

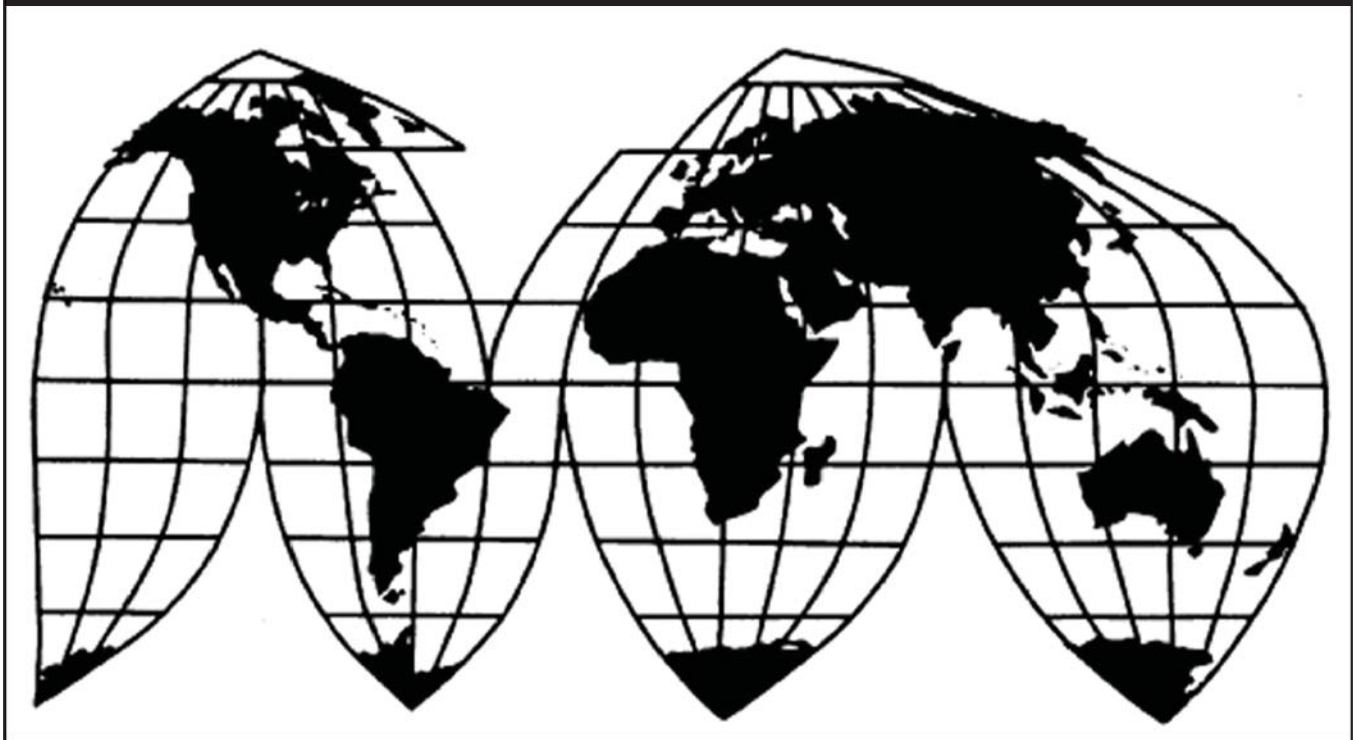
# **Carbon Steel Butt-Weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand**

Investigation Nos. 731-TA-308-310 and 520-521 (Fourth Review)

**Publication 4628**

**August 2016**

**U.S. International Trade Commission**



Washington, DC 20436

# U.S. International Trade Commission

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# U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted. Such deletions are indicated by asterisks.

## UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-308-310 and 520-521 (Fourth Review)  
Carbon Steel Butt-Weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand

### DETERMINATIONS

On the basis of the record<sup>1</sup> developed in the subject five-year reviews, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the antidumping duty orders on carbon steel butt-weld pipe fittings from Brazil, China, Japan, Taiwan, and Thailand would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>2</sup>

### BACKGROUND

The Commission, pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)), instituted these reviews on March 1, 2016 (81 F.R. 10656) and determined on June 6, 2016 that it would conduct expedited reviews (81 F.R. 40923, June 23, 2016).

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<sup>1</sup> The record is defined in sec. 207.2(f) of the Commission’s Rules of Practice and Procedure (19 CFR 207.2(f)).

<sup>2</sup> Commissioner Meredith M. Broadbent determines revocation of the antidumping duty order on carbon steel butt-weld pipe fittings from Brazil is not likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.







## INFORMATION OBTAINED IN THESE REVIEWS

### BACKGROUND

On March 1, 2016, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),<sup>1</sup> that it had instituted reviews to determine whether revocation of antidumping duty orders on carbon steel butt-weld pipe fittings from Brazil, China, Japan, Taiwan, and Thailand would likely lead to the continuation or recurrence of material injury to a domestic industry.<sup>2</sup> All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.<sup>3</sup> <sup>4</sup> The following tabulation presents information relating to the background and schedule of this proceeding:

| Effective or statutory date | Action  |
|-----------------------------|---|
| March 1, 2016               | Notice of initiation and institution by Commerce and Commission |
| June 29, 2016               | Scheduled date for Commerce results of its expedited reviews    |
| June 6, 2016                | Commission vote on adequacy                                     |
| August 3, 2016              | Commission deadline to complete expedited reviews               |

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

#### Individual responses

The Commission received two submissions in response to its notice of institution in the subject reviews. They were filed on behalf of the following entities:

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<sup>1</sup> 19 U.S.C. 1675(c).

