 80 Fed. Reg. 39997 (Jul. 15, 2015); *see also* CR/PR at Tables I-6 to I-11. With respect to the countervailing duty order on subject merchandise from Vietnam, Commerce assigned the following margins: 52.56 percent for Advance Polybag; 5.28 percent for Fotai Vietnam Enterprise Corp. and Fotai Enterprise Corp.; and 5.28 percent for all others. 80 Fed. Reg. 46539 (Aug. 5, 2015); *see also* CR/PR at Table I-5.

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 orders under review and whether the industry is vulnerable to material injury upon revocation.[153]

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."[154] Many of the conditions of competition in the prior proceedings continue to be relevant in the current determinations.[155] The following conditions of competition inform our determinations.

1. Demand Conditions

PRCBs are bags with handles that retailers historically provided free of charge to their customers to package and carry their purchased goods home from the point of sale.[156] Questionnaire respondents reported limited substitutes for PRCBs, such as paper bags, reusable fabric and plastic bags, woven bags, non-woven bags, cotton bags, and cardboard totes.[157] Whereas PRCBs are manufactured in several varieties from polyethylene film,[158] so-called T-shirt bags, which resemble tank-top styled undershirts and are standard bags for grocery stores and big box retailers, continue to account for the vast majority of PRCBs.[159] In the current reviews, the 34 purchasers that submitted questionnaire data included the following: nine food retailers, 11 other retailers, nine distributors of packaging supplies, and three distributors of food or other products.[160] Large retailers directly imported PRCBs, purchased them from importers and domestic producers, and purchased them from distributors.[161] Distributors typically sold to retail or grocery stores, or to specialized distributors, such as food service distributors, and some distributors shipped a bundle of not-for-resale products

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[153] The URAA 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." URAA SAA at 885.

[154] 19 U.S.C. § 1675a(a)(4).

[155] *See, e.g.*, Hearing Tr. at 9-10 (Jones), 142 (Sim).

[156] CR at I-28, II-19; PR at I-25, II-10.

[157] CR at II-17; PR at II-10; Hearing Tr. at 102-105 (Daniels).

[158] CR at I-29 to I-30; PR at I-25.

[159] CR at I-29, II-1; PR at I-25-I-26, II-1; Hearing Tr. at 105 (Daniels); USITC Pub. 3710 at 16-17.

[160] CR at II-3 to II-4; PR at II-2.

[161] CR at I-41, II-4; PR at I-34, II-2; CR/PR at Table I-13, Table II-1; USITC Pub. 3710 at 17.

together.[162] In the current reviews, the largest purchasers, in order of the amount they purchased, were ***.[163] In 2014, these purchasers reported purchasing a volume of PRCBs equivalent to 28.2 percent of apparent U.S. consumption, and in that year, nine purchasers reported purchasing over a billion bags each.[164] Purchasers continue to use internet sales, including internet reverse auctions – where the supplier offering the lowest price often prevails.[165]

In prior proceedings, questionnaire respondents reported that PRCB demand declined due to increased use of alternative bag types and bans or taxes on PRCBs related to environmental concerns.[166] During the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission found that apparent U.S. consumption had increased steadily from 77.1 billion bags in 2001 to 87.5 billion bags in 2003.[167] During the first reviews of those imports, the Commission found that apparent U.S. consumption had increased overall between 2004 (*** bags) and 2009 (*** bags), although apparent U.S. consumption had peaked in 2006.[168]

In the current reviews, most firms reported either a decrease or no change in U.S. demand for PRCBs since January 1, 2009.[169] Apparent U.S. consumption, however, increased 8.6 percent overall between 2009 and 2014, as it increased from 95.3 billion bags in 2009 to 100.1 billion bags in 2010, declined to 99.3 billion bags in 2011, increased to 103.8 billion bags in 2012, declined to 101.1 billion bags in 2013, and increased to 103.5 billion bags in 2014; it was 74.7 billion bags in interim 2014 and 76.9 billion bags in interim 2015.[170] A similar number of producers and importers anticipate flat or declining demand for PRCBs in the future, whereas purchasers more frequently reported expectations that demand would fluctuate in the future.[171]

The Commission asked questionnaire respondents whether passage of laws regulating the use and disposal of PRCBs has affected demand for PRCBs since January 1, 2009, and five of 10 producers, 12 of 25 importers, 17 of 31 purchasers, and three of nine foreign producers

[162] CR at II-4; PR at II-2.

[163] CR at II-4; PR at II-2.

[164] CR at II-4; PR at II-2.

[165] CR at V-4, V-7, V-42 to V-43; PR at V-3, V-5, V-23 to V-24; Hearing Tr. at 17 (Bazbaz), 36-38 (Lawson), 57-59 (Lawson, Daniels); PRCB Committee's Posthearing Brief at 2; PRCB Committee's Prehearing Brief at 8-9; USITC Pub. 3710 at 19-20; USITC Pub. 4160 at 24 n.150.

[166] USITC Pub. 4144 at 20; USITC Pub. 4160 at 22-23.

[167] USITC Pub. 3710 at 16-17.

[168] Confidential First Reviews Opinion at 21; USITC Pub. 4160 During the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, apparent U.S. consumption declined from 108.3 billion bags in 2006 to 105.3 billion bags in 2007 and 101.4 billion bags in 2008. USITC Pub. 4144 at 20, Table C-1.

[169] CR/PR at Table II-7; Hearing Tr. at 10 (Jones), 31-32 (Daniels).

[170] CR/PR at Table C-1.

[171] CR/PR at Table II-7.

reported that such laws had some effect on demand.[172] Nearly all of those responding affirmatively reported that these laws have decreased demand for PRCBs.[173] The most frequently cited reasons for expectations for declining future demand were the increased use of reusable bags and bans or taxes on PRCBs related to environmental concerns.[174]

The record is mixed concerning the effect of environmental restrictions on demand for PRCBs in the United States and in other markets. These restrictions may have some effect in curbing short-term demand for PRCBs or in influencing shifts from thinner-ply PRCBs to thicker-ply PRCBs (both of which correspond to products within the scope of these reviews). The record indicates that their longer-term impact varies according to the size of the jurisdiction imposing the restrictions as well as the sorts of restrictions imposed, including the magnitude of any tax or fee, and the enforcement mechanisms involved, both of which vary from one jurisdiction to another. This suggests that future demand for PRCBs is unlikely to increase significantly but is likely to fluctuate.[175]

2. Supply Conditions

During the original investigations of PRCBs from China, Malaysia, and Thailand, 22 domestic producers submitted questionnaire data.[176] The record indicated that subject imports were diffused among many importers, and that nonsubject imports held a small but increasing share of the U.S. market.[177] By the time of the first reviews of those orders and the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, four firms (API, Hilex, Inteplast, and Superbag) were *** domestic producers, collectively accounting for approximately *** percent of domestic production of PRCBs in 2008 and 2009.[178] Imports from subject and nonsubject sources collectively accounted for about one-third of apparent U.S. consumption.[179] Two major producers in Taiwan and most responding producers in Vietnam first engaged in production of PRCBs during that period.[180]

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[172] CR at II-14; PR at II-8.

[173] CR at II-14 to II-15; PR at II-8.

[174] CR at II-14; PR at II-7.

[175] CR at II-14 to II-17, IV-55 to IV-57; PR at II-7 to II-9, IV-33-IV-34; CR/PR at Table II-7, Table IV-24, Table IV-27; PRCB Committee's Posthearing Brief at 2-3, Response to Question 3, Exhibits 6, 8; Hearing Tr. at 31-33 (Daniels), 69-70 (Bazbaz), 77-78 (Daniels); PRCB Committee's Prehearing Brief at 12-14, Exhibits 4 to 8; Malaysian Task Force's Posthearing Brief at Answers to Commissioner Questions at 2-13, Exhibits 1 to 5.

[176] USITC Pub. 3710 at 17.

[177] USITC Pub. 3710 at 17.

[178] Confidential Opinion in Original Investigations of PRCBs from Indonesia, Taiwan, and Vietnam at 28; Confidential First Reviews Opinion at 22.

[179] USITC Pub. 4144 at 21; USITC Pub. 4160 at 22.

[180] USITC Pub. 4144 at 21.

During the current reviews, the domestic industry has accounted for more than *** of apparent U.S. consumption of PRCBs since 2009.[181] The PRCB Committee reports that, in order to maintain profitability, producers of PRCBs need to operate their factories continuously at high capacity in order to spread fixed costs over as many production units as possible.[182]

After subject imports from Indonesia, Taiwan, and Vietnam became subject to orders in May 2010, the volume of cumulated subject imports from all six countries under order fell and their share of the market declined from *** percent in 2009 to *** percent in 2014.[183] As was the case during prior proceedings, nonsubject imports consist of PRCBs from subject countries produced by firms that are excluded from the antidumping duty orders (Hang Lung and Nantong Huasheng from China, Bee Lian from Malaysia, and Thai Plastic Bags, Winners Pack, and APEC Film from Thailand) as well as imports of PRCBs from nonsubject countries (primarily Canada and India).[184] Nonsubject imports' share of the U.S. market increased irregularly over the POR from *** percent in 2009 to *** percent in 2014.[185]

3. Substitutability

As was the case in the original investigations and first reviews of PRCBs from China, Malaysia, and Thailand and the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the record reflects a high degree of substitutability among subject imports and the domestic like product and that price is an important factor in purchasing decisions.[186]

4. Raw Materials

Prices for polyethylene resin, the primary raw material input for PRCB production, are sometimes volatile.[187] Most contracts during the POR contained price escalation/de-escalation clauses based on resin prices, but the PRCB Committee reports that the inclusion of such clauses became possible only after imposition of the orders under review.[188]

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[181] CR/PR at Table C-1.

[182] PRCB Committee's Posthearing Brief at 1-2; Hearing Tr. at 9 (Jones), 16, 23 (Bazbaz), 28 (Daniels); PRCB Committee's Prehearing Brief at 3, 9-10; USITC Pub. 4144 at 22; USITC Pub. 4160 at 23.

[183] CR/PR at Table C-1.

[184] CR at IV-2; PR at IV-1-IV-2; Hearing Tr. at 89-90 (Daniels, Taylor, Bazbaz); USITC Pub. 4144 at 21; USITC Pub. 4160 at 23-24.

[185] CR/PR at Table C-1.

[186] CR/PR at Table II-12, Table II-9, Table II-10, Table II-13, Table II-15; Hearing Tr. at 17 (Bazbaz), 29 (Daniels), 35-36 (Lawson); USITC Pub. 3710 at 18-19; USITC Pub. 4144 at 21-22; USITC Pub. 4160 at 24.

[187] CR at III-26, V-1 to V-2; PR at III-9, V-1; CR/PR at Figure V-1; USITC Pub. 3710 at 19; USITC Pub. 4144 at 22; USITC Pub. 4160 at 25.

[188] CR at V-2, V-5 to V-6; PR at V-2, V-4; Hearing Tr. at 19 (Bazbaz), 92-93 (Bazbaz, Daniels), 107-109 (Bazbaz); USITC Pub. 3710 at 19; USITC Pub. 4144 at 22; USITC Pub. 4160 at 25.

C. Likelihood of Continuation or Recurrence of Material Injury to the Domestic Industry within a Reasonably Foreseeable Time in the Event of Revocation

1. Likely Volume of Cumulated Subject Imports

In the original investigations of PRCBs from China, Malaysia, and Thailand, U.S. shipments of cumulated subject imports increased significantly, from 7.5 billion bags in 2001 to 15.4 billion bags in 2003, and cumulated subject imports increased their market share from 9.7 percent of apparent U.S. consumption in 2001 to 17.6 percent in 2003 at the expense of the domestic industry, which lost 11.0 percentage points of market share during this period.[189] In the first reviews of those orders, the Commission concluded that cumulated subject imports from China, Malaysia, and Thailand were likely to be significant in the event of revocation for several reasons: (1) cumulated subject imports rose rapidly during the original investigations both absolutely and relative to consumption and maintained a significant presence in the U.S. market after the orders were imposed; (2) nonsubject producers in China and Malaysia maintained a significant and increasing presence in the U.S. market during that period; (3) the subject PRCB industries had significant and increasing production capacity; (4) the subject PRCB industries had significant unused production capacity; (5) responding subject foreign producers reported that they were highly export oriented; (6) competition in major third-country markets was likely to intensify given the likelihood of stagnant or declining demand in China and the EU market and the U.S. imposition of orders on PRCBs from Indonesia, Taiwan, and Vietnam; and (7) the U.S. imposition of orders on PRCBs from Indonesia, Taiwan, and Vietnam would provide an additional incentive for producers in China, Malaysia, and Thailand to increase exports to the U.S. market in the event their orders were revoked.[190]

In the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission found that the volume of cumulated subject imports and the increase in cumulated subject imports was significant both absolutely and relative to apparent U.S. consumption and domestic production.[191] The Commission based its conclusion that cumulated subject imports were likely to increase significantly in the imminent future on information available indicating that the subject producers had the ability and incentive to increase their exports to the United States.[192]

In the current reviews, we determine that the volume of cumulated subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam is likely to be significant in the

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[189] CR/PR at Table C-1 (Original investigations of PRCBs from China, Malaysia, and Thailand) (as modified by Memorandum INV-BB-092 (Jul. 13, 2004); USITC Pub. 3710 at Table C-1; *see generally* USITC Pub. 3710 at 20-21 (finding the increase in cumulated subject imports was significant absolutely and relative to apparent U.S. consumption).

[190] USITC Pub. 4160 at 25-28.

[191] Cumulated subject imports increased from 6.8 billion bags in 2006 to 14.7 billion bags in 2008, and their market share rose from 6.3 percent to 14.4 percent during this period. USITC Pub. 4144 at Table C-1.

[192] USITC Pub. 4144 at 22-26.

event of revocation. The volume of cumulated subject imports from the subject countries rose overall during the respective original investigations, as discussed above. Moreover, available information indicates that the subject industries currently have significant and increasing collective production capacity and production of PRCBs, and they possess significant collective unused production capacity.[193] Thus, the subject industries have the ability to export significant volumes of subject merchandise to the United States.

They also possess the incentive to do so. Notwithstanding the existence of the orders and the imposition of additional restrictions in certain U.S. jurisdictions on usage of PRCBs, cumulated subject imports continued to maintain a significant presence in the U.S. market, indicating the attractiveness of this market.[194] Moreover, in this industry, producers seek to operate continuously at high capacity in order to spread fixed costs over as many production units as possible,[195] which will provide a further incentive for the subject producers to utilize their excess capacity to increase exports to the United States upon revocation.[196] Responding subject foreign producers reported a high export orientation and they collectively export to a

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[193] Responding subject producers' cumulated production capacity increased from *** bags in 2009 to *** bags in 2010, *** bags in 2011, *** bags in 2012, *** bags in 2013, and *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. Responding subject producers' cumulated production increased from *** bags in 2009 to *** bags in 2010, *** bags in 2011, *** bags in 2012, *** bags in 2013, and *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. Responding subject producers' capacity utilization declined from *** percent in 2009 to *** percent in 2010, increased to *** percent in 2011, declined to *** percent in 2012, increased to a period high of *** percent in 2013, and declined to *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table IV-22.

[194] Cumulated subject imports' share of the U.S. market declined from *** percent in 2009 to *** percent in 2010, *** percent in 2011, and *** percent in 2012, increased to *** percent in 2013, and decreased to *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table I-15.

[195] PRCB Committee's Posthearing Brief at 1-2; Hearing Tr. at 9 (Jones); PRCB Committee's Prehearing Brief at 3, 9-10; USITC Pub. 4144 at 22; USITC Pub. 4160 at 23. Information available indicates that producers in the subject industries have at least some ability to shift from production of other products to production of subject PRCBs using existing equipment. *See, e.g.*, CR/PR at Table IV-8, Table IV-13, Table IV-20.

[196] We also considered cumulated end-of-period inventories of subject merchandise in the subject countries and in the United States. Cumulated end-of-period inventories of subject PRCBs in the subject countries increased irregularly during the POR and ranged from a low of *** bags in 2010 to a period high of *** bags in interim 2015, equivalent to *** percent and *** percent of cumulated production in the subject countries in those periods. CR/PR at Table IV-22. U.S. importers' end-of-period inventories of subject PRCBs also increased irregularly over the POR and ranged from a low of *** bags in 2009 to a period high of *** bags in interim 2015, equivalent to *** percent of U.S. shipments of imports in 2009 and *** percent of U.S. shipments of imports in interim 2015. CR/PR at Table IV-3. There are currently no known antidumping or countervailing duty orders on PRCBs from the subject countries in third-country markets. CR at IV-50; PR at IV-28.

number of global markets.[197] As conditions have changed in these markets over time, producers redirected their exports. For example, the Malaysian Task Force acknowledges that producers in Malaysia increased their production capacity in order to serve the EU market, where their PRCBs held at least a temporary comparative advantage during the existence of an EU antidumping duty order on PRCBs from China and Thailand between 2006 and 2012.[198] Since that time, responding subject producers in Malaysia substantially increased their exports to Asia and other world markets.[199] Certain U.S. importers, purchasers, and foreign producers reported an interest in bringing additional subject PRCBs to the U.S. market if the orders were revoked.[200] Likewise, nonsubject producers in China, Malaysia, and Thailand maintained a sizeable presence in the U.S. market that was larger at the conclusion of the POR than at its beginning while their competitors were subject to the orders under review, further illustrating the attractiveness of the U.S. market.[201]

Accordingly, based on the demonstrated ability of the subject foreign producers to increase their exports to the U.S. market during the original investigations, their substantial and increasing production capacity and available unused capacity, their high degree of export orientation to a variety of markets, their continued presence in the U.S. market despite the orders alongside a sizeable and growing volume of imports of PRCBs from nonsubject producers in the subject countries, and the stated attractiveness of the U.S. market relative to other markets, we find that the likely volume of cumulated subject imports both absolutely and relative to both U.S. production and consumption, would be significant in the event of revocation.

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[197] Exports accounted for at least *** percent of responding subject producers' total shipments during the POR, and exports to the United States accounted for at least *** percent of their total shipments during this period, despite the discipline of the orders. CR/PR at Table IV-22. Responding subject producers reported that the EU market accounts for a large share of their shipments, but they also reported exports to Asia and other markets, which is consistent with other available information. CR/PR at Table IV-22, Table IV-24.

[198] *See, e.g.*, Malaysian Task Force's Prehearing Brief at 9; Hearing Tr. at 120-121 (Sim).

[199] CR/PR at Table IV-12.

[200] For example, *** CR at D-9 to D-18; PR at D-3.

[201] Nonsubject imports' share of the U.S. market increased from *** percent in 2009 to *** percent in 2010, *** percent in 2011, and *** percent in 2012, decreased to *** percent in 2013, and increased to *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. The market share of imports of PRCBs from nonsubject producers in the subject countries increased from 7.7 percent in 2009 to 8.7 percent in 2010, 11.0 percent in 2011 and 12.5 percent in 2012, declined to 10.7 percent in 2013, and increased to 11.8 percent in 2014; it was 10.8 percent in interim 2014 and 13.3 percent in interim 2015. CR/PR at Table I-15; *see also* PRCB Committee's Posthearing Brief at 12, Exhibit 2; Hearing Tr. at 20-21 (Bazbaz), 38-40 (Lawson), 52-53 (Taylor); PRCB Committee's Prehearing Brief at 4-5, 35-37, Exhibit 21 to 23 (*** and Vietnam), Exhibit 24 to Exhibit 26 (circumvention of order on PRCBs from China).

2. Likely Price Effects of Cumulated Subject Imports

In the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission found that those subject imports collectively undersold the domestic like product in 72 of 84 possible quarterly comparisons, and it rejected respondents' argument that any underselling was related to a price premium for domestic products as unsupported by purchasers' questionnaire responses.[202] For the pricing product with the largest subject import volume and a very substantial volume of domestic shipments, cumulated subject imports undersold the domestic like product in all 12 quarterly comparisons with margins ranging from 8.7 percent to 24.8 percent.[203] Based on its findings of high substitutability among subject imports and the domestic like product, the importance of price in purchasing decisions, and the amplified price competition for sales involving internet auctions,[204] the Commission found that the large volume of low-priced cumulated subject imports depressed prices of the domestic like product to a significant degree.[205] It found that cumulated subject imports also suppressed prices of the domestic like product because domestic producers were unable to raise prices sufficiently to offset increased costs.[206] In the first reviews of those orders, the Commission relied on its findings from the original investigations and found that cumulated subject imports continued to undersell the domestic like product to a significant degree even after imposition of the orders.[207] Based on these considerations, the Commission found that, if the orders were revoked, underselling by cumulated subject imports would likely intensify, resulting in significant depression or suppression of domestic prices, as the domestic industry would meet lower prices in order to maintain sales needed to operate at high capacity, particularly given likely flat to declining demand.[208]

In the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission found that those subject imports were highly substitutable with the domestic like product and that price was an important factor in purchasing decisions, particularly for internet auctions.[209] In reaching affirmative threat determinations, the Commission found that cumulated subject imports were priced lower than the domestic like product based on evidence that cumulated subject imports increased their market share and direct import pricing data showing that cumulated subject imports' delivered prices were lower than prices of the domestic like product in 49 of 60 quarterly comparisons.[210] The Commission acknowledged that its traditional pricing data showed mixed overselling and underselling and observed that many purchasers denied lost sales and lost revenue allegations not because the allegations were

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[202] USITC Pub. 3710 at 22-23.
[203] USITC Pub. 3710 at 22.
[204] USITC Pub. 3710 at 23.
[205] USITC Pub. 3710 at 22.
[206] USITC Pub. 3710 at 22-23.
[207] USITC Pub. 4160 at 29.
[208] USITC Pub. 4160 at 29-30.
[209] USITC Pub. 4144 at 27.
[210] USITC Pub. 4144 at 28-30.

untrue, but because purchasers lacked the necessary documentation to confirm them.[211] The Commission found no evidence that those subject imports depressed prices of the domestic like product, but it found that the domestic industry was unable to increase its prices commensurately with increases in raw materials costs due in part to competition with low-priced cumulated subject imports.[212] The Commission found that, as the subject industries sought to utilize their excess capacity by increasing their exports to the United States, they would price their products at levels that would undersell the domestic like product and have a significant depressing or suppressing effect on domestic prices.[213] It found that the domestic industry would set prices to meet low-priced subject import competition, particularly in light of projected flat to declining demand and the volatility of resin prices.[214]

As discussed above, the current record indicates that subject imports and the domestic like product are highly substitutable,[215] and that T-shirt bags, which are standard bags for grocery stores and big box retailers, account for the vast majority of PRCBs in the U.S. market.[216] Price continues to be an important consideration in purchasing decisions,[217] particularly given the use of internet reverse auctions in this industry, which serve to intensify price-based competition,[218] the use of meet-or-release clauses in some PRCB contracts and bids,[219] the existence of several large purchasers whose purchases collectively account for a sizeable share of overall purchases,[220] and the fact that retailers provide these bags for free or for a nominal fee to customers to use in transporting their purchases home.[221] Additionally, certain U.S. importers, purchasers, and foreign producers anticipated that revocation of the orders would lead to lower prices of imports and more price competition in the U.S. market.[222]

In these reviews, the Commission requested that U.S. producers and importers provide quarterly data for the total quantity and f.o.b. value of eight PRCB products shipped to unrelated U.S. customers during the POR.[223] Nine U.S. producers and ten importers (five of which are also U.S. producers) provided usable pricing data for sales of the requested products,

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[211] USITC Pub. 4144 at 27-30.

[212] USITC Pub. 4144 at 30-31.

[213] USITC Pub. 4144 at 31.

[214] USITC Pub. 4144 at 31.

[215] CR/PR at Table II-12, Table II-13.

[216] CR at I-29, II-1; PR at I-25-I-26, II-1; USITC Pub. 3710 at 16-17.

[217] CR/PR at Table II-9, Table II-10, Table II-15; USITC Pub. 3710 at 18-19; USITC Pub. 4144 at 21-22; USITC Pub. 4160 at 24.

[218] CR at V-4, V-7, V-42 to V-43; PR at V-3, V-5, V-23 to V-24; CR/PR at Table V-1; PRCB Committee's Posthearing Brief at 2; PRCB Committee's Prehearing Brief at 8-9; USITC Pub. 3710 at 19-20; USITC Pub. 4160 at 24 n.150.

[219] CR at V-5 to V-6, V-42; PR at V-4 , V-23; Hearing Tr. at 26 (Daniels).

[220] CR at II-4; PR at II-2.

[221] CR at I-28, II-19; PR at I-25, II-11.

[222] For example, ***. CR at D-9 to D-18; PR at D-3 to D-5.

[223] CR at V-9 to V-10; PR at V-6 to V-7.

although not all firms reported data for all products for all quarters.[224] Pricing data reported by these firms accounted for approximately 79.1 percent of the domestic industry's shipments of PRCBs during the POR, *** percent of U.S. imports from China, *** percent of U.S. imports from Indonesia, *** percent of U.S. imports from Malaysia, *** percent of U.S. imports from Taiwan, *** percent of U.S. imports from Thailand, and *** percent of U.S. imports from Vietnam.[225] Medium "T-shirt sack" style products (pricing product 2 and pricing product 3) accounted for nearly 95 percent of the pricing product data and 73 percent of apparent U.S. consumption of PRCBs.[226] Notwithstanding the discipline of the orders, there was some underselling by the subject imports during the POR. The pricing data indicate that PRCBs imported from subject sources in China, Indonesia, Malaysia, Taiwan, and Vietnam undersold the domestic like product in 70 of 288 quarterly comparisons (24.3 percent of observations) at margins of underselling that ranged from 0.7 to 55.9 percent and averaged 13.4 percent, and oversold the domestic like product in the remaining 218 quarterly comparisons.[227] The volume of cumulated subject imports that undersold the domestic like product (295.2 million bags) was much greater than the volume that oversold the domestic like product (91.6 million bags).[228]

The Commission also sought information on importers' direct imports of the PRCBs that they provided to their own customers and on purchasers' bidding price data. Most of the reported direct imports occurred during the earlier portion of the POR.[229] Of the four importers that reported direct imports, *** imported PRCBs corresponding to the pricing products from ***, and *** imported PRCBs from nonsubject countries. The converted dollars per pound price of *** direct imports from the subject countries *** domestic like product prices in 2009 and *** domestic like product prices during the remainder of the POR.[230] The Commission also asked purchasers to provide data on their top four bidding events in terms of quantity since January 1, 2009.[231] Most firms did not respond to this question, although seven firms provided some bidding data, the largest of which were ***.[232] According to these data, imports from *** competed for and won bidding events during the POR for PRCBs, notwithstanding the orders.[233]

In view of our finding of a likely significant volume of subject imports, the high degree of substitutability among subject imports and the domestic like product, the importance of price in purchasing decisions, and evidence indicating that importers directly imported PRCBs from

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[224] CR at V-10; PR at V-7.

[225] CR at V-10, V-35; PR at V-7, V-19.

[226] CR at V-35; PR at V-19.

[227] CR at V-37; PR at V-20; CR/PR at Tables V-3 to V-10, V-12 to V-13, Figures V-2 to V-9.

[228] CR/PR at Table V-13.

[229] CR/PR at Table V-14.

[230] CR at V-40 to V-41; PR at V-20 to V-21; CR/PR at Table V-14. As indicated above, the Commission examined comparisons of direct import pricing data with pricing data for the domestic like product in the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam.

[231] CR at V-42 to V-43; PR at V-23 to V-24; CR/PR at Table V-15.

[232] CR at V-42 to V-43; PR at V-23 to V-24; CR/PR at Table V-15.

[233] CR at V-42 to V-43; PR at V-23 to V-24; CR/PR at Table V-15 (The questionnaire respondents did not specify whether the winning bids ***).

subject countries for their own customers and that purchasers awarded bids to subject imports, we find that underselling by subject imports is likely to intensify if the orders were revoked. Consequently, domestic producers would be required either to cut prices to meet subject import competition or lose sales. In the former event, subject imports likely would cause significant price depression as the domestic industry meets low prices of subject imports to maintain its own need for high capacity utilization and/or significant price suppression, if the domestic industry is unable to price its products at levels that enable it to cover its costs of raw materials, such as the historically volatile cost of polyethylene resin.

Given subject imports' continued presence in the U.S. market and our finding of a likely significant volume of subject imports in the event of revocation, we conclude that the likely significant volume of subject imports of PRCBs would undersell the domestic like product to a significant degree to gain market share and enter the U.S. market at prices that otherwise would have a significant depressing or suppressing effect on prices of the domestic like product.

3. Likely Impact

In the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission found that the significant increasing volume of those low-priced cumulated subject imports captured market share from the domestic industry during a period of increasing apparent U.S. consumption, and the domestic industry's shipments, market share, production, capacity utilization, and employment indicators declined overall, particularly between 2002 and 2003, at the time of the greatest market penetration by those cumulated subject imports.[234] The domestic industry's prices fell, and it experienced a cost-price squeeze as subject imports prevented it from raising prices in order to meet sharply higher resin and energy costs.[235] The domestic industry's financial performance also declined significantly.[236] On this basis, the Commission concluded that cumulated subject imports from China, Malaysia, and Thailand had a significant adverse impact on the domestic industry.[237]

In the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission found that the domestic industry's performance declined with respect to most performance indicia between 2006 and 2008, particularly in 2008 when the market share of those cumulated subject imports peaked, and improved somewhat at the end of the period when their volume was lower.[238] It found that those cumulated subject imports contributed to the domestic industry's cost-price squeeze, but it did not find that they materially injured the domestic industry, given the role of other factors, such as raw material cost fluctuations,

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[234] USITC Pub. 3710 at 24-26.

[235] USITC Pub. 3710 at 25-26.

[236] USITC Pub. 3710 at 26.

[237] USITC Pub. 3710 at 26. The Commission explained that the domestic industry imported and purchased imported PRCBs in order to retain market share and that nonsubject imports, which were smaller in volume and grew to a lesser degree than cumulated subject imports, did not explain the domestic industry's adverse performance. USITC Pub. 3710 at 26-27.

[238] USITC Pub. 4144 at 32-34.

declining apparent U.S. consumption, and nonsubject imports (which held a larger but declining share of apparent U.S. consumption than cumulated subject imports).[239] The Commission based its affirmative threat determinations in part on its findings that the domestic industry was vulnerable due to stagnant or declining demand, the volatility of raw material costs, and recent declines in numerous performance indicia.[240] It also determined that producers in the subject countries were likely to utilize their excess capacity by underselling the domestic like product at significant margins in order to increase significantly their U.S. exports; it found that the domestic industry would likely meet these low prices, thereby making it likely that the domestic industry would experience a cost-price squeeze.[241]

During the first reviews of the orders on PRCBs from China, Malaysia, and Taiwan, the Commission found that the domestic industry was vulnerable because most of its performance indicators declined overall between 2004 and 2009, PRCB demand was likely to stagnate or decline, and even a small increase in the domestic industry's cost of raw materials relative to its net sales value would adversely affect the domestic industry's financial performance.[242] The Commission found that the likely significant volume and price effects of cumulated subject imports would likely have a significant adverse impact on the domestic industry's production, shipments, sales, market share, and revenues.[243] These reductions would have a direct adverse impact on the domestic industry's profitability and employment as well as its ability to raise capital and make and maintain necessary capital improvements.[244]

In assessing the domestic industry's current condition, we observe that a number of its performance indicators have improved overall since the last proceedings while the orders have

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[239] USITC Pub. 4144 at 34-36.

[240] USITC Pub. 4144 at 36.

[241] USITC Pub. 4144 at 36. The Commission explained that the likelihood of flat to declining demand, while increasing the domestic industry's vulnerability, would not break the causal link between subject imports and the threat of material injury. USITC Pub. 4144 at 36-37. Likewise, it found that the antidumping duty orders on PRCBs from China, Malaysia, and Thailand would have some restraining effect on nonsubject imports, and it reiterated that nonsubject imports declined overall and generally were priced higher than cumulated subject imports during that period. *Id*. at 37.

[242] USITC Pub. 4160 at 31-32.

[243] USITC Pub. 4160 at 32-33.

[244] USITC Pub. 4160 at 33. The Commission explained that nonsubject imports were unlikely to prevent subject imports from increasing their share of the U.S. market in the event of revocation because a predominant share of those imports (from Indonesia, Taiwan, and Vietnam) had become subject to orders. USITC Pub. 4160 at 33. Indeed, it found that the likely significant decline in those nonsubject imports as a result of the orders would make the U.S. market relatively more attractive to subject producers if the orders on PRCBs from China, Malaysia, and Thailand were revoked. USITC Pub. 4160 at 33. The Commission acknowledged that demand for PRCBs was likely to be stagnant or declining due to increased efforts to curb PRCB usage, but it found that cumulated subject imports would further reduce the domestic industry's sales and prices significantly or suppress domestic prices significantly and thus would be likely to have a significant adverse impact on the domestic industry regardless of demand levels. USITC Pub. 4160 at 33.

been in place, including production capacity,[245] production,[246] capacity utilization,[247] U.S. shipments,[248] net sales,[249] market share,[250] and employment-related indicators.[251] The domestic industry's financial indicators have also improved, although its operating margins are at modest levels.[252] While the domestic industry's improvement in output, market share, and

[245] The domestic industry's production capacity increased from 86.9 billion bags in 2009 to 88.3 billion bags in 2010 and 90.7 billion bags in 2011, decreased to 89.4 billion bags in 2012, increased to 90.4 billion bags in 2013, and decreased to 90.3 billion bags in 2014; it was 67.9 billion bags in interim 2014 and 67.6 billion bags in interim 2015. CR/PR at Table III-3; *see also* Hearing Tr. at 9 (Jones), 19-20 (Bazbaz).

[246] The domestic industry's production increased from 67.3 billion bags in 2009 to 73.7 billion bags in 2010, 74.3 billion bags in 2011, 75.1 billion bags in 2012, and 76.9 billion bags in 2013, and decreased to 76.1 billion bags in 2014; it was 57.1 billion bags in interim 2014 and 55.6 billion bags in interim 2015. CR/PR at Table III-3.

[247] The domestic industry's capacity utilization increased from 77.5 percent in 2009 to 83.5 percent in 2010, decreased to 81.9 percent in 2011, and increased to 84.0 percent in 2012, 85.1 percent in 2013, and 84.4 percent in 2014; it was 84.2 percent in interim 2014 and 82.4 percent in interim 2015. CR/PR at Table III-3.

[248] The domestic industry's U.S. shipments increased from 66.3 billion bags in 2009 to 72.6 billion bags in 2010, 72.3 billion bags in 2011, 73.5 billion bags in 2012, and 75.3 billion bags in 2013, and decreased to 73.6 billion bags in 2014; it was 54.5 billion bags in interim 2014 and 53.0 billion bags in interim 2015. CR/PR at Table III-5.

[249] The domestic industry's net sales increased from *** bags in 2009 to *** bags in 2010, *** bags in 2011, *** bags in 2012, and *** bags in 2013, and decreased to *** bags in 2014; it was *** bags in interim 2014 and *** bags in interim 2015. CR/PR at Table III-9.

[250] The domestic industry's market share rose from 69.6 percent in 2009 to 72.6 percent in 2010 and 72.8 percent in 2011, declined to 70.9 percent in 2012, increased to 74.5 percent in 2013, and declined to 71.1 percent in 2014; it was 72.9 percent in interim 2014 and 68.9 percent in interim 2015. CR/PR at Table C-1.

[251] Between 2009 and 2014, the domestic industry's production-related workers, total hours worked, and hourly wages increased, although its productivity (bags per hour) fell overall and its unit labor costs rose somewhat during this period. CR/PR at Table III-8.

[252] The domestic industry's net sales value rose from $*** in 2009 to $*** in 2010, $*** in 2011 and 2012, and $*** in 2013 and 2014; it was $*** in interim 2014 and $*** in interim 2015. Its operating income rose from $*** in 2009 to $*** in 2010 and $*** in 2011, declined to $*** in 2012, increased to $*** in 2013, and declined to $*** in 2014; it was $*** in interim 2014 and $*** in interim 2015. Its operating income ratio increased from *** percent in 2009 to *** percent in 2010 and *** percent in 2011, declined to *** percent in 2012, increased to *** percent in 2013, and declined to *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. The domestic industry's net income rose from $*** in 2009 to $*** in 2010, and $*** in 2011, declined to $*** in 2012, increased to $*** in 2013, and decreased to $*** in 2014; it was $*** in interim 2014 and $*** in interim 2015. Its net income ratio increased from *** percent in 2009 to *** percent in 2010, declined to *** percent in 2011 and *** percent in 2012, increased to *** percent in 2013, and decreased to *** percent in 2014; it was *** percent in interim 2014 and *** percent in interim 2015. CR/PR at Table III-9.

employment, which are to some extent related to the orders, reduce its vulnerability, its modest operating performance tends to increase it.

Given our findings in the prior proceedings and our finding based on the current record of a likely significant volume of cumulated subject imports that likely would undersell the domestic like product, leading to likely lost sales and depression and/or suppression of prices of the domestic like product to a significant degree, we find that revocation of the orders would likely adversely impact the production, shipments, sales, market share, and revenues of the domestic industry. Reductions in these indicia would lead to declines in the domestic industry's profitability, employment, and ability to raise capital and maintain necessary capital investments. We therefore conclude that, if the orders were revoked, cumulated subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

We have considered whether there are other factors that likely would affect the domestic industry in the reasonably foreseeable future. As discussed above, nonsubject imports have had a substantial and increasing presence in the U.S. market. Nonsubject imports generally have had higher average unit values than subject imports over the POR, and notwithstanding the presence of these imports in the U.S. market, the domestic industry's performance improved during the POR.[253] In the event of revocation, the continued presence of these nonsubject imports would not preclude subject imports from having a significant impact on the domestic industry. We find that the likely effects that we have attributed to subject imports are consequently distinguishable from any that could be attributed to nonsubject imports.

We also considered the likely future effects of demand. As discussed earlier, various jurisdictions have implemented environmental regulations on usage of PRCBs. Their effect on likely demand is uncertain, given variances in the measures' scope and enforceability, but the existence of such environmental regulations has not prevented increases in apparent U.S. consumption during the current POR. Moreover, as we discussed above, subject imports will likely increase and cause significant price effects irrespective of likely demand trends.

Accordingly, we find that cumulated subject imports are likely to have a significant impact upon the domestic industry upon revocation notwithstanding nonsubject imports and demand conditions.

V. Conclusion

For the foregoing reasons, we determine that revocation of the countervailing duty order on PRCBs from Vietnam and the antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.

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[253] CR/PR at Table IV-1; *see also* Hearing Tr. at 89-90 (Daniels, Taylor, Bazbaz).

PART I: INTRODUCTION

BACKGROUND

On April 1, 2015, the U.S. International Trade Commission ("Commission" or "USITC") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted reviews to determine whether revocation of the countervailing duty order on polyethylene retail carrier bags ("PRCBs") from Vietnam and the antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam would likely lead to the continuation or recurrence of material injury to a domestic industry.[2] [3] On July 6, 2015, the Commission determined that it would conduct full reviews pursuant to section 751(c)(5) of the Act. [4] The following tabulation presents information relating to the background and schedule of this proceeding:[5]

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[1] 19 U.S.C. 1675(c).

[2] *Polyethylene Retail Carrier Bags From China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam; Institution of Five-Year Reviews*, 80 FR 17490, April 1, 2015. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

[3] In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of 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 17388, April 1, 2015.

[4] *Polyethylene Retail Carrier Bags From China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam; Notice of Commission Determination To Conduct Full Five-Year Reviews,* 80 FR 43118, July 21, 2015. The Commission determined that it should proceed to full five-year reviews pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)). Because the Commission found that the domestic interested party group response to its notice of institution and the respondent interested party group response with respect to the order on Malaysia were adequate, the Commission determined that it would proceed to a full review of the order on Malaysia. The Commission also found that the respondent interested party group responses with respect to the orders on China, Indonesia, Taiwan, Thailand, and Vietnam were inadequate. The Commission further determined that it would proceed to full reviews of the orders on China, Indonesia, Taiwan, Thailand, and Vietnam to promote administrative efficiency in light of its decision to proceed to a full review with respect to the order on Malaysia.

[5] The Commission's notice of institution, notice to conduct full reviews, scheduling notice, and statement on adequacy are referenced in appendix A and may also be found at the Commission's web site (internet address *www.usitc.gov*). Commissioners' votes on whether to conduct expedited or full reviews may also be found at the web site. Appendix B is reserved for the witnesses appearing at the Commission's hearing.

Effective date	Action
August 9, 2004	Commerce's antidumping duty orders on PRCBs from China, Malaysia, and Thailand (69 FR 48201, 69 FR 48203, and 69 FR 48204)
May 4, 2010	Commerce's countervailing duty order on PRCBs from Vietnam (75 FR 23670) and antidumping duty orders on PRCBs from Indonesia, Taiwan, and Vietnam (75 FR 23667)
July 7, 2010	Commerce's continuation of antidumping duty orders on PRCBs from China, Malaysia, and Thailand (75 FR 38978)
April 1, 2015	Commission's institution of five-year reviews (80 FR 17490)
April 1, 2015	Commerce's initiation of five-year reviews (80 FR 17388)
July 6, 2015	Commission's determinations to conduct full five-year reviews (80 FR 43118, July 21, 2015)
July 13, 2015	Commerce's final results of expedited five-year reviews of the antidumping duty orders on PRCBs from Indonesia, Malaysia, China, Taiwan, Thailand, and Vietnam (80 FR 39997)
August 5, 2015	Commerce's final results of expedited five-year review of the countervailing duty order on PRCBs from Vietnam (80 FR 46539)
October 7, 2015	Commission's scheduling of the reviews (80 FR 62110, October 15, 2015)
February 18, 2016	Commission's hearing
April 5, 2016	Commission's vote
April 18, 2016	Commission's determinations and views

The original investigations

China, Malaysia, and Thailand

The original investigations resulted from petitions filed on June 20, 2003 with Commerce and the Commission by Polyethylene Retail Carrier Bag Committee, an *ad hoc* coalition of U.S. PRCB producers (consisting of Inteplast Group, Ltd. ("Inteplast"), Livingston, New Jersey; PCL Packaging, Inc. ("PCL"), Barrie, Ontario; Sonoco Products Co., Hartsville, South Carolina;[6] Superbag, Houston, Texas; and Vanguard Plastics, Inc. ("Vanguard"), Farmers Branch, Texas). On August 3, 2004, the Commission determined that an industry in the United States was materially injured by reason of less than fair value imports of polyethylene retail carrier bags ("PRCBs") from China, Malaysia, and Thailand.[7] There was no litigation of the Commission's final determinations.