<sup>2</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand; Institution of Five-Year Reviews*; 81 FR 10656, March 1, 2016. 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 duty orders concurrently with the Commission’s notice of institution. *Initiation of Five-Year (“Sunset”) Review*, 81 FR 10578, March 1, 2016. Pertinent *Federal Register* notices are referenced in app. A, and may be found at the Commission’s website ([www.usitc.gov](http://www.usitc.gov)).

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

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

1. Tube Forgings of America, Inc. (“Tube Forgings”), Mills Iron Works, Inc. (“Mills”), and Hackney Ladish, Inc. (“Hackney”), domestic producers of carbon steel butt-weld pipe fittings.

2. Weldbend Corporation (“Weldbend”), a domestic producer of carbon steel butt-weld pipe fittings.

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

**Table I-1**  
**Carbon steel butt-weld pipe fittings: Summary of responses to the Commission’s notice of institution**

| Type of interested party  | Completed responses |                   |
|---------------------------|---------------------|-------------------|
|                           | Number              | Coverage          |
| Domestic:                 |                     |                   |
| U.S. producers            | 4                   | ***% <sup>1</sup> |
| Respondent:               |                     |                   |
| U.S. importer             | 0                   | 0%                |
| Foreign producer/exporter | 0                   | 0%                |

<sup>1</sup> The coverage presented, as provided by domestic interested parties in their responses, represents the firms’ aggregate share of total U.S. production of carbon steel butt-weld pipe fittings during 2015.

### Party comments on adequacy

The Commission received two submissions from parties commenting on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. These submissions were filed on behalf of the following entities: (1) Tube Forging, Mills, and Hackney and (2) Weldbend. Both parties state that the reviews should be conducted on an expedited basis, and that the administrative record contains ample evidence that revoking the orders will lead to continuation or recurrence of material injury to the domestic industry.<sup>5</sup> Weldbend notes that the two responses constitute an adequate response on behalf of the domestic industry producing the like product.<sup>6</sup> Further, both parties note that the Commission received no responses to the notice of institution from any respondent interested party and, accordingly, the respondent interested parties’ response is inadequate.<sup>7</sup>

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<sup>5</sup> *Tube Forgings, Mills, and Hackney U.S. producers’ comments on adequacy*, p. 2 and *Weldbend’s Comments on Adequacy*, p. 2.

<sup>6</sup> *Weldbend’s Comments on Adequacy*, p. 2.

<sup>7</sup> *Weldbend’s Comments on Adequacy*, p. 2.

## RECENT DEVELOPMENTS IN THE INDUSTRY

Since the Commission's prior five-year reviews, the following developments have occurred in the carbon steel butt-weld pipe fittings industry.

- The decline in oil prices has had a negative impact on the industries that consume carbon steel butt-weld pipe fittings. Accordingly, demand for this product has been adversely affected and is expected to remain so in the foreseeable future.<sup>8</sup>
- As an industry and a product, butt-weld pipe fittings are technologically mature.<sup>9</sup> There have been no developments in new production techniques or end-use applications, nor have substitute products become available.<sup>10</sup>

## THE PRODUCT

### Commerce's scope

Commerce has defined the subject merchandise with respect to imports from Brazil, Taiwan, and Japan as:

*...carbon steel butt-weld pipe fittings, other than couplings, under 14 inches in inside diameter, whether finished or unfinished, that have been formed in the shape of elbows, tees, reducers, caps, etc., and, if forged, have been advanced after forging. These advancements may include any one or more of the following: coining, heat treatment, shot blasting, grinding, die stamping or painting. These imports are currently classifiable under the Harmonized Tariff Schedule of the United States ("HTS") item number 7307.93.30.<sup>11</sup>*

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<sup>8</sup> *Tube Forgings, Mills, and Hackney U.S. producers' response to Commission's notice of institution*, p. 34.

<sup>9</sup> *Tube Forgings, Mills, and Hackney U.S. producers' response to Commission's notice of institution*, p. 34 and *Weldbend's response to Commission's notice of institution*, p. 9.

<sup>10</sup> *Tube Forgings, Mills, and Hackney response to Commission notice of institution*, p. 35.

<sup>11</sup> With respect to the order concerning Japan, induction pipe bends classifiable under item 7307.93.30 which have at one or both ends tangents that equal or exceed 12 inches in length are excluded from the scope. *Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, Japan, Taiwan, Thailand, and the People's Republic of China: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 76 FR 7151, February 9, 2011.

Commerce has defined the subject merchandise with respect to imports from Thailand and China as:

*...carbon steel butt-weld pipe fittings, having an inside diameter of less than 14 inches, imported in either finished or unfinished form. These formed or forged pipe fittings are used to join sections in piping systems where conditions require permanent, welded connections, as distinguished from fittings based on other fastening methods (e.g., threaded, grooved, or bolted fittings). Carbon steel butt-weld pipe fittings are currently classified under subheading 7307.93.30 of the HTS.<sup>12</sup>*

### **Description and uses<sup>13</sup>**

Butt-weld pipe fittings are used to connect pipe sections where conditions require permanent, welded connections. The beveled edges of butt-weld pipe fittings distinguish them from other types of pipe fittings, such as threaded, grooved, or bolted fittings, which rely on different types of fastening methods. When placed against the end of a beveled pipe or another fitting, the beveled edges of a butt-weld pipe fitting form a shallow channel that accommodates the “bead” of the weld that fastens the two adjoining pieces. Butt-weld pipe fittings can be produced from various materials, including carbon steel, alloy steel, and stainless steel; however, only those butt-weld pipe fittings produced from carbon steel and which are under 14 inches (356 mm) in inside diameter are covered by these reviews. Approximately 90 percent of all butt-weld pipe fittings under 14 inches (356 mm) in inside diameter are of carbon steel. Carbon steel butt-weld pipe fittings come in several basic shapes, the most common of which are elbows, tees, reducers, and caps (figure I-1). Elbows are two-outlet fittings usually having a 45-degree or 90-degree bend, tees are T-shaped fittings having three outlets, and reducers are two-outlet fittings that connect pipes of two different diameters. Caps are used to seal the end of a pipe. There are further variations within each class of fitting based on differences in the size of one or more of the outlets (for example, there are reducing elbows and reducing tees).

U.S. producers report that both the subject product and the industry are “technologically mature.”<sup>14</sup> The subject product is “not susceptible to technological advances” and that “production techniques remain essentially unchanged.”<sup>15</sup>

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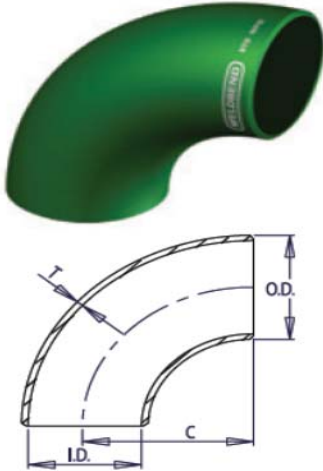
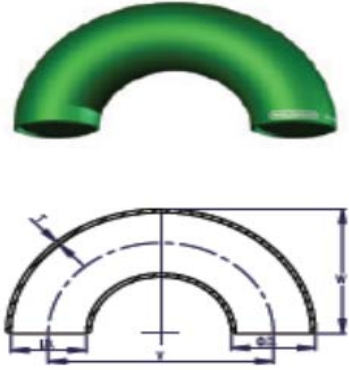


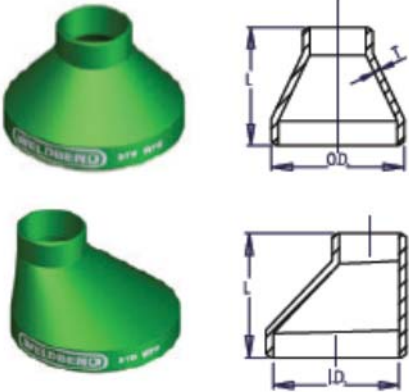

<sup>12</sup> *Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, Japan, Taiwan, Thailand, and the People’s Republic of China: Continuation of the Antidumping Duty Orders*, 76 FR 21331, April 15, 2011.

<sup>13</sup> Unless otherwise noted, information in this section is from *Carbon Steel Butt-weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, pp. I-8 to I-10.

<sup>14</sup> *Tube Forgings, Mills, and Hackney U.S. producers’ response to Commission’s notice of institution*, March 31, 2016, p. 35.

<sup>15</sup> *Tube Forgings, Mills, and Hackney U.S. producers’ response to Commission’s notice of institution*, March 31, 2016, p. 35. *Weldbend’s Response to notice of institution*, March 31, 2016, p. 9.

**Figure I-1:**  
**Carbon steel butt-weld pipe fittings: Representative products**

|   |   |
|---|---|
| <p>Elbow with 90 degree bend</p>   | <p>180 degree bend</p>  |
| <p>Elbow with 45 degree bend</p>  | <p>Tee</p>             |
| <p>Reducers</p>                  | <p>Cap</p>            |

Source: Images and drawings excerpted from Weldbend Corp., *Weldbend: Carbon Steel Weld Fitting & Weld Flange Products for Piping and Construction, Sixty-Third Edition, 2010.*  
[https://www.weldbend.com/Catalog\\_63\\_English\\_Imperial.pdf](https://www.weldbend.com/Catalog_63_English_Imperial.pdf) (accessed April 26, 2016).

The subject product is utilized in residential, commercial, or industrial pipe systems in chemical synthesis, petroleum refining, electric-power generation, construction, and shipbuilding. Butt-weld pipe fittings join pipes in straight lines and change or divide the flow of fluids (oil, water, natural gas or other gases, or steam). They are welded into permanent, fixed piping systems that convey gases or liquids in plumbing, heating, refrigeration, air-conditioning, automatic fire sprinklers, electrical conduit, irrigation, and process-piping systems. Butt-weld pipe fittings are also found in structural applications for construction, where pipes and fittings are used as support members.