Commerce published notice of the antidumping duty orders on August 9, 2004. With respect to PRCBs from China, Commerce found weighted-average margins ranging from 19.79 to 41.28 percent, with a China-wide rate of 77.57 percent, and *de minimis* margins for two

[6] The High Density Film Division of Sonoco Products Co., which manufactures PRCBs, was purchased by current U.S. producer Hilex in February 2004.

[7] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand,* Inv. Nos. 731-TA-1043-1045 (Final), USITC Publication 3710, August 2004, p. 1.

firms, Hang Lung Plastic Manufactory, Ltd. ("Hang Lung") and Nantong Huasheng Plastic Products Co., Ltd ("Nantong Huasheng").[8] With respect to PRCBs from Malaysia, Commerce found weighted-average margins of 101.74 percent, with an all-others rate of 84.94 percent, and *de minimis* margins for one firm, Bee Lian Plastic Industries Sdn. Bhd ("Bee Lian").[9] With respect to PRCBs from Thailand, Commerce found weighted-average margins ranging from 2.26 to 122.88 percent, with an all-others rate of 2.80 percent.[10]

Indonesia, Taiwan, and Vietnam

As a result of separate investigations, the Commission determined in April 2010 that the domestic PRCBs industry was threatened with material injury by reason of imports of PRCBs from Indonesia, Taiwan, and Vietnam that Commerce had determined were sold in the U.S. market at less than fair value and subsidized by the government of Vietnam.[11] These original investigations resulted from petitions filed on March 31, 2009, with Commerce and the Commission by Hilex, Hartsville, South Carolina and Superbag, Houston, Texas. The Commission's final affirmative determinations were not litigated.

On May 4, 2010, Commerce issued a countervailing duty order on PRCBs from Vietnam and antidumping duty orders on PRCBs from Indonesia, Taiwan, and Vietnam.[12] With respect to countervailable subsidies of PRCBs from Vietnam, Commerce found the following rates: 0.44 percent (*de minimis*) for Chin Sheng Co., Ltd.; 52.56 percent for Advance Polybag Co., Ltd.; and 5.28 percent for Fotai Vietnam Enterprise Corp., Fotai Enterprise Corp., and all other producers.[13] With respect to PRCBs from Indonesia, Commerce found weighted-average margins ranging from 52.30 to 85.17 percent.[14] With respect to PRCBs from Taiwan, Commerce found weighted-average margins ranging from 36.54 to 95.81 percent.[15] With respect to PRCBs

[8] *Antidumping Duty Order: Polyethylene Retail Carrier Bags From the People's Republic of China*, 69 FR 48201, August 9, 2004.

[9] *Antidumping Duty Order: Polyethylene Retail Carrier Bags From Malaysia*, 69 FR 48203, August 9, 2004.

[10] *Antidumping Duty Order: Polyethylene Retail Carrier Bags From Thailand*, 68 FR 48204, August 9, 2004.

[11] *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam*, Inv. Nos. 701-TA-462 and 731-TA-1156-1158 (Final), USITC Publication 4144, April 2010, p. 1.

[12] *Polyethylene Retail Carrier Bags from the Socialist Republic of Vietnam: Countervailing Duty Order,* 75 FR 23670, May 4, 2010; *Antidumping Duty Orders: Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and the Socialist Republic of Vietnam*, 75 FR 23667, May 4, 2010.

[13] *Polyethylene Retail Carrier Bags From the Socialist Republic of Vietnam: Final Affirmative Countervailing Duty Determination,* 75 FR 16428, April 1, 2010.

[14] *Polyethylene Retail Carrier Bags From Indonesia: Final Determination of Sales at Less Than Fair Value*, 75 FR 16431, April 1, 2010.

[15] *Polyethylene Retail Carrier Bags From Taiwan: Final Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 75 FR 14569, March 26, 2010.

from Vietnam, Commerce found weighted-average margins ranging from 52.30 to 76.11 percent.[16]

The first five-year reviews

China, Malaysia, and Thailand

Effective July 1, 2009, the Commission instituted five-year reviews of the antidumping duty orders concerning imports from China, Malaysia, and Thailand.[17] In June 2010, the Commission completed its first full five-year reviews and found that revocation of these orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within the reasonably foreseeable future.[18] No party appealed the Commission's affirmative five-year review determinations. On July 7, 2010, Commerce published notice of the continuation of the antidumping duty orders concerning China, Malaysia, and Thailand.[19] The current reviews are the second five-year reviews of the orders on imports from China, Malaysia, and Thailand.

Indonesia, Taiwan, and Vietnam

The current reviews are the first five-year reviews of these orders.

RELATED INVESTIGATIONS

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

Superbag filed a complaint in 2004 alleging infringement of one of the firm's patents under section 337 of the Tariff Act of 1930 related to the importation into the United States, sale for importation, and/or sale within the United States after importation of certain "T-styled" plastic grocery and retail bags. An administrative law judge of the Commission found that a violation had occurred and recommended that the Commission issue a general exclusion order on these bags. Settlements and consent orders were entered into with some respondents, and the Commission entered a general exclusion order against all other covered imports.[20]

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[16] *Polyethylene Retail Carrier Bags From the Socialist Republic of Vietnam*, 75 FR 16434, April 1, 2010.

[17] *Polyethylene Retail Carrier Bags From the People's Republic of China, Malaysia, and Thailand,* 74 FR 31750, July 2, 2009.

[18] *Polyethylene Retail Carrier Bags From China, Malaysia, and Thailand; Determinations*, 75 FR 36679, June 28, 2010.

[19] *Polyethylene Retail Carrier Bags From the People's Republic of China, Malaysia, and Thailand: Continuation of Antidumping Duty Orders*, 75 FR 38978, July 7, 2010.

[20] *Polyethylene Retail Carrier Bags From Indonesia, Taiwan, and Vietnam, Inv. Nos. 701-TA-462 and 731-TA-1156-1158 (Final),* USITC Publication 4144, April 2010, p. I-4.

SUMMARY DATA

Table I-1 presents a summary of data from the original investigations and subsequent reviews on the orders from China, Malaysia, and Thailand. Table I-2 presents a summary of data from the original investigations and the current full five-year reviews on the orders from Indonesia, Taiwan, and Vietnam. Data from both original investigations are compiled from data submitted in response to Commission questionnaires. Data from the previous reviews are compiled from adjusted official Commerce statistics and data submitted in response to Commission questionnaires. Data for the current reviews are compiled from data submitted in response to Commission questionnaires and ***.[21] [22]

[21] Prior to July 2005, PRCBs were reported under HTS statistical reporting number 3923.21.0090, a "basket category." After July 2005, imports of PRCBs were reported under HTS statistical reporting number 3923.21.0085, and the remainder of the imports reported under the former basket category were reported under HTS statistical reporting number 3923.21.0095.

[22] As a result of a section 129 proceeding (discussed in *Commerce's Reviews* section), effective July 28, 2010, Commerce revoked the order with respect to Thai Plastic Bags Industries Co., Ltd.; Winners Pack Co., Ltd.; and APEC Film Ltd. (collectively "TPBI"). Their data are presented as "Thailand nonsubject" for 2014.

Table I-1
PRCBs: Comparative data from the original investigations and subsequent reviews of PRCBs from China, Malaysia, and Thailand, 2003, 2009, and 2014

Item	Calendar Year		
	2003	**2009**	**2014**
	Quantity (1,000 bags)		
U.S. consumption quantity	87,506,101	***	103,465,134
	Share of quantity (percent)		
Share of U.S. consumption: U.S. producers' share	77.0	***	71.1
U.S. importers' share: China	***	***	***
Malaysia	***	***	***
Thailand	***	***	***
Subtotal, subject sources	18.6	***	***
China nonsubject	***	***	***
Malaysia nonsubject	***	***	***
All other sources[1]	***	***	***
Subtotal, nonsubject sources	4.4	***	***
Total imports	23.0	***	28.9
	Value (1,000 dollars)		
U.S. consumption	995,491	***	1,500,966
	Share of value (percent)		
Share of U.S. consumption: U.S. producers' share	77.6	***	74.7
U.S. importers' share: China	***	***	***
Malaysia	***	***	***
Thailand	***	***	***
Subtotal, subject sources	18.9	***	***
China nonsubject	***	***	***
Malaysia nonsubject	***	***	***
All other sources[1]	***	***	***
Subtotal, nonsubject sources	3.6	***	***
Total imports	22.4	***	25.3

Table continued on next page.

Table I-1--*Continued*
PRCBs: Comparative data from the original investigations and subsequent reviews of PRCBs from China, Malaysia, and Thailand, 2003, 2009, and 2014

Item	Calendar Year		
	2003	2009	2014
	Quantity (1,000 bags); Value (1,000 dollars); and Unit Value (dollars per 1,000 bags)		
U.S. imports from[2]			
China:			
Quantity	***	***	***
Value	***	***	***
Unit value	$***	$***	***
Malaysia:			
Quantity	***	***	***
Value	***	***	***
Unit value	$***	$***	***
Thailand:			
Quantity	***	3,655,709	***
Value	***	39,059	***
Unit value	$***	$10.68	***
Subject sources:			
Quantity	16,234,869	8,910,671	***
Value	187,718	90,616	***
Unit value	$11.56	$10.17	***
China nonsubject:			
Quantity	***	***	***
Value	***	***	***
Unit value	$***	$***	***
Malaysia nonsubject:			
Quantity	***	***	***
Value	***	***	***
Unit value	$***	$***	***
Thailand nonsubject:			
Quantity	([4])	([4])	***
Value	([4])	([4])	***
Unit value	([4])	([4])	***
All other sources[1]:			
Quantity	2,033,057	14,008,206	***
Value	18,135	142,143	***
Unit value	$8.92	$10.15	***
Nonsubject sources:			
Quantity	3,850,971	21,631,674	***
Value	35,479	214,511	***
Unit value	$9.21	$9.92	***
All sources:			
Quantity	20,085,840	30,542,345	***
Value	223,197	305,127	***
Unit value	$11.11	$9.99	***

Table continued on next page.

Table I-1--*Continued*
PRCBs: Comparative data from the original investigations and subsequent reviews of PRCBs from China, Malaysia, and Thailand, 2003, 2009, and 2014

Item	Calendar Year		
	2003	2009	2014
	Quantity (1,000 bags); Value (1,000 dollars); and Unit Value (dollars per 1,000 bags)		
U.S. industry: Capacity (quantity)	88,108,015	***	90,253,452
Production (quantity)	67,260,527	***	76,142,156
Capacity utilization (percent)	76.3	***	84.4
U.S. shipments: Quantity	67,420,261	***	73,556,008
Value	772,295	***	1,120,838
Unit value	$11.45	***	$15.24
Export shipments: Quantity	***	***	***
Value	***	***	***
Unit value	***	***	***
Ending inventory	2,888,366	***	2,106,408
Inventories/total shipments	***	***	***
Production workers	3,904	***	2,954
Hours worked (1,000)	8,327	***	6,629
Wages paid (1,000 dollars)	114,814	***	128,916
Hourly wages	$13.79	***	$19.45
Productivity (bags per hour)	8,077.8	***	11,486.2
Financial data: Net sales: Quantity	68,451,856	***	***
Value	785,636	***	***
Unit value	$11.48	***	***
Cost of goods sold	702,598	***	***
Gross profit or (loss)	83,038	***	***
SG&A expense	***	***	***
Operating income or (loss)	6,130	***	***
Unit COGS	$10.26	***	***
Unit operating income or (loss)	$0.09	***	***
COGS/ Sales (percent)	89.4	***	***
Operating income or (loss)/ Sales (percent)	0.8	***	***

[1] For the investigations relating to China, Malaysia, and Thailand, "all other sources" include Indonesia, Taiwan, and Vietnam.
[2] In the original investigations (2003), U.S. importers' U.S. shipments from questionnaire responses were used.
[3] ***.
[4] Not applicable. Thailand nonsubject was not reported separately in the report for the previous reviews.

Source: *Investigation Nos. 731-TA-1043-1045 (First Review): Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand—Staff Report*, INV-HH-054, May 24, 2010 and compiled from data submitted in response to Commission questionnaires and adjusted official import statistics.

Table I-2

PRCBs: Comparative data from the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, and these reviews, 2008 and 2014

Item	Calendar year 2008	Calendar year 2014
	Quantity (1,000 bags)	
U.S. consumption quantity	101,449,633	103,465,134
	Share of quantity (percent)	
Share of U.S. consumption: U.S. producers' share	64.2	71.1
U.S. importers' share: Indonesia	2.8	***
Taiwan	4.5	***
Vietnam	7.1	***
Subtotal, subject sources	14.4	***
China, Malaysia, and Thailand[1]	18.6	***
All other sources	2.9	***
Total imports	35.8	28.9
	Value (1,000 dollars)	
U.S. consumption	1,487,404	1,500,966
	Share of quantity (percent)	
Share of U.S. consumption: U.S. producers' share	66.1	74.7
U.S. importers' share: Indonesia	2.8	***
Taiwan	3.8	***
Vietnam	5.9	***
Subtotal, subject sources	12.5	***
China, Malaysia, and Thailand[1]	17.2	***
All other sources	4.2	***
Total imports	33.9	25.3

Table continued on next page.

Table I-2--*Continued*

PRCBs: Comparative data from the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, and these reviews, 2008 and 2014

Item	Calendar year 2008	Calendar year 2014
	Quantity (1,000 bags); Value (1,000 dollars); and Unit Value (dollars per 1,000 bags)	
U.S. imports from		
Indonesia:		
Quantity	2,819,569	***
Value	40,948	***
Unit value	$14.52	***
Taiwan:		
Quantity	4,575,499	***
Value	56,848	***
Unit value	$12.42	***
Vietnam:		
Quantity	7,192,325	***
Value	88,189	***
Unit value	$12.26	***
Subject sources:		
Quantity	14,587,393	***
Value	185,986	***
Unit value	$12.75	***
China, Malaysia, and Thailand[1]:		
Quantity	18,833,894	***
Value	255,232	***
Unit value	$13.55	***
All other sources:		
Quantity	2,942,934	***
Value	63,180	***
Unit value	$21.47	***
All sources:		
Quantity	36,364,221	29,909,126
Value	504,398	380,128
Unit value	$13.87	$12.71

Table continued on next page.

Table I-2--*Continued*

PRCBs: Comparative data from the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, and these reviews, 2008 and 2014

Item	Calendar year 2008	Calendar year 2014
	Quantity (1,000 bags); Value (1,000 dollars); and Unit Value (dollars per 1,000 bags)	
U.S. industry: Capacity (quantity)	79,737,217	90,253,452
Production (quantity)	66,276,349	76,142,156
Capacity utilization (percent)	83.1	84.4
U.S. shipments: Quantity	65,085,412	73,556,008
Value	983,006	1,120,838
Unit value	$15.10	$15.24
Export shipments: Quantity	2,209,901	***
Value	30,330	***
Unit value	$13.72	***
Ending inventory	2,976,270	2,106,408
Inventories/total shipments	4.4	***
Production workers	2,971	2,954
Hours worked (1,000)	6,903	6,629
Wages paid (1,000 dollars)	103,881	128,916
Hourly wages	$15.05	$19.45
Productivity (bags per hour)	9,600.8	11,486.2
Financial data: Net sales: Quantity	67,241,013	***
Value	1,013,979	***
Unit value	$15.08	***
Cost of goods sold	937,213	***
Gross profit or (loss)	76,766	***
SG&A expense	103,228	***
Operating income or (loss)	(26,462)	***
Unit COGS	$13.94	***
Unit operating income or (loss)	$(0.39)	***
COGS/ Sales (percent)	92.4	***
Operating income or (loss)/ Sales (percent)	(2.6)	***

[1] For the investigations relating to Indonesia, Taiwan, and Vietnam, imports from China, Malaysia, and Thailand were already under order from the earlier PRCB investigations and so are presented separate from "all other sources," but the entry for “China, Malaysia, and Thailand” reflects all imports from these countries, including imports that were excluded from those antidumping duty orders.
[2] Unit values not shown due to small volumes.

Source: *Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (Final): Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam—Staff Report*, INV-HH-027, April 1, 2010; and compiled from data submitted in response to Commission questionnaires and adjusted official import statistics.

STATUTORY CRITERIA AND ORGANIZATION OF THE REPORT

Statutory criteria

Section 751(c) of the Act requires Commerce and the Commission to conduct a review no later than five years after the issuance of an antidumping or countervailing duty order or the suspension of an investigation to determine whether revocation of the order or termination of the suspended investigation "would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) and of material injury."

Section 752(a) of the Act provides that in making its determination of likelihood of continuation or recurrence of material injury—

> *(1) IN GENERAL.-- . . . the Commission shall determine whether revocation of an order, or termination of a suspended investigation, would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The Commission shall consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated. The Commission shall take into account--*
>
> *(A) its prior injury determinations, including the volume, price effect, and impact of imports of the subject merchandise on the industry before the order was issued or the suspension agreement was accepted,*
>
> *(B) whether any improvement in the state of the industry is related to the order or the suspension agreement,*
>
> *(C) whether the industry is vulnerable to material injury if the order is revoked or the suspension agreement is terminated, and*
>
> *(D) in an antidumping proceeding . . ., (Commerce's findings) regarding duty absorption . . ..*
>
> *(2) VOLUME.--In evaluating the likely volume of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether the likely volume of imports of the subject merchandise would be significant if the order is revoked or the suspended investigation is terminated, either in absolute terms or relative to production or consumption in the United States. In so doing, the Commission shall consider all relevant economic factors, including--*
>
> *(A) any likely increase in production capacity or existing unused production capacity in the exporting country,*
>
> *(B) existing inventories of the subject merchandise, or likely increases in inventories,*
>
> *(C) the existence of barriers to the importation of such merchandise into countries other than the United States, and*
>
> *(D) 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.*

(3) PRICE.--In evaluating the likely price effects of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether--

(A) there is likely to be significant price underselling by imports of the subject merchandise as compared to domestic like products, and
(B) imports of the subject merchandise are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.

(4) IMPACT ON THE INDUSTRY.--In evaluating the likely impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated, the Commission shall consider all relevant economic factors which are likely to have a bearing on the state of the industry in the United States, including, but not limited to–

(A) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,
(B) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and
(C) 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.

The Commission shall evaluate all such relevant economic factors . . . within the context of the business cycle and the conditions of competition that are distinctive to the affected industry.

Section 752(a)(6) of the Act states further that in making its determination, “the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy. If a countervailable subsidy is involved, the Commission shall consider information regarding the nature of the countervailable subsidy and whether the subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement.”

Organization of report

Information obtained during the course of the reviews that relates to the statutory criteria is presented throughout this report. A summary of trade and financial data for PRCBs as collected in the reviews is presented in appendix C. U.S. industry data are based on the questionnaire responses of 11 U.S. producers of PRCBs that are believed to have accounted for the vast majority of domestic production of PRCBs in 2014. U.S. import data and related information are based on the questionnaire responses of 27 firms, which accounted for *** percent of total U.S. imports and *** percent of total subject imports during January 2009 to September 2015, and supplementary data from ***. Foreign industry data and related information are based on the questionnaire responses of 14 producers of PRCBs. Two producers in China, nine producers in Malaysia, and one producer in Vietnam, accounting for approximately *** percent, *** percent, and *** percent of total production, respectively, submitted questionnaire responses. Two producers in Thailand, whose exports accounted for *** of subject U.S. imports from Thailand also submitted a questionnaire response. The Commission did not receive a questionnaire response from any producer in Indonesia or Taiwan. Responses by U.S. producers, importers, purchasers, and foreign producers of PRCBs to a series of questions concerning the significance of the existing antidumping and countervailing duty orders and the likely effects of revocation of such orders are presented in appendix D.

COMMERCE'S REVIEWS

Commerce has conducted a series of administrative reviews, one changed circumstances review, two anti-circumvention inquiries and, with respect to imports from Thailand, Commerce implemented a determination under section 129 of the Uruguay Round Agreements Act, as discussed below.

Administrative reviews[23]

Since the Commission's last proceeding, Commerce has completed one administrative review of PRCBs from Malaysia and four administrative reviews of PRCBs from Thailand.

In its administrative reviews of PRCBs from Malaysia, Commerce determined for Euro Plastics Malaysia Sdn. Bhd ("Euro Plastics") a margin of 101.74 percent for the period August 1, 2008 through July 31, 2009.[24]

In its administrative reviews of PRCBs from Thailand, Commerce determined that more than a dozen firms had margins of less than 25 percent, with most below 5 percent, while Master Pac and King Pac, Trinity Pac, and Beyond Packaging had margins of 122.88 percent.[25] The results of the administrative reviews on PRCBs from Thailand are shown in table I-3.

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[23] Commerce has issued two duty absorption findings with respect to product from the subject countries. It has made one affirmative duty-absorption determination concerning PRCBs from China with respect to Dongguan Nowaza Plastics Ltd. and United Power Packaging, Ltd. (collectively, Nowaza) on all sales made through its affiliated importers in the 2005-2006 review. *See PRC 2005-2006 Final Results.* Commerce has also made an affirmative duty-absorption determination concerning PRCBs from Thailand with respect to UPC/API on all U.S. sales in the 2005-2006 review and with respect to Master Packaging on all U.S. sales in the 2007-2008 review. *See Thailand 2005-2006 Final Results* and *Thailand 2007-2008 Final Results*, respectively.

[24] Commerce relied on total adverse facts available to establish the dumping margin. Euro Plastics did not complete a questionnaire, reporting that the firm was in receivership. *Polyethylene Retail Carrier Bags From Malaysia: Preliminary Results of Antidumping Duty Administrative Review*, 75 FR 33772, June 15, 2010 and *Commerce Polyethylene Retail Carrier Bags From Malaysia: Final Results of Antidumping Duty Administrative Review*, 75 FR 61128, October 4, 2010.

[25] *Polyethylene Retail Carrier Bags From Thailand: Final Results of Antidumping Duty Administrative Review*, 76 FR 12700, March 8, 2011 (*Thailand 2008-2009 Final Results*); *Polyethylene Retail Carrier Bags From Thailand: Final Results of Antidumping Duty Administrative Review*, 76 FR 59999, September 28, 2011 (*Thailand 2009-2010 Final Results*); *Polyethylene Retail Carrier Bags From Thailand: Final Results of*

(*continued*...)

Table I-3
PRCBs: Administrative reviews of the antidumping duty order for Thailand

Date results published	Period of review	Producer or exporter	Margin (percent)
March 8, 2011 (76 FR 12700)	08/01/2009-07/31/2009	Thai Plastic Bags Industries, Co., Ltd. (TPBI)	21.29[1]
		C.P. Packaging Co., Ltd.	20.15
		Giant Pack Co., Ltd.	20.15
		Sahachit Watana Plastics Ind. Co., Ltd.	20.15
		Thantawan Industry Public Co., Ltd.	20.15
September 28, 2011 (76 FR 59999)	08/01/2009-07/31/2010	First Pack Co. Ltd	28.59
		Hi-Pak Company Limited	([2])
		ITW Minigrip (Thailand) Co., Ltd	([2])
		K International Packaging Co., Ltd	28.59
		Landblue (Thailand) Co., Ltd	25.53
		Praise Home Industry, Co. Ltd	28.59
		Siam Flexible Industries Co., Ltd	28.59
		Thai Jirun Co., Ltd	28.59
		Thai Plastic Bags Industries Co., Ltd	35.71
		Trinity Pac Co. Ltd	28.59
		U. Yong Industry Co., Ltd	28.59
August 19, 2013 (78 FR 50376)	08/01/2011-07/31/2012	Elite Poly and Packaging Co., Ltd.	4.69
		Multibax Public Company Limited	4.69
		PMC Innopack Co., Ltd.	4.69
		Prepack Thailand Co., Ltd	4.69
		Superpac Corporation Co. Ltd.	4.69
		Siam Best Products Trading Limited Partnership	4.69
		Two Path Plaspack Co. Ltd.	4.69
		Sun Pack Inter Co. Ltd.	4.69
		Apple Film Company, Ltd.	4.69
		Trinity Pac Co. Ltd.	122.88

Table continued on next page.

(…*continued*)
Antidumping Duty Administrative Review; 2011-2012, 78 FR 50376, August 19, 2013 (*Thailand 2011-2012 Final Results*); *Polyethylene Retail Carrier Bags From Thailand: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 79 FR 51953, September 2, 2014 (*Thailand 2012-2013 Final Results*). For previously reviewed or investigated companies not included in an administrative review, the cash deposit rate continues to be the company-specific rate published for the most recent period.

Table I-3--*Continued*
PRCBs: Administrative reviews of the antidumping duty order for Thailand

Date results published	Period of review	Producer or exporter	Margin (percent)
September 2, 2014 (79 FR 51953)	08/01/2012–07/31/2013	Beyond Packaging Co., Ltd.	122.88
		Dpac Inter Corporation Co., Ltd.	4.69
		Elite Poly and Packaging Co., Ltd.	4.69
		Poly World Co., Ltd.	4.69
		Triple B Pack Company Limited	4.69
		Two Path Plaspack Co., Ltd.	4.69

[1] Amended. See *Polyethylene Retail Carrier Bags From Thailand: Notice of Court Decision Not in Harmony With Final Results of Administrative Review and Notice of Amended Final Results of Administrative Review; 2008-2009*, 79 FR 42292, July 21, 2014.
[2] No shipment or sales subject to this review. This firm has no individual rate from a previous segment of this proceeding.

Source: Cited *Federal Register* notices.

Changed circumstances reviews

In its final results of a changed circumstances review, Commerce determined that TPBI Public Company Limited (TPBI) is the successor-in-interest to Thai Plastic Bags Industries Company Limited (Thai Plastic Bags Company) for purposes of the antidumping duty order on PRCBs from Thailand and, as such, is entitled to Thai Plastic Bags Company's exclusion from the antidumping duty order.[26]

Scope inquiry reviews

As shown in table I-4, Commerce has conducted 16 scope inquiry reviews concerning the various orders on PRCBs.

[26] *Polyethylene Retail Carrier Bags From Thailand: Notice of Final Results of Antidumping Duty Changed Circumstances Review*, 80 FR 53111, September 2, 2015.

Table I-4
PRCBs: Scope inquiry reviews

Date	Requestor	Ruling
November 15, 2007 (73 FR 9293, February 20, 2008)	Asia Dynamics, Inc. Medline Industries, Inc.	Certain hospital patient belongings bags (model nos. 304211, 304311, 304411, 304611, 304711, 304811, 40219, 40229) are not within the scope of the antidumping duty orders on imports from China, Malaysia, and Thailand.
January 8, 2008 (73 FR 29739, May 22, 2008)	DMS Holdings, Inc.	Certain MABIS Healthcare hospital bags are not within the scope of the antidumping duty orders on imports from China, Malaysia, and Thailand.
May 8, 2008 (73 FR 49418, August 21, 2008)	Medline Industries, Inc.	Certain hospital patient belongings bags and surgical kit bags are within the scope of the antidumping duty orders; and other certain hospital patient belongings bags and surgical kit bags are not within the scope of the antidumping duty orders on imports from China, Malaysia, and Thailand.
July 14, 2008 (73 FR 72772, December 1, 2008)	Bags on the Net	A certain polyethylene bag is within the scope of the antidumping order on imports from China.
September 2, 2008 (73 FR 72772, December 1, 2008)	The Builders Depot Inc.	The Against All Odds Tee and Jacket Bags are within the scope of the antidumping duty order on imports from China.
October 2, 2008 (74 FR 14521, March 31, 2009)	Rayton Produce Packaging Inc.	A certain promotional bag is within the scope of the antidumping duty order on imports from China.
November 19, 2008 (74 FR 14521, March 31, 2009)	Majestic International	Certain polyethylene gift bags are not within the scope of the antidumping duty order on imports from China.
July 7, 2009 (75 FR 14138, March 24, 2010)	Majestic International, LLC	120 gift bags are outside the scope of the antidumping duty order on imports from China.
July 17, 2009 (75 FR 14138, March 24, 2010)	Care Line Industries, Inc.	Certain bags designed for hospital use, which are not printed with store names or logos and packed in consumer packaging with printing indicating specific end-uses other than packaging or carrying merchandise from retail establishments, are outside the scope of the antidumping order on imports from China.
October 1, 2010 (76 FR 31301, May 31, 2011)	The St. John Companies	Four models of patient-belongings bags are not within the scope of antidumping duty order on imports from China.
July 6, 2012 (78 FR 9370, February 8, 2013)	Bunzl Distribution USA, Inc.	Its ice bag is not within the scope of the antidumping duty order on imports from China.
July 16, 2012 (78 FR 9370, February 8, 2013)	SmileMakers, Inc.	Its specialty patient bags are within the scope of the antidumping duty order on imports from Taiwan.
October 5, 2012 (78 FR 32372, May 30, 2013)	NextDoor Design & Manufacturing LLC	Its valet laundry bag is not within the scope of the antidumping duty order on imports from China.
November 19, 2012 (78 FR 32372, May 30, 2013)	SmileMakers, Inc.	Its model Item #TSHP bag is within the scope of the antidumping duty order on imports from Taiwan.

Source: Cited *Federal Register* notices.

Section 129 proceedings

On June 29, 2010, Commerce issued a determination as requested by the U.S. Trade Representative under Section 129 of the Uruguay Round Agreements Act. In response to a challenge by the Government of Thailand before the World Trade Organization, Commerce issued a determination regarding the offsetting of dumped comparisons with non-dumped comparisons of average-to-average export price and normal value. Based on recalculated margins that were *de minimis*, effective July 28, 2010, Commerce revoked the order with respect to Thai Plastic Bags Industries Co., Ltd.; Winners Pack Co., Ltd.; and APEC Film Ltd. (collectively "TPBI"). Commerce also recalculated margins for other firms as follows: 4.69 percent for Advance Polybag Inc., Alpine Plastics Inc., API Enterprises, and Universal Polybag Co. Ltd. (collectively "Universal"); 122.88 percent for Champion Paper Polybags Ltd., TRC Polypack, and ZipPac Co.; and 4.69 percent for "All Others."[27]

Anti-circumvention findings

Commerce conducted two anti-circumvention inquiries. The first inquiry was initiated on July 30, 2013, and Commerce determined on October 9, 2014, that imports of unfinished PRCBs from Taiwan were circumventing the antidumping duty order on PRCBs from Taiwan.[28] In the second anti-circumvention inquiry, Commerce determined on March 19, 2014, that exports of unfinished polyethylene retail carrier bags that are sealed on all four sides, cut to length, and that appear ready to undergo the final step in the production process (*i.e.*, to use a die press to stamp out the opening and create the handles of a finished polyethylene retail carrier bag) are circumventing the antidumping duty order on PRCBs from China.[29]

Five-year reviews

Commerce has issued the final results of its expedited reviews with respect to all subject countries.[30] Tables I-5 to I-11 present the countervailable subsidy margins and dumping margins calculated by Commerce in its original investigations and subsequent reviews.[31]

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[27] *Notice of Implementation of Determination Under Section 129 of the Uruguay Round Agreements Act and Partial Revocation of the Antidumping Duty Order on Polyethylene Retail Carrier Bags From Thailand*, 75 FR 48940, August 12, 2010.

[28] *Notice of Scope Rulings*, 80 FR 22969, April 24, 2015.

[29] *Notice of Scope Rulings*, 79 FR 30821, May 29, 2014.

[30] *Polyethylene Retail Carrier Bags From the Socialist Republic of Vietnam: Final Results of Expedited First Sunset Review of the Countervailing Duty Order*, 80 FR 46539, August 5, 2015; and *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 80 FR 39997, July 13, 2015.

[31] During the original investigations, three firms were found by Commerce to have *de minimis* dumping margins and thus were excluded from the antidumping duty orders: Hang Lung Plastic

(*continued*...)

Table I-5
PRCBs: Commerce's original and first five-year review countervailable subsidy margins for producers/exporters in Vietnam

Producer/exporter	Original margin (*percent*)	First five-year review margin (*percent*)
Advance Polybag	52.56	52.56
Chin Sheng Company, Ltd.	0.44[1]	([1])
Fotai Vietnam Enterprise Corp. And Fotai Enterprise Corporation	5.28	5.28
All others	5.28	5.28

[1] Chin Sheng Company, Ltd. was excluded from the countervailing duty order as the company received a *de minimis* rate in the original investigation.

Source: *Polyethylene Retail Carrier Bags from the Socialist Republic of Vietnam: Countervailing Duty Order*, 75 FR 23670, May 4, 2010; and *Polyethylene Retail Carrier Bags From the Socialist Republic of Vietnam: Final Results of Expedited First Sunset Review of the Countervailing Duty Order*, 80 FR 46539, August 5, 2015.

(…*continued*)
Manufactory and Nantong Huasheng Plastic Products Co., Ltd. (China), and Bee Lian Plastic Industries (Malaysia). *Notice of Amended Final Determination of Sales at Less Than Fair Value: Polyethylene Retail Carrier Bags From the People's Republic of China*, 69 FR 42419, July 15, 2004; and *Notice of Final Determination of Sales at Less Than Fair Value: Polyethylene Retail Carrier Bags From Malaysia*, 69 FR 34128, June 18, 2004.

Table I-6
PRCBs: Commerce's original, first five-year review, and second five-year review dumping margins for producers/exporters in China

Producer/exporter	Original margin (*percent*)	First five-year review margin (*percent)*	Second five-year review margin (*percent*)
Dongguan Huang Jiang United Wah Plastic Bag Factory (Also known as Dongwan Nozawa Plastics and United Power Packaging, Ltd.)	23.22	23.22	--
Rally Plastics Company, Ltd.	23.85	23.85	--
Shanghai Glopack Packing Co., Ltd., and Sea Lake PolyethyleneEnterprise, Ltd. (Also known as Sea Lake Plastics Import MaterialProcessing Factory and Sea Lake Plastics Co., Ltd.)	19.79	19.79	--
Xiamen Ming Pak Plastics Co., Ltd.	35.58	35.58	--
Zhongshan Dongfeng Hung Wai Plastic Bag Manufactory	41.28	41.28	--
Beijing Lianbin Plastics and Printing Co., Ltd.	25.69	25.69	--
Dongguan Maruman Plastic Packaging Co., Ltd.(Formerly known as Dongguan Zhongqiao Combine Plastic Bag Factory)	25.69	25.69	--
Good-in Holdings, Ltd.	25.69	25.69	--
Guangdong Esquel Packaging Co., Ltd.	25.69	25.69	--
Nan Sing Plastics, Ltd.	25.69	25.69	--
Ningbo Fanrong Plastics Products Co., Ltd.	25.69	25.69	--
Ningbo Huansen Plasthetics Co., Ltd.	25.69	25.69	--
Rain Continent Shanghai Co., Ltd.	25.69	25.69	--
Shanghai Dazhi Enterprise Development Co., Ltd.	25.69	25.69	--
Shanghai Fangsheng Coloured Packaging Co., Ltd.	25.69	25.69	--
Shanghai Jingtai Packaging Material Co., Ltd.	25.69	25.69	--
Shanghai Light Industrial Products Imports and Export Corp.	25.69	25.69	--
Shanghai Minmetals Development, Ltd.	25.69	25.69	--
Shanghai New Ai Lian Import and Export Co., Ltd.	25.69	25.69	--
Shanghai Overseas International Trading Co., Ltd.	25.69	25.69	--
Shanghai Yafu Plastics Industries Co., Ltd.	25.69	25.69	--
Weihai Weiquan Plastic and Rubber Products Co., Ltd.	25.69	25.69	--
Xiamen Xingyatai Industry Co., Ltd.	25.69	25.69	--
Xinhui Henglong	25.69	25.69	--
All others	77.57	77.57	77.57

Note.--During the original investigation, two firms were found by Commerce to have *de minimis* dumping margins and thus were excluded from the antidumping duty orders: Hang Lung Plastic Manufactory and Nantong Huasheng Plastic Products Co., Ltd. *Notice of Amended Final Determination of Sales at Less Than Fair Value: Polyethylene Retail Carrier Bags From the People's Republic of China*, 69 FR 42419, July 15, 2004.

Source: *Antidumping Duty Order: Polyethylene Retail Carrier Bags From the People's Republic of China*, 69 FR 48201, August 9, 2004; *Polyethylene Retail Carrier Bags From the People's Republic of China, Thailand, and Malaysia: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 79 FR 53470, October 19, 2009; and *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 80 FR 39997, July 13, 2015.

Table I-7
PRCBs: Commerce's original and first five-year review dumping margins for producers/exporters in Indonesia

Producer/exporter	Original margin (*percent*)	First five-year review margin (*percent*)
P.T. Sido Bangun Indonesia	85.17	--
P.T. Super Exim Sari Ltd. and P.T. Super Makmur	69.64	--
All Others	69.64	85.17

Source: *Antidumping Duty Orders: Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and the Socialist Republic of Vietnam*, 75 FR 23667, May 4, 2010; and *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 80 FR 39997, July 13, 2015.

Table I-8
PRCBs: Commerce's original, first five-year review, and second five-year review dumping margins for producers/exporters in Malaysia

Producer/exporter	Original margin (*percent*)	First five-year review margin (*percent*)	Second five-year review margin (*percent*)
Teong Chuan Plastic and Timber Sdn. Bhd	101.74	101.74	--
Brandpak Industries Sdn. Bhd	101.74	101.74	--
Gants Pac Industries	101.74	101.74	--
Sido Bangun Sdn. Bhd	101.74	101.74	--
Zhin HinlChin un Plastic Manufacturer Sdn. Bhd	101.74	101.74	--
All Others	84.94	84.94	101.74

Note.--During the original investigation, Bee Lian Plastic Industries was found by Commerce to have a *de minimis* dumping margin and thus was excluded from the antidumping duty orders. *Notice of Final Determination of Sales at Less Than Fair Value: Polyethylene Retail Carrier Bags From Malaysia*, 69 FR 34128, June 18, 2004.

Source: *Antidumping Duty Order: Polyethylene Retail Carrier Bags From Malaysia*, 69 FR 48203, August 9, 2004; *Polyethylene Retail Carrier Bags From the People's Republic of China, Thailand, and Malaysia: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 79 FR 53470, October 19, 2009; and *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 80 FR 39997, July 13, 2015.

Table I-9
PRCBs: Commerce's original and first five-year review dumping margins for producers/exporters in Taiwan

Producer/exporter	Original margin (*percent*)	First five-year review margin (*percent*)
Ipsido Corporation	95.81	--
TCI Plastic Co., Ltd.	36.54	--
All others	36.54	95.81

Source: *Antidumping Duty Orders: Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and the Socialist Republic of Vietnam*, 75 FR 23667, May 4, 2010; and *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 80 FR 39997, July 13, 2015.

Table I-10
PRCBs: Commerce's original, first five-year review, and second five-year review dumping margins for producers/exporters in Thailand

Producer/exporter	Original margin (*percent*)	First five-year review margin (*percent*)	Second five-year review margin (*percent*)
Thai Plastic Bags Industries Co., Ltd	2.26	2.26	--
Advance Polybag Inc., Alpine Plastics Inc., API Enterprises Inc., and Universal Polybag Co., Ltd.	5.35	5.35	--
TRC Polypack	122.88	122.88	--
Champion Paper Polybags Ltd	122.88	122.88	--
Zip-Pac Co., Ltd./King Pac Industrial Co., Ltd./King Pak/Zippac/Dpac Industrial/Kingbag/KP	122.88	122.88	--
All Others	2.80	2.80	122.88

Note.—As a result of a section 129 proceeding, effective July 28, 2010, Commerce revoked the antidumping duty order with respect to Thai Plastic Bags Industries Co., Ltd. and recalculated margins for other firms as follows: 4.69 percent for Advance Polybag Inc., Alpine Plastics Inc., API Enterprises, and Universal Polybag Co. Ltd.; and 4.69 percent for "All Others." *Notice of Implementation of Determination Under Section 129 of the Uruguay Round Agreements Act and Partial Revocation of the Antidumping Duty Order on Polyethylene Retail Carrier Bags From Thailand*, 75 FR 48940, August 12, 2010

Source: *Antidumping Duty Order: Polyethylene Retail Carrier Bags From Thailand*, 69 FR 48204, August 9, 2004; *Polyethylene Retail Carrier Bags From the People's Republic of China, Thailand, and Malaysia: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 79 FR 53470, October 19, 2009; and *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 80 FR 39997, July 13, 2015.

Table I-11
PRCBs: Commerce’s original and first five-year review dumping margins for producers/exporters in Vietnam

Producer/exporter	Original margin (*percent*)	First five-year review margin (*percent*)
Alpha Plastics (Vietnam) Co., Ltd.ʎ	52.30	--
Alta Company°	52.30	--
Ampac Packaging Vietnam Ltd.ʎ	52.30	--
BITAHACO*	52.30	--
Chin Sheng Co., Ltd.*	52.30	--
Chung Va (Vietnam) Plastic Packaging Co., Ltd.ʎ	52.30	--
Hanoi 27-7 Packaging Company Limited, aka Hanoi 27-7 Packaging Company Limited, aka HAPACK Co. Ltd, aka HAPACK°	52.30	--
Hoi Hung Company Limitedʎ	52.30	--
Kinsplastic Vietnam Ltd. Co.ʎ	52.30	--
Loc Cuong Trading Producing Company Limited, aka Loc Cuong Trading Producing Company, aka Loc Cuong Trading Producing Co. Ltd.*	52.30	--
Ontrue Plastics Co., Ltd. (Vietnam)ʎ	52.30	--
Richway Plastics Vietnam Co., Ltd.ʎ	52.30	--
RKW Lotus Limited Co., Ltd., aka RKW Lotus Limited, aka RKW Lotus Ltd.ʎ	52.30	--
VINAPACKINK Co., Ltd.*	52.30	--
VN K's International Polybags Joint Stock Company *	52.30	--
VN Plastic Industries Co. Ltd.ʎ	52.30	--
Vietnam-Wide Entity[2]	76.11	76.11

[1] The symbol “ʎ” designates companies as foreign-owned separate-rate recipients, “*” designates companies as Vietnamese separate-rate recipients, and “°” designates companies as state-owned separate-rate recipients.
[2] Advance Polybag Co., Ltd., Fotai Vietnam Enterprise Corp., Green Care Packaging Industrial (Vietnam) Co., An Phat Plastic and Packing Joint Stock Co., Genius Development Ltd., J.K.C. Vina Co., Ltd., are all part of the Vietnam-wide entity.

Source: *Antidumping Duty Orders: Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and the Socialist Republic of Vietnam*, 75 FR 23667, May 4, 2010; and *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People’s Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 80 FR 39997, July 13, 2015.

THE SUBJECT MERCHANDISE

Commerce's scope

Commerce defined the scope of the merchandise for the countervailing duty and antidumping duty orders on imports of PRCBs from Indonesia, Taiwan, and Vietnam to be identical to the scope language for the antidumping duty orders on imports of PRCBs from China, Malaysia, and Thailand. Commerce has defined the subject merchandise as:

> The merchandise covered in the sunset reviews of the AD orders on PRCBs from Indonesia, Malaysia, the PRC, Taiwan, Thailand, and Vietnam is PRCBs, which also may be referred to as t-shirt sacks, merchandise bags, grocery bags, or checkout bags. The subject merchandise is defined as non-sealable sacks and bags with handles (including drawstrings), without zippers or integral extruded closures, with or without gussets, with or without printing, of polyethylene film having a thickness no greater than 0.035 inch (0.889 mm) and no less than 0.00035 inch (0.00889 mm), and with no length or width shorter than 6 inches (15.24 cm) or longer than 40 inches (101.6 cm). The depth of the bag may be shorter than 6 inches (15.24 cm) but not longer than 40 inches (101.6 cm).
>
> PRCBs are typically provided without any consumer packaging and free of charge by retail establishments, e.g., grocery, drug, convenience, department, specialty retail, discount stores, and restaurants to their customers to package and carry their purchased products. The scope of the orders excludes (1) polyethylene bags that are not printed with logos or store names and that are closeable with drawstrings made of polyethylene film and (2) polyethylene bags that are packed in consumer packaging with printing that refers to specific end–uses other than packaging and carrying merchandise from retail establishments, e.g., garbage bags, lawn bags, trash-can liners.[32]
>
> As a result of changes to the Harmonized Tariff Schedule of the United States (HTSUS), imports of the subject merchandise are currently classifiable under statistical category 3923.21.0085 of the HTSUS. Furthermore, although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

[32] *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Polyethylene Retail Carrier Bags from Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam*, Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, July 6, 2015. *See also Antidumping Duty Orders: Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and the Socialist Republic of Vietnam,* 85 FR 23667, May 4, 2010, and *Polyethylene Retail Carrier Bags From the People's Republic of China, Malaysia, and Thailand: Continuation of Antidumping Duty Orders,* 75 FR 38978, July 7, 2010.

Tariff treatment

PRCBs are currently imported under HTS statistical reporting number 3923.21.0085 ("Polyethylene retail carrier bags (PRCBs) with handles (including drawstrings), with no length or width shorter than 6 inches (152.4 mm) or longer than 40 inches (1,016 mm)").[33] PRCBs imported from subject countries are assessed a column 1-general duty rate of 3 percent *ad valorem*. Eligible products of Indonesia may be imported duty-free under the Generalized System of Preferences (GSP) upon proper importer claim, but products of Thailand are excluded from GSP treatment for subheading 3923.21.00.

THE PRODUCT

Description and uses[34]

PRCBs are non-sealable plastic sacks or bags of polyethylene with carrying handles, and are intended to be dispensed free of charge to consumers by retail establishments in order to carry purchased merchandise. PRCBs, whether domestically produced or imported, consist principally of FDA approved high-density polyethylene ("HDPE") resin films, low-density ("LDPE") resin films, or combinations thereof varying in size, shape, thickness, and strength characteristics depending on their intended use, and may contain single- or double-sided printing in single or multiple colors. PRCBs produced in the United States generally carry a printed manufacturer's identification or logo on the bag surface along with a recycling symbol encouraging recycling and disclosing the predominate form of plastic, #2 for HDPE and #4 for LDPE. Imported PRCBs usually carry the recycling symbol but not necessarily the producer logo or country-of-origin identification. All PRCBs, domestically produced and imported, are equipped with carrying handles of various types (including drawstrings) ranging from die-cut handles formed in the bag surface to applied handles of various types, and may be designed with side or bottom pleats (gussets), square bottoms, or bottom and side seals depending upon the intended use.

PRCBs are generally dispensed free of charge to customers by a wide range of retail outlets, including grocery, drug, convenience, department, specialty retail, and discount stores, as well as restaurants. T-shirt bags (which derive their name from the fact that they resemble

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[33] Prior to July 2005, PRCBs were reported under HTS statistical reporting number 3923.21.0090, a basket category. After July 2005, imports of PRCBs were reported under HTS statistical reporting number 3923.21.0085 specifically designated for PRCBs with handles (including drawstrings), with no length or width shorter than 6 inches (152.4 mm) or longer than 40 inches (1,016 mm). The remainder of the imports reported under the former basket category are reported under HTS statistical reporting number 3923.21.0095. *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Review)*, USITC Publication 4160, June 2010, p. I-3.

[34] Unless otherwise noted, information in this section is based on *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam,* Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (Final), USITC Publication 4144, April 2010, pp. I-8 – I-11.

sleeveless undershirts that have two straps that rest on the shoulders) are the highest volume type of PRCBs dispensed in a wide variety of retail outlets. Such PRCBs range from so-called low-end, thin-walled HDPE bags found in grocery and many other stores, to larger and thicker t-shirt bags found in department stores. T-shirt merchandise bags may also be made of softer, glossier, and more puncture-resistant LDPE resins, especially linear low-density polyethylene ("LLDPE"). In contrast, so-called higher-end bags of either HDPE, LDPE, or LLDPE range from medium-scale die cut bags of various configurations dispensed at restaurant and merchandise outlets to higher scale die-cut, drawstring, and soft loop handle shopping bags found in more fashionable chain and upscale department stores. Other upscale bags contain detailed high quality multicolored printing and graphics, complete with attached soft loop or trifold handles, flat bottoms and the like, and are typically dispensed to customers in boutiques and other specialty stores.

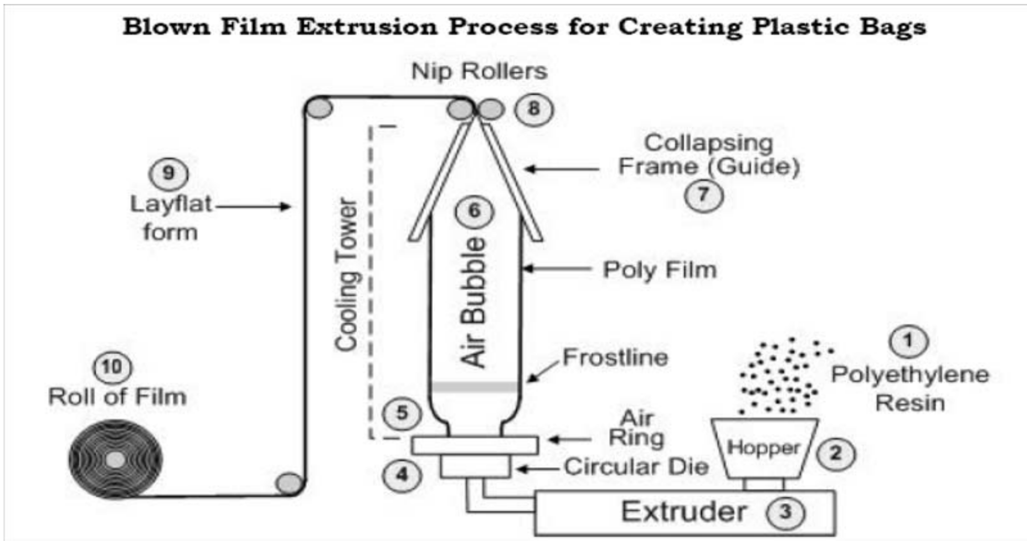
Manufacturing process[35]

The process for manufacturing PRCBs is generally the same everywhere in the world. It is a four-step process consisting of (1) blending polyethylene resin pellets, color concentrates, and other additives; (2) extrusion and film forming; (3) printing; and (4) bag conversion. In the United States, producers run high-volume plants on a 24-hour per day/7-day a week basis when in operation, due to the capital intensive and competitive nature of the business. The major costs are ***.

The following diagram, figure I-1, illustrates the fundamentals of the typical blown film extrusion process employed by PRCB producers worldwide.

[35] Unless otherwise noted, the information in this section is based on *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam,* Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (Final), USITC Publication 4144, April 2010, pp. I-11 – I-13.

Figure I-1:
PRCBs: Typical production process



Source: "10 Steps to Plastic Bags," J.T. McWilliams, President, Multi-Pak USA, at http://www.5starwriting.com/wp-content/uploads/2011/06/10_Steps_To_Plastic_Bags_May06.pdf (accessed June 14, 2015).

In the process, a polyethylene resin blend is fed to a screw extruder or a series of coextruders where the plastic mix is formed into a homogeneous molten mixture. After exiting the extruder, the plastic melt is forced through an annual (circular) die and air-blown into a large cylindrical film bubble of the desired thickness and diameter. The plastic film bubble cools and solidifies as it continues to rise, and upon reaching the desired thickness at the top of the cooling tower, the bubble is collapsed and formed into a two-sided plastic film up to 6 feet or more in width. On the way down to ground level, the plastic film sheet runs through rollers, which smooth it out, before it is fed onto large spools where several thousand pounds of film can be wound. The film is now ready to be sent through the printing and bag conversion processes. Extrusion and bag conversion in the United States are generally separate, continuous, automated processes employing different equipment and usually a selected set of trained employees.

In the bag conversion section, a continuous run of wide film sheet is first surface-treated to better accept ink, and then fed into a flexographic ink printing press where the sheet is printed on one or both sides in up to eight colors in multiple parallel sets of the desired logos and identification, depending upon how many individual bags are to be produced. The flexographic printing process employed in the United States is an environmentally friendly water-based system which eliminates undesirable toxic volatile organic compound ("VOC") emissions into the atmosphere, whereas certain subject country producers of imported bags employ the organic solvent-based rotogravure printing process, which they claim produces superior print quality. The printed film roll next proceeds in a continuous fashion to a slitter sealer which cuts and seals the wide film strips into a selected number of individual bag sections. If the film is to have side or bottom pleats (gussets), the parallel sections of individual bag film pass though gusseting equipment to form the pleats. Following this operation, a handle of the desired configuration is either die cut into or attached to the bag film to complete the bag conversion process. High volume t-shirt or die-cut bags are typically boxed in quantities of 1,000 to 2,000 bags by an operator at the end of the line.

Most scrap from the production process is recycled, and following bag inspection the boxes are loaded onto pallets, warehoused, and shipped, usually by truck in the United States. The international standard units of measurement for bag film thickness are generally expressed in terms of microns (one-millionth of a meter) or mils (0.001 inches). One mil (0.001 inches) is equal to 25.4 microns.

DOMESTIC LIKE PRODUCT ISSUES

In its original determinations and its first five-year review determinations, the Commission defined the domestic like product to consist of the products described in the scope of the investigations, which is comprised of a range of PRCB products of various dimensions and types.[36] The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. In its original determinations and first five-year reviews on PRCBs from China, Malaysia, and Thailand, and in its original determinations on PRCBs from Indonesia, Taiwan, and Vietnam, the Commission defined the domestic industry as consisting of all U.S. producers of PRCBs.[37] The Commission considered whether any of the responding U.S. producers that reported imports or purchases of PRCBs from subject sources during the period examined, should be excluded from the domestic industry as related parties. The Commission found that appropriate circumstances did not exist to exclude any of these firms from the domestic industry.[38]

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[36] *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam,* Investigation No. 701-TA-462 and 731-TA-1156-1158 (Final), USITC Publication 4144, April 2010, p. 7; *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, Investigation Nos. 731-TA-1043-1045 (Final), USITC Publication 3710, August 2004, p. 9; *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand,* Investigation Nos. 731-TA-1043-1045 (Review), USITC Publication 4160, June 2010, p. 6.

[37] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, Investigation Nos. 731-TA-1043-1045 (Final), USITC Publication 3710, August 2004, p.12; *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam, Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (Final)*, USITC Publication 4144, April 2010, p. 7.

[38] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, Investigation Nos. 731-TA-1043-1045 (Final), USITC Publication 3710, August 2004, pp. 10 through 11; *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam, Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (Final)*, USITC Publication 4144, April 2010, pp. 8 through 9; and *Polyethylene Retail Carrier Bags from*
(*continued*...)

In its notice of institution for these reviews, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry.[39] According to their response to the notice of institution, the domestic producers and respondent Thai interested party concur with both definitions.[40] Malaysian respondent interested parties did not express an opinion.[41]

U.S. MARKET PARTICIPANTS

U.S. producers

At the time of the original investigations on PRCBs from China, Malaysia, and Thailand, at least 23 companies produced PRCBs in the United States: Aargus, Alpha, Ampac, API, Bemis, Command, Continental, Durabag, Eastar, Europackaging, Genpak, Golden Plastics, Hilex, Inteplast, PCL Packaging, Poly-Pak, Prince Plastics, Roplast, Superbag, Trinity, Unistar, Vanguard, and VS Plastics. These 23 firms accounted for over 98 percent of all PRCBs produced in the United States during 2001-03. Hilex and Vanguard were the two largest domestic producers, accounting for over *** percent of domestic production in 2003. Two domestic producers, ***, at that time were related to producers in China and Thailand, respectively. Fourteen of the 22 reporting firms imported or purchased imports of PRCBs from China, Malaysia, or Thailand, although their U.S. production accounted for the overwhelming bulk of their sales in most cases.[42]

At the time of the original investigations on PRCBs from Indonesia, Taiwan, and Vietnam, at least 13 companies produced PRCBs in the United States: Ampac, API, Bemis, Command, Durabag, Genpak, Hilex, Inteplast, Omega, Poly-Pak, Roplast, Superbag, and Unistar. These firms accounted for over 90 percent of all PRCBs produced in the United States in 2008. Hilex was the largest U.S. producer accounting for *** percent of domestic PRCB production in 2008.[43] Three U.S. producers were related to subject foreign producers of PRCBs (***) and one was related to a U.S. importer of the subject merchandise (***). In addition, six U.S. producers

(…*continued*)
China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Review), USITC Publication 4160, June 2010, pp. 7 through 8.

[39] *Polyethylene Retail Carrier Bags From China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam; Institution of Five-Year Reviews*, 80 FR 17490, April 1, 2015

[40] *Domestic Interested Parties' Response to the Notice of Institution,* May 1, 2015, p. 41, and *Thai Respondent Interested Party's Supplemental Response to the Notice of Institution,* May 18, 2015, p. 4.

[41] *Malaysian Respondent Interested Parties' Response to the Notice of Institution*, May 1, 2015, p. 7.

[42] *Polyethylene Retail Carrier Bags From China, Malaysia, and Thailand*, *Investigations Nos. 731- TA-1043-1045 (Final),* Publication 3710, August 2004, pp. III-2-III-7 (including tables III-1 and III-2).

[43] ***.

directly imported subject merchandise and one also purchased subject merchandise from U.S. importers and/or domestic producers.[44]

At the time of the first reviews of the antidumping orders on PRCBs from China, Malaysia, and Thailand, at least 12 companies produced PRCBs in the United States: Ampac, API, Bemis, Command, Durabag, Genpak, Hilex, Inteplast, Poly-Pak, Roplast, Superbag, and Unistar. These firms accounted for over 90 percent of all PRCBs produced in the United States in 2009. Hilex was the largest U.S. producer accounting for *** percent of domestic PRCB production in 2009. One U.S. producer was related to a subject foreign producer of PRCBs (***), and one was related to a U.S. importer of the subject merchandise (***). In addition, eight U.S. producers directly imported and/or purchased subject merchandise during 2004-09.[45]

In this current proceeding, the Commission issued U.S. producers' questionnaires to 39 firms, eleven of which provided the Commission with information on their product operations. These firms are believed to account for the vast majority of U.S. production of PRCBs in 2014. Presented in table I-12 is a list of current domestic producers of PRCBs and each company's position on continuation of the orders, production locations(s), related and/or affiliated firms, and share of reported production of PRCBs during January 2009 to September 2015.

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[44] *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam, Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (Final),* USITC Publication 4144, April 2010, pp. III-2-III-3 (including tables III-1 and III-5).

[45] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand,* Investigation Nos. 731-TA-1043-1045 (Review), USITC Publication 4160, June 2010, pp. I-20 through I-21 (including table I-10).

Table I-12
PRCBs: U.S. producers, positions on orders, U.S. production locations, related and/or affiliated firms, and shares of reported U.S. production, January 2009-September 2015

Firm	Position on petition	Production location(s)	Share of production (percent)
Advance Polybag[1]	***	North Las Vegas, NV Oklahoma City, OK Kenner, LA Elkridge, MD Sugar Land, TX	***
Ampac Plastics[2]	***	Cincinnati, OH	***
Central Plastics	***	Houston, TX	***
Command	Support	Los Angeles, CA	***
Durabag	***	Tustin, CA	***
Inteplast[3]	***	Lolita, TX North Dighton, MA	***
Novolex Holdings[4]	Support	Carrollton, TX Jacksonville, FL Jerome, ID Milesburg, PA North Vernon, IN Richmond, VA Overland, MO	***
Poly-Pak	***	Melville, NY	***
Roplast[5]	Support	Oroville, CA	***
Superbag Corp.	Support	Houston, TX	***
Unistar Plastics[6]	Support	Harahan, LA Houston, TX	***
Total			100.0

[1] API is related to Advance Polybag Company, Inc., a U.S. importer of the subject merchandise and Universal Polybag Co., Ltd. (Thailand), a foreign producer/exporter of the subject merchandise (sister company).
[2] Ampac is related to Ampac Packaging Cambodia, Ltd. (sister company).
[3] Inteplast is related to TCI Plastics Co., Ltd., a foreign producer and/or exporter of the subject merchandise (***) and Alpha Plastics (Vietnam) Co., Ltd., a foreign producer/exporter of PRCBs (***). Inteplast also owns Trinity Plastic Corporation, a U.S. producer of PRCBs.
[4] On November 1, 2014, the holding company of U.S. producer Hilex Poly Co. LLC changed its name to Novolex Holdings, Inc.
[5] Roplast is related to BTR Packaging PVT, Ltd. (India), a foreign producer and/or exporter of PRCBs through a joint venture (***).
[6] Unistar is related to Momentum Plastics LLC, a U.S. producer of PRCBs, through shared ownership.

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

As indicated in table I-12, two U.S. producers are related to foreign producers of the subject merchandise, and two are related to U.S. importers of the subject merchandise. In addition, as discussed in greater detail in Part III, six U.S. producers directly import the subject merchandise.

U.S. importers

In the final phase of the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission issued questionnaires to 184 firms believed to be importers of PRCBs, as well as to all U.S. producers of PRCBs. Usable questionnaire responses were received from 87 companies, believed to account for the great majority of U.S. imports from subject sources in 2003.[46] Subject imports of PRCBs from China were diffused among the importers, with the largest importer (***) accounting for *** percent of the quantity of subject imports from China. The leading U.S. importer of PRCBs from Malaysia was ***, while the leading U.S. importer of PRCBs from Thailand was ***.

In the final phase of the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission issued questionnaires to 97 firms believed to be importers of PRCBs, as well as to all U.S. producers of PRCBs. Usable questionnaire responses were received from 42 companies, representing approximately 60 percent of total U.S. imports in 2008 from Indonesia, Taiwan, and Vietnam under HTS statistical reporting number 3923.21.0085.[47] The leading U.S. importer of PRCBs from Indonesia was ***, while the leading importers from Taiwan were *** and the leading importers from Vietnam were ***.

In the first five-year reviews of the antidumping duty orders on PRCBs from China, Malaysia, and Thailand, the Commission issued questionnaires to 160 firms believed to be importers of PRCBs, as well as to all U.S. producers of PRCBs. Usable questionnaire responses were received from 52 companies, representing approximately 48 percent of total U.S. imports in 2009 from China, Malaysia, and Thailand under HTS statistical reporting number 3923.21.0085.[48] The leading U.S. importers of PRCBs from China were ***, while the leading importers from Malaysia were ***, and the leading importers from Thailand were ***.

In the current proceeding, the Commission issued U.S. importers' questionnaires to 52 firms believed to be importers of PRCBs, as well as to all U.S. producers of PRCBs. Usable questionnaire responses were received from 27 firms, representing *** percent of total U.S. imports and *** percent of subject imports during January 2009 to September 2015. Table I-13 lists all responding U.S. importers of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand,

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[46] *Polyethylene Retail Carrier Bags From China, Malaysia, and Thailand*, *Investigations Nos. 731- TA-1043-1045 (Final),* Publication 3710, August 2004, pp. IV-1 though IV-2.

[47] *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam, Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (Final),* USITC Publication 4144, April 2010, IV-1. As previously noted, prior to July 2005, PRCBs were reported under HTS statistical reporting number 3923.21.0090, a basket category. After July 2005, imports of PRCBs were reported under HTS statistical reporting number 3923.21.0085 specifically designated for PRCBs with handles (including drawstrings), with no length or width shorter than 6 inches (152.4 mm) or longer than 40 inches (1,016 mm). The remainder of the imports reported under the former basket category are reported under HTS statistical reporting number 3923.21.0095. *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Review)*, USITC Publication 4160, June 2010, p. I-3.

[48] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand,* Investigation Nos. 731-TA-1043-1045 (Review), USITC Publication 4160, June 2010, p. IV-1.

and Vietnam, and other sources, their locations, and their shares of U.S. imports during January 2009 through September 2015.

Table I-13
PRCBs: U.S. importers, source(s) of imports, U.S. headquarters, and shares of imports, January 2009-September 2015

Firm	Headquarters	Share of imports by source (percent)						
		China, subject	Indonesia	Malaysia, subject	Taiwan	Thailand, subject	Vietnam	All other sources
Advance Polybag Inc.	Sugar Land, TX	***	***	***	***	***	***	***
Allied Poly International, Inc.	Hayward, CA	***	***	***	***	***	***	***
Ampac Plastics LLC	Cincinnati, OH	***	***	***	***	***	***	***
Atlantic Packaging Products Limited	Scarbourough, ON	***	***	***	***	***	***	***
Bunzl International Services, Inc.	St. Louis, MO	***	***	***	***	***	***	***
China Direct International Corp.	Edison, NJ	***	***	***	***	***	***	***
Command Packaging	Los Angeles, CA	***	***	***	***	***	***	***
Commonwealth Packaging Co.	Harrisburg, PA	***	***	***	***	***	***	***
Glopack, Inc.	Brooklyn, NY	***	***	***	***	***	***	***
Greenbrier International, Inc	Chesapeake, VA	***	***	***	***	***	***	***
Huan Mei Inc.	Woodbridge, VA	***	***	***	***	***	***	***
Inteplast Group Ltd.	Livingston, NJ	***	***	***	***	***	***	***
IPS Industries, Inc.	Cerritos, CA	***	***	***	***	***	***	***
Meijer, Inc., and Affiliates	Grand Rapids, MI	***	***	***	***	***	***	***
Mitsui Plastics, Inc.	White Plains,, NY	***	***	***	***	***	***	***
Novolex Holdings, Inc.	Hartsville, SC	***	***	***	***	***	***	***
Pan Pacific Plastics Mfg., Inc.	Hayward, CA	***	***	***	***	***	***	***
Poly-Pak Industries	Melville, NY	***	***	***	***	***	***	***
Roplast Industries Inc.	Oroville, CA	***	***	***	***	***	***	***
Royal Paper	Exton, PA	***	***	***	***	***	***	***
Superbag Corporation	Houston, TX	***	***	***	***	***	***	***
Target Corporation	Minneapolis, MN	***	***	***	***	***	***	***
The Cannon Group Inc.	Westerville, OH	***	***	***	***	***	***	***
The Pack America Corporation	New York, NY	***	***	***	***	***	***	***
Unistar Plastics LLC	Harahan, LA	***	***	***	***	***	***	***
Walgreen Co.	Deerfield, IL	***	***	***	***	***	***	***
Walmart Stores Inc.	Bentonville, AR	***	***	***	***	***	***	***
All other firms[1]		***	***	***	***	***	***	***
Total		***	***	***	***	***	***	***

[1] All other firms based on ***.

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

U.S. purchasers

The Commission received 34 usable questionnaire responses from firms that bought PRCBs during January 2009-September 2015.[49] Seventeen responding purchasers identified themselves as retailers (including nine as food retailers), nine as distributors of packaging supplies, one as a food distributor, and two as another type of distributor. In addition, four other purchasers identified themselves as producers of PRCBs, one as an importer, and one as a carry-out food service firm. The largest responding purchasers of PRCBs are ***.

APPARENT U.S. CONSUMPTION

Data concerning apparent U.S. consumption of PRCBs are shown in table I-14 and figure I-2. The quantity of apparent U.S. consumption of PRCBs increased by 8.6 percent between 2009 and 2014, and was 2.8 percent higher in January-September 2015 when compared to January-September 2014.

Figure I-2
PRCBs: Apparent U.S. consumption, 2009-14, January-September 2014, and January-September 2015

*　　*　　*　　*　　*　　*　　*

U.S. MARKET SHARES

U.S. market share data are presented in table I-15.

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[49] Of the 32 responding purchasers, 26 purchased domestic PRCBs, 4 purchased subject imports of PRCBs from China, 1 purchased imports of subject PRCBs from Indonesia, 2 purchased imports of subject PRCBs from Malaysia, 1 purchased imports of subject PRCBs from Taiwan, 8 purchased subject imports of PRCBs from Thailand, and 0 purchased imports of subject PRCBs from Vietnam, although one purchaser (***) imported PRCBs directly from Vietnam. Among those purchasers that bought PRCBs imported from nonsubject sources, 2 purchased nonsubject imports of PRCBs from China, 4 purchased nonsubject imports of PRCBs from Malaysia, 1 purchased nonsubject imports of PRCBs from Thailand, and 8 purchased imports of PRCBs from other nonsubject sources.

Table I-14
PRCBs: U.S. shipments of domestic product, U.S. imports, and apparent U.S. consumption, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Quantity (1,000 bags)							
U.S. producers' U.S. shipments	66,254,256	72,601,946	72,250,983	73,537,865	75,303,979	73,556,008	54,449,559	52,993,213
U.S. importers' U.S imports from.[1]-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	29,004,138	27,462,281	26,999,312	30,239,920	25,776,033	29,909,126	20,271,431	23,894,065
Apparent U.S. consumption	95,258,394	100,064,227	99,250,295	103,777,785	101,080,012	103,465,134	74,720,990	76,887,278
	Value (1,000 dollars)							
U.S. producers' U.S. shipments	759,122	941,950	1,010,596	994,858	1,063,017	1,120,838	818,780	766,394
U.S. importers' U.S imports from.[1]-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	320,339	341,784	338,381	346,290	355,537	380,128	265,853	278,451
Apparent U.S. consumption	1,079,461	1,283,734	1,348,977	1,341,148	1,418,554	1,500,966	1,084,633	1,044,845

[1] The supplementary data for importers that did not provide a questionnaire response are based on ***.

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

Table I-15
PRCBs: U.S. consumption and market shares, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Quantity (1,000 bags)							
Apparent U.S. consumption	95,258,394	100,064,227	99,250,295	103,777,785	101,080,012	103,465,134	74,720,990	76,887,278
	Share of quantity (percent)							
U.S. producers' U.S. shipments	69.6	72.6	72.8	70.9	74.5	71.1	72.9	68.9
U.S. importers' U.S imports from:[1]-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	30.4	27.4	27.2	29.1	25.5	28.9	27.1	31.1
	Value (1,000 dollars)							
Apparent U.S. consumption	1,079,461	1,283,734	1,348,977	1,341,148	1,418,554	1,500,966	1,084,633	1,044,845
	Share of value (percent)							
U.S. producers' U.S. shipments	70.3	73.4	74.9	74.2	74.9	74.7	75.5	73.4
U.S. importers' U.S imports from.[1]-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	29.7	26.6	25.1	25.8	25.1	25.3	24.5	26.6

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

PART II: CONDITIONS OF COMPETITION IN THE U.S. MARKET

U.S. MARKET CHARACTERISTICS

Polyethylene retail carrier bags ("PRCBs") are typically given free of charge to customers at retail establishments to transport their purchases. They come in a large variety of sizes and qualities; however the vast majority of PRCBs are made up of "T-shirt sacks" which are standard bags for grocery stores and big box retailers. The market for these bags in 2014 was valued at roughly $1.5 billion. Apparent U.S. consumption of PRCBs increased during 2009-14. Overall, apparent U.S. consumption in 2014 was 8.6 percent higher than in 2009 on a quantity basis and 39.0 percent higher on a value basis, notwithstanding increasing numbers of plastic bag laws and restrictions. The domestic industry has represented more than two-thirds of U.S. PRCB apparent consumption since 2009.

TYPES OF POLYETHYLENE RETAIL CARRIER BAGS

The large majority of the market for PRCBs consists of T-shirt style sacks that are typical for grocery stores and big box retailers to give to their customers to carry their purchases. High-end bags may have drawstrings with tied or clipped rope ends, flat bottoms, cardboard bottom inserts, rope handles, ribbon handles, strong loop handles, rigid plastic loop handles, six-color printing, and/or metal or plastic grommets. T-shirt style and die-cut handle bags, which are not usually considered high-end PRCBs, make up the vast majority of the PRCB market. Among responding purchasers, more than 95 percent of purchases of PRCBs were bags which were not considered by those purchasers to be high-end bags. More than 99 percent of their purchases were of T-shirt style or die-cut handle bags.

Two of 10 producers, 4 of 25 importers, and 4 of 14 foreign producers noted that there have been changes in the product range, product mix, or marketing of PRCBs. Producer *** stated that with consolidation, retailers have switched to less expensive PRCBs, "all but eliminating the demand for the more costly products," whereas producer *** stated that high-end bags have become reusable as a result of bag regulations. Both producers expect these trends to continue. Importer *** reported that bags have decreased in quality with less print and thinner plastic. Foreign producer *** also reported bags becoming thinner since 2009. Finally, foreign producer *** stated that biodegradable compostable plastic bags are a new product since 2009, and it anticipates water soluble bags to enter the market.

CHANNELS OF DISTRIBUTION

U.S. producers and importers of PRCBs from China, Indonesia, Taiwan, and Vietnam mainly sell to distributors. In contrast, imports of PRCBs from Thailand are sold mainly to end users, as shown in table II-1.[1]

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[1] ***.

Table II-1
PRCBs: U.S. producers' and importers' share of reported U.S. commercial shipments (percent), by sources and channels of distribution, 2009-14 and January-September 2014 and 2015

* * * * * * *

PURCHASER CHARACTERISTICS

As noted in part I of this report, 34 purchasers responded to the purchaser questionnaire including: 9 food retailers, 11 other retailers,[2] 9 distributors of packaging supplies, and 3 distributors of food or other products. [3] Four of these purchasers were also U.S. producers that made occasional purchases,[4] and one was an importer.[5] Distributors typically sold to retail or grocery stores, or to specialized distributors, such as food service distributors. Some large distributors may ship a bundle of not-for-resale products together.[6]

Twelve purchasers reported reasons why they purchased from only one country source, and all of them purchased only U.S.-produced PRCBs.[7] Reasons given for only purchasing U.S. product included to supplement production, quality, supply chain security, turnaround time, value, and winning a bid event.

The largest purchasers, in order of the amount they purchased, were ***. In 2014, these three purchasers reported purchasing 28.2 percent of apparent U.S. consumption in 2014. Nine purchasers reported purchasing over a billion bags each.

GEOGRAPHIC DISTRIBUTION

U.S. producers reported selling PRCBs in all regions in the contiguous United States (table II-2). Importers of PRCBs from all subject countries other than Malaysia reported selling in all regions in the contiguous United States, and ***. For U.S. producers, 6.1 percent of sales were within 100 miles of their production facility, 63.4 percent were between 101 and 1,000 miles, and 30.4 percent were over 1,000 miles. Importers sold 1.3 percent within 100 miles of their U.S. point of shipment, 98.7 percent between 101 and 1,000 miles, and 0.1 percent over 1,000 miles.

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[2] Three retailers, ***, reported that they were both food and other retailers.

[3] One of these purchasers reported that it was both a distributor of packaging supplies and a food distributor.

[4] Two of these producers (***) reported that they purchased no bags in 2014. Two producers (***) reported purchasing a total of *** bags in 2014.

[5] This importer did not report the quantity it purchased in the United States.

[6] Hearing transcript, p. 36 (Lawson).

[7] Some firms responded to this question but elsewhere reported purchasing from multiple countries. These firms' responses are not included for purposes of this paragraph.

Table II-2
PRCBs: Geographic market areas in the United States served by U.S. producers and importers

Region	U.S. producers	Importers					
		China	Indonesia	Malaysia	Taiwan	Thailand	Vietnam
Northeast	10	5	2	***	2	4	5
Midwest	10	8	2	***	2	4	4
Southeast	10	6	3	***	2	4	4
Central Southwest	11	6	2	***	2	1	4
Mountain	10	4	3	***	2	2	4
Pacific Coast	10	6	4	***	2	4	6
Other[1]	7	2	1	***	0	0	0
All regions (except Other)	10	4	2	***	2	1	4

[1] All other U.S. markets, including AK, HI, PR, and VI.

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

SUPPLY AND DEMAND CONSIDERATIONS

U.S. supply

Domestic production

Based on available information, U.S. producers of PRCBs have the ability to respond to changes in demand with small changes in the quantity of shipments of U.S.-produced PRCBs to the U.S. market. The main contributing factors to this degree of responsiveness of supply are constrained by relatively small alternate markets, decreasing inventories, increasing export shipments, and limited ability to produce alternate products, but enhanced by some availability of unused capacity.

Industry capacity

Between 2009 and 2014, domestic capacity increased irregularly, from 86.9 billion bags to 90.3 billion bags. Domestic capacity utilization increased irregularly from 77.5 percent in 2009 to 84.4 percent in 2014. Capacity utilization peaked at over 85 percent in 2013. This moderately high level of capacity utilization suggests that U.S. producers have some excess capacity with which they could increase production of PRCBs in response to an increase in prices.

Alternative markets

Three of 11 producers indicated that they export or have tried to export PRCBs. U.S. producers' exports as a percentage of total shipments decreased from *** percent in 2009, to *** percent in 2010, but increased to *** percent in 2014 on a quantity basis. This indicates that U.S. producers may have limited ability to shift shipments between the U.S. market and other markets in response to price changes. Other markets for domestic PRCBs included ***. Producer *** reported that entering export markets other than *** would be "very hard" because it believes environmental restrictions in other countries are more restrictive and widespread than in the United States.

Inventory levels

U.S. producers' inventories as a ratio to U.S. production declined from 3.4 percent in 2009 to 2.1 percent in 2013, but increased to 2.8 percent in 2014. These inventory levels suggest that U.S. producers may have limited ability to respond to changes in demand with changes in the quantity shipped from inventories.

Production alternatives

Four of 11 responding U.S. producers stated that they could switch production from PRCBs to other products. These other products accounted for between *** and *** percent of their production between 2009 and 2014. Other products that producers reportedly can produce on the same equipment as PRCBs are mainly other types of bags including wicker, header, tape, garment, saddle, small, no handle, industrial, and security bags. In addition, some firms produced ***.

Supply constraints

Only one of the 10 responding U.S. producers reported that it faced supply constraints, and this firm did not elaborate.

Subject imports from all subject countries[8]

The quantity of U.S. imports of PRCBs from subject sources in China, Indonesia, Malaysia, Taiwan, Thailand and Vietnam decreased from *** bags in 2009 to *** bags in 2014. The largest subject source for PRCBs in 2009 was Vietnam, followed by China and Thailand. In 2014, however, China and Thailand accounted for *** subject imports of PRCBs (table C-1). Table II-3 provides a summary of supply of PRCBs from subject countries; additional data are provided in Part IV of this report.

[8] The Commission received two questionnaire responses from Chinese producers. The exports of these firms accounted for *** of imports of PRCBs from China. The Commission received ten questionnaire responses from Malaysian producers. These firms' exports to the United States accounted for *** of imports of PRCBs from Malaysia. The Commission received one questionnaire response from a Thai producer. The exports of this firm accounted for *** of imports of PRCBs from Thailand. The Commission received one questionnaire response from Vietnamese producer. The exports of this firm accounted for *** of the imports of PRCBs from Vietnam. The Commission received no questionnaire responses from any Indonesian or Taiwan producers.

Table II-3
PRCBs: Foreign industry factors that affect ability to increase shipments to the U.S. market

* * * * * * *

Foreign producers' responses regarding their ability to shift sales between the United States and other markets are presented in table II-4. They were also asked to provide a brief description of their home market for PRCBs. Ten foreign producers also provided a brief description of their home market for PRCBs (table II-5), while two Malaysian and one Thai foreign producer did not sell in their home market. *** added that the production and shipment lot sizes are a lot smaller in its home market and the designs change frequently, unlike its shipments to the United States for which it has not changed the design in years. Two other foreign producers stated that they produce many other types of products that use plastic film as a base.

Table II-4
PRCBs: Responses by foreign producers regarding shifting PRCB sales between markets

* * * * * * *

Three of nine foreign producers stated that they face competition from imports in their home market. One of these firms is located in China, another in Malaysia, and the third in Vietnam. These firms identified competition in their home markets from other countries subject to these orders as well as from Hong Kong.

Table II-5
PRCBs: Responses by foreign producers regarding the level of competition in their home markets

* * * * * * *

Nonsubject imports

Nonsubject imports, including imports from firms in subject countries that are excluded from the orders, accounted for *** percent of total imports in 2009 (based on quantity), but increased to *** percent of total imports in 2014. Nonsubject Chinese and Malaysian sources, along with Canada, India, and the Philippines were the primary sources for nonsubject imports in 2014. Combined, these countries accounted for *** percent of nonsubject imports in 2014.

Changes in the availability of supply

A majority of responding U.S. producers indicated that there have been changes in the availability of the supply of PRCBs subject to these investigations since January 1, 2009 (table II-6), whereas the majority of importers, purchasers, and foreign producers indicated that there have not been changes in the availability of supply. Only 3 of 33 purchasers noted any supply constraints, and two of the three noted that any constraints are resolved quickly.

Table II-6
PRCBs: Changes in the availability of PRCBs in the U.S. market since January 1, 2009

Item	U.S. producers		Importers		Purchasers		Foreign producers	
	No	Yes	No	Yes	No	Yes	No	Yes
Changes in availability in the United States								
U.S. produced PRCBs	8	1	20	3	28	4	--	--
Subject import PRCBs	3	5	15	8	22	4	10	4
Nonsubject PRCBs imported from China, Malaysia, and/or Thailand	6	1	--	--	20	1	--	--
Nonsubject imported PRCBs	6	1	20	5	20	3	--	--
Anticipated future changes in availability in the United States								
U.S. produced PRCBs	6	3	18	3	27	3	--	--
Subject import PRCBs	5	3	18	4	21	4	10	3
Nonsubject PRCBs imported from China, Malaysia, and/or Thailand	5	1	--	--	21	1	--	--
Nonsubject imported PRCBs	5	2	19	3	20	2	--	--

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

Most firms that noted that there had been changes in availability cited the effectiveness of the duties placed on bags imported from Indonesia, Taiwan, and Vietnam. Two producers reported that nonsubject imports have been increasing. Importer *** stated that nonsubject imports from India, Cambodia, Laos, and Sri Lanka have been growing, and that imports from Myanmar will soon be increasing. Additionally, it stated that subject imports from China have been "severely curtailed," although it alleges that China is using Hong Kong to transship PRCBs. Two foreign producers anticipate decreased availability of imported subject PRCBs in the U.S. market, and one (***) anticipates increased availability if the order were to be lifted. Foreign producer *** stated that it anticipates a decrease in the availability of Chinese subject PRCBs in the United States due to increased labor, production, and shipping costs in China, as well as the antidumping duties.

New suppliers

Four of 33 purchasers indicated that new suppliers entered the U.S. market since January 1, 2009, and two of these were the U.S. producers which filled out purchaser questionnaires. These purchaser/producers indicated that suppliers from Cambodia, Canada, Germany, India, the Philippines, and Sri Lanka have entered the market. Purchaser *** also noted that producers are moving to Cambodia. Finally, purchaser *** stated that it is evaluating ***.

U.S. demand

Based on available information, the overall demand for PRCBs is likely to experience small changes in response to changes in price. The main contributing factors are the limited but increasing types of substitute products and the near negligible cost share of PRCBs in most end uses.

Business cycles

Six of 10 U.S. producers, 12 of 25 importers, and 13 of 32 purchasers indicated that the market was subject to business cycles or conditions of competition distinct to the PRCB market. Nearly all of these firms noted the presence of distinct business cycles. Firms reported that business cycles were related to seasonal retail demand (e.g., holiday shopping), retail demand based on the general level of the economy, and input costs. The two purchasers reporting changes since 2009 reported that bag regulations and the growth of e-commerce had affected demand. In the 2004 final phase investigations, petitioners asserted that demand is dependent on population growth, and not the retail environment.[9]

Only 1 of 10 producers, 4 of 25 importers, and 4 of 32 purchasers reported distinct conditions of competition.[10] Producer *** listed bag regulations and importer *** listed "natural resource fluctuations" as distinct conditions of competition in this industry. Importer/purchaser *** reported that bag bans are unique and that the demand for recycled bags is distinct. Purchaser *** also identified e-commerce as a distinct condition of competition.

Firms also noted changes in the conditions of competition that have occurred since 2009. Producer *** stated that consolidation has led the way to making PRCBs less expensive, which makes competition for higher-end bags more intense. In contrast, importer *** reported that overcapacity of domestic PRCB producers had driven down the prices of domestically produced PRCBs. Importer *** noted higher resin costs for Canadian suppliers due to exchange rates, while producer *** stated that U.S. resin prices have been affected by the low price of raw materials in the United States. Finally, purchaser *** stated that e-commerce continues to expand.

Demand trends

Most firms reported either a decrease or no change in U.S. demand for PRCBs since January 1, 2009 (table II-7). A similar number of firms expect demand to do the same over the next two years, with the exception of purchasers, who more frequently noted that they expect demand to fluctuate, and three foreign producers that anticipate an increase in U.S. demand. The most frequently cited reasons for declining future demand were the increased use of reusable bags, and bans or taxes on PRCBs related to environmental concerns. A few firms expect demand to increase due to factors such as retail and population growth, price competition, more manageable lead times, and more flexible sizes.

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[9] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, USITC Inv. Nos. 701-TA-462 and 731-TA-1156-58 (Final)*, USITC Publication 4144, April 2010, p. II-10.

[10] This includes ***.

Table II-7
PRCBs: Firms' responses regarding U.S. demand

Item	Increase	No change	Decrease	Fluctuate
Demand in the United States				
U.S. producers	0	4	4	2
Importers	3	10	9	4
Purchasers	3	10	11	5
Foreign producers	0	5	4	2
Anticipated future demand				
U.S. producers	0	5	4	1
Importers	1	8	10	5
Purchasers	2	8	9	9
Foreign producers	3	3	4	1

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

U.S. producers, importers, purchasers, and foreign producers were also asked whether the passage of laws regulating the use and disposal of PRCBs has affected demand for PRCBs in the United States since January 1, 2009. Five of 10 producers, 12 of 25 importers, 17 of 31 purchasers, and 3 of 9 foreign producers indicated that such laws had some effect on demand. Nearly all of these firms that responded affirmatively reported that these laws have decreased demand for PRCBs.[11] Similar numbers of producers, importers, and purchasers expect the passage of additional laws in the next one to two years. Seven of ten foreign producers expect more legislation to be enacted.