### **Manufacturing process<sup>16</sup>**

The manufacture of carbon steel butt-weld pipe fittings typically begins with seamless carbon steel pipe which is first transformed into the rough shape of an elbow, tee, reducer, etc., through a cold- or hot-forming (or forging) process. At this stage of production the fittings are considered to be in a rough, “as formed,” state. After forming, the pipe often must undergo a “reforming” or “sizing” operation to ensure that the fitting will match the pipe to which it is to be welded. The finishing steps may include shot blasting, or other cleaning, machine beveling of the fitting edges, boring and tapering, grinding, die stamping, inspection, and painting.

Carbon steel butt-weld pipe fittings historically were manufactured by firms that entered the production process at various stages. Integrated producers generally begin with seamless pipe as the raw material and perform both forming and machining operations. Converters purchase rough formed or semifinished pipe fittings and perform only machining and finishing operations. Combination producers produce some fittings in an integrated process and others in a conversion process. All carbon steel butt-weld pipe fittings, whether imported or domestically produced, must meet American Society for Testing and Materials (“ASTM”) and American National Standards Institute (“ANSI”) specifications.

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

Carbon steel butt-weld pipe fittings is classifiable in the Harmonized Tariff Schedule of the United States (“HTS”) under subheading 7307.93.30 and reported for statistical purposes under statistical reporting numbers 7307.93.3010 and 7307.93.3040. The current normal trade relations rate of duty for this subheading is 6.2 percent ad valorem. In these reviews, “carbon steel” is interpreted to have the same meaning as “non-alloy” steel in the HTS.

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<sup>16</sup> Unless otherwise noted, information in this section is from *Carbon Steel Butt-weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand*, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review), USITC Publication 4222, April 2011, pp. I-8 to I-10.

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

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. In the original investigations, the expedited first five-year reviews, the full second five-year reviews, and the expedited third five-year reviews, the Commission defined the domestic like product to encompass all carbon steel butt-weld pipe fittings coextensive with Commerce's scope.<sup>17</sup>

In its notice of institution for these reviews, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry. None of the responding domestic producers provided comments on the definition of the domestic like product. Weldbend simply noted in its response that the Commission should reach the same decision it made in the first, second, and third five-year review determinations to include Weldbend in the domestic industry.<sup>18</sup>

## THE ORIGINAL INVESTIGATIONS AND SUBSEQUENT REVIEWS

### The original investigations

On February 24, 1986, a petition was filed with Commerce and the Commission alleging that an industry in the United States was materially injured, or was threatened with material injury by reason of imports sold at less than fair value ("LTFV") from Brazil, Japan, and Taiwan.<sup>19</sup> The Commission completed the original investigations for Brazil and Taiwan (Inv. Nos. 731-TA-308 and 310) in December 1986, determining that an industry in the United States was materially injured by reason of LTFV imports from Brazil and Taiwan.<sup>20</sup> Subsequently, in January 1987, the Commission made an affirmative material injury determination regarding imports of carbon steel butt-weld pipe fittings from Japan (Inv. No. 731-TA-309).<sup>21</sup>

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<sup>17</sup> *Butt-Weld Pipe Fittings From Brazil and Taiwan, Inv. Nos. 731-TA-308 and 310 (Final)*, USITC Publication 1918, December 1986, p. 5; *Carbon Steel Butt-Weld Pipe Fittings From Japan, Inv. Nos. 731-TA-309 (Final)*, USITC Publication 1943, January 1987, p. 5; *Certain Carbon Steel Butt-Weld Pipe Fittings From China and Thailand, Inv. Nos. 731-TA-520 and 521 (Final)*, USITC Publication 2528, June 1992; pp. 4-5; *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 521-521 (Review)*, USITC Publication 3263, December 1999, p. 5; *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Second Review)*, USITC Publication 3809, October 2005, p. 5; *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, p. 5.

<sup>18</sup> *Weldbend's response to Commission's notice of institution*, p. 10.

<sup>19</sup> The petition was filed by the U.S. Butt-Weld Fittings Committee, an ad hoc organization consisting of U.S. producers Ladish Co., Inc. ("Ladish"); Mills; and Steel Forgings, Inc. ("Steel Forgings").

<sup>20</sup> *Butt-Weld Pipe Fittings From Brazil and Taiwan; Determinations*, 51 FR 45188, December 17, 1986.

<sup>21</sup> *Butt-Weld Pipe Fittings From Japan; Import Investigation*, 52 FR 3498, February 4, 1987.