When asked to quantify the effect of plastic bag laws, firms estimated decreases in demand ranging from 1.5 to 25 percent. Of those that noted specific locations, either West Coast states (or California specifically) or metropolitan cities were mentioned. Purchaser *** stated that, "about eight percent of *** stores are affected by such legislation or 'bag bans.' From 2009 to 2011, *** did not see this impact {its} decisions very much. However, starting in 2011 some California cities passed bag ban laws. Since 2011, more and more cities in California have followed suit. In 2015, Chicago passed its own regulation on the use of single-use PRCBs in retail locations." One source estimates that there are plastic bag ordinances in at least 172 municipalities in the United States.[12] Single-use plastic bags are currently banned in all counties

[11] U.S. producer *** and foreign producer *** both indicated that the effect of these laws has been to increase demand since the beginning of the period under review. However, ***'s response to the subsequent question, regarding the effect of possible future bag laws, noted that these laws would cause a decrease. It quantified both changes to be the exact same amount, 20 percent. *** reported that these laws increased demand by 100 percent, but noted that this effect is for California, a state which is considering a statewide ban on plastic bags this year, which would cause demand to decrease by up to 100 percent.

[12] The most recent changes to this data appear to be for 2013. "Plastic Bag Bans and Fees," Surfrider Foundation, found at http://www.surfrider.org/pages/plasticbagbansfees, retrieved January 8, 2016.

of Hawaii, and in November 2016, Californians will vote whether to ratify SB 270, which would ban single-use plastic bags throughout the state.[13]

Imposing fees or bans on plastic bags has been shown to reduce the use of plastic bags, at least initially. For example, on January 1, 2010, Washington, DC enacted a 5-cent-per-bag tax on plastic and paper bags at certain types of businesses, including grocery stores, drug stores, and restaurants without seating areas. Since that time, 79 percent of DC residents reportedly have used a reusable bag when shopping, and the median number of bags entering into DC households weekly has decreased by 60 percent.[14] In addition to U.S. plastic bag bans and fees, municipalities in at least 19 other countries have plastic bag restrictions.[15]

Petitioners provided an overview of how demand for plastic bags changed following government actions in 18 countries around the world.[16] The studies cited show varying degrees of severity of actions including fees, taxes, bans, voluntary agreements, and usage targets. These programs have had varying degrees of success. Whereas some studies show decreases in usage of up to 90 percent when a fee was added (e.g., in Scotland), others have shown that after the initial decline, plastic bag consumption increased again (e.g., in South Africa). Respondents mirrored this latter sentiment, stating that "if a 5-cent charge per bag is merely an inconvenience that, over time, is absorbed and accepted as a part of the routine shopping experience, then bag use tends not to decrease in the longer term."[17] Petitioners agree with the decreased effectiveness of bag fees over time, especially if enforcement is lacking.[18] Respondents also reported that a 20-year old European directive to reduce the environmental impact of plastic bags has been somewhat effective in achieving recycling/reuse objectives, but that it has not decreased the per-capita consumption of packaging materials, including PRCBs.[19] It asserts that the impact of the 2015 amendment to the EU directive is difficult to predict, as demand may increase for lightweight plastic carrier bags (like those used for produce) and heavier plastic carrier bags (those with a wall thickness greater than 50 microns) which are exempted from the directive.[20] This occurred in the United States, as representatives for petitioners testified that thicker-gauge PRCBs can substitute for those that are subject to jurisdictional restrictions in the United States.[21] Respondents also assert that PRCB restrictions

[13] "Upcoming vote puts single-use plastic bags in the crosshairs," Plastics News, November 10, 2015, found at http://www.plasticsnews.com/article/20151110/NEWS/151119990/upcoming-vote-puts-single-use-plastic-bags-in-the-crosshairs, retrieved January 14, 2016.

[14] "Clean Land, Safe Water, Healthy Lives: Understanding and Tracking Disposable Bag Consumption in the District of Columbia," District Department of the Environment, 2013, found at http://doee.dc.gov/bags, retrieved January 14, 2016.

[15] "Plastic Bag Bans and Fees," Surfrider Foundation, found at http://www.surfrider.org/pages/plasticbagbansfees, retrieved January 8, 2016.

[16] Petitioner's posthearing brief, exh. 6.

[17] Respondent's posthearing brief, Answers to Commissioners' Questions, p. 10.

[18] Petitioner's posthearing brief, Answers to Commissioners' Questions, p. 16.

[19] Ibid, p. 5.

[20] Ibid, pp. 6-7.

[21] Hearing transcript, pp. 32 (Daniels) and 69 (Bazbaz).

in Australia and Japan do not impact nationwide demand since the restrictions are not nationwide.[22]

Substitute products

Substitutes for PRCBs are somewhat limited. Eight of 10 U.S. producers, 17 of 27 importers, 16 of 31 purchasers, and 10 of 15 foreign producers reported that there were no substitutes, and an even greater number did not anticipate any future changes in substitutes.

Substitutes listed for PRCBs include paper bags, reusable fabric and plastic bags, woven bags, non-woven bags, cotton bags, and cardboard totes. Witnesses for petitioners stated that the cost difference between and paper carryout bags are four to five times more expensive than PRCBs.[23] Very few firms stated if changes in the prices of substitute products affected the price for PRCBs. Responding producers noted that 1 of 4 products would have an effect on the prices of PRCBs; importers noted 2 of 16 products; purchasers noted 0 of 25 products; and foreign producers noted 0 of 12 products. U.S. producer *** stated that high-end PRCBs may be affected by the price of paper products and shopping bags, although substitutability is limited.

One of nine responding producers, 3 of 23 importers, 8 of 30 purchasers, and 3 of 13 foreign producers stated that there had been changes in substitute products for PRCBs since 2009. Producer *** stated that the range of paper and polypropylene shopping bags has increased, and it anticipates this trend to continue. Two importers and four purchasers described the increased use of reusable bags, with importer *** adding that it anticipates increasing numbers of materials being used to make reusable shopping bags. Purchaser *** stated that more kinds of reusable bags are available now, and it anticipates an even greater range of styles. In addition to styles, purchaser *** indicated that there have been changes in the types of products that are like PRCBs: compostable bags or different substrates. Purchaser *** reported that regulations limiting the type and use of PRCBs has altered the products that can be substituted for carry-out bags, and anticipates further regulations.

End uses and cost share

U.S. demand for PRCBs is derived primarily from retail and food service demand, as many retail and food service firms provide PRCBs to their customers to carry home food and other merchandise. Although high-end bags cost more than other PRCBs, the costs of either type of PRCB are very small compared to most retail purchases, and retailers generally provide PRCBs free of charge to the final consumer.

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[22] Respondent's posthearing brief, pp. 12-13.
[23] Hearing transcript, pp. 101-103 (Daniels and Jones).

SUBSTITUTABILITY ISSUES

The degree of substitution between domestic and imported PRCBs depends upon such factors as relative prices, quality, and conditions of sale (e.g., price discounts/rebates, lead times between order and delivery dates, payment terms, product services, etc.). Based on producer, importer, and purchaser questionnaire responses, staff believes that there is likely to be a high degree of substitution between PRCBs produced in the United States and those produced in China, Indonesia, Malaysia, Taiwan, Thailand, Vietnam, and other countries.

Lead times

Nearly all producers reported selling PRCBs on both a produced-to-order basis and from inventory.[24] Based on a weighted average, 51.6 percent of sales were produced-to-order, with lead times averaging almost 30 days. Producers' lead times from inventory ranged from 4 to 14 days and averaged 8 days.[25]

Most responding importers (8 of 12) also reported selling most of their PRCBs from subject countries on a produced-to-order basis; seven sell out of U.S.-held inventory, and one sells a small portion out of foreign inventories. Reported lead times for importers' sales from inventory averaged about a week. For produced-to-order sales, importers' lead times averaged 78 days; one importer reported that its lead time for product being shipped from overseas inventories was *** days.[26]

Ten foreign producers sell on a produced-to-order basis, and four sell out of their inventory. Lead times for sales out of foreign producers' inventories ranged between 5 and 45 days, and averaged 24 days.[27] For produced-to-order sales, foreign producer lead times ranged between 15 and 90 days and averaged 44 days.

Knowledge of country sources

Twenty-nine purchasers indicated they had marketing/pricing knowledge of domestic PRCBs, nine of subject Chinese, four of Indonesian, four of subject Malaysian, one of Taiwan, five of subject Thai, and five of Vietnamese PCRBs. Seven purchasers reported marketing/pricing knowledge of PCRBs from Chinese, Malaysian, and Thai suppliers not subject to the orders and eight reported knowledge of PRCBs from nonsubject countries.

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[24] Producer *** reported only selling out of inventory and *** reported only selling on a produced-to-order basis.

[25] This excludes data from ***.

[26] These data are based on simple averages due to the variable and typically small amount of subject imports since 2009.

[27] These calculations do not count those firms that responded that their average lead time is "0" days.

As shown in table II-8, most purchasers and their customers “sometimes” or “never” make purchasing decisions based on the producer or country of origin. Of the 14 purchasers that reported that they “always” make decisions based the manufacturer, 7 firms cited reasons including quality, capacity, reliability, service, prequalification, meeting standards, and relationship.

Table II-8
PRCBs: Purchasing decisions based on producer and country of origin

Purchaser/Customer Decision	Always	Usually	Sometimes	Never
Purchaser makes decision based on producer	14	6	6	8
Purchaser’s customers make decision based on producer	1	2	6	18
Purchaser makes decision based on country	8	6	8	12
Purchaser’s customers make decision based on country	1	2	4	20

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

Factors affecting purchasing decisions

The most often cited top-three factors firms consider in their purchasing decisions for PRCBs were price (31 firms), quality (26 firms), and availability (12 firms) as shown in table II-9. Quality was the most frequently cited first-most important factor (cited by 15 firms), followed by price (12 firms); quality was the most frequently reported second-most important factor (8 firms); and price was the most frequently reported third-most important factor (13 firms).

Table II-9
PRCBs: Ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor

Factor	First	Second	Third	Total
Price	12	6	13	31
Quality	15	8	3	26
Availability	2	7	3	12
Delivery/lead time	0	4	6	10
Supply assurance/reliability of supply/supply chain reliability	0	3	1	4
Service/responsiveness	0	1	2	3
Contract	1	0	1	2
Other[1]	4	2	1	6

[1] Other includes: domestic source, meat and produce product specifications, customer directed choice, and financial stability of supplier for first factor; transportation costs and credit terms for second factor; and factory capacity for third factor.

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

When determining quality, purchasers noted a variety of characteristics that they consider. Included among these are consistency of film and color, dispenser loading, durability, end-to-end product traceability, gauge, opacity, overall appearance, print, recycle content, size, strength of handles and strength overall, tearing of product, thickness, toxic material presence, and passing tests such as an ash test, jog test, puncture test, stretch test, and/or wet test.

When asked how often they purchase the lowest-priced product, nearly half of purchasers (15 of 33) reported that they usually do so. In addition, 5 purchasers replied that they “always” do, 10 replied that they “sometimes” do, and 2 replied that they “never” do. Seven purchasers cited reasons including availability, cost of changing suppliers, contracts, credit, lead times, length of time to fill orders, maintaining multiple suppliers, minimum quantity requirements, quality, relationship with supplier, reliability of supply, and the supplier keeping inventories.

Twenty-one purchasers indicated that they purchased PRCBs from one source although a comparable product was available at a lower price from another source. Reasons cited included: quality issues (noted by 10 purchasers), reliability (6), delivery time (5), supply chain risk mitigation (3), customer requirements (2), customer service (2), choosing to source domestically (1), reputation (1), delivery performance (1), and quantities available (1). Purchaser *** stated that it has “a brand standard that requires quality consistency. {Its} choices have been quality over price.”

Two of 32 responding purchasers reported that certain types of product were only available from a single source. One reported that shopping bags with side and bottom gussets and bottom boards were only available from China and Cambodia, while another reported that bags with clip loop handles and cardboard bottoms were not widely available but this firm did not report its source for such PRCBs.

PRCBs are purchased relatively frequently: 5 purchasers indicated that they purchase them daily, 13 purchase weekly, 9 purchase monthly, 1 purchases quarterly, and 5 purchase at some other frequency. Only purchaser *** reportedly plans to change its purchase frequency in the next two years: from monthly to “quarterly due to importing.”

Importance of specified purchase factors

Purchasers were asked to rate the importance of 15 factors in their purchasing decisions (table II-10). The factors rated as “very important” by more than half of responding purchasers include price (indicated by 31 purchasers); availability, product consistency, and quality meets industry standards (29 each); delivery time and reliability of supply (26 each); U.S. transportation costs (18); and delivery terms (17). More purchasers reported that extension of credit and product range were “not important” than “very important”.

Table II-10
PRCBs: Importance of purchase factors, as reported by U.S. purchasers, by factor

Factor	Very important	Somewhat important	Not important
Availability	29	1	0
Delivery terms	17	12	1
Delivery time	26	4	0
Discounts offered	12	11	7
Extension of credit	10	5	15
Minimum quantity requirements	12	11	8
Packaging	13	12	5
Price	31	1	0
Product consistency	29	1	1
Product range	7	13	10
Quality exceeds industry standards	12	14	4
Quality meets industry standards	29	1	1
Reliability of supply	26	2	0
Technical support/service	13	11	6
U.S. transportation costs	18	8	3

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

Supplier certification

Half (17 of 34) of responding purchasers require their suppliers to become certified or qualified to sell PRCBs to their firm. Purchasers reported that the time to qualify a new supplier ranged from 2 to 180 days with 10 of the 16 firms reporting times of 60 days or less. Only one of 33 purchasers (***) reported that some suppliers had failed in their attempts to qualify their PRCBs (due to uncorrected failures in the quality of the product).[28] ***.

Changes in purchasing patterns

Purchasers were asked about changes in their purchasing patterns from different sources since 2009 (table II-11). Nineteen of 30 responding purchasers reported at least one reason for changing their purchasing patterns. Five of these purchasers (including ***) noted constant purchase levels from U.S. suppliers, while eight noted increasing their purchases from domestic sources. Reasons that they stated included pricing (noted by two purchasers), domestic sourcing, “exceptional domestic manufacturers,” fewer imports because of the (AD/CVD) duties, a rise in demand for U.S. production of all retail packaging, and speed to market. Three purchasers stated a reason for decreasing purchases of domestic PRCBs.[29] Purchaser *** pointed to bans, taxes/fees, and reuseable bags as reasons for

[28] This firm did not report the source of the product that failed to be certified but it reported that because of the small number of U.S. suppliers, purchasers must take what they offer.

[29] One of these is ***.

decreasing its purchases from both domestic and subject Thai sources, and purchaser *** stated that its own customer had changed suppliers.

Among subject sources, four purchasers that decreased purchases from Vietnam did so for four different reasons: one's customer changed suppliers, one did so for pricing reasons, one stopped purchasing Vietnamese PRCBs due to the antidumping duties, and the last ceased because its supplier's factory moved to Cambodia. As noted above, purchaser *** pointed to bans, taxes/fees, and reuseable bags as reasons for decreasing its purchases from subject Thai sources. Purchaser *** decreased its purchases of subject Chinese PRCBs because of "better domestic suppliers." *** decreased its imports of Chinese PRCBs because it found purchasing domestically was more cost effective. Purchaser *** indicated that it had increased its purchases of subject Malaysian PRCBs, stating that it "moved 75 percent to supplier" while ***.[30]

Among the four purchasers that gave reasons for changes in nonsubject PRCB sourcing, two increased their nonsubject purchases, with *** increasing its purchases from a nonsubject Chinese source due to a tariff reduction, and *** increasing its purchases due to its customer's supply decision. Purchaser *** in Malaysia increased, then decreased. Finally, purchaser *** decreased its purchases of nonsubject Thai PRCBs because of "better domestic suppliers" and *** decreased its purchases of nonsubject Chinese PRCBs because of "domestic sourcing."

Table II-11
PRCBs: Changes in purchase patterns from U.S., subject, and nonsubject countries

Source of purchases	Did not purchase	Decreased	Increased	Constant	Fluctuated
United States	2	4	8	13	4
China SUB	23	5	0	2	0
China NON	20	3	2	2	0
Indonesia	25	1	0	2	0
Malaysia SUB	25	0	1	1	1
Malaysia NON	22	2	2	2	0
Taiwan	25	2	0	1	0
Thailand SUB	21	4	0	2	0
Thailand NON	23	3	0	1	0
Vietnam	22	5	0	1	0
Other	17	3	4	2	0

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

More than half (20 of 34) of purchasers reported that they had changed suppliers since 2009. Eleven companies were named as specifically being added, and nine were named as being dropped. Among those suppliers that were named by more than one purchaser, Hilex and Spectrum were both added by 3 purchasers and dropped by 2 purchasers, and Durabag was added by 2 purchasers.

[30] ***.

Purchasers were asked specifically about changes in purchasing activities from subject sources based on the imposition of the antidumping/countervailing duties. Eleven of 30 responding purchasers reported that they had changed their purchase patterns from China, Malaysia, or Thailand since 2004. Of the 12 that purchased these countries, 3 reported that their purchase patterns were unchanged; 3 purchasers discontinued and 6 reduced purchases from China because of the order; 2 discontinued and 1 reduced purchases from Malaysia because of the order; and 2 discontinued and 3 reduced purchases from Thailand because of the order. Two purchasers reported changing their patterns for reasons other than the order: *** stopped its purchases from China because of competitive pricing, and *** changed its purchases under its customer's direction.

Fourteen of 31 responding purchasers reported that they had changed their purchase patterns from Indonesia, Taiwan, or Vietnam since January 1, 2009. Among these 14 purchasers, 4 reported that their purchase patterns were unchanged; 2 discontinued and 3 reduced purchases from Indonesia because of the order; 1 discontinued and 2 reduced purchase from Taiwan because of the order; and 3 discontinued and 2 reduced purchases from Vietnam because of the order.

One of 31 responding purchasers, ***, noted that it had started purchasing PRCBs from Thai producers (which became nonsubject sources in July 2010 when Commerce revoked the order on specific Thai sources), and another, ***, increased its purchases. Three others changed their purchasing pattern with respect to these nonsubject producers from Thailand since July 2010, with purchaser *** stating that it has decreased its purchases from Thai Plastic Bags Industries Co., Ltd.

Five of 16 purchasers that have purchased from nonsubject sources since January 1, 2009 reported increasing their purchases from those nonsubject sources because of the relevant antidumping/countervailing duty orders. Seven purchasers' nonsubject purchasing patterns have remained essentially unchanged, and six purchasers changed their pattern of nonsubject purchases for reasons other than the relevant orders.

Importance of purchasing domestic product

Seven of 33 responding purchasers reported that they specifically purchase U.S.-produced PRCBs over other possible sources of supply.[31] Four of these purchasers noted availability/ supply chain timing issues as the reason for preferring domestic product. No purchaser reported any laws that compelled purchases of domestic products, and a large majority of purchasers' volume of PRCBs (more than 93 percent) was not subject to any domestic requirements. Approximately 5 percent was required by purchasers' customers and 2 percent was due to other requirements.

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[31] One purchaser, ***, reported that it purchases PRCBs from Taiwan over other sources of supply because they are the "best product." Purchaser *** answered "possibly Canada" in addition to the United States.

Comparisons of domestic products, subject imports, and nonsubject imports

Purchasers were asked a number of questions comparing PRCBs produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison of 15 purchasing factors for which they were asked to rate the importance (table II-12). At least half of all purchasers reported that domestically produced PRCBs and PRCBs imported from Taiwan and Thailand were comparable for all 15 factors. At least half of all responding purchasers reported that domestically produced PRCBs and PRCBs imported from China were comparable for all factors except for delivery time, for which most purchasers rated U.S. product as superior. A majority of responding purchasers reported that domestically produced PRCBs and Indonesian PRCBs were comparable for all factors except product range, whereas half of the purchasers rated domestic PRCBs as comparable and half rated them as inferior. A majority of responding purchasers reported that U.S. and Malaysian PRCBs were comparable for all factors except price, for which one firm rated domestically produced PRCBs pricing as superior, and two each rated it as comparable and inferior. At least half of responding purchasers reported that U.S. and Vietnamese PRCBs were comparable for all factors except extension of credit, for which two rated the U.S. as superior, two rated the U.S. and Vietnam as comparable, and one rated the U.S. as inferior.

When comparing product from nonsubject countries with domestic PRCBs and PRCBs from subject sources, purchasers' most common response was that domestic and nonsubject product were comparable for most factors. The only factor for which a majority of purchasers rated domestic or nonsubject PRCBs as superior was domestic delivery time being superior to that for PRCBs from nonsubject sources. Most of the three-to-six responding purchasers reported that PCRBs from China, Indonesia, Thailand, and Vietnam were comparable to product from nonsubject countries with respect to all 15 factors. Responses comparing Malaysian and Taiwan PRCBs to those from nonsubject sources were more mixed.

Table II-12
PRCBs: Purchasers' comparisons between U.S.-produced and imported product

Factor	U.S. vs. China			U.S. vs. Indonesia			U.S. vs. Malaysia			U.S. vs. Taiwan		
	S	C	I	S	C	I	S	C	I	S	C	I
Availability	3	5	1	0	5	2	1	3	0	1	3	2
Delivery terms	3	6	0	0	7	0	1	3	0	1	5	0
Delivery time	5	4	0	3	4	0	1	3	0	2	4	0
Discounts offered	0	9	1	1	7	0	1	4	0	1	5	1
Extension of credit	1	7	1	2	4	0	1	3	0	1	4	1
Minimum quantity requirements	0	6	4	0	5	3	1	4	0	2	4	1
Packaging	3	7	0	1	7	0	1	4	0	1	5	1
Price[1]	0	6	4	0	5	3	1	2	2	0	5	2
Product consistency	0	8	1	0	7	1	1	4	0	1	5	1
Product range	0	8	2	0	4	4	1	4	0	1	4	2
Quality exceeds industry standards	1	8	1	1	6	1	1	4	0	1	5	1
Quality meets industry standards	1	8	1	1	6	1	1	4	0	1	6	0
Reliability of supply	2	7	1	2	5	1	1	4	0	1	4	2
Technical support/service	3	5	1	2	5	1	1	4	0	1	4	1
U.S. transportation costs[1]	3	6	1	1	6	1	1	4	0	1	5	0
Factor	U.S. vs. Thailand			U.S. vs. Vietnam			U.S. vs. Nonsubject			China vs. Nonsubject		
	S	C	I	S	C	I	S	C	I	S	C	I
Availability	0	7	1	0	3	2	5	7	1	1	5	0
Delivery terms	0	8	0	0	5	0	4	10	0	0	5	0
Delivery time	2	6	0	2	3	0	8	6	0	1	4	0
Discounts offered	1	7	1	1	4	1	2	11	0	0	5	0
Extension of credit	2	5	1	2	2	1	3	8	1	0	5	0
Minimum quantity requirements	1	6	2	1	3	2	2	7	5	0	5	0
Packaging	1	8	0	1	5	0	2	11	1	0	6	0
Price[1]	0	7	2	0	5	1	1	11	2	1	5	0
Product consistency	0	9	0	0	6	0	1	11	2	1	5	0
Product range	1	7	1	0	4	2	1	9	3	0	5	0
Quality exceeds industry standards	1	8	0	1	5	0	2	10	2	1	5	0
Quality meets industry standards	1	8	0	1	5	0	2	11	1	0	6	0
Reliability of supply	2	7	0	2	4	0	4	7	2	1	5	0
Technical support/service	2	6	0	2	3	0	5	7	2	0	5	0
U.S. transportation costs[1]	1	7	1	1	5	0	6	7	1	0	5	0

Table continued on next page.

Table II-12--*Continued*
PRCBs: Purchasers' comparisons between U.S.-produced and imported product

Factor	Indonesia vs. Nonsubject			Malaysia vs. Nonsubject			Taiwan vs. Nonsubject			Thailand vs. Nonsubject			Vietnam vs. Nonsubject		
				S	**C**	**I**	**S**	**C**	**I**	**S**	**C**	**I**	**S**	**C**	**I**
Availability	0	2	1	1	1	1	1	1	0	0	2	1	0	2	1
Delivery terms	0	3	0	1	1	1	1	1	0	0	3	0	0	3	0
Delivery time	0	3	0	1	1	1	1	1	0	0	3	0	0	2	1
Discounts offered	0	3	0	1	1	1	0	1	0	0	3	0	0	3	0
Extension of credit	0	3	0	1	1	1	0	1	0	0	2	0	0	3	0
Minimum quantity requirements	0	3	0	2	1	0	1	1	0	0	3	0	0	3	0
Packaging	0	3	0	1	2	0	1	1	0	0	3	0	0	3	0
Price[1]	0	2	1	2	1	0	0	2	0	0	2	1	0	2	1
Product consistency	0	3	0	1	2	0	1	1	0	0	3	0	0	3	0
Product range	0	3	0	1	1	0	0	1	0	0	3	0	0	3	0
Quality exceeds industry standards	0	3	0	1	2	0	1	1	0	0	3	0	0	3	0
Quality meets industry standards	0	3	0	1	2	0	1	1	0	0	3	0	0	3	0
Reliability of supply	0	3	0	1	1	1	1	1	0	0	3	0	0	3	0
Technical support/service	0	3	0	1	1	0	0	1	0	0	3	0	0	3	0
U.S. transportation costs[1]	0	3	0	1	1	1	0	2	0	0	3	0	0	3	0

[1] A rating of superior means that price/U.S. transportation costs is generally lower. For example, if a firm reported "U.S. superior," it meant that the U.S. product was generally priced lower than the imported product.

Note.--S=first listed country's product is superior; C=both countries' products are comparable; I=first list country's product is inferior.

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

Comparison of U.S.-produced and imported PRCBs

In order to determine whether U.S.-produced PRCBs can generally be used in the same applications as subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam, U.S. producers, importers, and purchasers were asked whether the products can "always," "frequently," "sometimes," or "never" be used interchangeably. As shown in table II-13, the large majority of U.S. producers and importers rated PRCBs from domestic, subject, and nonsubject sources country pairs as "always" interchangeable. A majority of purchasers reported that PRCBs from any country pair are "always" interchangeable as well, although not in the same magnitude. Importer *** stated that duty rate limitations affect interchangeability, and importer *** stated that most of its imported PRCBs from Cambodia, China, and India are made with manual labor, but T-shirt and die-cut bags are highly interchangeable due to automation.

Table II-13
PRCBs: Interchangeability between PRCBs produced in the United States and in other countries, by country pairs

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting				Number of purchasers reporting			
	A	F	S	N	A	F	S	N	A	F	S	N
U.S. vs. subject countries:												
U.S. vs. China	9	0	0	0	15	2	2	0	9	2	5	0
U.S. vs. Indonesia	8	1	0	0	9	1	2	0	8	2	2	0
U.S. vs. Malaysia	8	0	0	0	9	0	1	0	7	3	0	0
U.S. vs. Taiwan	8	1	0	0	9	0	0	0	8	3	0	0
U.S. vs. Thailand	8	1	0	0	10	1	0	0	8	3	2	0
U.S. vs. Vietnam	9	1	0	0	9	2	1	0	6	3	2	0
Subject countries' comparisons:												
China vs. Indonesia	5	0	0	0	8	0	1	0	6	1	2	0
China vs. Malaysia	6	0	0	0	8	0	0	0	6	1	0	0
China vs. Taiwan	7	0	0	0	8	0	0	0	6	1	0	0
China vs. Thailand	7	0	0	0	9	1	0	0	6	2	1	0
China vs. Vietnam	7	0	0	0	8	1	1	0	5	1	2	0
Indonesia vs. Malaysia	5	0	0	0	7	0	0	0	5	1	0	0
Indonesia vs. Taiwan	5	0	0	0	7	0	0	0	6	1	0	0
Indonesia vs. Thailand	5	0	0	0	7	1	0	0	5	2	1	0
Indonesia vs. Vietnam	5	0	0	0	7	0	1	0	5	1	1	0
Malaysia vs. Taiwan	6	0	0	0	7	0	0	0	6	1	0	0
Malaysia vs. Thailand	6	0	0	0	8	0	0	0	7	2	0	0
Malaysia vs. Vietnam	6	0	0	0	7	0	1	0	5	2	1	0
Taiwan vs. Thailand	6	1	0	0	8	0	0	0	5	2	0	0
Taiwan vs. Vietnam	6	1	0	0	8	0	1	0	5	1	1	0
Thailand vs. Vietnam	7	0	0	0	8	0	1	0	5	1	1	0
Nonsubject countries' comparisons:												
U.S. vs. Other	7	0	0	0	12	2	1	0	9	4	1	0
China vs. Other	5	0	0	0	9	2	0	1	6	1	0	0
Indonesia vs. Other	4	0	0	0	5	1	0	0	4	1	0	0
Malaysia vs. Other	4	0	0	0	6	1	0	0	6	1	0	0
Taiwan vs. Other	5	0	0	0	6	0	0	0	4	0	0	0
Thailand vs. Other	5	0	0	0	7	2	0	0	5	1	0	0
Vietnam vs. Other	5	0	0	0	6	0	1	0	4	1	1	0

Note.--A=Always, F=Frequently, S=Sometimes, N=Never.

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

When foreign producers were asked if the PRCBs that they sell and produce for their home markets are interchangeable with the PRCBs that they sells to the United States, 7 of 13 responded affirmatively. Two foreign producers noted different specifications in their home markets, and one foreign producer reported size and packaging differences between its (***) home market PRCBs and those it sells to other markets.

As can be seen from table II-14, 20 of 30 responding purchasers reported that domestically produced products "always" meet minimum quality specifications, while the other 10 reported that they "usually" do so. With respect to PRCBs from subject countries, most responding purchasers reported that they "always" or "usually" meet minimum quality specifications. In contrast to PRCBs produced in the United States, at least half of purchasers reported that subject source PRCBs "usually" meet minimum quality specifications for all sources except Taiwan. For PRCBs from Taiwan, five of seven responding purchasers reported that they "always" meet minimum quality specifications.

Table II-14
PRCBs: Ability to meet minimum quality specifications, by source[1]

Source	Always	Usually	Sometimes	Rarely or never
United States	20	10	0	0
China (subject)	3	8	1	1
Indonesia	3	3	1	1
Malaysia (subject)	2	4	1	0
Taiwan	5	1	1	0
Thailand (subject)	2	6	1	0
Vietnam	2	2	1	1
Other	3	4	1	2

[1] Purchasers were asked how often domestically produced or imported PRCBs meet minimum quality specifications for their own or their customers' uses.

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

In addition, producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of PRCBs from the United States, subject, or nonsubject countries. As seen in table II-15, a majority of producers and importers reported that there are "never" differences other than price among all country pairs, except when importers compared domestic PRCBs to those of nonsubject countries. In those comparisons, only a plurality noted that there are "never differences." Most purchasers reported that there are "sometimes" or "never" factors other than price across all country pairs, except when

Table II-15
PRCBs: Significance of differences other than price between PRCBs produced in the United States and in other countries, by country pair

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting				Number of purchasers reporting			
	A	F	S	N	A	F	S	N	A	F	S	N
U.S. vs. subject countries:												
U.S. vs. China	0	0	2	7	3	0	4	10	7	0	6	5
U.S. vs. Indonesia	0	1	2	6	1	0	4	7	4	0	5	5
U.S. vs. Malaysia	0	0	2	6	0	0	3	6	2	0	5	4
U.S. vs. Taiwan	0	0	2	7	0	0	2	7	4	1	3	5
U.S. vs. Thailand	0	0	2	7	1	0	2	7	4	0	7	4
U.S. vs. Vietnam	0	1	2	7	1	0	3	7	3	0	3	4
Subject countries comparisons:												
China vs. Indonesia	0	0	0	6	0	1	1	7	1	1	3	5
China vs. Malaysia	0	0	0	6	0	0	2	6	0	0	3	5
China vs. Taiwan	0	0	0	7	0	0	1	7	2	0	1	5
China vs. Thailand	0	0	0	7	0	0	2	7	0	0	5	5
China vs. Vietnam	0	0	0	7	0	0	2	7	1	0	1	5
Indonesia vs. Malaysia	0	0	0	6	0	0	1	6	0	0	2	5
Indonesia vs. Taiwan	0	0	0	7	0	0	1	7	2	0	1	5
Indonesia vs. Thailand	0	0	0	7	0	0	2	7	0	0	3	5
Indonesia vs. Vietnam	0	0	0	7	0	0	1	7	0	0	1	5
Malaysia vs. Taiwan	0	0	0	6	0	0	1	6	2	0	1	5
Malaysia vs. Thailand	0	0	0	6	0	0	1	6	0	0	2	5
Malaysia vs. Vietnam	0	0	0	6	0	0	2	6	0	0	1	5
Taiwan vs. Thailand	0	0	0	7	0	0	1	7	0	0	1	5
Taiwan vs. Vietnam	0	0	0	7	0	0	1	7	0	0	1	5
Thailand vs. Vietnam	0	0	0	7	0	0	1	7	0	0	1	5
Nonsubject countries comparisons:												
U.S. vs. Other	0	0	2	5	3	0	5	6	6	0	3	4
China vs. Other	0	0	0	5	0	0	4	7	0	0	2	6
Indonesia vs. Other	0	0	0	4	0	0	2	4	0	0	1	5
Malaysia vs. Other	0	0	0	4	0	0	2	4	0	0	1	5
Taiwan vs. Other	0	0	0	5	0	0	1	5	0	0	0	5
Thailand vs. Other	0	0	0	5	0	0	2	5	0	0	2	5
Vietnam vs. Other	0	0	0	5	0	0	1	5	0	0	0	5

Note.--A = Always, F = Frequently, S = Sometimes, N = Never.

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

comparing the United States to China and the United States to nonsubject sources. In these comparisons, a plurality of purchasers reported that there are "always" factors other than price that differentiate PRCBs from these countries.[32]

ELASTICITY ESTIMATES

This section discusses elasticity estimates. Parties were encouraged to comment on these estimates in their prehearing or posthearing briefs. No parties provided any comment regarding the elasticity estimates.

U.S. supply elasticity

The domestic supply elasticity[33] for PRCBs measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of PRCBs. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which producers can alter capacity, producers' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced PRCBs. In the short term, the domestic industry likely has a low to moderate degree of responsiveness to changes in prices. Supply responsiveness is enhanced by some available capacity, but is limited by the quantity and type of inventory on hand, a lack of production alternatives, and ***. Domestic supply elasticity is likely in the range of 2 to 4.

U.S. demand elasticity

The U.S. demand elasticity for PRCBs measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of PRCBs, and is likely to be low, in the range of -0.3 to -0.6. This estimate is based on the low cost share of PRCBs relative to the cost of most retail purchases and the limited substitutability of other products for PRCBs. Petitioners agree that demand for PRCBs is price inelastic.[34]

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[32] Purchaser *** stated that "The advantage of working with Chinese suppliers is they can often make thing{s} happen faster since they operate smaller equipment platforms and are more nimble from an operations standpoint. The disadvantage we have sometimes encountered is {that} it is difficult to work directly with the factory and you are often forced to work through third party brokers, which makes communication difficult, lengthens the supply chain, increases risk, and {is} just generally a more difficult relationship to manage." Purchaser *** reported that transportation costs to the United States from countries such as Malaysia and India may make a difference.

[33] A supply function is not defined in the case of a non-competitive market.

[34] Petitioner's prehearing brief, p. 10.

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products. Product differentiation, in turn, depends upon such factors as quality (both perceived and actual), specifications, availability, and conditions of sale. Most of the producers, importers, and purchasers reported that PRCBs produced domestically are comparable to PRCBs imported from subject and nonsubject countries with respect to most factors. Based on the above data, substitution elasticity between domestic and imported PRCBs is likely to be high, in the range of 4 to 6.

PART III: CONDITION OF THE U.S. INDUSTRY

OVERVIEW

The information in this section of the report was compiled from responses to the Commission's questionnaires. Eleven firms, which accounted for the vast majority of U.S. production of PRCBs during 2014, supplied information on their operations in these reviews.[1] [2]

On November 1, 2014, the holding company of U.S. producer Hilex Poly Co. LLC changed its name to Novolex Holdings, Inc.[3] Since the Commission's original investigations/last five-year reviews, no other developments concerning the composition of the U.S. industry have been identified. In addition, no new major manufacturing developments have occurred with respect to PRCBs. Advances in biodegradeable polyethylene are currently underway but are not used on a commercial scale yet.[4]

Changes experienced by the industry

Domestic producers were asked to indicate whether their firm had experienced any plant openings, relocations, expansions, acquisitions, consolidations, closures, or prolonged shutdowns because of strikes or equipment failure; curtailment of production because of shortages of materials or other reasons, including revision of labor agreements; or any other change in the character of their operations or organization relating to the production of PRCBs since 2009. Seven of the 11 domestic producers that provided responses in these reviews indicated that they had experienced changes to their operations; their responses are presented in table III-1.

Table III-1
PRCBs: Changes in the character of U.S. operations since January 1, 2009

* * * * * * *

Anticipated changes in operations

The Commission asked domestic producers to report anticipated changes in the character of their operations relating to the production of PRCBs. Three of 11 responding producers commented on such changes. Their responses appear in table III-2.

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[1] An additional U.S. producer, ***, provided an incomplete questionnaire response.
[2] *** reported toll production. ***. Staff correspondence, ***, December 21, 2015.
[3] *Domestic Interested Parties' Response to the Notice of Institution,* May 1, 2015, p. 1, n. 2.
[4] IBIS World Industry Report 32611: Plastic Film, Sheet, and Bag Manufacturing in the U.S., April 2015, p. 8.

Table III-2
PRCBs: Anticipated changes in the character of U.S. operations

* * * * * * *

U.S. PRODUCTION, CAPACITY, AND CAPACITY UTILIZATION

Table III-3 and figure III-1 present U.S. producers' production, capacity, and capacity utilization. U.S. producers' subject capacity and production increased overall during 2009-14, by 3.9 percent and 13.1 percent, respectively. PRCB production was 2.6 percent lower in January-September 2015 when compared to January-September 2014. Capacity utilization was high during each period and increased overall by 6.9 percentage points between 2009 and 2014, and was lower at 82.4 percent in interim 2015 when compared to 84.2 percent in interim 2014.

*** is the largest U.S. producer of PRCBs, accounting for *** percent and *** percent of overall PRCB capacity and production in 2014, respectively. In addition, seven of 11 responding producers reported increases in capacity during the period for which data were collected. *** accounted for the majority of this increase in capacity (***). *** attributed the increase in capacity to the addition of PRCB machinery during the period.

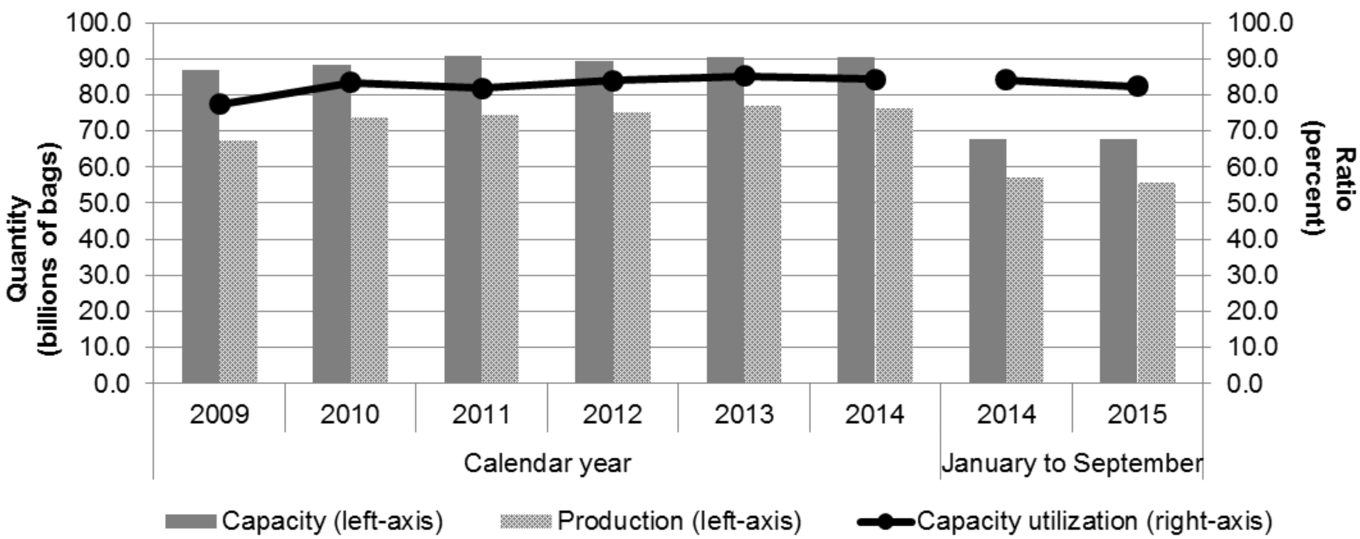
Table III-3
PRCBs: U.S. producers' production, capacity, and capacity utilization, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Quantity (1,000 bags)							
Capacity	86,882,830	88,283,460	90,719,374	89,430,483	90,355,808	90,253,452	67,869,630	67,567,051
Production	67,299,968	73,713,044	74,271,847	75,123,749	76,902,874	76,142,156	57,137,408	55,641,472
	Ratio (percent)							
Capacity utilization	77.5	83.5	81.9	84.0	85.1	84.4	84.2	82.4

Note.—Staff revised ***.

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

Figure III-1
PRCBs: U.S. producers' capacity, production, and capacity utilization, 2009-14, January-September 2014, and January-September 2015



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

Table III-4 presents the domestic industry's overall U.S. capacity, production, and capacity utilization of PRCBs and other products produced on the same equipment. Four U.S. producers (***), reported production of other products using the same equipment and/or workers used to produce PRCBs. ***.

Table III-4
PRCBs: U.S. producers' overall capacity and production of products on the same machinery and equipment, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Quantity (1,000 bags)							
Overall capacity	87,607,905	88,996,575	91,435,071	90,224,425	91,149,524	91,086,717	68,644,578	68,375,749
Production: PRCBs	67,299,968	73,713,044	74,271,847	75,123,749	76,902,874	76,142,156	57,137,408	55,641,472
Other products	***	***	***	***	***	***	***	***
Total production	***	***	***	***	***	***	***	***
	Ratios and shares (percent)							
Capacity utilization	***	***	***	***	***	***	***	***
Share of production: PRCBs	***	***	***	***	***	***	***	***
Other products	***	***	***	***	***	***	***	***
Total production	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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

Constraints on capacity

Ten of the eleven responding U.S. producers reported constraints in the manufacturing process. Six producers reported the extrusion or bag-making equipment as a constraint. Other constraints reported by U.S. producers were printing capacity, line speed, and staffing.