On May 22, 1991, a petition was filed with Commerce and the Commission alleging that an industry in the United States was materially injured, or was threatened with material injury by reason of imports sold at LTFV from China and Thailand.<sup>22</sup> In June 1992, the Commission determined that an industry in the United States was materially injured or threatened with material injury by reason of LTFV imports of carbon steel butt-weld pipe fittings from China and Thailand (Inv. Nos. 731-TA-520-521).<sup>23</sup>

Commerce issued antidumping orders on imports of butt-weld pipe fittings from Brazil and Taiwan in December 1986; on imports of such fittings from Japan in February 1987; and on imports of such fittings from China and Thailand in July 1992.<sup>24 25</sup>

### **The first five-year reviews**

On August 5, 1999, the Commission determined that it would conduct expedited reviews on the antidumping duty orders on carbon steel butt-weld pipe fittings from Brazil, China, Japan, Taiwan, and Thailand.<sup>26</sup> On December 16, 1999, the Commission determined that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>27</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective January 6, 2000, Commerce issued a continuation of the antidumping duty orders on imports of carbon steel butt-weld pipe fittings from Brazil, China, Japan, Taiwan, and Thailand.<sup>28</sup>

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<sup>22</sup> The petition was filed by the U.S. Butt-Weld Fittings Group, an ad hoc trade association consisting of U.S. producers Hackney, Inc.; Ladish; Mills; Steel Forgings; and Tube Forgings.

<sup>23</sup> *Certain Carbon Steel Butt-Weld Pipe Fittings From China and Thailand*, 57 FR 29331, July 1, 1992.

<sup>24</sup> The order on imports of carbon steel butt-weld pipe fittings from Thailand excluded imports from Awaji Sangyo (Thailand) Co. (“Awaji Thailand”), which Commerce found to have a de minimis dumping margin.

<sup>25</sup> *Antidumping Duty Order; Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil*, 51 FR 45152, December 17, 1986; *Antidumping Duty Order; Certain Carbon Steel Butt-Weld Pipe Fittings From Taiwan*, 51 FR 45152, December 17, 1986; *Antidumping Duty Order: Certain Carbon Steel Butt-Weld Pipe Fittings From Japan*, 52 FR 4167, February 10, 1987; *Antidumping Duty Order and Amendment to the Final Determination of Sales at Less Than Fair Value; Certain Carbon Steel Butt-Weld Pipe Fittings From the People’s Republic of China*, 57 FR 29702, July 6, 1992; *Antidumping Duty Order; Certain Carbon Steel Butt-Weld Pipe Fittings From Thailand*, 57 FR 29702, July 6, 1992.

<sup>26</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand*, 64 FR 44536, August 16, 1999. The Commission found that the domestic response was adequate and the respondent foreign industry response was inadequate.

<sup>27</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand*, 64 FR 71830, December 22, 1999.

<sup>28</sup> *Continuation of Antidumping Duty Orders: Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, Taiwan, Japan, Thailand, and the People’s Republic of China*, 65 FR 753, January 6, 2000.

### The second five-year reviews

On March 7, 2005, the Commission determined that it would conduct full reviews of the antidumping duty orders on carbon steel butt-weld pipe fittings from Brazil, China, Japan, Taiwan, and Thailand.<sup>29</sup> On October 31, 2005, the Commission determined that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>30</sup> Following affirmative determinations in the second five-year reviews by Commerce and the Commission, effective November 21, 2005, Commerce issued a continuation of the antidumping duty orders on imports of carbon steel butt-weld pipe fittings from Brazil, China, Japan, Taiwan, and Thailand.<sup>31</sup>

### The third five-year reviews

On January 4, 2011, the Commission determined that it would conduct expedited reviews of the antidumping duty orders on carbon steel butt-weld pipe fittings from Brazil, China, Japan, Taiwan, and Thailand.<sup>32</sup> On April 4, 2011, the Commission determined that revocation of the antidumping duty orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>33</sup> Following affirmative determinations in the third five-year reviews by Commerce and the Commission, effective April 15, 2011, Commerce issued a continuation of the antidumping duty orders on imports of carbon steel butt-weld pipe fittings from Brazil, China, Japan, Taiwan, and Thailand.<sup>34</sup>

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<sup>29</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand*, 70 FR 14713, March 23, 2005. The Commission found that the domestic response was adequate and the respondent foreign industry response was inadequate, but nonetheless conducted full reviews due to the age of the orders in question, in addition to examining the changes in the conditions of competition in the market.

<sup>30</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand*, 70 FR 66847, November 3, 2005.

<sup>31</sup> *Continuation of Antidumping Duty Orders: Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, Taiwan, Japan, Thailand, and the People's Republic of China*, 70 FR 70059, November 21, 2005.

<sup>32</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand*, 76 FR 5205, January 28, 2011.

<sup>33</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand*, 76 FR 19788, April 8, 2011.

<sup>34</sup> *Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, Japan, Taiwan, Thailand, and the People's Republic of China: Continuation of Antidumping Duty Orders*, 76 FR 21331, April 15, 2011.

## PRIOR RELATED INVESTIGATIONS

### Title VII investigations

In February 1994, the U.S. Fittings Group<sup>35</sup> filed a petition alleging that LTFV imports of carbon steel butt-weld pipe fittings from France, India, Israel, Malaysia, Korea, Thailand (Awaji Thailand only), the United Kingdom, and Venezuela were materially injuring or threatening to materially injure the domestic industry and that the governments of India and Israel were granting countervailable subsidies to their domestic industries.<sup>36</sup> Commerce determined that imports from France, India, Israel, Malaysia, Korea, Thailand (Awaji Thailand only), the United Kingdom, and Venezuela were sold in the United States at LTFV and that the governments of India and Israel were subsidizing their respective domestic industries. However, the Commission determined that the U.S. industry was not materially injured or threatened with material injury by reason of LTFV imports from any of the subject countries nor by reason of subsidized imports from India or Israel.<sup>37</sup> Consequently, Commerce did not issue antidumping or countervailing duty orders against U.S. imports of carbon steel butt-weld pipe fittings from these countries.