U.S. PRODUCERS' U.S. SHIPMENTS AND EXPORTS

Table III-5 presents U.S. producers' U.S. shipments, export shipments, and total shipments. None of the U.S. producers reported internal consumption or transfers of PRCBs to related firms in the United States. U.S. producers' commercial U.S shipments accounted for the vast majority of total shipments (*** percent based on quantity in 2014). The quantity of U.S. producers' U.S. shipments of PRCBs increased by 11.0 percent from 66.3 billion bags in 2009 to 73.6 billion bags in 2014, but was 2.7 percent lower in January-September 2015 than in the comparable period in 2014. The average unit value of U.S. shipments also increased during the period, increasing from $11.46 per 1,000 bags in 2009 to $15.24 (its highest point) in 2014, while it was lower in interim 2015 than in interim 2014. Three of eleven U.S. producers (***) reported exports of PRCBs. During 2009-14, exports accounted for a relatively small share of total domestic industry shipments, but increased overall, and were higher in interim 2015 than in interim 2014.

Table III-5
PRCBs: U.S. producers' U.S. shipments, exports shipments, and total shipments, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Quantity (1,000 bags)							
U.S. shipments	66,254,256	72,602,446	72,250,983	73,537,865	75,303,979	73,556,008	54,449,559	52,993,213
Export shipments	***	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***	***
	Value (1,000 dollars)							
U.S. shipments	759,122	941,950	1,010,596	994,858	1,063,017	1,120,838	818,780	766,394
Export shipments	***	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***	***
	Unit value (dollars per 1,000 bags)							
U.S. shipments	11.46	12.97	13.99	13.53	14.12	15.24	15.04	14.46
Export shipments	***	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***	***
	Share of quantity (percent)							
U.S. shipments	***	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***	***
Total shipments	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Share of value (percent)							
U.S. shipments	***	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***	***
Total shipments	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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

U.S. PRODUCERS' INVENTORIES

Table III-6 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. The majority of ending inventories were held by ***, which together accounted for between *** percent in 2009 and *** percent of total inventories in 2014.

Table III-6
PRCBs: U.S. producers' inventories, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Quantity (1,000 bags)							
U.S. producers' end-of-period inventories	2,276,472	1,871,742	2,142,918	1,956,460	1,594,688	2,106,408	2,747,867	2,972,604
	Ratio (percent)							
Ratio of inventories to.-- U.S. production	3.4	2.5	2.9	2.6	2.1	2.8	3.6	4.0
U.S. shipments	3.4	2.6	3.0	2.7	2.1	2.9	3.8	4.2
Total shipments	***	***	***	***	***	***	***	***

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

U.S. PRODUCERS' IMPORTS AND PURCHASES

Nine of the 11 responding U.S. producers directly imported PRCBs, six of which imported from subject countries. Five of the 11 U.S. producers reported that they imported due to lower prices. Producers also reported importing to offer a full range of products, some of which are not produced domestically, and to supplement domestic production. Table III-7 presents data on individual U.S. producers' U.S. production and U.S imports of PRCBs from subject sources.

Table III-7
PRCBs: U.S. producers' U.S. production, imports, and import ratios to U.S. production, 2009-14, January-September 2014, and January-September 2015

* * * * * * *

In addition, U.S. producer ***.

U.S. EMPLOYMENT, WAGES, AND PRODUCTIVITY

Table III-8 shows U.S. producers' employment-related data. In the aggregate, U.S. producers reported an overall increase in every indicator except for productivity, which decreased by 1.8 percent during 2009-14. The number of production and related workers ("PRWs") employed, total hours worked, wages paid, and unit labor costs during January-September 2015 were higher than reported in the comparable period in 2014; however, hours worked per PRW, hourly wages, and productivity were lower.

Table III-8
PRCBs: Average number of production and related workers, hours worked, wages paid to such employees, hourly wages, productivity, and unit labor costs, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
Production-related workers (PRWs) (number)	2,695	2,770	2,838	2,918	2,955	2,954	2,720	3,065
Total hours worked (1,000 hours)	5,751	6,097	6,154	6,416	6,754	6,629	5,015	5,209
Hours worked per PRW (hours)	2,134	2,201	2,168	2,199	2,286	2,244	1,844	1,700
Wages paid ($1,000)	103,294	109,789	116,165	117,808	124,734	128,916	98,581	98,871
Hourly wages (dollars per hour)	17.96	18.01	18.88	18.36	18.47	19.45	19.66	18.98
Productivity (bags per hour)	11,702	12,090	12,069	11,709	11,386	11,486	11,393	10,682
Unit labor costs (dollars per 1,000 bags)	1.53	1.49	1.56	1.57	1.62	1.69	1.73	1.78

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

FINANCIAL EXPERIENCE OF U.S. PRODUCERS

Background

Ten U.S. producers provided useable financial data on their operations producing PRCBs.[5] These reported data are believed to represent the majority of U.S. PRCB production in the period for which data were gathered. Three of the 10 firms (***) accounted for *** percent of total industry sales value in 2014, an indicator that changes in these firms' data affect the industry as a whole. None of the ten firms is integrated in the sense of producing the polyethylene that it uses to manufacture PRCBs; instead all U.S. producers purchase the raw material inputs (discussed later). Based on unit sales values, the reporting firms may be grouped into three categories: low-end (with a unit value of $10 to $20 per 1,000 bags), medium-end (with a sales value of $30 to $40 per 1,000 bags), and high-end (with a sales value exceeding $50 per 1,000 bags).[6]

Operations on PCRBs

Table III-9 presents aggregated data on U.S. producers' operations in relation to PCRBs, while table III-10 presents selected company-specific financial data. Results of the firms' operations are briefly summarized as follows.

- Net sales quantity and value (and the unit values of sales) increased irregularly between 2009 and 2014. Quantity, value, and the unit value of sales were lower in January-September 2015 ("interim 2015") than in January-September 2014 ("interim 2014").

- Between 2009 and 2014, the cost of goods sold ("COGS") increased irregularly but was lower in interim 2015 than in interim 2014. The ratio of total COGS to sales fluctuated within a relatively narrow range during the full and partial year periods. Raw material costs, particularly the cost of polyethylene, accounted for a large and increasing share of total COGS and sales. The dollar value of selling, general and administrative ("SG&A") expenses increased from 2009 to 2014, and was lower in interim 2015 than in the period one year earlier. The ratio of SG&A expenses to sales increased slightly but remained in a narrow range in the full and partial year periods.

- Gross profit increased steadily from 2009 to 2014; operating income and net income irregularly increased between 2009 and 2014. Each was greater in interim 2015 than in interim 2014. Cash flow (net income plus depreciation charges) was lower in 2014 than

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[5] These were ***. Each, except for ***, stated that its fiscal year ends on December 31. ***. The financial data reported by ***. See email from ***, December 11, 2015. EDIS document 570840.

[6] Unit sales values are depicted in table III-10. Based on this criterion, producers of low-end bags include ***; producers of medium-end bags include ***; and producers of high-end bags include ***.

in 2013 after irregularly increasing between 2009 and 2013. Cash flow was greater in interim 2015 than in interim 2014.

Table III-9
PRCBs: Results of operations of U.S. producers, fiscal years 2009-14, January-September 2014, and January-September 2015

* * * * * * *

Table III-10
PRCBs: Selected results of operations of U.S. producers, by firm, fiscal years 2009-14, January-September 2014, and January-September 2015

* * * * * * *

Net sales

From the data presented in table III-9, net sales on a quantity basis increased from 2009 to 2014 (an overall increase of approximately *** percent), following a decline in sales from 2013 to 2014. Net sales by quantity were lower in interim 2015 than in interim 2014 (down *** percent). Net sales on a value basis rose irregularly from 2009 to 2014, with an overall increase of *** percent, and were lower in interim 2015 than in interim 2014. The average unit value of sales rose irregularly from 2009 to 2014 (*** percent) and was lower in interim 2015 compared with interim 2014 (down *** percent). From the data presented in table III-10, three firms (***) collectively accounted for *** percent and *** percent of sales in 2014 by quantity and value, respectively. Much of the increase in quantity of bags sold between 2009 and 2014 was attributable to higher sales reported by ***, while much of the increase in sales value was attributable to the sales data reported by ***.

Operating costs and expenses

Total COGS include the categories of raw materials, direct labor, and other factory costs (also called factory overhead). Generally, raw material costs are those costs for the material input that can be directly traced to the production of the product; input costs of supplies and inputs that are assigned to the product produced may be included in raw material costs or included in factory overhead. Direct labor includes the wage costs of factory workers producing the product while the costs associated with benefits (post-employment benefits such as pensions and health care) are often included in factory overhead; maintenance costs (including those associated with maintenance workers) also are typically included in factory overhead. Factory overhead also typically includes the salaries and benefits of factory management, insurance, depreciation, utility costs (electricity, for example), rent and taxes, and other costs that are not directly traceable to the product. Total COGS increased irregularly from 2009 to 2014 (*** percent) and was lower in interim 2015 compared with interim 2014 (*** percent) as depicted by the data in table III-9. The data reported by *** accounted for *** percent of the increase in COGS between 2009 and 2014 as well as a majority of the decline of total COGS between the interim periods.

Raw material costs are substantial and include the cost of polyethylene resin and the chemicals used in the manufacture of polyethylene sheet.[7] Raw material costs rose irregularly from 2009 ($***) to 2014 ($***). The increase, by *** percent, was greater than that of sales value between 2009 and 2014. Raw material costs were lower in interim 2015 than in interim 2014 (by *** percent). The ratios of raw material costs to net sales and to total COGS increased between 2009 and 2014 but were lower in interim 2015 than in interim 2014. Each of the firms reported that it purchases the raw material input (polyethylene) that it used in the manufacture of PRCBs. According to questionnaire data, the ten firms collectively purchased *** of polyethylene in 2014 valued at $*** (for an average purchase cost of *** cents per pound).[8] Selected indicators of raw material costs are presented in table III-11.

Table III-11
PRCBs: Raw material costs of U.S. producers, by firm, fiscal years 2009-14, January-September 2014, and January-September 2015

* * * * * * *

Direct labor costs rose by approximately $*** between 2009 and 2014 (from $*** to $*** or by *** percent) and were higher in interim 2015 than in interim 2014 by $***. Because the increase in sales value was greater, the ratio of direct labor costs to sales declined from 2009 to 2014 (from ***) but was higher at *** percent of net sales in interim 2015 compared to *** percent of net sales in interim 2014. Other factory costs rose by approximately $*** from 2009 to 2014 (*** percent) but were lower in interim 2015 compared with interim 2014 by $***. Because changes in net sales values were relatively greater, the ratio of other factory costs to total net sales declined from *** percent in 2009 to *** percent in 2014 and was higher in interim 2015 (*** percent) than in interim 2014 (*** percent).

Total SG&A expenses rose irregularly from $*** in 2009 to $*** in 2014 and were lower in interim 2015 at $*** compared with interim 2014 at $***. SG&A expenses were relatively stable expressed as a ratio to net sales as indicated in tables III-9 and III-10. On a per-unit basis, these expenses increased from approximately $*** per thousand bags in 2009 to $*** per thousand bags in 2014.[9]

Profitability

The categories gross profit, operating income, and net income before taxes rose from 2009 to 2014 and were greater in interim 2015 than in interim 2014. Gross profit rose by $***, with *** of the ten firms reporting higher gross profits between those two years. Gross profit

[7] As cost drivers for raw material costs, firms listed resin, additives, ink, cartons, calcium, for example. One firm indicated that the cost driver was the price of ***.
[8] Calculated from data submitted in response to section III-6b of the U.S. producers' questionnaire.
[9] ***.

was higher by $*** in interim 2015 compared with interim 2014, although only *** firms reported higher gross profits in interim 2015 compared with the same period one year earlier. Operating income rose sharply from $*** in 2009 to $*** in 2011, declined in 2012 to $***, rose in 2013 to $*** and fell in 2014 to $***. Overall the increase from 2009 to 2014 was $***. Operating income was greater in interim 2015 at $*** than in interim 2014, when it was $*** (an increase of *** percent). The ratio of operating income to net sales generally followed the dollar value changes—reaching a high point in 2011, but the ratio declined overall between 2009 and 2014; it was higher in both interim periods than in 2014. The per-unit value of operating income also generally increased between 2009 and 2014; it reached a high point in 2011 and declined thereafter. The per-unit value was greater in interim 2015 than in interim 2014. As can be seen in tables III-9 and III-10, the number of firms reporting operating losses generally declined from *** in 2009 to *** in 2012 but increased to *** in 2013 and 2014. Net income[10] generally followed the same trends of operating income: net income increased sharply from $*** in 2009 to a high of $*** in 2011, declined to $*** in 2012, rose to $*** in 2013 and then fell sharply to $*** in 2014. Net income was greater in interim 2015 compared with interim 2014. The number of firms reporting net losses declined from *** in 2009 to *** in 2012 and thereafter.

Tolling

The Commission's questionnaire requested firms to report whether or not they had been involved in a toll agreement[11] to produce PRCBs since January 1, 2009. One firm (***) responded in the affirmative. ***.[12] Moreover, ***.[13] It should be noted that *** reported commercial sales and its per-unit sales values are in line with those of other firms. The firm also reported ***. Another firm (***) stated in its questionnaire response that it provided raw materials to other manufacturers to produce PRCBs for its own sales and named a number of converters.[14] In response to an inquiry from Commission staff, *** stated that the answer should have been "no" and that "yes" was meant for the importers' questionnaire.[15] In both cases it appears that the firms' sales and costs include the tolling and that there is no double-counting of tolling and commercial sales.

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[10] Operating income minus/plus other expense or income equals net income. Interest expense constituted the largest portion of the other expense/other income, net category.

[11] Toll agreement was defined as an agreement between two firms whereby one firm (tollee) furnishes raw materials to another firm (toller) whereby the toller uses the raw material input to produce the product and charges a fee for conversion etc. U.S. producers' questionnaire, section II-11. If a firm reported tolling, it does not typically report raw material costs and the average unit value of its tolling conversion fees are much smaller than the average unit value of commercial sales.

[12] "***." Email from ***, December 17, 2015. EDIS document 1050776.

[13] Responses to staff questions, by ***, December 21, 2015.

[14] Firms named are: ***.

[15] Email from *** to Charles Yost, January 15, 2016.

Variance analysis

A variance analysis for the operations of U.S. producers of PRCBs is presented in table III-12.[16] The information for this variance analysis is derived from table III-9. The variance analysis provides an assessment of changes in profitability as related to changes in pricing, cost, and volume. In table III-12, between 2009 and 2014 operating income and net income both increased as a result of a favorable price variance (unit prices rose) that was greater than the unfavorable net cost/expense variance (unit costs rose). The mix of favorable and unfavorable variances changed during the period: between 2010-11 and between 2013-14, operating income and net income fell. Between 2010 and 2011 an unfavorable price variance was greater than the favorable net cost/expense variance, while between 2013 and 2014, an unfavorable net cost/expense variance was greater than the favorable price variance. Operating income and net income were greater in interim 2015 compared with the same period one year earlier attributable to a favorable net cost/expense variance that was greater than the unfavorable price variance.

Table III-12
PRCBs: Variance analysis on the operations of U.S. producers, 2009-14, January-September 2014, and January-September 2015

* * * * * * *

Capital expenditures and research and development expenses

Table III-13 presents capital expenditures and research and development ("R&D") expenses by firm.

Table III-13
PRCBs: Capital expenditures and R&D expenses of U.S. producers, by firm, 2009-14, January-September 2014, and January-September 2015

* * * * * * *

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

The value of capital expenditures rose sharply from 2009 to 2014 and was greater in January-September 2015 than in the same period one year earlier. Capital expenditures were lower than depreciation for most firms (***). On the other hand, the capital expenditures reported by *** ***. Capital expenditures (or "betterments" or capitalized maintenance) increase the value of specific plant and equipment and total assets, while depreciation, impairments, and retirements decrease the value of assets. Capital expenditures and R&D expenses are incurred to achieve improvements in equipment and the quality of products produced or reduce operating costs. The Commission's questionnaire asked firms to indicate the nature, focus, and significance of their capital expenditures made and their R&D expenses incurred on PRCBs. The responding firms' statements for their capital expenditures are presented in table III-14. No firm responded with respect to its R&D expenses.

Table III-14
PRCBs: Firms' narrative responses on the nature, focus, and significance of their capital expenditures

*   *   *   *   *   *   *

Assets and return on investment

The Commission's questionnaire requested firms to report data on their total current assets (such as cash, accounts receivable, inventories) and non-current assets (such as property, plant and equipment), net of depreciation, associated with the production, warehousing, and sale of PRCBs. Table III-15 presents data on U.S. producers' total net assets and the ratios of the firms' operating income or (loss) and net income or (loss) to total assets. Total assets increased by $*** from 2009 to 2014, accounted for mainly by the increased values of assets reported by ***. The ratios generally followed changes in operating income and net income.

Table III-15
PRCBs: U.S. producers' total assets and the ratios of operating income or (loss) and net income or (loss) to total assets, by firm, 2009-14

*   *   *   *   *   *   *

PART IV: U.S. IMPORTS AND THE FOREIGN INDUSTRIES

U.S. IMPORTS

Overview

The Commission issued questionnaires to 52 firms believed to have imported PRCBs between 2009 to September 2015. Twenty-seven firms provided data and information in response to the questionnaires, while no firms indicated that they had not imported product during the period for which data were collected. Importers' questionnaire data accounted for *** percent of total U.S. imports and *** percent of total subject imports during January 2009 to September 2015.

Import data in this report are based on questionnaire responses and proprietary Customs data, HTS statistical reporting number 3923.21.0085, to account for nonresponding importers and for firms excluded from the orders on PRCBs from China, Malaysia, and Thailand.[1] [2]

For subject countries, the leading U.S. importers of PRCBs from China are ***, while the leading importer from Indonesia is ***, and the leading importer from Malaysia is ***. The leading U.S. importers of PRCBs from Taiwan are ***, while the leading importers from Thailand are ***, [3] and the leading importers from Vietnam are ***. Leading importers of PRCBs from nonsubject countries (primarily Canada and India) include ***. [4]

Imports from subject and nonsubject countries

Table IV-1 and figure IV-1 present information on U.S. imports of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam, nonsubject sources from China, Malaysia, and Thailand,[5] and all other sources over the period examined.

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[1] Questionnaire respondents were asked to report their imports from China, Malaysia, and Thailand subject to the existing antidumping orders separately from imports from those sources not subject to the existing antidumping duty orders. ***.

[2] In the 2004 antidumping duty investigations on PRCBs from China, Malaysia, and Thailand, three firms were found by Commerce to have *de minimis* dumping margins and thus were excluded from the antidumping duty orders: Hang Lung Plastic Manufactory and Nantong Huasheng Plastic Products Co., Ltd. (China), and Bee Lian Plastic Industries (Malaysia). In addition, as a result of a section 129 proceeding, effective July 28, 2010, Commerce revoked the order with respect to Thai Plastic Bags Industries Co., Ltd.; Winners Pack Co., Ltd.; and APEC Film Ltd. (collectively "TPBI").

[3] ***, U.S. producer *** accounted for the majority of subject imports from Thailand during 2011 through September 2015, with its share of imports ranging between *** percent and *** percent. ***.

[4] The Commission did not receive responses from U.S. importers ***.

[5] Hang Lung Plastic Manufactory (China), Nantong Huasheng Plastic Products (China), and Bee Lian Plastic Industries (Malaysia) received *de minimis* dumping margins, and imports of PRCBs from those firms are therefore presented as nonsubject imports. *Antidumping Duty Orders: Polyethylene Retail*

(*continued*...)

Total U.S. imports fluctuated during 2009-14, decreasing overall by 3.1 percent based on quantity, and increasing by 18.7 percent based on value. Subject imports decreased by *** percent based on quantity during 2009-14, and were *** percent higher in January-September 2015 than during the same period in 2014. Subject imports decreased markedly (by *** percent) between 2009 and 2010, when the antidumping duty investigations on PRCBs from Indonesia, Taiwan, and Vietnam were ongoing. Imports from nonsubject sources followed the opposite trend ***, increasing by *** percent during 2009-14, and were *** percent higher in January-September 2015 than in January-September 2014.

As a share of total domestic production, U.S. imports of PRCBs from subject countries decreased from *** percent in 2009 to *** percent in 2014. The ratio of subject imports to U.S. production was higher at *** percent during January-September 2015 than *** percent in the comparable period of 2014.

(…*continued*)
Carrier Bags, 69 FR 48201 (China), 69 FR 48203 (Malaysia), 69 FR 48209 (Thailand), August 9, 2004. In addition, as a result of a section 129 proceeding, Commerce revoked the antidumping duty orders with respect to Thai Plastic Bags Industries Co., Ltd.; Winners Pack Co., Ltd.; and APEC Film Ltd. Imports of PRCBs from those firms are also presented as nonsubject imports.

Table IV-1
PRCBs: U.S. imports by source, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Quantity (1,000 bags)							
U.S. imports from.-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	29,004,138	27,462,281	26,999,312	30,239,920	25,776,033	29,909,126	20,271,431	23,894,065
	Value (1,000 dollars)							
U.S. imports from.-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	320,339	341,784	338,381	346,290	355,537	380,128	265,853	278,451

Table continued on next page.

Table IV-1--*Continued*
PRCBs: U.S. imports by source, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Unit value (dollars per 1,000 bags)							
U.S. imports from.-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	11.04	12.45	12.53	11.45	13.79	12.71	13.11	11.65
	Share of quantity (percent)							
U.S. imports from.-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table continued on next page.

Table IV-1--*Continued*

PRCBs: U.S. imports by source, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Share of value (percent)							
U.S. imports from.-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Ratio to U.S. production (percent)							
U.S. imports from.-- China subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China nonsubject	***	***	***	***	***	***	***	***
Malaysia nonsubject	***	***	***	***	***	***	***	***
Thailand nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total U.S. imports	43.1	37.3	36.4	40.3	33.5	39.3	35.5	42.9

[1] ***.

Note.--Use of questionnaire data for the primary importers under 3923.21.0085 removes some merchandise not subject to the investigations (***). See part I for a discussion of product exclusions. In 2014, the adjusted data exclude a larger share of merchandise (approximately *** percent of official import statistics) in 2014 than in other periods, due primarily to some errors in how one importer *** reported its import data to Customs. See staff correspondence with ***.
Note.—*** reported importing subject PRCBs from China under statistical reporting number 3923.21.0095.

Source: Compiled from data submitted in response to Commission questionnaires and proprietary Customs records using statistical reporting number 3923.21.0085 for firms without a questionnaire submission.

Figure IV-1
PRCBs: U.S. import volumes and prices, 2009-14, January-September 2014, and January-September 2015

*   *   *   *   *   *   *

U.S. IMPORTERS' IMPORTS SUBSEQUENT TO SEPTEMBER 30, 2015

The Commission requested importers to indicate whether they had imported or arranged for the importation of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam and/or other sources for delivery after September 30, 2015. These data are presented in table IV-2. Fourteen of 27 responding importers indicated that they had arranged such imports, three from subject sources and 12 from nonsubject sources. Two U.S. importers *** reported small quantities of imports arranged from China while *** accounted for all imports arranged from Thailand.

Table IV-2
PRCBs: U.S. importers' arranged imports subsequent to September 30, 2015, by source

*   *   *   *   *   *   *

U.S. IMPORTERS' INVENTORIES

Table IV-3 presents data for inventories of U.S. imports of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam, and all other sources held in the United States. The majority of ending inventory from Indonesia are accounted for by ***. There were no reported inventories from Malaysia. There were minimal imports from Indonesia and Vietnam during the majority of the review period, which resulted in abnormally high ratios of inventories to U.S. imports and U.S. shipments of imports. Inventory from Taiwan in 2009 was held by ***.[6] The vast majority of inventories from Thailand are accounted for by ***. Ending inventories from Vietnam are accounted for by ***.

Table IV-3
PRCBs: U.S. importers' end-of-period inventories of imports, by source, 2009-14, January-September 2014, and January-September 2015

*   *   *   *   *   *   *

[6] *** reported inventory from Taiwan and Vietnam of *** and ***, respectively, at year-end 2009. These inventories are presented in table IV-3. However, the company does not have records after that time regarding when those imports were sold and to what customers. Staff correspondence, ***, December 21, 2015; and Staff correspondence, ***, January 27, 2015.

CUMULATION CONSIDERATIONS

In assessing whether imports should be cumulated, the Commission determines whether U.S. imports from the subject countries compete with each other and with the domestic like product and has generally considered four factors: (1) fungibility, (2) presence of sales or offers to sell in the same geographical markets, (3) common or similar channels of distribution, and (4) simultaneous presence in the market. Channels of distribution and fungibility are discussed in Part II of this report. The remaining factors are addressed below.

Presence in the market

Table IV-4 and figure IV-2 summarize the number of months in which imports were present in the U.S. market from each subject source. Monthly import quantity data are presented in Appendix E.

Table IV-4
PRCBs: Monthly subject U.S. imports, January 2009-September 2015

Item	Calendar year						
	2009	2010	2011	2012	2013	2014	Jan-Sept 2015
	Months present (number)						
China subject	12	12	12	12	12	12	9
Indonesia	12	6	4	2	2	2	3
Malaysia subject	10	1	2	2	4	7	4
Taiwan	12	11	11	12	12	12	9
Thailand subject	12	12	12	12	12	12	9
Vietnam	12	11	11	10	12	8	7

Source: Compiled from official U.S. imports statistics with ***.

Figure IV-2
PRCBs: Monthly subject imports, January 2009-September 2015

* * * * * * *

Geographical markets

With the exception of Indonesia and Vietnam, U.S. imports of subject merchandise entered multiple U.S. ports of entry, dispersed across the nation. The vast majority of U.S. imports of PRCBs from China entered via the ports of New York, New York; Los Angeles, California; and San Francisco, California. *** U.S. imports from Indonesia entered via the port of New York, New York. The top port of entry for U.S. imports of PRCBs from Malaysia was Los Angeles, California (*** percent). Approximately *** percent of U.S. imports of PRCBs from Taiwan entered via the ports of Miami, Florida; New York, New York; and Chicago Illinois, while *** percent of U.S. imports of PRCBs from Thailand entered via Baltimore, Maryland; Los

Angeles, California; and Seattle, Washington. All U.S. imports of PRCBs from Vietnam entered via California in San Francisco and Los Angeles.

Table IV-5
PRCBs: Subject U.S. imports by Customs district, 2014

Item	Calendar year 2014: Quantity (1,000 bags)	Calendar year 2014: Share of quantity (percent)
	China subject	
U.S. imports from China, subject.-- New York, NY	***	***
Los Angeles, CA	***	***
San Francisco, CA	***	***
Chicago, IL	***	***
Houston-Galveston, TX	***	***
Dallas-Fort Worth, TX	***	***
Savannah, GA	***	***
Seattle, WA	***	***
Tampa, FL	***	***
Baltimore, MD	***	***
All other districts	***	***
Total U.S. imports from China subject	***	***
	Indonesia	
U.S. imports from Indonesia. New York, NY	1,788	99.9
Los Angeles, CA	2	0.1
Total U.S. imports from Indonesia	1,790	100.0
	Malaysia subject	
U.S. imports from Malaysia, subject.-- Los Angeles, CA	***	***
Norfolk, VA	***	***
Chicago, IL	***	***
Cleveland, OH	***	***
St. Louis, MO	***	***
New York, NY	***	***
Philadelphia, PA	***	***
All other districts	***	***
Total U.S. imports from Malaysia subject	***	***

Table continued on next page.

Table IV-5--*Continued*

PRCBs: Subject U.S. imports by Customs district, 2014

Item	Calendar year 2014	
	Quantity (1,000 bags)	**Share of quantity (percent)**
	Taiwan	
U.S. imports from Taiwan.-- Miami, FL	13,502	23.5
New York, NY	11,322	19.7
Chicago, IL	9,364	16.3
Los Angeles, CA	5,296	9.2
Charleston, SC	5,270	9.2
Boston, MA	4,170	7.3
Savannah, GA	2,722	4.7
Charlotte, NC	2,295	4.0
All other districts	3,504	6.1
Total U.S. imports from Taiwan	57,445	100.0
	Thailand subject	
U.S. imports from Thailand, subject.-- Baltimore, MD	***	***
Los Angeles, CA	***	***
Seattle, WA	***	***
Norfolk, VA	***	***
New York, NY	***	***
San Francisco, CA	***	***
Miami, FL	***	***
St. Louis, MO	***	***
Honolulu, HI	***	***
All other districts	***	***
Total U.S. imports from China subject	***	***
	Vietnam	
U.S. imports from Vietnam.-- San Francisco, CA	9,169	68.0
Los Angeles, CA	4,323	32.0
Baltimore, MD	1	0.0
Total U.S. imports from Vietnam	13,493	100.0

Source: Compiled from official U.S. imports statistics with adjustments based on data contained in ***.

SUBJECT COUNTRY PRODUCERS

THE INDUSTRY IN CHINA

Overview

During the final phase of the original investigations, the Commission issued questionnaires to 101 firms identified in the petitions and Commerce's notice as producers or exporters of PRCBs in China, for which contact information was publicly available. Thirty-eight firms provided responses to the Commission's questionnaires. The responding firms reported that they accounted for an estimated nearly 68 percent of exports from China to the United States of PRCBs during 2003.[7] The responding Chinese industry reported capacity that was equivalent to about *** percent of U.S. domestic capacity; actual capacity would have been higher had coverage from questionnaires been more complete. The available data showed increases in capacity and production during 2001 to 2003, and excess capacity utilization. By far the largest share of these firms' total PRCB shipments was sent to markets outside China.[8]

In the original investigations, Commerce excluded two firms from the antidumping duty order on PRCBs from China (Hang Lung and Nantong Huasheng). In 2009 these firms accounted for approximately *** percent of all Chinese PRCBs exported to the United States, by quantity. Hang Lung reportedly had bag production capacity of 25,000 metric tons (27,558 short tons) and Nantong Huasheng had a capacity of 40,000 metric tons (44,092 short tons).[9]

During the first five-year reviews of the orders concerning PRCBs from China, the Commission issued questionnaires to 182 firms believed to be producers or exporters of PRCBs in China. Two firms provided responses to the Commission's questionnaires. One responding firm estimated that it accounted for *** percent of total exports of PRCBs from China to the United States in 2009. Reported exports of PRCBs to the United States by the responding firms in 2009 were equivalent to *** percent of the quantity of U.S. imports of PRCBs from China in that year based on official Commerce statistics.[10]

In the current reviews, the Commission did not receive any responses to the notice of institution from foreign producers or exporters in China. The domestic producers of PRCBs

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[7] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, *Investigation Nos. 731-TA-1043-1045 (Final)*, USITC Publication 3710, August 2004, p. VII-1.

[8] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, *Investigation Nos. 731-TA-1043-1045 (Final)*, USITC Publication 3710, August 2004, p. VII-2, and Confidential Staff Report, INV-BB-083, July 8, 2004, p. VII-4.

[9] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Review)*, USITC Publication 4160, June 2010, p. IV-7, and Confidential Staff Report, INV-HH-054, May 24, 2010, p. IV-11.

[10] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, Investigation Nos. 731-TA-1043-1045 (Review), USITC Publication 4160. June 2010, p. VII-7, and Confidential Staff Report, INV-HH-054, May 24, 2010, pp. VII-11 – VII-12.

provided a list of 96 firms that they believe currently produce PRCBs in China.[11] The domestic producers cited public information on the increased production capacity since 2009.[12]

Operations on PRCBs

Two producer/exporter firms in China, Hang Lung Manufactory, Ltd. ("Hang Lung") and Nantong Huasheng Plastic Products Co., Ltd. ("Nantong Huasheng"), were excluded from the antidumping duty order after Commerce found *de minimis* antidumping margins for these producers/exporters. In 2014, these two firms accounted for approximately *** percent and *** percent of all Chinese PRCBs exported to the United States, by quantity and value, respectively.[13] The Commission requested data from 155 firms in China believed to be possible producers of PRCBs. Of these firms, two firms, Rally Plastics Co., Ltd. ("Rally") and Universal Plastic & Metal Manufacturing, Ltd. ("Universal"), provided questionnaire responses containing useable data, and the remainder of the firms did not provide responses.[14] Responding firms *** estimated that they accounted for approximately *** percent collectively of PRCB production in China (*** percent and *** percent respectively). Reported exports of PRCBs to the United States by these firms in 2014 were equivalent to *** percent of the quantity of U.S. imports of PRCBs from China in that year.

Table IV-6 presents summary production and shipment data for the responding Chinese producers of PRCBs, by firm.

Table IV-6
PRCBs: Summary data on firms in China, January 2009-September 2015

Firm	Production (1,000 bags)	Share of reported production (percent)	Exports to the United States (1,000 bags)	Share of reported exports to the United States (percent)	Total shipments over period (1,000 bags)	Share of firm's total shipments exported to the United States (percent)
Rally Plastics Co., Ltd.	***	***	***	***	***	***
Universal Plastic & Metal Manufacturing, Ltd.	***	***	***	***	***	***
Total	***	***	***	***	***	***

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

[11] *Domestic Interested Parties' Response to the Notice of Institution,* May 1, 2015, exh. 31.
[12] *Domestic Interested Parties' Response to the Notice of Institution,* May 1, 2015, pp. 21-22.
[13] Based on data submitted in response to Commission questionnaires and ***.
[14] ***.

Table IV-7 presents data for reported production and shipments of PRCBs in China.

Table IV-7
PRCBs: Chinese capacity, production, shipments, and inventories, 2009-14, January-September 2014, and January-September 2015

* * * * * * *

Alternative products

*** reported producing other products on the same equipment and machinery used in the production of PRCBs since January 1, 2009. These other products accounted for as much as *** percent of their overall production during the period and accounted for *** in 2014.

Aggregate data regarding the overall facility capacity and production of the two responding Chinese producers of PRCBs are presented in table IV-8.

Table IV-8
PRCBs: Overall capacity and production of products on the same machinery as PRCBs in China, 2009-14, January-September 2014, and January-September 2015

* * * * * * *

Exports

Table IV-9 presents Chinese global exports for HTS subheading 3923.21, “Sacks And Bags (Including Cones), Of Polymers Of Ethylene,” which includes subject PRCBS, as reported in Global Trade Atlas. According to Global Trade Atlas, the United States was China’s largest export destination during 2009-14, accounting for 26.0 percent of China’s exports in 2014.

Table IV-9

Sacks and bags (including cones), of polymers of ethylene: Chinese exports by destination market, 2009-14

Item	Calendar year					
	2009	2010	2011	2012	2013	2014
	Value (1,000 dollars)					
China's exports to the United States	475,371	571,736	615,519	678,856	676,072	753,111
China's exports to other major destination markets.-- Japan	461,060	511,308	578,793	593,304	614,090	632,201
Hong Kong	145,448	151,828	162,974	177,431	195,531	197,378
Australia	83,172	95,436	109,866	125,519	134,312	146,549
United Kingdom	104,198	109,214	101,154	96,028	102,275	110,497
Germany	87,227	83,279	91,950	76,386	89,098	96,907
Canada	39,644	55,117	65,597	72,720	77,608	85,528
Netherlands	61,860	70,018	71,188	62,567	69,611	69,866
Kazakhstan	39,661	44,997	50,368	55,154	66,812	59,419
All other destination markets	369,237	439,799	519,639	561,986	650,505	742,209
Total China exports	1,866,876	2,132,733	2,367,048	2,499,950	2,675,916	2,893,664

Source: Official Chinese exports statistics under HTS subheading 3923.21, as reported by Chinese Customs in the GTIS/GTA database, accessed January 15, 2016.

THE INDUSTRY IN INDONESIA

Overview

During the final phase of the original investigations, the Commission issued questionnaires to 14 firms identified in the petitions and Commerce's notice as producers or exporters of PRCBs in Indonesia, for which contact information was publicly available. Three firms provided responses to the Commission's questionnaires. The responding firms reported that they accounted for an estimated *** percent of production of PRCBs in Indonesia during 2008, and *** percent of exports from Indonesia to the United States of PRCBs during 2008.[15] During the 2006-08 period, reported capacity, production, and total shipments made by Indonesian producers decreased. Reported exports to the United States also decreased during 2006-08. These decreases may be explained in part by decreases in capacity, production, shipments, and exports of ***, which attributed the changes to a fall in demand resulting from a switch to reusable polypropylene bags from PRCBs.[16]

[15] *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam, Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (Final)*, USITC Publication 4144, April 2010, p. VII-1, and Confidential Staff Report, INV-H-027, April 1, 2010, p. VII-1.

[16] Confidential Staff Report, INV-H-027, April 1, 2010, pp. VII-1 – VII-2.

In the current reviews, the Commission did not receive any responses to the notice of institution from foreign producers or exporters in Indonesia. The domestic producers of PRCBs provided a list of 14 firms that they believe currently produce PRCBs in Indonesia.[17]

Operations on PRCBs

The Commission requested data from 14 firms in Indonesia believed to be possible producers of PRCBs. No firm provided a questionnaire response.

Exports

Table IV-10 presents Indonesia's top export destinations for "Sacks and bags (including cones), of polymers of ethylene," which includes subject PRCBs. According to Global Trade Atlas, Japan accounted for the vast majority of Indonesia's exports during 2009-14, while the United States accounted for less than one percent of Indonesia's total exports in 2014.

Table IV-10

Sacks and bags (including cones), of polymers of ethylene: Indonesian exports by destination market, 2009-14

Item	Calendar year					
	2009	2010	2011	2012	2013	2014
	Value (1,000 dollars)					
Indonesia's exports to the United States	4,426	4,290	2,283	823	462	84
Indonesia's exports to other major destination markets.-- Japan	81,879	74,742	98,122	104,612	111,207	124,521
United Kingdom	4,394	8,668	10,100	10,727	9,495	9,811
Singapore	6,274	4,826	6,258	4,899	4,706	8,773
United Arab Emirates	2,853	1,917	2,093	5,213	6,402	7,226
Austria	4,178	5,543	3,494	2,895	3,007	2,829
Senegal	5	14	998	1,718	989	1,644
France	2,762	2,809	2,920	1,813	1,451	1,445
Ghana	0	3	1	0	1,713	1,270
All other destination markets	10,625	19,322	21,254	14,897	11,711	7,827
Total Indonesia exports	117,394	122,133	147,522	147,598	151,143	165,429

Source: Official Indonesian exports statistics under HTS subheading 3923.21, as reported by Indonesian Customs in the GTIS/GTA database, accessed January 15, 2016.

[17] *Domestic Interested Parties' Response to the Notice of Institution,* May 1, 2015, exh. 31.

THE INDUSTRY IN MALAYSIA

Overview

During the final phase of the original investigations, the Commission issued questionnaires to 16 firms identified in the petitions and Commerce's notice as producers or exporters of PRCBs in Malaysia, for which contact information was publicly available. Nine firms provided responses to the Commission's questionnaires. The responding firms reported that they accounted for an estimated 97 percent of exports from Malaysia to the United States of PRCBs during 2003. With a collective PRCB capacity equivalent to about *** percent of that in the United States, most of these firms also produced other polyethylene products in addition to the subject product and appeared to be export oriented.[18] During the original investigations, Commerce excluded Bee Lian from the antidumping duty order on PRCBs from Malaysia. In 2009, Bee Lian accounted for approximately *** percent of the quantity of exports of PRCBs to the United States and had a capacity 36,000 metric tons (39,663 short tons).[19]

During the first five-year reviews, the Commission issued questionnaires to 27 firms believed to be producers or exporters of PRCBs in Malaysia. Sixteen firms provided responses to the Commission's questionnaires. These firms estimated that in 2009 they collectively accounted for *** percent of production of PRCBs in Malaysia and *** percent of exports of PRCBs from Malaysia to the United States. Reported exports of PRCBs to the United States by these firms in 2009 were equivalent to *** percent of the quantity of U.S. imports of PRCBs from Malaysia in that year based on official Commerce statistics. During the 2004-09 period, reported capacity, production, and total shipments made by Malaysian producers increased. There were no reported exports to the United States during this period from these firms, while their exports to all other sources increased, largely driven by increased exports to the EU. Three producers, ***, stated that they started producing PRCBs between 2004 and 2009, representing an additional *** bags or more than *** percent of the increase in capacity.[20]

In the current reviews, the Commission received a response to the notice of institution from 14 foreign producers or exporters as part of the Task Force of Polyethylene Retail Carrier Bag Manufacturers of the Malaysian Plastic Manufacturers Association ("Task Force"). These producers estimate that along with nonsubject producer, Bee Lian, they are all of the current

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[18] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, *Investigation Nos. 731-TA-1043-1045 (Final)*, USITC Publication 3710, August 2004, VII-3; and Confidential Staff Report, INV-BB-083, July 8, 2004, VII-8.

[19] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand,* Investigation Nos. 731-TA-1043-1045 (Review), USITC Publication 4160 (June 2010), p. IV-8, and Confidential Staff Report, INV-HH-054, May 24, 2010, p. IV-14.

[20] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand,* Investigation Nos. 731-TA-1043-1045 (Review), USITC Publication 4160 (June 2010), p. VII-8 through VII-9, and Confidential Staff Report, INV-HH-054, May 24, 2010, pp. VII-14 through VII-16.

producers and exporters of PRCBs in Malaysia.[21] The domestic producers of PRCBs provided a list of 23 firms that they believe currently produce PRCBs in Malaysia.[22] During the hearing, counsel for the Malaysian interested parties reported that the Malaysian PRCB industry has undergone consolidation between 2010 to present.[23]

Operations on PRCBs

One producer/exporter in Malaysia, Bee Lian Plastic Industries, Sdn. Bhd. ("Bee Lian") was excluded from the antidumping duty order after Commerce found *de minimis* antidumping duty margins for the firm in the original investigation. In 2014, Bee Lian accounted for the vast majority of all Malaysian PRCBs exported to the United States, by quantity and value. As of December 2014, Bee Lian has a capacity of 12,000 metric tons (26.5 million pounds) with 97 percent of its products exported to Japan and the remainder to Australia and other markets.[24]

The Commission requested data from 32 firms in Malaysia believed to be possible producers of PRCBs. Of these firms, nine firms, all of which are subject to antidumping duties, provided questionnaire responses containing useable data.[25] The responding firms estimated that in 2014 they accounted for *** percent of production of subject PRCBs in Malaysia and *** percent of exports of PRCBs from Malaysia to the United States.[26] Reported exports of PRCBs to the United States by these firms in 2014 were equivalent to *** percent of the quantity of U.S. imports of PRCBs from Malaysia in that year based on official Commerce statistics. Table IV-11 presents summary production and shipment data for the responding Malaysian producers of PRCBs, by firm.

[21] *Respondent Malaysian Parties' Response to the Notice of Institution*, May 1, 2015.