### Safeguard investigation

In 2001, the Commission conducted a safeguard investigation of steel products (Inv. No. TA-201-73) that included carbon steel butt-weld pipe fittings. Following affirmative determinations of serious injury and remedy recommendations by the Commission, the President issued a proclamation on March 5, 2002, imposing temporary import relief, effective March 20, 2002, for a period not to exceed three years and one day, on imports from selected countries.<sup>38</sup> Import relief relating to carbon steel butt-weld pipe fittings consisted of an additional tariff of 13 percent ad valorem on imports in the first year, 10 percent in the second year, and 7 percent in the third year.

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<sup>35</sup> The U.S. Fittings Group was an ad hoc association consisting of U.S. producers Hackney, Inc.; Ladish; Mills; Steel Forgings; and Tube Forgings.

<sup>36</sup> *Certain Carbon Steel Butt-Weld Pipe Fittings from France, India, Israel, Malaysia, The Republic of Korea, Thailand, the United Kingdom, and Venezuela, Inv. Nos. 701-TA-360 and 361 and 731-TA-688-695 (Final)*, USITC Publication 2870, April 1995.

<sup>37</sup> *Certain Carbon Steel Butt-Weld Pipe Fittings From France, India, Israel, Malaysia, The Republic of Korea, Thailand, The United Kingdom, and Venezuela*, 60 FR 18611, April 12, 1995.

<sup>38</sup> *Presidential Proclamation 7529 of March 5, 2002, To Facilitate Positive Adjustment to Competition From Imports of Certain Steel Products*, 67 FR 10553, March 7, 2002. The safeguard measures were applied to imports of subject steel products from all countries except Canada, Israel, Jordan, and Mexico, and developing countries that are members of the World Trade Organization ("WTO"), whose share of total imports of a particular product did not exceed three percent (provided that imports that are the product of all such countries with less than three percent import share collectively accounted for not more than nine percent of total imports of the product).

On March 5, 2003, the Commission instituted a mid-term review of the President's section 203 imports relief, as required by section 204(a)(2) of the Trade Act of 1974.<sup>39</sup> The Commission issued its assessment of the relief on September 19, 2003.<sup>40</sup> The Commission's review noted that, since the safeguard measures were instituted, the U.S. industry producing the pipe fittings increased its market share slightly 39.9 percent from 36.4 percent, that total quantity of imports of pipe fittings declined, and that demand for pipe fittings during the period also declined.<sup>41</sup> On December 4, 2003, the President terminated the steel safeguard tariffs.<sup>42</sup>

## **ACTIONS AT COMMERCE**

Commerce has not made any company revocations or duty absorption findings since the imposition of the orders. In addition, Commerce has not completed any administrative reviews, new shipper reviews, critical circumstances reviews, changed circumstances reviews, or anti-circumvention findings since the third continuation of the orders in 2011.

### **Scope rulings**

Since the imposition of the antidumping duty orders, Commerce has issued two scope rulings. In 1992, Commerce conducted a scope inquiry with regard to the antidumping duty order on imports from Taiwan. Commerce issued a scope ruling that the "sprink-let" is included within the scope of the antidumping duty order.<sup>43</sup>

In 2009, Commerce conducted a scope inquiry with regard to the antidumping duty order on imports from China. Commerce issued a scope ruling that pipe fittings for structural use in handrails and fencing were within the scope of the antidumping order.<sup>44</sup> Subsequently, however, the Court of International Trade remanded Commerce's scope rulings holding that its inclusion of pipe fittings for structural use in handrails and fencing was unsupported by the scope language in the antidumping order.<sup>45</sup> On January 20, 2011, Commerce amended its original scope ruling to exclude pipe fittings for structural use in handrails and fencing from

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<sup>39</sup> *Steel: Monitoring Developments in the Domestic Industry*, 68 FR 12380, March 14, 2003.

<sup>40</sup> *Steel: Monitoring Developments in the Domestic Industry, Inv. No. TA-204-9*, USITC Publication 3632, September 2003.

<sup>41</sup> *Steel: Monitoring Developments in the Domestic Industry, Inv. No. TA-204-9*, Volume I, USITC Publication 3632, September 2003, p. xvii.

<sup>42</sup> *Presidential Proclamation 7741 of December 4, 2003, To Provide for the Termination of Action Taken With Regard to Imports of Certain Steel Products*, 68 FR 68483, December 8, 2003.

<sup>43</sup> *Notice of Scope Rulings*, 57 FR 19602, May 7, 1992.

<sup>44</sup> *Notice of Scope Rulings*, 75 FR 38081, July 1, 2010.

<sup>45</sup> *King Supply Co. LLC v. United States*, Slip Op. 10-111 (Court of International Trade, September 30, 2010); see also *King Supply Co. LLC v. United States*, Slip Op. 11-2 (Court of International Trade, January 6, 2011) (sustaining Commerce's redetermination).

coverage of the antidumping duty order on U.S. imports from China.<sup>46</sup> On August 15, 2012, Commerce reversed its previously amended scope ruling to include all pipe fittings regardless of their end-use applications.<sup>47</sup>

### Five-year review results

Table I-2 presents the weighted-average dumping margins calculated by Commerce in its original investigations and its first, second, and third five-year reviews.