[22] *Domestic Interested Parties' Response to the Notice of Institution,* May 1, 2015, exh. 31.

[23] Hearing testimony (Sim), p. 130.

[24] Bee Lian Plastic Industries Home Page, http://www.beelianplastic.com/home.htm, accessed January 14, 2016.

[25] Two additional firms, Sekoplas Industries Sdn Bhd and Dragonpak Industries (M) Sdn Bhd, provided incomplete questionnaire responses. Sekoplas accounted for *** percent of reported Malaysian production in 2014. Dragonpak provided data for ***. *See* staff correspondence with ***, March 10, 2016. During the last reviews, Dragonpak reported production of *** bags in 2009. In addition, ***. Staff correspondence with ***, January 13, 2016. ***. See *Malaysian Respondent Interested Parties' Supplementary Response to the Notice of Institution*, May 12, 2015, exh. 1.

[26] As stated previously, the Task Force reported that it accounted for virtually all production of subject PRCBs in Malaysia. The coverage figure was based on an overall subject PRCB production of *** bags, which was derived from the responding firms' 2014 overall production plus 2014 PRCB production figures for Sekoplas and the nonresponding firms (***), as reported in the respondents' response to the notice of institution and Sekoplas' incomplete questionnaire response. Sekoplas and the nonresponding firms accounted for the remaining *** percent of overall production. See *Malaysian Respondent Interested Parties' Supplementary Response to the Notice of Institution*, May 12, 2015, exh. 1 and Sekoplas' foreign producer/exporter questionnaire response.

Table IV-11
PRCBs: Summary data on firms in Malaysia, January 2009-September 2015

Firm	Production (1,000 bags)	Share of reported production (percent)	Exports to the United States (1,000 bags)	Share of reported exports to the United States (percent)	Total shipments (1,000 bags)	Share of firm's total shipments exported to the United States (percent)
Euro SME Sdn Bhd	***	***	***	***	***	***
Fragstar Corporation Sdn Bhd	***	***	***	***	***	***
L & A Packaging Sdn Bhd	***	***	***	***	***	***
Ocmerit Plastic Sdn Bhd	***	***	***	***	***	***
Plastik V Sdn Bhd	***	***	***	***	***	***
Simply Packaging Sdn Bhd	***	***	***	***	***	***
St Polymer Industries (M) Sdn Bhd	***	***	***	***	***	***
Ten Optimum (M) Sdn Bhd	***	***	***	***	***	***
Teong Chuan Plastic (M) Sdn Bhd	***	***	***	***	***	***
Total	***	***	***	***	***	***

Note.--***. Staff correspondence with ***, January 13, 2016. ***. *See Malaysian Respondent Interested Parties' Supplementary Response to the Notice of Institution*, May 12, 2015, exh. 1.

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

Five firms reported expansions since January 1, 2009. *** reported additional warehouse capacity and machinery. *** reported an increase in production capacity from *** pounds per year in 2009 to *** pounds per year in 2015. *** reported the rental of two warehouses in 2014 and one rental in 2015. *** reported that it built another factory in ***. *** reported adding machinery to meet increased demand.

During the 2009-14 period, reported capacity, production, and total shipments made by Malaysian producers increased. There were no reported exports to the United States during this period, while exports to all other sources increased, largely driven by increased exports to the European Union, Asia and other markets, which include ***. The domestic interested parties argue that Malaysia's loss of GSP privileges in the EU in 2014 and loss of its comparative advantage after the EU revoked the antidumping orders on PRCBs from China and Thailand in 2012 continue to make the United States an attractive market for subject producers' exports. In addition, the continued presence of nonsubject producer Bee Lian in the U.S. market further indicates that subject Malaysian producers would follow the same suit if the order was revoked.[27] The Malaysian interested parties reported that their exports are focused on the EU and Asian markets and revocation of the order would not significantly impact their operations.

[27] Hearing transcript, pp. 11 and 81-82 (Jones).

Despite the 2014 loss of GSP privileges in the EU, they argue that the Malaysian producers have not been significantly impacted in maintaining their presence in the EU market to date.[28]

Table IV-12 presents data for reported capacity, production and shipments of PRCBs in Malaysia.

Table IV-12

PRCBs: Malaysian capacity, production, shipments, and inventories, 2009-14, January-September 2014, and January-September 2015

	Calendar year						January-September	
	2009[1]	2010	2011	2012	2013	2014	2014	2015
	Quantity (1,000 bags)							
Capacity	9,163,501	15,982,361	17,094,134	17,295,061	18,004,770	18,510,573	14,175,768	14,154,974
Production	7,311,849	11,844,391	13,440,065	11,928,769	14,626,426	14,858,756	11,390,642	10,388,498
End-of-period inventories	290,122	355,421	473,951	603,409	668,711	846,982	755,041	862,677
Shipments: Internal consumption/ transfers	***	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***	***	***	***
European Union	***	***	***	***	***	***	***	***
Asia	***	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***	***
Total exports	6,578,154	11,081,160	12,526,287	10,952,805	13,650,602	13,718,599	10,565,854	9,498,833
Total shipments	7,191,214	11,779,096	13,321,527	11,799,344	14,561,115	14,680,482	11,304,311	10,372,805
	Value (1,000 dollars)							
Shipments: Internal consumption/ transfers	***	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***	***	***	***
European Union	***	***	***	***	***	***	***	***
Asia	***	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***	***
Total exports	523,625	686,127	464,346	467,800	491,547	579,731	424,648	565,005
Total shipments	529,472	693,246	473,029	476,997	501,890	589,213	431,925	572,822

Table continued on next page.

[28] Hearing transcript, pp. 120-121 and 128-129 (Sim).

Table IV-12--*Continued*
PRCBs: Malaysian capacity, production, shipments, and inventories, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009[1]	2010	2011	2012	2013	2014	2014	2015
	Unit value (dollars per 1,000 bags)							
Shipments: Internal consumption/ transfers	***	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***	***	***	***
European Union	***	***	***	***	***	***	***	***
Asia	***	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***	***
Total exports	79.60	61.92	37.07	42.71	36.01	42.26	40.19	59.48
Total shipments	73.63	58.85	35.51	40.43	34.47	40.14	38.21	55.22
	Ratios and shares (percent)							
Capacity utilization	79.8	73.6	78.6	69.0	81.2	80.3	80.4	73.4
Inventories/production	4.0	3.0	3.5	5.1	4.6	5.7	5.0	6.2
Inventories/total shipments	4.0	3.0	3.6	5.1	4.6	5.8	5.0	6.2
Share of total shipments: Internal consumption/ transfers	***	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***	***	***	***
European Union	***	***	***	***	***	***	***	***
Asia	***	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***	***
Total exports	91.5	94.1	94.0	92.8	93.7	93.4	93.5	91.6
Total shipments	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] 2009 industry data collected in these reviews differ from data collected in the previous proceeding. This is due in part to differences in coverage. In the current reviews, the Commission did not receive useable questionnaire responses from Chau Yang, Dragonpak, Hond Tat, Sekoplas, Sido Bangun, and Siniplas, firms which participated in the last reviews. These firms together produced *** bags, accounting for *** percent of 2009 PRCB production, based on data collected in the last reviews. Differences in coverage are also due in part to reporting discrepancies of companies that participated in both proceedings, particularly ***. In addition, *** 2009 PRCB production figure varied greatly from what it reported in its incomplete questionnaire response in the current reviews, which affected coverage. ***, March 11, 2016 (EDIS document no. 576433). In addition, staff revised *** questionnaire response to include its 2009 operations. This data was based on the questionnaire response provided in the last reviews.

Note.—Staff allocated subject PRCB capacity for ***. In addition, ***.

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

Alternative products

Eight of nine responding firms reported producing other products on the same machinery and equipment as PRCBs. Other products produced on the same machinery as PRCBs include garbage, die cut, and LDPE bags, produce bags on roll, and disposable gloves. Table IV-13 presents Malaysian producers' overall capacity and production of products on the same machinery as PRCBs.

Table IV-13

PRCBs: Overall capacity and production of products on the same machinery as PRCBs in Malaysia, 2009-14, January-September 2014, and January-September 2015

Item	Calendar year						January-September	
	2009	2010	2011	2012	2013	2014	2014	2015
	Quantity (1,000 bags)							
Overall capacity	9,787,236	18,365,699	19,631,448	19,853,421	20,606,171	21,075,090	16,101,541	16,685,489
Production: PRCBs	7,311,849	11,769,602	13,440,065	11,928,769	14,626,426	14,858,756	11,390,642	10,864,553
Other products	627,443	1,087,145	1,210,981	1,233,994	1,325,171	1,578,753	1,129,418	1,492,289
Total production	7,939,292	12,856,747	14,651,046	13,162,763	15,951,597	16,437,509	12,520,060	12,356,842
	Ratios and shares (percent)							
Capacity utilization	81.1	70.0	74.6	66.3	77.4	78.0	77.8	74.1
Share of production: PRCBs	92.1	91.5	91.7	90.6	91.7	90.4	91.0	87.9
Other products	7.9	8.5	8.3	9.4	8.3	9.6	9.0	12.1
Total production	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Note.—***.

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

Exports

Table IV-14 presents Malaysian global exports for HTS subheading 3923.21, "Sacks And Bags (Including Cones), Of Polymers Of Ethylene," which includes subject PRCBS, as reported in Global Trade Atlas. According to Global Trade Atlas, the United Kingdom was Malaysia's largest export destination during 2009-14, accounting for 27.2 percent of Malaysia's exports in 2014, while the United States accounted for approximately 4.0 percent of Malaysia's exports.

Table IV-14

Sacks and bags (including cones), of polymers of ethylene: Malaysian exports by destination market, 2009-14

Item	Calendar year					
	2009	2010	2011	2012	2013	2014
	Value (1,000 dollars)					
Malaysia's exports to the United States	22,558	14,208	11,630	15,016	16,640	19,484
Malaysia's exports to other major destination markets.-- United Kingdom	90,616	112,677	147,916	123,353	143,236	133,414
Australia	27,616	30,793	41,209	51,799	58,859	77,640
Japan	43,316	58,536	57,743	58,739	60,550	68,329
Singapore	29,368	29,566	31,612	33,010	29,672	30,683
Thailand	8,107	10,923	12,931	14,970	19,454	20,480
Angola	6,053	5,968	10,001	13,235	16,849	13,532
Netherlands	5,152	7,429	5,851	6,890	9,590	12,145
Germany	4,334	2,676	9,073	8,891	12,238	11,115
All other destination markets	98,879	114,811	126,819	116,393	110,067	102,837
Total Malaysia exports	335,998	387,587	454,785	442,297	477,157	489,660

Source: Official Malaysian exports statistics under HTS subheading 3923.21 as reported by Malaysian Customs in the GTIS/GTA database, accessed January 15, 2016.

THE INDUSTRY IN TAIWAN

Overview

During the final phase of the original investigations, the Commission issued questionnaires to 23 firms identified in the petitions and Commerce's notice as producers or exporters of PRCBs in Taiwan, for which contact information was publicly available. Three firms provided responses to the Commission's questionnaires. The responding firms reported that they collectively accounted for *** percent of production of PRCBs in Taiwan and *** percent of exports of PRCBs from Taiwan to the United States. Capacity, production, total shipments, and exports to the United States of PRCBs all increased during 2006-08.[29]

The Commission did not receive any responses to the notice of institution from foreign producers or exporters in Taiwan. The domestic producers of PRCBs provided a list of 25 firms that they believe currently produce PRCBs in Taiwan.[30]

[29] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, *Investigation Nos. 731-TA-1043-1045 (Final)*, USITC Publication 3710, August 2004, VII-1 – VII-2; and Confidential Staff Report, INV-BB-083, July 8, 2004, VII-3.

[30] *Domestic Interested Parties' Response to the Notice of Institution,* May 1, 2015, exh. 31.

Operations on PRCBs

The Commission requested data from 26 firms in Taiwan believed to be possible producers of PRCBs. No firm provided a questionnaire response.

Exports

Table IV-15 presents Taiwan's top export destinations for "Sacks and bags (including cones), of polymers of ethylene," which includes subject PRCBs. According to Global Trade Atlas, the United States and Japan were Taiwan's largest export destinations during 2009-14, accounting for 66.2 percent and 20.3 percent of Taiwan's exports in 2014, respectively.

Table IV-15
Sacks and bags (including cones), of polymers of ethylene: Taiwanese exports by destination market, 2009-14

Item	Calendar year					
	2009	2010	2011	2012	2013	2014
	Value (1,000 dollars)					
Taiwan's exports to the United States	49,357	46,891	51,801	53,822	54,150	65,332
Taiwan's exports to other major destination markets.-- Japan	17,438	19,344	21,279	19,974	19,216	20,090
Hong Kong	52	209	53	57	805	2,161
Mexico	268	525	395	701	1,733	1,826
Indonesia	52	747	211	905	637	1,769
Canada	234	555	1,396	1,146	1,347	1,670
Vietnam	564	772	646	399	314	1,483
Germany	245	215	1,080	551	467	1,240
Philippines	154	298	88	160	568	749
All other destination markets	4,856	6,870	4,454	4,138	2,156	2,427
Total Taiwan exports	73,220	76,427	81,403	81,852	81,392	98,745

Source: Official Taiwanese exports statistics under HTS subheading 3923.21 as reported by Taiwanese Customs in the GTIS/GTA database, accessed January 15, 2016.

THE INDUSTRY IN THAILAND

Overview

During the final phase of the original investigations, the Commission issued questionnaires to 17 firms identified in the petitions and Commerce's notice as producers or exporters of PRCBs in Thailand, for which contact information was publicly available. Seven firms provided responses to the Commission's questionnaires. The responding firms reported that they accounted for virtually all exports from Thailand to the United States of PRCBs in

2003.[31] The subject producers' combined capacity was equivalent to about *** percent of capacity in the United States and increased during 2001-03, although it was projected to decrease appreciably in 2004 and 2005.[32]

During the first five-year reviews, the Commission issued questionnaires to 33 firms believed to be producers or exporters of PRCBs in Thailand. Five firms provided responses to the Commission's questionnaires. Three of the responding firms estimated that in 2009 they collectively accounted for *** percent of production of PRCBs in Thailand, and four firms estimated that in 2009 they collectively accounted for *** percent of exports of PRCBs from Thailand to the United States. Reported exports of PRCBs to the United States by these firms in 2009 were equivalent to *** percent of the quantity of U.S. imports of PRCBs from Thailand in that year based on official Commerce statistics. Reported capacity and production in Thailand decreased between 2004 and 2009, principally after 2006. This decrease was largely accounted for by Thai producer ***, which reported ***. The quantity of exports to the United States fluctuated *** during 2004-09, but ended the period at virtually the same level as in 2004. Total exports also decreased irregularly during 2004-09.[33] As discussed above, as a result of a WTO challenge, Commerce revised certain antidumping duty margins and revoked the order with respect to Thai Plastic Bags Industries, Winners Pack Co., and APEC Film Ltd., effective July 28, 2010. In 2009, Thai Plastic Bags Industries, along with Universal Poly Bag accounted for *** PRCB exports from Thailand to the United States.[34]

In the current reviews, the Commission received a response to the notice of institution from one foreign producer or exporter in Thailand, Sahachit Watana Plastic Industry Co. ("Sahachit"). Sahachit noted its share of overall Thai capacity of PRCBs is difficult to estimate because there are many factories that can produce or switch to production of PRCBs in Thailand. Sahachit reported that the largest producer of PRCBs in Thailand is King-Pac Industrial Co., Ltd., followed by Thai Plastic Bags Industries (excluded from the order),[35] Thantawan Industry PLC., and Naraipak Co., Ltd.[36] The domestic producers of PRCBs provided a list of 38 firms that they believe currently produce PRCBs in Thailand.[37]

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[31] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, *Investigation Nos. 731-TA-1043-1045 (Final)*, USITC Publication 3710, August 2004, p. VII-4.

[32] Confidential Staff Report, INV-BB-083, July 8, 2004, p. VII-9.

[33] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Review),* USITC Publication 4160, June 2010, p. VII-11, and Confidential Staff Report, INV-HH-054, May 24, 2010, pp. VII-18.

[34] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Review)*, USITC Publication 4160, June 2010, p. IV-11; and Confidential Staff Report, INV-HH-054, May 24, 2010, p. IV-18.

[35] Thai Plastic Bags accounted for *** percent of all U.S. imports of PRCBs from Thailand in 2014.

[36]*Respondent Thai Interested Party's Response to the Notice of Institution supplemental,* May 24, 2015.

[37] *Domestic Interested Parties' Response to the Notice of Institution,* May 1, 2015, exh. 31.

Operations on PRCBs

The Commission requested data from 54 firms in Thailand believed to be possible producers of PRCBs. Of these firms, two firms, Sahachit and Universal Polybag Co., Ltd. ("Universal Polybag"), provided a questionnaire response containing useable data. Universal Polybag estimates that it accounted for *** percent of total PRCB production in Thailand in 2014. Sahachit did not provide an estimate of its share of production of PRCBs in Thailand. Reported exports of PRCBs to the United States by Sahachit and Universal Polybag in 2014 were equivalent to *** percent and *** percent, respectively, of the quantity of subject U.S. imports of PRCBs from Thailand in that year. In addition, ***. ***. Table IV-16 presents summary production and shipment data for the responding Thai producers of PRCBs, by firm.

Table IV-16
PRCBs: Summary data on firms in Thailand, January 2009-September 2015

Firm	Production (1,000 bags)	Share of reported production (percent)	Exports to the United States (1,000 bags)	Share of reported exports to the United States (percent)	Total shipments (1,000 bags)	Share of firm's total shipments exported to the United States (percent)
Sahachit Watana Plastic Industry Co., Ltd.	***	***	***	***	***	***
Universal Polybag Co., Ltd.	***	***	***	***	***	***
Total	***	***	***	***	***	***

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

Table IV-17 presents data for reported capacity, production and shipments of PRCBs in Thailand.

Table IV-17
PRCBs: Thai producers' capacity, production, shipments, and inventories, 2009-14, January-September 2014, and January-September 2015

* * * * * * *

Alternative products

***.

Exports

Table IV-18 presents Thai global exports for HTS subheading 3923.21, "Sacks And Bags (Including Cones), Of Polymers Of Ethylene," which includes subject PRCBS, as reported in Global Trade Atlas. According to Global Trade Atlas, the United States and Japan were

Thailand's largest export destinations during 2009-14, accounting for 27.4 percent and 27.0 percent of Thailand's exports in 2014, respectively.

Table IV-18
Sacks and bags (including cones), of polymers of ethylene: Thai exports by destination market, 2009-14

Item	Calendar year					
	2009	2010	2011	2012	2013	2014
	Value (1,000 dollars)					
Thailand's exports to the United States	78,237	103,037	110,295	128,697	144,118	169,734
Thailand's exports to other major destination markets.-- Japan	118,308	129,711	143,629	154,270	161,361	167,612
Australia	47,296	62,403	73,673	86,034	91,148	88,414
United Kingdom	38,887	36,141	36,515	42,321	51,255	61,865
New Zealand	11,605	12,116	12,488	15,582	16,768	18,569
Gambia	4,608	4,094	7,008	8,669	10,506	13,161
Netherlands	5,426	6,644	5,694	7,047	8,718	10,723
France	6,227	6,065	8,830	7,774	8,762	9,547
Canada	8,510	4,387	6,101	8,335	8,129	6,931
All other destination markets	41,646	54,407	62,864	65,057	67,550	74,031
Total Thailand exports	360,751	419,007	467,097	523,786	568,315	620,586

Source: Official Thai exports statistics under HTS subheading 3923.21, as reported by Thai Customs in the GTIS/GTA database, accessed January 15, 2016.

THE INDUSTRY IN VIETNAM

Overview

During the final phase of the original investigations, the Commission issued questionnaires to 78 firms identified in the petitions and Commerce's notice as producers or exporters of PRCBs in Vietnam, for which contact information was publicly available. Seven firms provided responses to the Commission's questionnaire. The responding firms reported that they accounted for *** percent of production of PRCBs in Vietnam and *** percent of exports of PRCBs from Vietnam to the United States. During 2006-08, capacity, production, inventories, and shipments all increased by large amounts, due to the fact that most responding producers only began producing PRCBs at some point after the beginning of 2006. The responding producers projected declines in capacity and production in 2009-10, reflecting ***'s planned closing of its facility in December 2009, ***'s planned to shut down its facility in early 2010, and ***'s planned to switch to non-PRCB production in 2010.[38] Commerce found a *de minimis* countervailing duty margin for Chin Sheng and excluded this firm from the

[38] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Final)*, USITC Publication 3710, August 2004, VII-2; and Confidential Staff Report, INV-BB-083, July 8, 2004, VII-5.

countervailing duty order on imports from Vietnam, but Commerce did not exclude Chin Sheng from the antidumping duty order.

In these current reviews, the Commission did not receive any responses to the notice of institution from foreign producers or exporters in Vietnam. The domestic producers of PRCBs provided a list of 59 firms that they believe currently produce PRCBs in Vietnam.[39]

Operations on PRCBs

The Commission requested data from 60 firms in Vietnam believed to be possible producers of PRCBs. Of these firms, one firm, RKW Lotus, Ltd. ("RKW Lotus"), provided a questionnaire response containing useable data. The responding firm estimated that it accounted for *** of total PRCB production in Vietnam. Reported exports of PRCBs to the United States by RKW Lotus in 2014 were equivalent to *** percent of the quantity of U.S. imports of PRCBs from Vietnam in that year. Table IV-19 presents RKW Lotus' PRCB operations in Vietnam.

Table IV-19
PRCBs: RKW Lotus' capacity, production, shipments, and inventories, 2009-14, January-September 2014, and January-September 2015

* * * * * * *

Alternative products

Table IV-20 presents RKW Lotus' overall capacity and production of products on the same machinery as PRCBs.

Table IV-20
PRCBs: RKW Lotus' overall capacity and production of products on the same machinery as PRCBs, 2009-14, January-September 2014, and January-September 2015

* * * * * * *

Exports

Table IV-21 presents Vietnamese global exports for HTS subheading 3923.21, "Sacks And Bags (Including Cones), Of Polymers Of Ethylene," which includes subject PRCBS, as reported in Global Trade Atlas. According to Global Trade Atlas, Japan was Vietnam's largest export destination during 2009-14, accounting for 25.9 percent of Vietnam's exports in 2014. The United States accounted for three percent of Vietnam's exports in 2014.

[39] *Domestic Interested Parties' Response to the Notice of Institution,* May 1, 2015, exh. 31.

Table IV-21

Sacks and bags (including cones), of polymers of ethylene: Vietnamese exports by destination market, 2009-14

Item	Calendar year					
	2009	2010	2011	2012	2013	2014
	Value (1,000 dollars)					
Vietnam's exports to the United States	46,550	9,235	12,401	9,446	9,093	16,329
Vietnam's exports to other major destination markets.-- Japan	35,545	27,794	65,457	86,422	110,816	133,489
Germany	20,428	38,804	67,186	75,376	81,822	81,620
United Kingdom	26,302	32,041	51,590	59,173	61,291	75,331
Netherlands	17,724	18,014	28,510	37,215	45,333	47,718
Cambodia	12,649	14,048	17,985	24,381	29,859	28,988
France	10,309	13,268	16,807	19,629	19,788	22,814
Belgium	627	2,190	2,841	4,918	9,505	16,749
Sweden	2,997	4,364	6,642	10,364	10,040	13,192
All other destination markets	39,913	47,332	67,897	70,021	71,726	78,890
Total Vietnam exports	213,043	207,089	337,315	396,946	449,274	515,122

Source: Official Vietnamese export statistics under HTS subheading 3923.21 as reported by Vietnamese Customs in the GTIS/GTA database, accessed January 15, 2016.

THE FOREIGN INDUSTRIES COMBINED

In their response to the notice of institution, the domestic interested parties contend that subject producers in all six countries have increased capacity since 2009 and continue to have significant excess capacity that could be exported to the United States if the orders were revoked. Moreover, they argue that subject foreign producers in all six countries are highly export oriented and, given worsening demand conditions in key world markets such as the European Union, have ample motivation to increase exports to the United States if the orders were revoked.[40] Malaysian respondent interested parties contend that the volume of subject merchandise from Malaysia would not be significant if the order were revoked, as the vast majority of these imports since the imposition of the order, which have been at very low levels, have been from a nonsubject Malaysian producer. In addition, unused production capacity in Malaysia is relatively low.[41] The Thai respondent interested party argues that if the order on imports from Thailand were revoked, the firm’s exports of PRCBs to the United States would likely equal its average exports between 2008-12.[42]

Table IV-22 presents data from responding firms of the subject industries combined.

[40] *Domestic Interested Parties’ Response to the Notice of Institution*, May 1, 2015, pp. 20-28.

[41] *Malaysian Respondent Interested Parties’ Response to the Notice of Institution*, May 1, 2015, pp. 3-4.

[42] *Thai Respondent Interested Party’s Supplemental Response to the Notice of Institution*, May 18, 2015, p. 2.

Table IV-22

PRCBs: Data on industry in subject countries, 2009-14, January-September 2014, and January-September 2015

* * * * * * *

ANTIDUMPING OR COUNTERVAILING DUTY ORDERS IN THIRD-COUNTRY MARKETS

During the original investigations of PRCBs from China, Malaysia, and Thailand there were no known antidumping or countervailing duty orders in third-country markets.[43] During the original investigation of PRCBS from Indonesia, Taiwan, and Vietnam and the first five-year reviews of imports of PRCBs from China, Malaysia, and Thailand, the only known trade remedy case related to plastic bags conducted outside of the United States were the antidumping duty investigations conducted by the European Union in 2005-06. These investigations involved the importation of bags from China, Malaysia, and Thailand, and antidumping duty orders were put into place in September 2006 on plastic bags from China and Thailand.[44] [45] In July 2012 these orders were revoked.[46] There are currently no known antidumping or countervailing duty orders in third-country markets.

GLOBAL MARKET

Based on Global Trade Atlas data, the five largest exporters of "sacks and bags (including cones), of polymers of ethylene," which includes PRCBs, are China, Germany, the United States, Thailand, and Vietnam. China is the largest exporter of these products, representing 26.2 percent of global exports in 2014. Global exports increased from $7.4 billion in 2009 to $11.1 billion in 2014 (48.4 percent). Table IV-23 presents the largest global export sources of "sacks and bags (including cones), of polymers of ethylene," which includes PRCBs, during 2009-14.

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[43] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Final),* USITC Publication 3710, August 2004, p. VII-7.

[44] *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam, Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (Final)*, USITC Publication 4144, April 2010, p. VII-5 and *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Review)*, USITC Publication 4160, June 2010, p. IV-11.

[45] Council Regulation (EC) No. 1425/2006.

[46] Council Regulation (EC) No. 627/2012.

Table IV-23
PRCBs: Global exports by exporter, 2009-14

Item	Calendar year					
	2009	2010	2011	2012	2013	2014
	Value (1,000 dollars)					
United States	447,147	511,304	542,874	590,641	641,567	703,389
All other major exporting countries.-- China	1,866,876	2,132,733	2,367,048	2,499,950	2,675,916	2,893,664
Germany	816,431	830,365	960,658	914,392	976,239	987,531
Thailand	360,751	419,007	467,097	523,786	568,315	620,586
Vietnam	213,043	207,089	337,315	396,946	449,274	515,122
Malaysia	335,998	387,587	454,785	442,297	477,157	489,660
Canada	361,520	411,085	442,984	447,008	442,497	468,246
Poland	171,151	180,139	228,688	222,498	262,877	288,506
Italy	173,589	220,307	240,802	213,498	228,551	262,844
All other destination markets	2,700,441	2,980,953	3,428,239	3,440,589	3,766,530	3,821,583
Total exports	7,446,948	8,280,570	9,470,490	9,691,603	10,488,923	11,051,132

Source: Official exports statistics under HTS subheading 3923.21 as reported in the GTIS/GTA database, accessed January 15, 2016.

PRCBs can be made of high density (HDPE), low density (LDPE), or linear low density (LLDPE) polyethylene. The share held by HDPE is around *** percent.[47] Table IV-24 shows the HDPE world supply and demand information.

[47] *Chemical Economics Handbook: High-Density Polyethylene Resins*, October 2014, p. 45.

Table IV-24
High density polyethylene: World capacity, production, imports, exports and consumption 2014, projected capacity and consumption 2019, and projected annual growth rate, 2014 to 2019 (thousands of metric tons)

	Annual Capacity			Production	Imports	Exports	Consumption			Average Annual Consumption Growth Rate, 2014-2019 (percent)
	2013	2014	2019	2014	2014	2014	2013	2014	2019	
North America										
United States	7,350	7,412	9,835	6,727	1,113	1,952	5,887	5,971	7,060	3.4
Canada	1,590	1,590	1,590	1,378	314	1,186	565	571	655	2.8
Mexico	250	250	1,000	175	840	52	910	947	1,142	3.8
Total North America	**9,190**	**9,252**	**12,425**	**8,280**	**2,267**	**3,190**	**7,362**	**7,489**	**8,857**	**3.40%**
South America										
Brazil	1,325	1,325	1,325	1,013	345	350	972	1,008	1,206	3.7
Other	430	430	430	346	945	65	1,219	1,277	1,573	4.3
Total South America	**1,755**	**1,755**	**1,755**	**1,359**	**1,290**	**415**	**2,191**	**2,285**	**2,778**	**4.00%**
Western Europe	5,223	5,103	4,628	4,323	1,402	1,105	4,573	4,628	4,975	1.5
Central Europe	1,240	1,240	1,240	925	627	625	911	936	1,115	3.6
CIS and Baltic States	1,155	1,235	2,366	878	863	150	1,569	1,621	1,910	3.3
Middle East	9,367	9,984	12,074	8,288	1,455	6,990	2,745	2,855	3,731	5.5
Africa	638	638	838	336	1,168	39	1,382	1,461	1,881	5.2
Asia										
China	5,966	6,598	9,835	5,600	4,362	88	9,237	9,908	13,929	7.1
Indian Subcontinent	1,815	1,815	2,475	1,500	770	40	2,113	2,241	3,110	6.8
Japan	1,179	1,111	1,034	886	130	161	875	874	943	1.5
Korea, Republic of	2,495	2,475	2,475	2,207	41	1,309	936	950	1,036	1.7
Taiwan	635	635	635	490	87	281	298	306	340	2.1
Southeast Asia	3,702	3,840	3,870	3,164	1,875	1,957	2,962	3,081	3,911	4.9
Other	-	-	-	-	13	-	12	13	16	4.8
Total Asia	**15,792**	**16,474**	**20,324**	**13,847**	**7,278**	**3,836**	**16,432**	**17,372**	**23,285**	**6.00%**
Total	**44,360**	**45,681**	**55,650**	**38,236**	**16,350**	**16,350**	**37,165**	**38,646**	**48,533**	**4.70%**

Source: *Chemical Economics Handbook: High-Density Polyethylene Resins*, October 2014, p. 6.

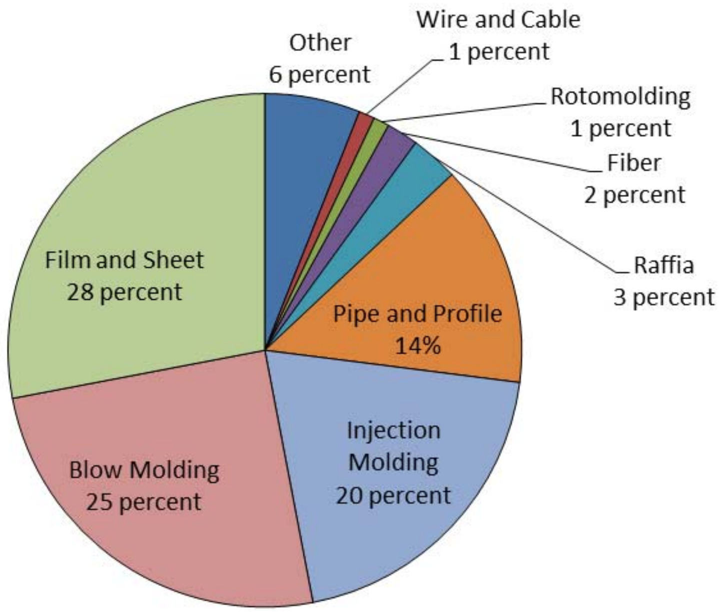
Table IV-25 shows HDPE consumption by end use and region. Figure IV-3 shows world HDPE consumption by end use in percentages. Carrier bags fall under the film and sheet category, along with other products.

Table IV-25
High density polyethylene: World consumption by end use and region, 2014 (thousands of metric tons)

	Film and Sheet	Injection Molding	Pipe and Profile	Blow Molding	Wire and Cable	Roto-molding	Fiber	Raffia	Other	Total
North America										
United States	1,218	873	989	1,950	110	175	0	0	655	5,971
Canada	73	138	118	154	0	27	0	0	62	571
Mexico	220	207	35	408	0	0	0	0	77	947
Total North America	**1,511**	**1,218**	**1,142**	**2,512**	110	202	0	0	794	**7,489**
South America	793	448	132	750	0	36	0	0	126	2,285
Western Europe	996	**1,215**	822	**1,278**	70	30	0	116	100	**4,628**
Central Europe	126	234	126	343	0	0	0	0	106	936
CIS and Baltic States	376	357	240	448	0	0	0	0	200	**1,621**
Middle East and Africa	1,221	960	648	1,015	0	58	0	27	387	4,316
Asia										
China	2,795	2,350	1,290	1,700	0	0	579	638	554	9,908
Indian Subcontinent	593	312	280	644	0	0	63	291	58	**2,241**
Japan	410	129	93	165	0	0	31	43	2	874
Korea, Republic of	275	148	157	212	158	0	0	0	0	950
Taiwan	106	74	13	85	3	0	23	0	1	306
Southeast Asia	**1,444**	382	274	691	23	45	75	122	25	**3,081**
Other	9	1	0	3	0	0	0	0	0	13
Total Asia	**5,633**	**3,395**	**2,107**	**3,500**	184	45	772	**1,094**	641	**17,372**
Total	**10,656**	**7,828**	**5,218**	**9,846**	**364**	**371**	**772**	**1,237**	**2,354**	**38,646**

Source: *Chemical Economics Handbook: High-Density Polyethylene Resins*, October 2014, p. 9.

Figure IV-3
High density polyethylene: World consumption by end use, 2014



Source: *Chemical Economics Handbook: High-Density Polyethylene Resins*, October 2014, p. 10.

Table IV-26 shows that in the United States, sacks and bags are estimated to account for 378,000 metric tons (31 percent) of HDPE resin consumption in the film and sheet category in 2014. The sacks and bags category is expected to grow at an average annual rate of 3.7% through 2019.[48]

[48] *Chemical Economics Handbook: High-Density Polyethylene Resins*, October 2014, p. 44.

Table IV-26
High density polyethylene: U.S. Consumption for film and sheet applications, 2013, 2014, and 2019 forecast (thousands of metric tons)

Item	2013	2014	2019	Average annual growth rate, 2014-19 (percent)
Film				
Sacks and Bags	372	378	452	3.7
Trash Can Liners	192	195	232	3.6
Food Packaging	144	146	177	3.9
Nonfood Packaging	120	122	142	3.1
Other	84	85	101	3.4
Sheet				
Geomembranes	96	97	114	3.2
Other	192	195	233	3.7
Total	1,198	1,218	1,453	3.6

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

Source: *Chemical Economics Handbook: High-Density Polyethylene Resins*, October 2014, p. 44.

In recent years, increasing numbers of places around the world, including in the United States, have taken action to reduce the reliance on PRCBs, including through the use of bans and taxes and/or the use of alternative types of bags such as the non-woven polypropylene bag. Alaska, Arizona, California, Colorado, Connecticut, Hawaii, Indiana, Maryland, New York, Oregon, Pennsylvania, Texas, Vermont, Virginia, Washington, and Washington, D.C. all have legislation on plastic bags. However, not every state within the United States is homogeneous. California, for example, is illustrative in that different counties and different cities can have different bag policies.[49] Other countries have adopted various bag policies, with the goal of decreasing use of bags.[50]

[49] *IBIS World Industry Report 32611: Plastic Film, Sheet, and Bag Manufacturing in the U.S.*, April 2015, p. 32; Putrich, Gayle, “Upcoming vote puts single-use plastic bags in the crosshairs,” November 10, 2015. http://www.plasticsnews.com/article/20151110/NEWS/151119990/upcoming-vote-puts-single-use-plastic-bags-in-the-crosshairs; and Baglaws.com, http://www.baglaws.com/, accessed March 2, 2016.

[50] *The Downfall of the Plastic Bag: A Global Picture,* http://www.earth-policy.org/plan_b_updates/2014/update123 and http://www.treehugger.com/environmental-policy/downfall-plastic-bag-global-picture.html, accessed June 14, 2015.

Demand

Most U.S. producers, importers, and purchasers reported either a decrease or no change in demand outside the United States for PRCBs since January 1, 2009 (table IV-27). Four foreign producers indicated that demand in their home markets has stayed the same, two indicated an increase, and two each reported either decreased or fluctuating demand. Outside their home markets, more foreign producers indicated that demand has decreased than had indicated that demand has increased since 2009. Two producers, three importers, two purchasers, and two foreign producers which reported decreasing demand specified that legal restrictions were the reason for the decrease. Purchaser *** reported that demand outside the United States had increased by 25 percent, and purchaser *** stated that it has increased because of the expanding global economy, particularly in Southeast Asia. Foreign producer *** stated that the decrease in demand in other markets is mainly due environmental restrictions such as a United Kingdom bag tax that went into effect October 5, 2015.

A similar number of U.S. producers, importers, and purchasers expect the same demand trends to continue in the next one to two years. Fewer foreign producers expect to have increasing demand in their home markets and other markets over the next one to two years, whereas purchasers more frequently expected demand to fluctuate instead of decrease or remain the same. Foreign producer *** stated that some countries are starting to ban PRCBs and most countries have a policy to reduce usage, and this will become more effective over time. In ***, this firm believes that the policy set by the government to reduce usage will also be more effective, but it does not anticipate any bans.

Table IV-27
PRCBs: Firms' responses regarding U.S. demand

Item	Increase	No change	Decrease	Fluctuate
Demand outside the United States				
U.S. producers	0	6	3	0
Importers	0	9	8	2
Purchasers	2	4	6	3
Foreign producers' home market	3	4	2	2
Foreign producers' other markets	5	0	4	2
Anticipated future demand outside the United States				
U.S. producers	0	6	4	0
Importers	0	9	7	2
Purchasers	4	4	6	3
Foreign producers' home market	2	3	3	2
Foreign producers' other markets	2	2	4	3

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

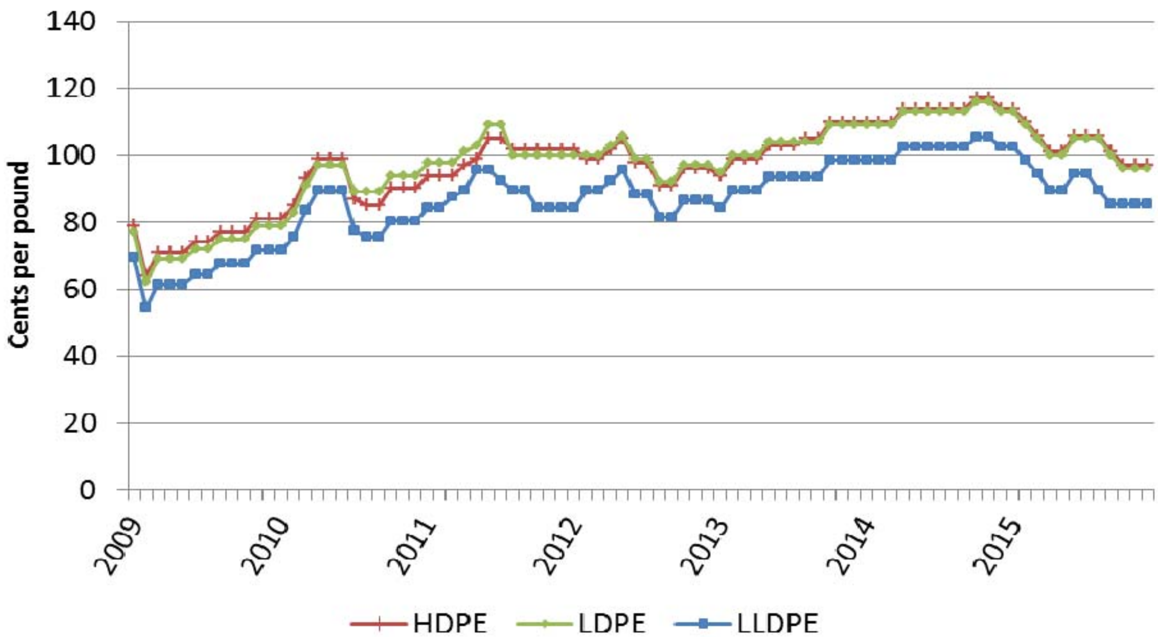
PART V: PRICING DATA

FACTORS AFFECTING PRICES

Raw material costs

The main raw material used in the production of PRCBs is polyethylene resin. It and other raw materials accounted for *** percent of the total cost of goods sold during 2009, rising to *** percent in 2014 (see Part III). The prices of three types of polyethylene resin (high-density polyethylene, low-density polyethylene, and linear low-density polyethylene - LDPE, HDPE, and LLDPE, respectively) increased irregularly from 2009 through late 2014 before declining in 2015, but still remained above 2009 levels (figure V-1). Plastic resin prices had been irregularly increasing since 2002, but pricing at the beginning of 2009 was at the end of a steep drop which began in the second half of 2008.

Figure V-1
Polyethylene resin: Monthly average U.S. prices of HDPE, LDPE, LLDPE, January 2009-December 2015



Source: Compiled from data published in *Plastics News*.

One witness testified that "the vast majority of price changes always is dependent upon the price of raw materials, about 70 percent or more of the price of a polyethylene retail carrier bag is resin."[1] Five of 9 responding U.S. producers, 14 of 22 responding importers, and 9 of 13

[1] Hearing transcript, p. 92 (Daniels).

foreign producers indicated that raw material prices have fluctuated since 2009. Seven of 9 producers, 15 of 21 importers, and 9 of 12 foreign producers anticipate continued fluctuations in raw material prices. More producers and importers indicated that raw material prices had increased since 2009 than had reported that raw material prices had decreased. Producer *** stated that prices for its customers with extended contracts are adjusted either monthly or quarterly based on a resin pricing index. In the 2010 investigations regarding Indonesia, Taiwan, and Vietnam, Mr. Rizzo of Hilex reported that the “overwhelming majority” of its agreements include specific language regarding passthrough of raw material prices to customers.[2] Most contracts during the period have had price escalation/de-escalation clauses based on resin prices, but this reportedly only has occurred since 2004, after orders were imposed on subject PRCBs.[3]

Transportation costs to the U.S. market

Transportation costs for PRCBs shipped from subject countries to the United States averaged 8.4 percent for China, 12.0 percent for Indonesia, 6.9 percent for Malaysia, 7.6 percent for Taiwan, 9.7 percent for Thailand, and 6.8 percent for Vietnam during 2014. [4]

Fifteen of 23 responding importers and 9 of 14 foreign producers reported that the importer typically arranges international transportation. No importers or foreign producers reported the cost of shipping PRCBs to the United States, however.[5]

U.S. inland transportation costs

Nine of eleven U.S. producers reported that U.S. inland transportation costs ranged from 1 to 10 percent of the total delivered cost of PRCBs, an average of 4.0 percent, based on a simple average.[6] Eleven responding importers reported that U.S. inland transportation costs ranged between 1 and 8 percent (averaging 3.9 percent) of the total delivered cost of PRCBs.

Nine of 11 responding U.S. producers reported that they arranged delivery for their sales. U.S. producers reported shipping 6.1 percent of their PRCBs less than 100 miles; 63.4 percent between 101 and 1,000 miles; and 30.4 percent more than 1,000 miles, based on a weighted average. Seventeen of the 19 responding importers reported that they arranged for delivery. Nine of 14 responding importers noted that PRCBs are shipped out of a storage

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[2] *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam, USITC Inv. Nos. 701-TA-462 and 731-TA-1156-58 (Final)*, USITC Publication 4144, April 2010, p. V-1.

[3] Hearing transcript, pp. 58-59 (Daniels and Lawson) and 93 (Bazbaz).

[4] The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2014 and then dividing by the customs value based on the HTS statistical reporting number 3923.21.0085.

[5] One foreign producer, ***, reported general international shipping costs, noting that the cost is $27 per 1,000 pounds.

[6] The other two producers reported inland transportation costs of *** percent.

facility, whereas six reported selling from the point of importation.[7] Based on a simple average, the 12 responding importers reported shipping 43.4 percent less than 100 miles; 44.6 percent between 101 and 1,000 miles; and 12.0 percent more than 1,000 miles.[8]

PRICING PRACTICES

Pricing methods

Six of eight responding producers indicated that reverse internet auctions help to set at least some of their prices. Producers *** indicated that that was the only way their prices are set, whereas producer *** stated that its participation in a few internet auctions in 2014 did not lead to any sales. Five of eight responding producers listed other means by which prices are determined. Producers *** noted that competitive market pricing determines the prices, and *** noted that its prices are determined on a customer-by-customer basis.

Most U.S. producers sell on a contract or transaction-by-transaction basis, and importers primarily sell via transaction-by-transaction negotiations, although a large number use contracts and other methods as well (table V-1).

Table V-1
PRCBs: U.S. producers and importers reported price setting methods, by number of responding firms[1]

Method	U.S. producers	Importers
Transaction-by-transaction	8	17
Contract	9	12
Set price list	3	4
Auctions	6	7
Other	5	6

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

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

Contracts

U.S. producers and importers reported selling most of their product via annual or long-term contracts. U.S. producers and importers reported their 2014 U.S. commercial shipments of PRCBs by type of sale (table V-2).

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[7] One importer reported selling from both storage facilities and its point of importation.

[8] Based on the weighted average responses of six importers, however, the vast majority (98.7 percent) of PRCBs were shipped between 101 and 1,000 miles. This is due to the heavy weight given to the imports of ***, which accounted for the vast majority of the commercial shipments of imports in 2014 among responding importers.

Table V-2
PRCBs: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2014

Type of sale	U.S. producers	Importers
Long-term contracts	43.1	91.5
Annual contracts	34.1	8.1
Short-term contracts	4.1	0.1
Spot sales	18.7	0.4
Total	100.0	100.0

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

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

Five of eight U.S. producers' long-term and annual contracts contain price renegotiation provisions, whereas only three of eight have short-term contracts that typically contain such clauses. Two to three years is the typical length of long-term contracts, whereas short-term contracts span 90 to 300 days. The eight producer responses regarding contract provisions were varied, with either two or three firms each stating that quantity, price, or both were typically fixed, no matter what length of contract is involved. A majority of short- and long-term contracts contain meet-or-release provisions, whereas annual contracts for four of seven responding producers do not contain such provisions.

All six responding importers indicated that their short-term contracts do not allow for price renegotiation, and six of seven importers indicated the same for their annual contracts. Long-term contracts are reportedly two years in length, while short-term contracts typically extend 6 months. With respect to long-term contracts, however, four of six importers indicated that their contracts allow price renegotiation. Importers' short-term and annual contracts typically fix both price and quantity, but two of four importers indicated that their long-term contracts only fix quantity. Meet-or-release provisions were typically included in three of six importers' short-term contracts and four of seven importers' annual contracts, but only one of four importers' long-term contracts.

Foreign producer contracts

No foreign producer reported long-term contracts for their sales of PRCBs to the United States. One reported that it sells *** of its PRCBs via annual contracts, four sell the majority of their PRCBs via short-term contracts, and four sell PRCBs on the spot market. For the four foreign producers/exporters that reported details regarding their short-term contracts, they are typically 90 days in length, and two of four allow price renegotiation, whereas three of four firms typically fix both price and quantity in the contract.[9]

[9] Only one foreign producer/exporter reported whether or not it used meet-or-release provisions. This firm indicated that it typically does not include them in its short-term PRCB contracts.

Internet sales

Five U.S. producers reported how they sold PRCBs over the internet in 2014. Three producers relied solely on one type of internet sales vehicle: ***. Fourteen percent of U.S. producer ***'s online sales *** were made through online reverse auctions whereas 86 percent were via internet sales that did not involve auctions or bidding. Producer *** was the sole U.S. producer that indicated any change in internet sales since January 1, 2009, stating that its internet sales have increased. U.S. producer *** made 70 percent of its online sales via reverse auctions and 30 percent via some other means on the internet. *** stated that it struggles to obtain customers when bidding via reverse auctions due to "auctions being opened to import producers."

Only three importers reported making sales via the internet in 2014: ***. No internet sales were reported on these importers' or others' websites. Nearly all of ***'s internet sales were via means other than reverse auctions, whereas ***'s imported PRCB internet sales were made via online reverse auctions. Only importer *** indicated that its sales via internet have changed since January 1, 2009, stating that its web presence increased sales.[10]

Purchase frequency

Five of 32 responding purchasers reported that they purchase product daily, 12 purchase weekly, 9 purchase monthly, 1 purchases quarterly, and 6 purchase at some other interval. Only purchaser *** reportedly plans to change its purchase frequency in the next two years: from monthly to "quarterly due to importing." On average, purchasers contact between 2 and 5 suppliers before making a purchase. Fourteen contact as few as one supplier, but one purchaser (***) contacts at least 15 suppliers. Five purchasers reported contacting up to 10 or more suppliers. Twenty-six of 33 responding purchasers reported that their purchases involve negotiations.

Sales terms and discounts

Approximately three-quarters of U.S. producers and importers typically quote prices on a delivered basis. Only one U.S. producer does not offer pricing discounts, compared with 10 of 24 importers that do not offer discounts. A variety of discounts are offered by those producers and importers that do, including quantity discounts, annual volume discounts, business retention/competitive situation discounts, rebates, early payment discounts, or prepaid freight on large orders. A slight majority of both producers and importers reported sales terms of net 30 days.

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[10] Purchasers provided limited but specific bid price data, whether via internet or by other means. These data are presented at the end of Part V.

Price leadership

Purchasers reported that a variety of firms were price leaders, but there was no consensus. Among named firms, only Hilex Poly was named by more than one purchaser, and it was only named by two purchasers. Other firms that were listed as price leaders include Durabag, IPS Industries, Inc., Novolex, Trinity Plastics, and, generally, import manufacturers. Although it did not indicate any price leaders in selling PRCBs, purchaser *** indicated that Spectrum/API and Hilex Poly have the most capacity and therefore a higher impact on the resin market which allows them to get the best prices.[11]

PRICE DATA

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following PRCB products shipped to unrelated U.S. customers during January 2009-September 2015.

<u>Product 1</u>.--"T-shirt sack"-style bag with (a) dimensions 8-9" width x 4-6" side x 15-17" length, (b) 11-13 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 4.7 and 7.9 pounds per 1,000 bags.

<u>Product 2</u>.--"T-shirt sack"-style bag with (a) dimensions 10-11" width x 6.5-7" side x 17-20" length, (b) 12-15 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 8.1 and 13.2 pounds per 1,000 bags.

<u>Product 3</u>.--"T-shirt sack"-style bag with (a) dimensions 11.5-12" width x 6.5-7" side x 20-22" length, (b) 12-15 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 10.2 and 15.3 pounds per 1,000 bags.

<u>Product 4.</u>--"T-shirt sack"-style bag with (a) dimensions 15-16" width x 7-9" side x 27-30" length, (b) 15-18 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 21.8 and 33.4 pounds per 1,000 bags.

[11] Purchaser *** stated that it is not a firm that leads prices, and that it is the monthly Chem Data Index (CDI), which "almost entirely" determines the price changes of PRCBs. Producer *** stated that importer Spectrum (a division of IPS Industries) is a price leader but also that nonsubject foreign producer Bee Lian in Malaysia tends to be a downward price leader.

Product 5.--Die-cut-handle-style merchandise bags with (a) dimensions 15-17" width x 3-5" side x 20-25" length, (b) 20-24 microns film thickness, (c) side gussets, and (d) printed with at least two colors on at least one side (5-50 percent ink coverage for entire bag).

Product 6.--Die-cut-handle-style merchandise bags with (a) dimensions 15-18" width x 17-19" length, (b) 31-39 microns film thickness, (c) no side gussets, and (d) with or without a bottom gusset of up to 6" (3" plus 3"), and (e) printed with at least two colors on at least one side (5-50 percent ink coverage for entire bag).

Product 7.--Merchandise or carry-out bag with (a) rope drawstring attached, (b) dimensions 15-18" width x 16-20" length (with or without bottom gusset), (c) 30-60 microns film thickness, and (d) print with 1-6 colors (5-100 percent ink coverage for entire bag).

Product 8.--Heat-sealed, square-bottomed merchandise or carry-out bag with or without a bottom cardboard insert, having (a) dimensions 11-18" width x 4-8" side x 12-20" length (with or without side gusset, (b) 50-150 microns film thickness, (d) separately applied flat flexible plastic handle, and (e) print with 1-6 colors on up to 5 sides (5-100 percent ink coverage for entire bag).

Nine U.S. producers and 10 importers (half of which are also U.S. producers) provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[12] Pricing data reported by these firms accounted for approximately 79.1 percent of U.S. producers' shipments of PRCBs during January 2009-September 2015. In addition, these data represent *** percent of U.S. imports from China, *** percent of U.S. imports from Indonesia, *** percent of U.S. imports from Malaysia, *** percent of U.S. imports from Taiwan, *** percent of U.S. imports from Thailand, and *** percent of U.S. imports from Vietnam.[13] Price data for products 1-8 are presented in tables V-3 to V-10 and figures V-2 to V-9. The largest quantities of PRCBs fall under the medium "T-shirt sack" style products—products 2 and 3. These accounted for nearly 95 percent of the pricing product data, and 73 percent of apparent U.S. consumption of PRCBs.

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[12] Some firms submitted data that could not be used for quarterly pricing comparisons. Data for U.S. producer *** were not included, as much of its submitted data included numerous errors and omissions. Additionally, data for *** were not included, as submitted data did not reflect actual prices. *** stated that "***." Additionally, *** stated "***."

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

[13] Note that the imports used in the denominator of these calculations include all imports regardless of whether they were from subject or nonsubject sources, but the numerator only includes data for product from subject sources in China, Malaysia, and Thailand. Therefore, these ratios may understate the data coverage somewhat.

Table V-3
PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 1[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

Period	United States		China (subject)			Taiwan		
	Price *(per pound)*	Quantity *(pounds)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*
2009:								
Jan.-Mar.	$1.04	503,394	$***	***	***	$***	***	***
Apr.-June	1.02	835,606	***	***	***	***	***	***
July-Sept.	0.99	1,150,482	***	***	***	***	***	***
Oct.-Dec.	1.00	1,056,665	--	0	--	***	***	***
2010:								
Jan.-Mar.	1.06	957,436	--	0	--	--	0	--
Apr.-June	1.06	2,147,616	***	***	***	--	0	--
July-Sept.	1.04	3,303,688	--	0	--	--	0	--
Oct.-Dec.	1.04	2,746,775	--	0	--	--	0	--
2011:								
Jan.-Mar.	1.08	2,600,514	--	0	--	--	0	--
Apr.-June	1.09	3,016,145	--	0	--	--	0	--
July-Sept.	1.11	3,333,861	--	0	--	--	0	--
Oct.-Dec.	1.15	3,050,491	--	0	--	--	0	--
2012:								
Jan.-Mar.	1.14	2,567,137	--	0	--	--	0	--
Apr.-June	1.13	3,069,343	--	0	--	--	0	--
July-Sept.	1.09	3,051,932	--	0	--	--	0	--
Oct.-Dec.	1.09	2,850,437	--	0	--	--	0	--
2013:								
Jan.-Mar.	1.10	2,301,848	--	0	--	--	0	--
Apr.-June	1.14	2,571,449	--	0	--	--	0	--
July-Sept.	1.18	2,941,208	--	0	--	--	0	--
Oct.-Dec.	1.21	2,761,913	--	0	--	--	0	--
2014:								
Jan.-Mar.	1.23	2,587,918	--	0	--	--	0	--
Apr.-June	1.24	2,954,849	--	0	--	--	0	--
July-Sept.	1.24	3,082,863	--	0	--	--	0	--
Oct.-Dec.	1.30	2,745,571	--	0	--	--	0	--
2015:								
Jan.-Mar.	***	***	--	0	--	--	0	--
Apr.-June	***	***	--	0	--	--	0	--
July-Sept.	***	***	--	0	--	--	0	--

[1] Product 1: “T-shirt sack”-style bag with (a) dimensions 8-9" width x 4-6" side x 15-17" length, (b) 11-13 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 4.7 and 7.9 pounds per 1,000 bags.

In addition, *** pounds of Product 1 from Indonesia were sold for *** per pound in the fourth quarter of 2009, yielding a margin of overselling of *** percent.

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

Table V-3--*Continued*

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 1[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

	United States		Thailand			Vietnam		
Period	Price *(per pound)*	Quantity *(pounds)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*
2009: Jan.-Mar.	$1.04	503,394	--	0	--	***	***	***
Apr.-June	1.02	835,606	$***	***	***	***	***	***
July-Sept.	0.99	1,150,482	***	***	***	1.06	97,055	(6.9)
Oct.-Dec.	1.00	1,056,665	***	***	***	***	***	***
2010: Jan.-Mar.	1.06	957,436	***	***	***	--	0	--
Apr.-June	1.06	2,147,616	***	***	***	--	0	--
July-Sept.	1.04	3,303,688	***	***	***	--	0	--
Oct.-Dec.	1.04	2,746,775	***	***	***	--	0	--
2011: Jan.-Mar.	1.08	2,600,514	--	0	--	--	0	--
Apr.-June	1.09	3,016,145	--	0	--	--	0	--
July-Sept.	1.11	3,333,861	--	0	--	--	0	--
Oct.-Dec.	1.15	3,050,491	--	0	--	--	0	--
2012: Jan.-Mar.	1.14	2,567,137	--	0	--	--	0	--
Apr.-June	1.13	3,069,343	--	0	--	--	0	--
July-Sept.	1.09	3,051,932	--	0	--	--	0	--
Oct.-Dec.	1.09	2,850,437	--	0	--	--	0	--
2013: Jan.-Mar.	1.10	2,301,848	--	0	--	--	0	--
Apr.-June	1.14	2,571,449	--	0	--	--	0	--
July-Sept.	1.18	2,941,208	--	0	--	--	0	--
Oct.-Dec.	1.21	2,761,913	--	0	--	--	0	--
2014: Jan.-Mar.	1.23	2,587,918	--	0	--	--	0	--
Apr.-June	1.24	2,954,849	--	0	--	--	0	--
July-Sept.	1.24	3,082,863	--	0	--	--	0	--
Oct.-Dec.	1.30	2,745,571	--	0	--	--	0	--
2015: Jan.-Mar.	***	***	--	0	--	--	0	--
Apr.-June	***	***	--	0	--	--	0	--
July-Sept.	***	***	--	0	--	--	0	--

[1] Product 1: “T-shirt sack”-style bag with (a) dimensions 8-9" width x 4-6" side x 15-17" length, (b) 11-13 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 4.7 and 7.9 pounds per 1,000 bags.

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

Table V-4
PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 2[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

Period	United States		China (subject)			Taiwan		
	Price *(per pound)*	Quantity *(pounds)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*
2009: Jan.-Mar.	$0.79	31,639,782	--	0	--	$***	***	***
Apr.-June	0.79	30,877,444	$***	***	***	***	***	***
July-Sept.	0.82	35,204,922	***	***	***	***	***	***
Oct.-Dec.	***	***	--	0	--	***	***	***
2010: Jan.-Mar.	0.88	37,820,338	***	***	***	--	0	--
Apr.-June	0.95	48,326,666	***	***	***	--	0	--
July-Sept.	0.91	47,020,691	***	***	***	--	0	--
Oct.-Dec.	0.87	41,037,657	***	***	***	--	0	--
2011: Jan.-Mar.	0.94	44,073,692	***	***	***	--	0	--
Apr.-June	0.95	44,991,405	***	***	***	--	0	--
July-Sept.	0.99	45,101,778	--	0	--	--	0	--
Oct.-Dec.	***	***	***	***	***	--	0	--
2012: Jan.-Mar.	0.96	41,427,881	***	***	***	--	0	--
Apr.-June	0.99	53,601,154	***	***	***	--	0	--
July-Sept.	0.94	58,051,716	--	0	--	--	0	--
Oct.-Dec.	***	***	--	0	--	--	0	--
2013: Jan.-Mar.	0.94	47,851,509	--	0	--	--	0	--
Apr.-June	0.98	54,088,247	--	0	--	--	0	--
July-Sept.	1.00	60,482,476	--	0	--	--	0	--
Oct.-Dec.	1.03	56,561,761	--	0	--	--	0	--
2014: Jan.-Mar.	1.05	50,800,000	--	0	--	--	0	--
Apr.-June	1.07	56,209,782	--	0	--	--	0	--
July-Sept.	1.08	56,451,319	--	0	--	--	0	--
Oct.-Dec.	1.10	55,639,131	--	0	--	--	0	--
2015: Jan.-Mar.	1.05	45,085,052	--	0	--	--	0	--
Apr.-June	0.99	53,658,095	--	0	--	--	0	--
July-Sept.	1.01	54,490,895	--	0	--	--	0	--

[1] Product 2: “T-shirt sack”-style bag with (a) dimensions 10-11" width x 6.5-7" side x 17-20" length, (b) 12-15 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 8.1 and 13.2 pounds per 1,000 bags.

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

Table V-4--*Continued*

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 2[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

Period	United States		Thailand			Vietnam		
	Price *(per pound)*	Quantity *(pounds)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*
2009:								
Jan.-Mar.	$0.79	31,639,782	$***	***	***	$***	***	***
Apr.-June	0.79	30,877,444	***	***	***	***	***	***
July-Sept.	0.82	35,204,922	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2010:								
Jan.-Mar.	0.88	37,820,338	***	***	***	--	0	--
Apr.-June	0.95	48,326,666	***	***	***	--	0	--
July-Sept.	0.91	47,020,691	***	***	***	--	0	--
Oct.-Dec.	0.87	41,037,657	***	***	***	--	0	--
2011:								
Jan.-Mar.	0.94	44,073,692	***	***	***	--	0	--
Apr.-June	0.95	44,991,405	***	***	***	--	0	--
July-Sept.	0.99	45,101,778	***	***	***	--	0	--
Oct.-Dec.	***	***	***	***	***	--	0	--
2012:								
Jan.-Mar.	0.96	41,427,881	***	***	***	--	0	--
Apr.-June	0.99	53,601,154	***	***	***	--	0	--
July-Sept.	0.94	58,051,716	***	***	***	--	0	--
Oct.-Dec.	***	***	***	***	***	--	0	--
2013:								
Jan.-Mar.	0.94	47,851,509	***	***	***	--	0	--
Apr.-June	0.98	54,088,247	***	***	***	--	0	--
July-Sept.	1.00	60,482,476	***	***	***	--	0	--
Oct.-Dec.	1.03	56,561,761	***	***	***	--	0	--
2014:								
Jan.-Mar.	1.05	50,800,000	***	***	***	--	0	--
Apr.-June	1.07	56,209,782	***	***	***	--	0	--
July-Sept.	1.08	56,451,319	***	***	***	--	0	--
Oct.-Dec.	1.10	55,639,131	***	***	***	--	0	--
2015:								
Jan.-Mar.	1.05	45,085,052	***	***	***	--	0	--
Apr.-June	0.99	53,658,095	***	***	***	--	0	--
July-Sept.	1.01	54,490,895	***	***	***	--	0	--

[1] Product 2: “T-shirt sack”-style bag with (a) dimensions 10-11" width x 6.5-7" side x 17-20" length, (b) 12-15 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 8.1 and 13.2 pounds per 1,000 bags.

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

Table V-5

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 3[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

Period	United States		China (subject)			Indonesia		
	Price *(per pound)*	Quantity *(pounds)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*
2009: Jan.-Mar.	$0.74	132,737,411	$***	***	***	$1.80	48,563	(144.1)
Apr.-June	0.74	143,689,943	***	***	***	1.33	34,768	(78.8)
July-Sept.	0.79	146,784,277	***	***	***	***	***	***
Oct.-Dec.	0.81	162,606,429	***	***	***	***	***	***
2010: Jan.-Mar.	0.86	154,153,899	***	***	***	--	0	--
Apr.-June	0.95	147,559,711	***	***	***	--	0	--
July-Sept.	0.88	158,993,969	***	***	***	--	0	--
Oct.-Dec.	0.90	176,330,534	***	***	***	--	0	--
2011: Jan.-Mar.	0.95	138,250,902	***	***	***	--	0	--
Apr.-June	0.99	160,933,254	***	***	***	--	0	--
July-Sept.	0.99	156,232,480	--	0	--	--	0	--
Oct.-Dec.	0.96	170,647,365	***	***	***	--	0	--
2012: Jan.-Mar.	0.96	139,928,055	***	***	***	--	0	--
Apr.-June	0.99	150,179,953	***	***	***	--	0	--
July-Sept.	0.91	145,749,064	--	0	--	--	0	--
Oct.-Dec.	0.92	152,790,315	--	0	--	--	0	--
2013: Jan.-Mar.	0.94	138,916,988	--	0	--	--	0	--
Apr.-June	0.98	145,853,809	--	0	--	--	0	--
July-Sept.	1.00	148,602,368	--	0	--	--	0	--
Oct.-Dec.	1.02	158,604,046	--	0	--	--	0	--
2014: Jan.-Mar.	1.05	136,179,220	--	0	--	--	0	--
Apr.-June	1.07	134,329,455	--	0	--	--	0	--
July-Sept.	1.07	146,955,441	--	0	--	--	0	--
Oct.-Dec.	1.09	149,537,058	--	0	--	--	0	--
2015: Jan.-Mar.	1.01	127,334,754	--	0	--	--	0	--
Apr.-June	0.96	141,542,466	***	***	***	--	0	--
July-Sept.	0.98	127,906,662	--	0	--	--	0	--

[1] Product 3: "T-shirt sack"-style bag with (a) dimensions 11.5-12" width x 6.5-7" side x 20-22" length, (b) 12-15 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 10.2 and 15.3 pounds per 1,000 bags.

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

Table V-5--*Continued*
PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 3[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

Period	Taiwan			Thailand			Vietnam		
	Price *(per pound)*	Quantity *(pounds)*	Margin *(pct)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(pct)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(pct)*
2009:									
Jan.-Mar.	$***	***	***	--	0	--	$***	***	***
Apr.-June	***	***	***	$***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	1.09	135,437	(38.8)
Oct.-Dec.	***	***	***	***	***	***	***	***	***
2010:									
Jan.-Mar.	--	0	--	***	***	***	--	0	--
Apr.-June	--	0	--	***	***	***	--	0	--
July-Sept.	--	0	--	***	***	***	--	0	--
Oct.-Dec.	--	0	--	***	***	***	--	0	--
2011:									
Jan.-Mar.	--	0	--	***	***	***	--	0	--
Apr.-June	--	0	--	***	***	***	--	0	--
July-Sept.	--	0	--	***	***	***	--	0	--
Oct.-Dec.	--	0	--	***	***	***	--	0	--
2012:									
Jan.-Mar.	--	0	--	***	***	***	--	0	--
Apr.-June	--	0	--	***	***	***	--	0	--
July-Sept.	--	0	--	***	***	***	--	0	--
Oct.-Dec.	--	0	--	***	***	***	--	0	--
2013:									
Jan.-Mar.	--	0	--	***	***	***	--	0	--
Apr.-June	--	0	--	***	***	***	--	0	--
July-Sept.	--	0	--	***	***	***	--	0	--
Oct.-Dec.	--	0	--	***	***	***	--	0	--
2014:									
Jan.-Mar.	--	0	--	***	***	***	--	0	--
Apr.-June	--	0	--	***	***	***	--	0	--
July-Sept.	--	0	--	***	***	***	--	0	--
Oct.-Dec.	--	0	--	***	***	***	--	0	--
2015:									
Jan.-Mar.	--	0	--	***	***	***	--	0	--
Apr.-June	--	0	--	***	***	***	--	0	--
July-Sept.	--	0	--	***	***	***	--	0	--

[1] Product 3: “T-shirt sack”-style bag with (a) dimensions 11.5-12" width x 6.5-7" side x 20-22" length, (b) 12-15 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 10.2 and 15.3 pounds per 1,000 bags.

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

Table V-6

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 4[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

Period	United States		China (subject)			Indonesia		
	Price *(per pound)*	Quantity *(pounds)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*
2009: Jan.-Mar.	$0.88	1,531,632	--	0	--	--	0	--
Apr.-June	0.78	3,489,741	$***	***	***	--	0	--
July-Sept.	0.81	3,660,312	--	0	--	$***	***	***
Oct.-Dec.	0.86	8,492,337	--	0	--	--	0	--
2010: Jan.-Mar.	0.88	3,141,472	***	***	***	--	0	--
Apr.-June	0.95	5,373,287	***	***	***	--	0	--
July-Sept.	0.92	6,892,627	***	***	***	--	0	--
Oct.-Dec.	0.91	7,966,447	--	0	--	--	0	--
2011: Jan.-Mar.	0.96	3,847,270	--	0	--	--	0	--
Apr.-June	0.98	3,214,373	--	0	--	--	0	--
July-Sept.	1.04	5,162,737	--	0	--	--	0	--
Oct.-Dec.	0.99	8,410,013	--	0	--	--	0	--
2012: Jan.-Mar.	1.02	2,021,780	***	***	***	--	0	--
Apr.-June	1.03	2,921,423	--	0	--	--	0	--
July-Sept.	0.95	4,152,314	--	0	--	--	0	--
Oct.-Dec.	0.95	6,599,355	--	0	--	--	0	--
2013: Jan.-Mar.	0.95	2,696,175	--	0	--	--	0	--
Apr.-June	0.94	4,387,785	--	0	--	--	0	--
July-Sept.	0.98	5,283,791	--	0	--	--	0	--
Oct.-Dec.	***	***	--	0	--	--	0	--
2014: Jan.-Mar.	1.05	4,177,760	--	0	--	--	0	--
Apr.-June	1.06	4,696,641	--	0	--	--	0	--
July-Sept.	1.08	6,528,921	--	0	--	--	0	--
Oct.-Dec.	1.14	8,577,994	--	0	--	--	0	--
2015: Jan.-Mar.	1.07	3,314,397	--	0	--	--	0	--
Apr.-June	0.99	5,410,709	--	0	--	--	0	--
July-Sept.	0.99	5,608,850	--	0	--	--	0	--

[1] Product 4: "T-shirt sack"-style bag with (a) dimensions 15-16" width x 7-9" side x 27-30" length, (b) 15-18 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 21.8 and 33.4 pounds per 1,000 bags.

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

Table V-6--*Continued*

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 4[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

Period	United States		Thailand			Vietnam		
	Price *(per pound)*	Quantity *(pounds)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*
2009: Jan.-Mar.	$0.88	1,531,632	--	0	--	$***	***	***
Apr.-June	0.78	3,489,741	$***	***	***	***	***	***
July-Sept.	0.81	3,660,312	***	***	***	***	***	***
Oct.-Dec.	0.86	8,492,337	***	***	***	***	***	***
2010: Jan.-Mar.	0.88	3,141,472	***	***	***	--	0	--
Apr.-June	0.95	5,373,287	***	***	***	--	0	--
July-Sept.	0.92	6,892,627	***	***	***	--	0	--
Oct.-Dec.	0.91	7,966,447	***	***	***	--	0	--
2011: Jan.-Mar.	0.96	3,847,270	--	0	--	--	0	--
Apr.-June	0.98	3,214,373	--	0	--	--	0	--
July-Sept.	1.04	5,162,737	--	0	--	--	0	--
Oct.-Dec.	0.99	8,410,013	--	0	--	--	0	--
2012: Jan.-Mar.	1.02	2,021,780	--	0	--	--	0	--
Apr.-June	1.03	2,921,423	--	0	--	--	0	--
July-Sept.	0.95	4,152,314	--	0	--	--	0	--
Oct.-Dec.	0.95	6,599,355	--	0	--	--	0	--
2013: Jan.-Mar.	0.95	2,696,175	--	0	--	--	0	--
Apr.-June	0.94	4,387,785	--	0	--	--	0	--
July-Sept.	0.98	5,283,791	--	0	--	--	0	--
Oct.-Dec.	***	***	--	0	--	--	0	--
2014: Jan.-Mar.	1.05	4,177,760	--	0	--	--	0	--
Apr.-June	1.06	4,696,641	--	0	--	--	0	--
July-Sept.	1.08	6,528,921	--	0	--	--	0	--
Oct.-Dec.	1.14	8,577,994	--	0	--	--	0	--
2015: Jan.-Mar.	1.07	3,314,397	--	0	--	--	0	--
Apr.-June	0.99	5,410,709	--	0	--	--	0	--
July-Sept.	0.99	5,608,850	--	0	--	--	0	--

[1] Product 4: "T-shirt sack"-style bag with (a) dimensions 15-16" width x 7-9" side x 27-30" length, (b) 15-18 microns film thickness, (c) side gussets, and (d) printed with one or two colors on at least one side (5-30 percent ink coverage for entire bag). Typically, these PRCBs weigh between 21.8 and 33.4 pounds per 1,000 bags.

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

Table V-7

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 5[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

* * * * * * *

Table V-8

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 6[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

Period	United States		China (subject)			Indonesia		
	Price *(per pound)*	Quantity *(pounds)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*
2009: Jan.-Mar.	$***	***	$***	***	***	$***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2010: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	--	0	--
Oct.-Dec.	***	***	***	***	***	***	***	***
2011: Jan.-Mar.	***	***	***	***	***	--	0	--
Apr.-June	1.50	59,945	***	***	***	--	0	--
July-Sept.	***	***	***	***	***	--	0	--
Oct.-Dec.	***	***	***	***	***	--	0	--
2012: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	--	0	--
July-Sept.	***	***	--	0	--	--	0	--
Oct.-Dec.	***	***	--	0	--	--	0	--
2013: Jan.-Mar.	***	***	***	***	***	--	0	--
Apr.-June	***	***	--	0	--	--	0	--
July-Sept.	***	***	--	0	--	--	0	--
Oct.-Dec.	***	***	--	0	--	--	0	--
2014: Jan.-Mar.	***	***	--	0	--	--	0	--
Apr.-June	***	***	--	0	--	--	0	--
July-Sept.	***	***	--	0	--	--	0	--
Oct.-Dec.	***	***	--	0	--	--	0	--
2015: Jan.-Mar.	***	***	--	0	--	--	0	--
Apr.-June	***	***	--	0	--	--	0	--
July-Sept.	***	***	--	0	--	--	0	--

[1] Product 6: Die-cut-handle-style merchandise bags with (a) dimensions 15-17" width x 3-5" side x 20-25" length, (b) 20-24 microns film thickness, (c) side gussets, and (d) printed with at least two colors on at least one side (5-50 percent ink coverage for entire bag).

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

Table V-8--*Continued*

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 6[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

Period	United States		Thailand		
	Price *(per pound)*	Quantity *(pounds)*	Price *(per pound)*	Quantity *(pounds)*	Margin *(percent)*
2009: Jan.-Mar.	$***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
2010: Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	***	***	***
2011: Jan.-Mar.	***	***	--	0	--
Apr.-June	1.50	59,945	***	***	***
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
2012: Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
2013: Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
2014: Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
2015: Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--

[1] Product 6: Die-cut-handle-style merchandise bags with (a) dimensions 15-17" width x 3-5" side x 20-25" length, (b) 20-24 microns film thickness, (c) side gussets, and (d) printed with at least two colors on at least one side (5-50 percent ink coverage for entire bag).

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

Table V-9

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 7[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

* * * * * * *

Table V-10

PRCBs: Weighted-average f.o.b. prices and quantities of domestic and imported product 8[1] and margins of underselling/(overselling), by quarters, January 2009-September 2015

* * * * * * *

Figure V-2

PRCBs: Weighted-average prices and quantities of domestic and imported product 1, by quarters, January 2009-September 2015

* * * * * * *

Figure V-3

PRCBs: Weighted-average prices and quantities of domestic and imported product 2, by quarters, January 2009-September 2015

* * * * * * *

Figure V-4

PRCBs: Weighted-average prices and quantities of domestic and imported product 3, by quarters, January 2009-September 2015

* * * * * * *

Figure V-5

PRCBs: Weighted-average prices and quantities of domestic and imported product 4, by quarters, January 2009-September 2015

* * * * * * *

Figure V-6

PRCBs: Weighted-average prices and quantities of domestic and imported product 5, by quarters, January 2009-September 2015

* * * * * * *

Figure V-7

PRCBs: Weighted-average prices and quantities of domestic and imported product 6, by quarters, January 2009-September 2015

* * * * * * *

Figure V-8
PRCBs: Weighted-average prices and quantities of domestic and imported product 7, by quarters, January 2009-September 2015

* * * * * * *

Figure V-9
PRCBs: Weighted-average prices and quantities of domestic and imported product 8, by quarters, January 2009-September 2015

* * * * * * *

Price trends

In general, prices increased for most products from 2009 through 2014. Since the fourth quarter of 2014, however, prices for domestic and high-volume imports have declined. Table V-11 summarizes the price trends, by country and by product. As shown in the table, domestic price increases for the two largest volume pricing products, products 2 and 3, increased by 28.1 and 33.0 percent, respectively. The price of the domestically produced “T-shirt sack” PRCB products (products 1 to 4) increased, with increases ranging from 10.4 percent to 33.0 percent, while the prices of non-“T-shirt sack” PRCBs (products 5 to 8) were much more variable, ranging from a decrease of 13.0 percent to an increase of 39.6 percent. Among non-“T-shirt sack” products, prices of domestically produced products 5 and 6 generally displayed the greatest quarter-to-quarter variability, while product 7 stayed relatively level. Prices of product 8 from U.S. producers generally trended upward with smaller inter-quarter changes.

Many price series data for subject imports were only available during 2009 and, for some, 2010. Complete price series were only available for product 8 imported from China, and product 2 from Thailand, although price data were submitted for 26 of 27 quarters for product 3 from Thailand as well. Import price data for China’s pricing products did not display any consistent patterns across all products, but some trends were apparent. Prices for imported products 2, 3, 4, 5, and 6 imported from China increased irregularly between 2009 and 2012. There were no data reported after 2012 for products 2-4, but product 5 prices fluctuated through the third quarter of 2015. Prices for imported Chinese products 7 and 8 were highly variable, likely due to the variability in types of PRCBs included in the pricing product definitions and the many designs of high-end PRCBs. Price changes between 2009 and 2015 for imports from China ranged from a decrease of 23.8 percent to an increase of 111.8 percent. Import price data for Thailand’s pricing products generally followed the same trends as U.S. prices on these products, and increased 40.8 and 18.3 percent for products 2 and 3, respectively.

Table V-11
PRCBs: Summary of weighted-average f.o.b. prices for products 1-8 from the United States, China, and Thailand

Item	Number of quarters	Low price (per unit)	High price (per unit)	Change in price[1] (percent)
Product 1				
United States	27	0.99	1.30	10.4
Product 2				
United States	27	0.79	1.10	28.1
Thailand	27	0.64	1.10	40.8
Product 3				
United States	27	0.74	1.09	33.0
China	14	1.08	2.30	111.8
Thailand	26	0.63	1.12	18.3
Product 4				
United States	27	0.78	1.25	11.8
Product 5				
United States	27	0.95	1.49	32.3
China	23	1.45	3.32	101.8
Product 6				
United States	27	1.34	1.88	(13.0)
Product 7				
United States	27	1.99	3.09	2.7
China	16	1.42	7.64	53.8
Product 8				
United States	27	1.39	2.11	39.6
China	27	1.27	3.84	(23.8)

[1] Percentage change is calculated using data from the first quarter in which data were available in the first year to the last quarter in which data were available if it is among the last four quarters of the period of review.

Note.--Due to the timing and limited nature of the data for Indonesia, Malaysia, Taiwan, Vietnam, and, to a lesser extent, Thailand, comparisons across the entire time period are not included in this table.

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

Price comparisons

As shown in tables V-12 and V-13, prices for PRCBs imported from subject sources in China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam were below those for U.S.-produced product in 70 of 288 instances (24.3 percent). Margins of underselling for these 70 instances ranged from 0.7 to 55.9 percent and averaged 13.4 percent. In the remaining 218 instances where subject PRCBs were priced above those from the United States, margins of overselling ranged between 0.0 and 269.6 percent above prices for the domestic product. Most frequently, instances of overselling (108 of 218) occurred when comparing domestic PRCBs to those

Table V-12

PRCBs: Instances of underselling/overselling and the range and average of margins, by country, January 2009-September 2015[1]

Source	Number of quarters of underselling	Number of quarters of (overselling)	Margins of underselling Average (percent)	Margins of underselling Range (percent) Min	Margins of underselling Range (percent) Max	Margins of (overselling) Average (percent)	Margins of (overselling) Range (percent) Min	Margins of (overselling) Range (percent) Max
China								
Product 1	***	***	--	--	--	***	***	***
Product 2	***	***	--	--	--	***	***	***
Product 3	***	***	--	--	--	***	***	***
Product 4	***	***	--	--	--	***	***	***
Product 5	***	***	--	--	--	***	***	***
Product 6	***	***	***	***	***	***	***	***
Product 7	***	***	***	***	***	***	***	***
Product 8	***	***	***	***	***	***	***	***
Total	7	108	24.1	1.8	36.8	(77.4)	(0.0)	(269.6)
Indonesia								
Product 1	0	1	--	--	--	***	***	***
Product 3	0	4	--	--	--	***	***	***
Product 4	0	1	--	--	--	***	***	***
Product 5	0	7	--	--	--	***	***	***
Product 6	4	4	***	***	***	***	***	***
Product 7	0	8	--	--	--	***	***	***
Product 8	1	6	***	***	***	***	***	***
Total	5	31	11.1	1.0	31.8	(39.5)	(2.3)	(156.6)
Taiwan								
Product 1	2	2	***	***	***	(8.1)	(5.7)	(10.5)
Product 2	0	4	--	--	--	(5.5)	(0.8)	(13.0)
Product 3	0	4	--	--	--	(14.3)	(8.7)	(17.6)
Total	2	10	5.0	2.5	7.5	(9.5)	(0.8)	(17.6)
Thailand								
Product 1	2	5	***	***	***	***	***	***
Product 2	15	12	***	***	***	***	***	***
Product 3	22	4	***	***	***	***	***	***
Product 4	0	7	--	--	--	***	***	***
Product 5	6	6	***	***	***	***	***	***
Product 6	2	0	***	***	***			
Product 7	2	5	***	***	***	***	***	***
Product 8	2	12	***	***	***	***	***	***
Total	51	51	13.0	0.7	55.9	(34.1)	(0.5)	(187.6)
Vietnam								
Product 1	0	4	--	--	--	***	***	***
Product 2	0	4	--	--	--	***	***	***
Product 3	0	4	--	--	--	***	***	***
Product 4	0	4	--	--	--	***	***	***
Product 5	3	1	***	***	***	***	***	***
Product 7	2	1	***	***	***	***	***	***
Total	5	18	8.0	1.1	16.2	(24.4)	(0.5)	(63.8)
Grand Total	70	218	13.4	0.7	55.9	(54.4)	(0.0)	(269.6)

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

Table V-13

PRCBs: Instances of underselling/overselling and the range and average of margins, by country, January 2009-September 2015

Source	Underselling				
	Number of quarters	Quantity[1] (units)	Average margin (percent)	Margin range (percent)	
				Min	Max
China	7	***	24.1	1.8	36.8
Indonesia	5	***	11.1	1.0	31.8
Taiwan	2	***	5.0	2.5	7.5
Thailand	51	***	13.0	0.7	55.9
Vietnam	5	***	8.0	1.1	16.2
Total	70	295,256,744	13.4	0.7	55.9
Source	**(Overselling)**				
	Number of quarters	**Quantity[1] (units)**	**Average margin (percent)**	**Margin range (percent)**	
				Min	**Max**
China	108	***	(77.4)	(0.0)	(269.6)
Indonesia	31	***	(39.5)	(2.3)	(156.6)
Taiwan	10	***	(9.5)	(0.8)	(17.6)
Thailand	51	***	(34.1)	(0.5)	(187.6)
Vietnam	18	***	(24.4)	(0.5)	(63.8)
Total	218	91,571,401	(54.4)	(0.0)	(269.6)

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

[1] Quantity represents the quantity of subject imports during a quarter in which the average price was underselling or overselling U.S. product across all pricing products.

imported from China. With respect to Thailand, the country with the largest volumes of imported pricing products, the number of quarters of underselling and overselling were equally split (51 quarters each), although the volume of Thai imports that undersold domestic PRCBs was much greater than the volume that oversold domestic PRCBs (294 million pounds compared with 69 million pounds).

In the original investigations, subject imports from China, Malaysia, and Thailand combined were priced lower than domestic product in 110 of 201 comparisons, with underselling margins ranging from 0.0 to 60.3 percent; subject imports from Indonesia, Taiwan, and Vietnam combined were priced lower than domestic product in 150 of 257 comparisons, with underselling margins ranging from 0.1 to 64.4 percent.[14]

[14] *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Inv. Nos. 731-TA-1043-45 (Review)*, USITC Publication 4160, June 2010, p. V-13, and *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam, Inv. Nos. 701-TA-462 and 731-TA-1156-58 (Final)*, USITC Publication 4144, April 2010, p. V-15.