**Table I-2**

**Carbon steel butt-weld pipe fittings: Commerce’s weighted-average dumping margins for the original investigations, the first five-year reviews, the second five-year reviews, and the third five-year reviews, by country and firm**

| Country and firm   | Original         | First reviews | Second reviews | Third reviews |
|--|------------------|---------------|----------------|---------------|
|  | Margin (percent) |               |                |               |
| <b>Brazil</b>  |                  |               |                |               |
| All exporters  | 52.25            | 52.25         | 52.25          | 52.25         |
| <b>China</b>   |                  |               |                |               |
| China North Industries Corp.                                 | 154.72           | 154.72        | 154.72         | 154.72        |
| Jilin Provincial Machinery & Equipment Import & Export Corp. | 75.23            | 75.23         | 75.23          | 75.23         |
| Liaoning Machinery & Equipment Import & Export Corp.         | 134.79           | 134.79        | 134.79         | 134.79        |
| Liaoning Metals  | 182.90           | 182.90        | 182.90         | 182.90        |
| Liaoning Metal & Minerals Import & Export Corp.              | 103.70           | 103.70        | 103.70         | 103.70        |
| Shenyang Billiongold Pipe Fittings Co., Ltd.                 | 110.39           | 110.39        | 110.39         | 110.39        |
| Shandong Metals & Minerals Import & Export Corp.             | 35.06            | 35.06         | 35.06          | 35.06         |
| Shenyang Machinery & Equipment Import & Export Corp.         | 182.90           | 182.90        | 182.90         | 182.90        |
| Shenzhen Machinery Industry Corp.                            | 182.90           | 182.90        | 182.90         | 182.90        |
| All others   | 182.90           | 182.90        | 182.90         | 182.90        |

Table continued on next page.

<sup>46</sup> *Carbon Steel Butt-Weld Pipe Fittings from the People’s Republic of China: Notice of Court Decision Not in Harmony with Final Scope Ruling and Notice of Amended Final Scope Ruling Pursuant to Court Decision*, 76 FR 4633, January 26, 2011.

<sup>47</sup> *Certain Carbon Steel Butt-Weld Pipe Fittings From the People’s Republic of China: Notice of Court Decision Not in Harmony With Amended Final Scope Ruling and Notice of Amended Final Scope Ruling in Accordance With Court Decision*, 77 FR 48965, August 15, 2012.

**Table I-2--Continued**

**Carbon steel butt-weld pipe fittings: Commerce's weighted-average dumping margins for the original investigations, the first five-year reviews, the second five-year reviews, and the third five-year reviews, by country and firm**

| Country and firm                                | Original          | First reviews | Second reviews   | Third reviews    |
|---|-------------------|---------------|------------------|------------------|
|   | Margin (percent)  |               |                  |                  |
| <b>Japan</b>                                    |                   |               |                  |                  |
| Awaji Sangyo, K.K.                              | 30.83             | 30.83         | 30.83            | 30.83            |
| Nippon Benkan Kogyo, Ltd., Co.                  | 65.81             | 65.81         | 65.81            | 65.81            |
| All others                                      | 62.79             | 62.79         | 62.79            | 62.79            |
| <b>Taiwan</b>                                   |                   |               |                  |                  |
| Rigid Industries                                | 6.84              | 6.84          | 6.84             | 6.84             |
| Chung Ming Pipe Fitting Manufacturing Co., Ltd. | 8.57              | 8.57          | 8.57             | 8.57             |
| Gei Bey Corp.                                   | 87.30             | 87.30         | 87.30            | 87.30            |
| Chup Hsin Enterprises                           | 87.30             | 87.30         | 87.30            | 87.30            |
| All others                                      | 49.46             | 49.46         | 49.46            | 49.46            |
| <b>Thailand</b>                                 |                   |               |                  |                  |
| Awaji Sangyo (Thailand) Co.                     | 0.22 <sup>1</sup> | 38.41         | ( <sup>2</sup> ) | ( <sup>2</sup> ) |
| TTU Industrial Corp.                            | 10.68             | 10.68         | 10.68            | 12.44            |
| Thai Benken                                     | 50.84             | 50.84         | 52.60            | 52.60            |
| All others                                      | 39.10             | 39.10         | 39.10            | 40.86            |

<sup>1</sup> *De minimis*.

<sup>2</sup> Excluded.