Direct imports

Four importers reported imports consisted of PRCBs for internal consumption (i.e., used by itself for its customers to transport purchases): ***. Of these four, *** imported PRCBs that could be classified as pricing products from ***. *** imported from nonsubject countries. *** reported some information about the types of bags they imported. *** specifications indicate that its PRCBs correspond to Product 3. Table V-14 presents the cost per 1,000 bags of *** imports as well as the quantities imported and a converted price per pound for ***.

Table V-14
PRCBs: F.o.b. prices and quantities of directly imported pricing products, by year, 2009-2014 and January to September 2015

* * * * * * *

Bidding price data

As also averred during the 2010 final investigation regarding PRCBs from Indonesia, Taiwan, and Vietnam, a witness for Petitioners testified that 75 percent of U.S. consumption is supplied through internet bids.[15] This witness also stated that Walmart only purchases via internet bids.[16] Bidding events can be as short as two hours, or may last into a second day. The contracts bid upon are more often for a fixed amount of time than a fixed quantity, but it could be both. The contracts may have resin price escalation/de-escalation clauses built into them, which Petitioners' witness reported is something that was added only after the duties were put in place.[17]

In the current reviews, purchasers were asked for specific data regarding their top four bidding events in terms of quantity since January 1, 2009, if they had participated in any. Although a few firms provided some detailed information, most firms did not respond to this question, and the reported information was not always directly comparable. In total, seven firms provided some data regarding these bids. The largest of these were ***. The data that they provided are presented in table V-15.

Purchasers were asked to identify which factors other than price helped determine the winner of the auction. *** indicated that history with the supplier was the factor, and *** similarly reported that the reputation of the supplier, along with the supplier's track record and the ease of doing business with were its non-price factors. *** stated that quality was the factor, while ***'s factors included quality, freight cost, and manufacturing capacity. *** pointed to the bags' physical characteristics and tolerances: "Bag dimensions, case weight,

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[15] *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam, Inv. Nos. 701-TA-462 and 731-TA-1156-58 (Final)*, USITC Publication 4144, April 2010, p. V-2, and hearing transcript, p. 36 (Lawson).

[16] Hearing transcript, p. 36 (Lawson).

[17] Hearing transcript, pp. 58-59 (Daniels and Lawson) and 93 (Bazbaz).

gauge, dispenser loading, dispensing performance, wet test, opacity, jog test, stretch test, impact resistance, ash test, and evaluation for the presence of toxic materials.” Finally, *** stated that there were no factors other than price.

Table V-15
PRCBs: Purchaser responses regarding their top four bidding events since January 1, 2009

*   *   *   *   *   *   *

APPENDIX A

FEDERAL REGISTER NOTICES

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

Citation	Title	Link
80 FR 17490 April 1, 2015	*Polyethylene Retail Carrier Bags From China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam; Institution of Five-Year Reviews*	http://www.gpo.gov/fdsys/pkg/FR-2015-04-01/pdf/2015-06936.pdf
80 FR 17388 April 1, 2015	*Polyethylene Retail Carrier Bags from Indonesia, Malaysia, Republic of China, Taiwan, Thailand, and Vietnam: Initiation of Five-Year ("Sunset") Review*	http://www.gpo.gov/fdsys/pkg/FR-2015-04-01/pdf/2015-07500.pdf
80 FR 43118 July 21, 2015	*Polyethylene Retail Carrier Bags From China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam; Notice of Commission Determination To Conduct Full Five-Year Reviews*	https://www.gpo.gov/fdsys/pkg/FR-2015-07-21/pdf/2015-17773.pdf
80 FR 39997 July 13, 2015	*Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*	https://www.gpo.gov/fdsys/pkg/FR-2015-07-13/pdf/2015-17071.pdf
80 FR 46539 August 5, 2015	*Polyethylene Retail Carrier Bags From the Socialist Republic of Vietnam: Final Results of Expedited First Sunset Review of the Countervailing Duty Order*	https://www.gpo.gov/fdsys/pkg/FR-2015-08-05/pdf/2015-19248.pdf
80 FR 62110 October 15, 2015	*Polyethylene Retail Carrier Bags From China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam; Scheduling of Full Five-Year Reviews*	https://www.gpo.gov/fdsys/pkg/FR-2015-10-15/pdf/2015-26126.pdf

APPENDIX B

LIST OF HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

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

Subject:	Polyethylene Retail Carrier Bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam
Inv. Nos.:	701-TA-462 and 731-TA-1156-1158 (Review) and 731-TA-1043-1045 (Second Review)
Date and Time:	February 18, 2016 - 9:30 a.m.

A session was held in connection with these investigations in the Main Hearing Room (room 101), 500 E Street, SW, Washington, DC.

OPENING REMARKS:

In Support of Continuation of Orders (**Stephen A. Jones**, King & Spalding LLP)
In Opposition of Continuation of Orders (**Edmund W. Sim**, Appleton Luff PTE Ltd.)

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

King & Spalding LLP
Washington, DC
on behalf of

Polyethylene Retail Carrier Bags Committee ("the Committee")

Isaac Bazbaz, Director, Superbag Corporation

Laura Ledbetter, Sales Vice President, Superbag Corporation

Mark T. Daniels, Senior Vice President, Sustainability and Environmental Policy, Novolex Holdings, Inc.

In Support of the Continuation of
<u>the Antidumping and Countervailing Duty Orders: (continued):</u>

Frank Lawson, Vice President, Sales, Novolex Holdings, Inc.

Jennifer Lutz, Senior Economist, Economic Consulting Services, LLC

Stephen A. Jones)
J. Michael Taylor) – OF COUNSEL
Joshua M. Snead)

In Opposition of the Continuation of
<u>the Antidumping and Countervailing Duty Orders:</u>

Appleton Luff PTE Ltd.
Washington, DC
<u>on behalf of</u>

Task Force of Polyethylene Retail Carrier Bag Manufacturers
of the Malaysian Plastics Manufacturers Association ("Task Force")

Edmund W. Sim)
) – OF COUNSEL
Kelly A. Slater)

<u>REBUTTAL/CLOSING REMARKS:</u>

In Support of Continuation of Orders (**J. Michael Taylor**, King & Spalding LLP)
In Opposition of Continuation of Orders (**Edmund W. Sim**, Appleton Luff PTE Ltd.)

-END-

APPENDIX C

SUMMARY DATA

Table C-1
PRCBs: Summary data concerning the U.S. market, 2009-14, January to September 2014, and January to September 2015

(Quantity=1,000 bags; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per 1,000 bags; Period changes=percent--exceptions noted)

	Reported data							
	Calendar year						January to September	
	2009	2010	2011	2012	2013	2014	2014	2015
U.S. consumption quantity:								
Amount	95,258,394	100,064,227	99,250,295	103,777,785	101,080,012	103,465,134	74,720,990	76,887,278
Producers' share (fn1)	69.6	72.6	72.8	70.9	74.5	71.1	72.9	68.9
Importers' share (fn1):								
China, subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia, subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand, subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China, nonsubject	***	***	***	***	***	***	***	***
Malaysia, nonsubject	***	***	***	***	***	***	***	***
Thailand, nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total imports	30.4	27.4	27.2	29.1	25.5	28.9	27.1	31.1
U.S. consumption value:								
Amount	1,079,461	1,283,734	1,348,977	1,341,148	1,418,554	1,500,966	1,084,633	1,044,845
Producers' share (fn1)	70.3	73.4	74.9	74.2	74.9	74.7	75.5	73.4
Importers' share (fn1):								
China, subject	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***
Malaysia, subject	***	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***	***
Thailand, subject	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
China, nonsubject	***	***	***	***	***	***	***	***
Malaysia, nonsubject	***	***	***	***	***	***	***	***
Thailand, nonsubject	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
Total imports	29.7	26.6	25.1	25.8	25.1	25.3	24.5	26.6
U.S. imports from								
China, subject:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Indonesia:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Malaysia, subject:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Taiwan:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Thailand, subject:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Vietnam:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Subject sources								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***

Table continued next page.

Table C-1--Continued
PRCBs: Summary data concerning the U.S. market, 2009-14, January to September 2014, and January to September 2015

(Quantity=1,000 bags; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per 1,000 bags; Period changes=percent--exceptions noted)

	Reported data							
	Calendar year						January to September	
	2009	2010	2011	2012	2013	2014	2014	2015
U.S. imports from								
China, nonsubject:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Malaysia, nonsubject:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Thailand, nonsubject:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
All other sources:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Nonsubject sources:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Total imports:								
Quantity	29,004,138	27,462,281	26,999,312	30,239,920	25,776,033	29,909,126	20,271,431	23,894,065
Value	320,339	341,784	338,381	346,290	355,537	380,128	265,853	278,451
Unit value	$11.04	$12.45	$12.53	$11.45	$13.79	$12.71	$13.11	$11.65
Ending inventory quantity	***	***	***	***	***	***	***	***
U.S. producers':								
Average capacity quantity	86,882,830	88,283,460	90,719,374	89,430,483	90,355,808	90,253,452	67,869,630	67,567,051
Production quantity	67,299,968	73,713,044	74,271,847	75,123,749	76,902,874	76,142,156	57,137,408	55,641,472
Capacity utilization (fn1)	77.5	83.5	81.9	84.0	85.1	84.4	84.2	82.4
U.S. shipments:								
Quantity	66,254,256	72,601,946	72,250,983	73,537,865	75,303,979	73,556,008	54,449,559	52,993,213
Value	759,122	941,950	1,010,596	994,858	1,063,017	1,120,838	818,780	766,394
Unit value	$11.46	$12.97	$13.99	$13.53	$14.12	$15.24	$15.04	$14.46
Export shipments:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	2,276,472	1,871,742	2,142,918	1,956,460	1,594,688	2,106,408	2,747,867	2,972,604
Inventories/total shipments (fn1)	***	***	***	***	***	***	***	***
Production workers	2,695	2,770	2,838	2,918	2,955	2,954	2,720	3,065
Hours worked (1,000s)	5,751	6,097	6,154	6,416	6,754	6,629	5,015	5,209
Wages paid ($1,000)	103,294	109,789	116,165	117,808	124,734	128,916	98,581	98,871
Hourly wages	$17.96	$18.01	$18.88	$18.36	$18.47	$19.45	$19.66	$18.98
Productivity (bags per hour)	11,702	12,090	12,069	11,709	11,386	11,486	11,393	10,682
Unit labor costs	$1.53	$1.49	$1.56	$1.57	$1.62	$1.69	$1.73	$1.78
Net Sales:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***
Net income or (loss)	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***
Unit net income or (loss)	***	***	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***
Net income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***

Table continued next page.

Table C-1--Continued
PRCBs: Summary data concerning the U.S. market, 2009-14, January to September 2014, and January to September 2015

(Quantity=1,000 bags; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per 1,000 bags; Period changes=percent--exceptions noted)

	Period changes						
	Calendar year comparisons						Jan-Sept
	2009-14	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
U.S. consumption quantity:							
Amount	8.6	5.0	(0.8)	4.6	(2.6)	2.4	2.9
Producers' share (fn1)	1.5	3.0	0.2	(1.9)	3.6	(3.4)	(3.9)
Importers' share (fn1):							
China, subject	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Malaysia, subject	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand, subject	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
China, nonsubject	***	***	***	***	***	***	***
Malaysia, nonsubject	***	***	***	***	***	***	***
Thailand, nonsubject	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All others sources	***	***	***	***	***	***	***
Total imports	(1.5)	(3.0)	(0.2)	1.9	(3.6)	3.4	3.9
U.S. consumption value:							
Amount	39.0	18.9	5.1	(0.6)	5.8	5.8	(3.7)
Producers' share (fn1)	4.4	3.1	1.5	(0.7)	0.8	(0.3)	(2.1)
Importers' share (fn1):							
China, subject	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Malaysia, subject	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand, subject	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
China, nonsubject	***	***	***	***	***	***	***
Malaysia, nonsubject	***	***	***	***	***	***	***
Thailand, nonsubject	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All others sources	***	***	***	***	***	***	***
Total imports	(4.4)	(3.1)	(1.5)	0.7	(0.8)	0.3	2.1
U.S. imports from							
China, subject:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Indonesia:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Malaysia, subject:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Taiwan:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Thailand, subject:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Vietnam:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Subject sources:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***

Table continued next page.

Table C-1--Continued
PRCBs: Summary data concerning the U.S. market, 2009-14, January to September 2014, and January to September 2015

(Quantity=1,000 bags; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per 1,000 bags; Period changes=percent--exceptions noted)

	Period changes						
	Calendar year comparisons						Jan-Sept
	2009-14	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
U.S. imports from							
China, nonsubject:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Malaysia, nonsubject:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Thailand, nonsubject:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
All other sources:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Nonsubject sources:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Total imports:							
Quantity	3.1	(5.3)	(1.7)	12.0	(14.8)	16.0	17.9
Value	18.7	6.7	(1.0)	2.3	2.7	6.9	4.7
Unit value	15.1	12.7	0.7	(8.6)	20.5	(7.9)	(11.1)
Ending inventory quantity	***	***	***	***	***	***	***
U.S. producers':							
Average capacity quantity	3.9	1.6	2.8	(1.4)	1.0	(0.1)	(0.4)
Production quantity	13.1	9.5	0.8	1.1	2.4	(1.0)	(2.6)
Capacity utilization (fn1)	6.9	6.0	(1.6)	2.1	1.1	(0.7)	(1.8)
U.S. shipments:							
Quantity	11.0	9.6	(0.5)	1.8	2.4	(2.3)	(2.7)
Value	47.6	24.1	7.3	(1.6)	6.9	5.4	(6.4)
Unit value	33.0	13.2	7.8	(3.3)	4.3	7.9	(3.8)
Export shipments:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Inventories/total shipments (fn1)	***	***	***	***	***	***	***
Production workers	9.6	2.8	2.5	2.8	1.3	(0.0)	12.7
Hours worked (1,000s)	15.3	6.0	0.9	4.3	5.3	(1.9)	3.9
Wages paid ($1,000)	24.8	6.3	5.8	1.4	5.9	3.4	0.3
Hourly wages	8.3	0.3	4.8	(2.7)	0.6	5.3	(3.4)
Productivity (1,000 bags per hour)	(1.8)	3.3	(0.2)	(3.0)	(2.8)	0.9	(6.2)
Unit labor costs	10.3	(3.0)	5.0	0.3	3.4	4.4	3.0
Net Sales:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***
Gross profit of (loss)	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***
Net income or (loss)	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***
Unit net income or (loss)	***	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***
Net income or (loss)/sales (fn1)	***	***	***	***	***	***	***

Notes:
fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--***.
fn3.--***.
fn4.--***.

Source: Compiled from data submitted in response to Commission questionnaires, and ***. See parts III, IV, and VI for a detailed discussion of sources.

HISTORICAL DATA

Table C-1
All PRCBs: Summary data concerning the U.S. market, 2004-09

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

	Reported data						Period changes					
Item	2004	2005	2006	2007	2008	2009	2004-09	2004-05	2005-06	2006-07	2007-08	2008-09
U.S. consumption quantity:												
Amount	***	***	***	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***	***	***	***
Subject sources - Importers' share (1):												
China	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***	***	***	***	***
Nonsubject sources - Importers' share:												
China	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal, nonsubject	***	***	***	***	***	***	***	***	***	***	***	***
Total U.S. imports	***	***	***	***	***	***	***	***	***	***	***	***
U.S. consumption value:												
Amount	***	***	***	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***	***	***	***
Subject sources - Importers' share (1):												
China	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***	***	***	***	***
Nonsubject sources - Importers' share:												
China	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal, nonsubject	***	***	***	***	***	***	***	***	***	***	***	***
Total U.S. imports	***	***	***	***	***	***	***	***	***	***	***	***
U.S. imports from:												
China, subject:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia, subject:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Thailand, subject:												
Quantity	5,789,506	11,034,532	17,037,139	5,899,864	7,794,664	3,655,709	-36.9	90.6	54.4	-65.4	32.1	-53.1
Value	40,829	79,837	100,939	76,002	100,492	39,059	-4.3	95.5	26.4	-24.7	32.2	-61.1
Unit value	$7.05	$7.24	$5.92	$12.88	$12.89	$10.68	51.5	2.6	-18.1	117.4	0.1	-17.1
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***

Table continued on next page.

Table C-1 --*Continued*

All PRCBs: Summary data concerning the U.S. market, 2004-09

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

	Reported data						Period changes					
Item	2004	2005	2006	2007	2008	2009	2004-09	2004-05	2005-06	2006-07	2007-08	2008-09
Subtotal, subject:												
Quantity	12,618,338	17,574,755	23,526,589	10,574,169	13,655,013	8,910,671	-29.4	39.3	33.9	-55.1	29.1	-34.7
Value	95,437	146,402	159,707	142,671	170,429	90,616	-5.1	53.4	9.1	-10.7	19.5	-46.8
Unit value	$7.56	$8.33	$6.79	$13.49	$12.48	$10.17	34.5	10.1	-18.5	98.8	-7.5	-18.5
Ending inventory quantity	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
China, nonsubject:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia, nonsubject:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All other sources:												
Quantity (3)	4,109,628	4,670,359	12,858,117	19,421,619	17,530,327	14,008,206	240.9	13.6	175.3	51.0	-9.7	-20.1
Value	36,342	44,641	130,132	238,470	249,165	142,143	291.1	22.8	191.5	83.3	4.5	-43.0
Unit value	$8.84	$9.56	$10.12	$12.28	$14.21	$10.15	14.7	8.1	5.9	21.3	15.8	-28.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal, nonsubject:												
Quantity	5,137,256	9,478,087	18,410,756	24,961,782	22,709,208	21,631,674	321.1	84.5	94.2	35.6	-9.0	-4.7
Value	43,237	68,898	190,188	323,881	333,969	214,511	396.1	59.4	176.0	70.3	3.1	-35.8
Unit value	$8.42	$7.27	$10.33	$12.98	$14.71	$9.92	17.8	-13.6	42.1	25.6	13.3	-32.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All sources:												
Quantity	17,755,595	27,052,842	41,937,345	35,535,951	36,364,221	30,542,345	72.0	52.4	55.0	-15.3	2.3	-16.0
Value	138,674	215,300	349,895	466,552	504,398	305,127	120.0	55.3	62.5	33.3	8.1	-39.5
Unit value	$7.81	$7.96	$8.34	$13.13	$13.87	$9.99	27.9	1.9	4.8	57.4	5.6	-28.0
Ending inventory quantity	1,105,764	1,843,128	2,141,470	3,587,728	4,173,052	4,291,448	288.1	66.7	16.2	67.5	16.3	2.8
U.S. producers':												
Average capacity quantity	***	***	***	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***	***	***	***
U.S. shipments:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Export shipments:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***	***	***	***
Wages paid ($1,000s)	***	***	***	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***	***	***	***
Productivity (bags per hour)	***	***	***	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***	***	***	***
Net sales:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***	***	***	***

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

(2) Inventory data for China and Malaysia are not available broken out between subject and nonsubject PRCBs.

(3) Data for All Other Sources for 2006 adjusted to include PRCBs imported under HTS statistical reporting number 3923.21.0095.

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.

Note.--Importers' inventories are based on questionnaire data and were not reported as "subject" and "nonsubject" so only total inventories are presented.

Source: Compiled from data submitted in response to Commission questionnaires, from proprietary Customs data, and from official Commerce statistics.

Table C-1
All PRCBs: Summary data concerning the U.S. market, 2006-08, January-September 2008, and January-September 2009

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

	Reported data					Period changes			
				January-September					Jan.-Sept.
Item	2006	2007	2008	2008	2009	2006-08	2006-07	2007-08	2008-09
U.S. consumption quantity:									
Amount	108,266,796	105,303,892	101,449,633	74,422,263	74,546,715	-6.3	-2.7	-3.7	0.2
Producers' share (1)	61.7	66.3	64.2	64.9	66.8	2.5	4.6	-2.1	1.9
Importers' share (1):									
Indonesia	1.5	3.2	2.8	3.2	2.0	1.3	1.8	-0.4	-1.2
Taiwan	2.0	3.8	4.5	4.8	3.0	2.5	1.8	0.7	-1.8
Vietnam	2.8	6.9	7.1	6.8	7.8	4.3	4.1	0.2	1.0
Subtotal	6.3	13.9	14.4	14.8	12.7	8.1	7.6	0.4	-2.0
China. Malaysia, and Thailand	26.9	15.3	18.6	17.4	16.6	-8.3	-11.6	3.3	-0.7
All other sources	5.1	4.5	2.9	3.0	3.8	-2.2	-0.6	-1.6	0.8
Total imports	38.3	33.7	35.8	35.1	33.2	-2.5	-4.6	2.1	-1.9
U.S. consumption value:									
Amount	1,294,816	1,389,493	1,487,404	1,085,214	793,447	14.9	7.3	7.0	-26.9
Producers' share (1)	74.0	66.4	66.1	66.9	71.1	-8.0	-7.6	-0.3	4.2
Importers' share (1):									
Indonesia	2.0	3.3	2.8	3.0	1.6	0.8	1.3	-0.5	-1.4
Taiwan	1.5	3.0	3.8	4.0	2.5	2.3	1.5	0.8	-1.4
Vietnam	1.5	5.3	5.9	5.5	5.6	4.4	3.8	0.6	0.1
Subtotal	5.0	11.7	12.5	12.5	9.7	7.5	6.7	0.9	-2.8
China. Malaysia, and Thailand	17.0	16.4	17.2	16.4	14.2	0.2	-0.6	0.7	-2.2
All other sources	4.0	5.5	4.2	4.2	5.0	0.2	1.5	-1.3	0.8
Total imports	26.0	33.6	33.9	33.1	28.9	8.0	7.6	0.3	-4.2
U.S. imports from:									
Indonesia:									
Quantity	1,592,965	3,396,505	2,819,569	2,365,162	1,469,854	77.0	113.2	-17.0	-37.9
Value	25,400	45,808	40,948	33,005	12,998	61.2	80.3	-10.6	-60.6
Unit value	$15.95	$13.49	$14.52	$13.95	$8.84	-8.9	-15.4	7.7	-36.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Taiwan:									
Quantity	2,171,587	3,988,867	4,575,499	3,561,990	2,215,669	110.7	83.7	14.7	-37.8
Value	19,454	42,318	56,848	42,993	20,008	192.2	117.5	34.3	-53.5
Unit value	$8.96	$10.61	$12.42	$12.07	$9.03	38.7	18.4	17.1	-25.2
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Vietnam:									
Quantity	3,061,998	7,288,037	7,192,325	5,055,117	5,811,440	134.9	138.0	-1.3	15.0
Value	19,734	73,757	88,189	59,982	44,323	346.9	273.8	19.6	-26.1
Unit value	$6.44	$10.12	$12.26	$11.87	$7.63	90.3	57.0	21.2	-35.7
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Subtotal:									
Quantity	6,826,550	14,673,409	14,587,393	10,982,269	9,496,963	113.7	114.9	-0.6	-13.5
Value	64,588	161,884	185,986	135,980	77,328	188.0	150.6	14.9	-43.1
Unit value	$9.46	$11.03	$12.75	$12.38	$8.14	34.8	16.6	15.6	-34.2
Ending inventory quantity	668,553	1,184,206	1,485,017	1,615,175	1,584,666	122.1	77.1	25.4	-1.9
China. Malaysia, and Thailand:									
Quantity	29,079,228	16,114,332	18,833,894	12,928,070	12,408,875	-35.2	-44.6	16.9	-4.0
Value	219,763	228,082	255,232	177,532	112,403	16.1	3.8	11.9	-36.7
Unit value	$7.56	$14.15	$13.55	$13.73	$9.06	79.3	87.3	-4.3	-34.0
Ending inventory quantity	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
All other sources:									
Quantity	5,575,003	4,748,210	2,942,934	2,212,148	2,829,145	-47.2	-14.8	-38.0	27.9
Value	51,774	76,586	63,180	46,116	39,907	22.0	47.9	-17.5	-13.5
Unit value	$9.29	$16.13	$21.47	$20.85	$14.11	131.2	73.7	33.1	-32.3
Ending inventory quantity	1,525,185	2,500,051	2,575,341	2,552,719	2,480,862	68.9	63.9	3.0	-2.8
All sources:									
Quantity	41,480,781	35,535,951	36,364,221	26,122,487	24,734,983	-12.3	-14.3	2.3	-5.3
Value	336,125	466,552	504,398	359,628	229,639	50.1	38.8	8.1	-36.1
Unit value	$8.10	$13.13	$13.87	$13.77	$9.28	71.2	62.0	5.6	-32.6
Ending inventory quantity	2,193,738	3,684,257	4,060,358	4,167,894	4,065,528	85.1	67.9	10.2	-2.5

Table continued on next page.

Table C-1--Continued
All PRCBs: Summary data concerning the U.S. market, 2006-08, January-September 2008, and January-September 2009

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

	Reported data					Period changes			
				January-September					Jan.-Sept.
Item	2006	2007	2008	2008	2009	2006-08	2006-07	2007-08	2008-09
U.S. producers':									
Average capacity quantity	83,182,701	83,232,332	79,737,217	60,936,535	67,365,922	-4.1	0.1	-4.2	10.6
Production quantity	70,212,269	72,320,872	66,276,349	51,085,031	51,516,891	-5.6	3.0	-8.4	0.8
Capacity utilization (1)	84.4	86.9	83.1	83.8	76.5	-1.3	2.5	-3.8	-7.4
U.S. shipments:									
Quantity	66,786,015	69,767,941	65,085,412	48,299,776	49,811,732	-2.5	4.5	-6.7	3.1
Value	958,691	922,941	983,006	725,586	563,808	2.5	-3.7	6.5	-22.3
Unit value	$14.35	$13.23	$15.10	$15.02	$11.32	5.2	-7.8	14.2	-24.7
Export shipments:									
Quantity	2,207,673	2,351,519	2,209,901	1,574,534	1,400,301	0.1	6.5	-6.0	-11.1
Value	37,645	38,575	30,330	21,908	16,549	-19.4	2.5	-21.4	-24.5
Unit value	$17.05	$16.40	$13.72	$13.91	$11.82	-19.5	-3.8	-16.3	-15.1
Ending inventory quantity	3,800,923	3,995,589	2,976,270	5,202,339	3,350,997	-21.7	5.1	-25.5	-35.6
Inventories/total shipments (1)	5.5	5.5	4.4	7.8	4.9	-1.1	0.0	-1.1	-2.9
Production workers	3,495	3,160	2,971	3,011	2,874	-15.0	-9.6	-6.0	-4.5
Hours worked (1,000s)	7,597	7,154	6,903	5,108	4,903	-9.1	-5.8	-3.5	-4.0
Wages paid ($1,000s)	95,452	105,602	103,881	80,564	75,528	8.8	10.6	-1.6	-6.3
Hourly wages	$12.56	$14.76	$15.05	$15.77	$15.41	19.8	17.5	1.9	-2.3
Productivity (bags per hour)	9,242	10,109	9,601	10,001	10,508	3.9	9.4	-5.0	5.1
Unit labor costs	$1.36	$1.46	$1.57	$1.58	$1.47	15.3	7.4	7.3	-7.0
Net sales:									
Quantity	68,728,820	72,926,211	67,241,013	49,874,583	51,209,397	-2.2	6.1	-7.8	2.7
Value	996,078	971,203	1,008,444	747,446	580,137	1.2	-2.5	3.8	-22.4
Unit value	$14.49	$13.32	$15.00	$14.99	$11.33	3.5	-8.1	12.6	-24.4
Cost of goods sold (COGS)	896,911	874,034	937,213	689,309	502,469	4.5	-2.6	7.2	-27.1
Gross profit or (loss)	99,167	97,169	71,231	58,137	77,668	-28.2	-2.0	-26.7	33.6
SG&A expenses	94,307	90,407	103,228	62,737	53,070	9.5	-4.1	14.2	-15.4
Operating income or (loss)	4,860	6,762	(31,997)	(4,600)	24,598	(2)	39.1	(2)	(2)
Capital expenditures	38,799	17,643	14,548	10,300	6,044	-62.5	-54.5	-17.5	-41.3
Unit COGS	$13.05	$11.99	$13.94	$13.82	$9.81	6.8	-8.2	16.3	-29.0
Unit SG&A expenses	$1.37	$1.24	$1.54	$1.26	$1.04	11.9	-9.7	23.8	-17.6
Unit operating income or (loss)	$0.07	$0.09	($0.48)	($0.09)	$0.48	(2)	31.1	(2)	(2)
COGS/sales (1)	90.0	90.0	92.9	92.2	86.6	2.9	-0.0	2.9	-5.6
Operating income or (loss)/ sales (1)	0.5	0.7	-3.2	-0.6	4.2	-3.7	0.2	-3.9	4.9

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Not available/not applicable.

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-1
All PRCBs: Summary data concerning the U.S. market, 2001-03

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

	Reported data			Period changes		
Item	2001	2002	2003	2001-03	2001-02	2002-03
U.S. consumption quantity:						
Amount	77,055,893	82,020,663	87,506,101	13.6	6.4	6.7
Producers' share (1)	88.0	84.0	77.0	-11.0	-4.1	-6.9
Subject importers' share (1):						
China	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***
Thailand	***	***	***	***	***	***
Subtotal, subject	10.5	13.5	18.6	8.1	3.0	5.1
Nonsubject importers' share (1):						
China	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***
Thailand	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Subtotal, nonsubject	1.5	2.5	4.4	2.9	1.0	1.9
Total imports	12.0	16.0	23.0	11.0	4.1	6.9
U.S. consumption value:						
Amount	971,140	935,596	995,491	2.5	-3.7	6.4
Producers' share (1)	87.7	83.1	77.6	-10.1	-4.6	-5.5
Subject importers' share (1):						
China	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***
Thailand	***	***	***	***	***	***
Subtotal, subject	11.0	14.6	18.9	7.9	3.7	4.2
Nonsubject importers' share (1):						
China	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***
Thailand	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Subtotal, nonsubject	1.3	2.2	3.6	2.2	0.9	1.3
Total imports	12.3	16.9	22.4	10.1	4.6	5.5
U.S. shipments of imports from:						
China (subject):						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Malaysia (subject):						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Thailand (subject):						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Subtotal (subject):						
Quantity	8,067,760	11,073,090	16,234,869	101.2	37.3	46.6
Value	106,508	137,008	187,718	76.2	28.6	37.0
Unit value	$13.20	$12.37	$11.56	-12.4	-6.3	-6.5
Ending inventory quantity	1,456,608	1,934,949	2,356,441	61.8	32.8	21.8

Table continued on next page.

Table C-1--Continued
All PRCBs: Summary data concerning the U.S. market, 2001-03

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

Item	Reported data			Period changes		
	2001	2002	2003	2001-03	2001-02	2002-03
U.S. shipments of imports from:						
China (nonsubject):						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Malaysia (nonsubject):						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Thailand (nonsubject):						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
All other sources:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Subtotal (nonsubject):						
Quantity	1,145,531	2,073,817	3,850,971	236.2	81.0	85.7
Value	12,909	20,870	35,479	174.8	61.7	70.0
Unit value	$11.27	$10.06	$9.21	-18.2	-10.7	-8.5
Ending inventory quantity	***	***	***	***	***	***
All sources:						
Quantity	9,213,290	13,146,907	20,085,840	118.0	42.7	52.8
Value	119,417	157,878	223,197	86.9	32.2	41.4
Unit value	$12.96	$12.01	$11.11	-14.3	-7.3	-7.5
Ending inventory quantity	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued
All PRCBs: Summary data concerning the U.S. market, 2001-03

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

	Reported data			Period changes		
Item	2001	2002	2003	2001-03	2001-02	2002-03
U.S. producers':						
Average capacity quantity	84,307,568	87,194,502	88,108,015	4.5	3.4	1.0
Production quantity	68,918,284	69,275,404	67,260,527	-2.4	0.5	-2.9
Capacity utilization (1)	81.7	79.4	76.3	-5.4	-2.3	-3.1
U.S. shipments:						
Quantity	67,842,603	68,873,756	67,420,261	-0.6	1.5	-2.1
Value	851,723	777,718	772,295	-9.3	-8.7	-0.7
Unit value	$12.55	$11.29	$11.45	-8.8	-10.1	1.4
Export shipments:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	4,667,815	4,005,465	2,888,366	-38.1	-14.2	-27.9
Inventories/total shipments (1)	***	***	***	***	***	***
Production workers	4,578	4,271	3,904	-14.7	-6.7	-8.6
Hours worked (1,000s)	9,447	9,004	8,327	-11.9	-4.7	-7.5
Wages paid ($1,000s)	125,385	123,524	114,814	-8.4	-1.5	-7.1
Hourly wages	$13.27	$13.72	$13.79	3.9	3.4	0.5
Productivity (units/hour)	7,295.5	7,693.6	8,077.8	10.7	5.5	5.0
Unit labor costs	$1.82	$1.78	$1.71	-6.2	-2.0	-4.3
Net sales:						
Quantity	68,567,027	69,448,037	68,451,856	-0.2	1.3	-1.4
Value	862,624	784,727	785,636	-8.9	-9.0	0.1
Unit value	$12.58	$11.30	$11.48	-8.8	-10.2	1.6
Cost of goods sold (COGS) . . .	724,372	669,068	702,598	-3.0	-7.6	5.0
Gross profit or (loss)	138,252	115,659	83,038	-39.9	-16.3	-28.2
SG&A expenses	84,112	82,922	76,908	-8.6	-1.4	-7.3
Operating income or (loss) . . .	54,140	32,737	6,130	-88.7	-39.5	-81.3
Capital expenditures	31,044	33,171	17,734	-42.9	6.9	-46.5
Unit COGS	$10.56	$9.63	$10.26	-2.8	-8.8	6.5
Unit SG&A expenses	$1.23	$1.19	$1.12	-8.4	-2.7	-5.9
Unit operating income or (loss)	$0.79	$0.47	$0.09	-88.7	-40.3	-81.0
COGS/sales (1)	84.0	85.3	89.4	5.5	1.3	4.2
Operating income or (loss)/ sales (1)	6.3	4.2	0.8	-5.5	-2.1	-3.4

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Not applicable.

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.

APPENDIX D

RESPONSES OF U.S. PRODUCERS, U.S. IMPORTERS, U.S. PURCHASERS, AND FOREIGN PRODUCERS CONCERNING THE SIGNIFICANCE OF THE ANTIDUMPING DUTY AND COUNTERVAILING DUTY ORDERS AND THE LIKELY EFFECTS OF REVOCATION

U.S. PRODUCERS' COMMENTS REGARDING THE SIGNIFICANCE OF THE ANTIDUMPING DUTY AND COUNTERVAILING DUTY ORDERS

Describe the significance of the existing countervailing duty and antidumping duty orders covering imports of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and/or Vietnam in terms of its effect on your firm's production capacity, production, U.S. shipments, inventories, purchases, employment, revenues, costs, profits, cash flow, capital expenditures, research and development expenditures, and asset values.

Note.–Throughout this appendix, responses have been presented as received.

*   *   *   *   *   *   *

U.S. PRODUCERS' COMMENTS REGARDING THE LIKELY EFFECTS OF REVOCATION OF THE ANTIDUMPING DUTY ORDERS

Would your firm anticipate any changes in its production capacity, production, U.S. shipments, inventories, purchases, employment, revenues, costs, profits, cash flow, capital expenditures, research and development expenditures, or asset values relating to the production of PRCBs in the future if the orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam were to be revoked?

Note.–Throughout this appendix, responses have been presented as received.

*   *   *   *   *   *   *

U.S. IMPORTERS' COMMENTS REGARDING THE SIGNIFICANCE OF THE ANTIDUMPING DUTY AND COUNTERVAILING DUTY ORDERS

Describe the significance of the existing countervailing duty and antidumping duty orders covering imports of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam in terms of its effect on your firm's imports, U.S. shipments of imports, and inventories.

Note.–Throughout this appendix, responses have been presented as received.

*   *   *   *   *   *   *

U.S. IMPORTERS’ COMMENTS REGARDING THE LIKELY EFFECTS OF REVOCATION OF THE ANTIDUMPING DUTY ORDERS

Would your firm anticipate any changes in its imports, U.S. shipments of imports, or inventories of PRCBs in the future if the countervailing duty and the antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam were to be revoked?

Note.–Throughout this appendix, responses have been presented as received.

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U.S. PURCHASERS’ COMMENTS REGARDING THE LIKELY EFFECTS OF REVOCATION OF THE COUNTERVAILING AND ANTIDUMPING DUTY ORDERS

What do you think will be the likely effects of any revocation of the countervailing and antidumping duty orders for imports of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam? As appropriate, please discuss any potential effects of revocation of the countervailing and antidumping duty orders on (1) the future activities of your firm and (2) the U.S. market as a whole. Please note the future time period to which you are referring.

(1) The future activities of the firm:

* * * * * * *

(2) The U.S. market as a whole:

* * * * * * *

FOREIGN PRODUCERS’ COMMENTS REGARDING THE LIKELY EFFECTS OF REVOCATION OF THE ORDERS

Describe the significance of the existing countervailing and antidumping duty orders covering imports of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam in terms of its effect on your firm’s production capacity, production, home market shipments, exports to the United States and other markets, and inventories. You may wish to compare your firm’s operations before and after the imposition of the order.

Note.–Throughout this appendix, responses have been presented as received.

* * * * * * *

FOREIGN PRODUCERS' COMMENTS REGARDING ANTICIPATED CHANGES IF THE ORDERS ARE REVOKED

Would your firm anticipate any changes in its production capacity, production, home market shipments, exports to the United States and other markets, or inventories relating to the production of PRCBs in the future if the countervailing and antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam were to be revoked?

Note.–Throughout this appendix, responses have been presented as received.

* * * * * * *

APPENDIX E

MONTHLY U.S. IMPORTS

Table E-1
PRCBs: Monthly subject U.S. imports, January 2009-September 2015

Item	Calendar year						
	2009	2010	2011	2012	2013	2014	2015
	Quantity (1,000 bags)						
U.S. imports from China subject.-- January	***	***	***	***	***	***	***
February	***	***	***	***	***	***	***
March	***	***	***	***	***	***	***
April	***	***	***	***	***	***	***
May	***	***	***	***	***	***	***
June	***	***	***	***	***	***	***
July	***	***	***	***	***	***	***
August	***	***	***	***	***	***	***
September	***	***	***	***	***	***	***
October	***	***	***	***	***	***	
November	***	***	***	***	***	***	
December	***	***	***	***	***	***	
Total	***	***	***	***	***	***	***
U.S. imports from Indonesia.-- January	138,438	540	0	0	0	0	0
February	104,576	17,517	332	1	0	0	0
March	208,075	20,239	5,100	0	0	0	0
April	152,895	0	0	0	0	0	0
May	237,486	101	0	0	0	0	0
June	183,057	0	0	0	0	76	0
July	179,958	0	0	0	0	3	0
August	175,826	0	1,904	0	0	3	0
September	89,543	0	0	3,079	0	0	0
October	124,547	0	2,880	0	2	0	
November	6,432	5,785	0	0	1,788	0	
December	2,647	1,141	0	0	0	0	
Total	1,603,480	45,323	10,216	3,080	1,790	82	0

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Table E-1--*Continued*
PRCBs: Monthly subject U.S. imports, January 2009-September 2015

Item	Calendar year						
	2009	2010	2011	2012	2013	2014	2015
	Quantity (1,000 bags)						
U.S. imports from Malaysia subject.-- January	***	***	***	***	***	***	***
February	***	***	***	***	***	***	***
March	***	***	***	***	***	***	***
April	***	***	***	***	***	***	***
May	***	***	***	***	***	***	***
June	***	***	***	***	***	***	***
July	***	***	***	***	***	***	***
August	***	***	***	***	***	***	***
September	***	***	***	***	***	***	***
October	***	***	***	***	***	***	
November	***	***	***	***	***	***	
December	***	***	***	***	***	***	
Total	***	***	***	***	***	***	***
U.S. imports from Taiwan.-- January	78,727	3,463	16,559	2,548	4,509	1,485	7,829
February	138,851	6,367	0	2,193	3,637	4,858	2,507
March	267,265	11,008	219	2	1,339	8,883	4,921
April	281,646	184	151	3,619	1,855	5,101	65,601
May	401,817	0	819	1,866	39,487	4,286	37,675
June	334,598	393	3,058	102	5,105	8,922	46,842
July	351,381	4,113	2,635	13,291	2,098	6,722	71,244
August	304,514	2,415	461	7,200	4,965	1,330	41,364
September	56,870	2,471	3,533	10,845	8,689	1,808	12,900
October	84,523	167	6,576	5,824	1,302	7,067	
November	16,892	1,558	2,032	12,347	2,172	5,713	
December	5,608	68	4,803	1,940	4,051	1,270	
Total	2,322,692	32,207	40,846	61,777	79,209	57,445	290,883

Table continued on next page.

Table E-1--*Continued*
PRCBs: Monthly subject U.S. imports, January 2009-September 2015

Item	Calendar year						
	2009	2010	2011	2012	2013	2014	2015
	Quantity (1,000 bags)						
U.S. imports from Thailand, subject.-- January	***	***	***	***	***	***	***
February	***	***	***	***	***	***	***
March	***	***	***	***	***	***	***
April	***	***	***	***	***	***	***
May	***	***	***	***	***	***	***
June	***	***	***	***	***	***	***
July	***	***	***	***	***	***	***
August	***	***	***	***	***	***	***
September	***	***	***	***	***	***	***
October	***	***	***	***	***	***	
November	***	***	***	***	***	***	
December	***	***	***	***	***	***	
Total	***	***	***	***	***	***	***
U.S. imports from Vietnam.-- January	637,433	10,383	63	5,952	4,210	325	1
February	370,776	9,717	709	1,551	1,259	4,164	0
March	587,673	1,375	0	0	1,262	0	8,000
April	992,517	40,472	75	0	134	2,734	2,200
May	662,784	17,796	1,643	121	692	4,106	583
June	681,279	15,982	155	21,560	2,165	257	0
July	831,886	2,746	2,620	2,883	37,304	1,424	4,214
August	708,933	1,099	1,255	21,545	37,990	481	525
September	338,159	32,492	1,801	2,754	20,710	0	1,720
October	335,486	104	1,362	4,434	39,385	0	
November	103,839	0	1,501	2,591	20,272	2	
December	7,810	23,197	4,934	1,263	12,481	0	
Total	6,258,575	155,363	16,118	64,654	177,864	13,493	17,243

Source: Compiled from official U.S. imports statistics with adjustments based on data contained in proprietary Customs records, using HTS statistical reporting number 3923.21.0085, accessed December 12, 2015.