*Source: Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, Final Determination of Sales at Less Than Fair Value, 51 FR 37770, October 24, 1986; Certain Carbon Steel Butt-Weld Pipe Fittings From Taiwan; Final Determination of Sales at Less Than Fair Value, 51 FR 37772, October 24, 1986; Certain Carbon Steel Butt-Weld Pipe Fittings From Japan: Final Determination of Sales at Less Than Fair Value, 51 FR 46892, December 29, 1986; Final Determination of Sales at Less Than Fair Value: Certain Carbon Steel Butt-Weld Pipe Fittings From the People's Republic of China, 57 FR 21058, May 18, 1992; Antidumping Duty Order and Amendment to the Final Determination of Sales at Less Than Fair Value; Certain Carbon Steel Butt-Weld Pipe Fittings From the People's Republic of China, 57 FR 29702, July 6, 1992; Final Determination of Sales at Less Than Fair Value: Certain Carbon Steel Butt-Weld Pipe Fittings From Thailand, 57 FR 21065, May 18, 1992; Final Results of Expedited Sunset Review: Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, Taiwan, Japan, Thailand, and The People's Republic of China, 64 FR 67847, December 3, 1999; Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, Taiwan, Japan, Thailand, and the People's Republic of China; Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders, 70 FR 39486, July 8, 2005; Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, Japan, Taiwan, Thailand, and the People's Republic of China: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders, 76 FR 7151, February 9, 2011.*

Commerce notified the Commission that it had not received adequate responses from the respondent interested parties to its notice initiating these five-year reviews of the antidumping duty orders on imports of carbon steel butt-weld pipe fittings from Brazil, China, Japan, Taiwan, and Thailand. As a result, Commerce intends to conduct expedited reviews of the orders and to issue its final results by June 29, 2016.<sup>48</sup>

## THE INDUSTRY IN THE UNITED STATES

### U.S. producers

Since the original investigations, the U.S. industry has experienced consolidation and the exit of a number of U.S. producers of carbon steel butt-weld pipe fittings.<sup>49</sup> In the original 1986/87 proceedings concerning carbon steel butt-weld pipe fittings from Brazil, Japan, and Taiwan, 12 firms were identified as U.S. producers of carbon steel butt-weld pipe fittings.<sup>50</sup> The 12 companies included: (1) Flo-Blend, Inc. (“Flo-Blend”); (2) Hackney Ladish, Inc. (“Hackney”);<sup>51</sup> (3) ITT Grinnell; (4) Ladish Co., Inc. (“Ladish”); (5) L.A. Boiler Works, Inc. (“L.A. Boiler Works”); (6) Mills Iron Works, Inc. (“Mills”); (7) Standard Fittings Co. (“Standard Fittings”); (8) Steel Forgings, Inc. (“Steel Forgings”); (9) Tube Forgings of America, Inc. (“Tube Forgings”); (10) Tube-Line Co. (“Tube-Line”); (11) Tube Turns, Inc. (“Tube Turns”); and (12) Weldbend Corp. (“Weldbend”). Six of these 12 U.S. producers were integrated producers (Flo-Blend, L.A. Boiler Works, Ladish, Mills, Standard Fittings, and Steel Forgings).<sup>52</sup> Hackney, ITT Grinnell, Tube Forgings, and Tube Turns were combination producers while Tube-Line and Weldbend were exclusively converters of carbon steel butt-weld pipe fittings.<sup>53</sup>

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<sup>48</sup> Melissa Skinner, Director, Office II, AD/CVD Operations, Enforcement and Compliance, Department of Commerce, letter to Michael Anderson, April 21, 2016.

<sup>49</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, p. I-10.

<sup>50</sup> The Commission received 11 questionnaire responses, which accounted for virtually all domestic production of finished carbon steel butt-weld pipe fittings in 1985. *Butt-Weld Pipe Fittings From Brazil and Taiwan, Inv. Nos. 731-TA-308-310 (Final)*, USITC Publication 1918, December 1986, p. A-10.

<sup>51</sup> At this time, Hackney, Inc. was a wholly owned subsidiary of the Trinity Fittings Group (“Trinity”). *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, p. I-10, n.38.

<sup>52</sup> Integrated producers begin with seamless pipe as the raw material and perform both forming and machining operations. Converters purchase rough formed or semifinished pipe fittings and perform only machining and finishing operations. Combination producers produce some fittings in an integrated process and others in a conversion process. *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, p. I-10, n.39.

<sup>53</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, pp. I-10-11.

In the original 1992 proceeding on carbon steel butt-weld pipe fittings from China and Thailand, there were seven U.S. producers of carbon steel butt-weld pipe fittings:<sup>54</sup> (1) Hackney, (2) Ladish, (3) Mills, (4) Steel Forging, (5) Tube Forgings, (6) Tube-Line, and (7) Weldbend. Hackney, Tube Forgings, Tube-Line, and Weldbend were combination producers.<sup>55</sup> All seven U.S. producers responded to the Commission's questionnaire in the original 1992 proceeding, accounting for virtually all domestic production of carbon steel butt-weld pipe fittings.<sup>56</sup>

In the related 1995 investigations concerning carbon steel butt-weld pipe fittings from France, India, Israel, Malaysia, Korea, Thailand, the United Kingdom, and Venezuela, four participating U.S. producers accounted for 90 percent of domestic production of carbon steel butt-weld pipe fittings: (1) Hackney, (2) Tube Forgings, (3) Tube-Line,<sup>57</sup> and (4) Weldbend.<sup>58</sup>

In the Commission's expedited first five-year reviews in 1999/2000, four U.S. producers (Mills, Trinity, Tube Forgings, and Weldbend) responded to the Commission's notice of institution, accounting for approximately \*\*\* percent of domestic production of carbon steel butt-weld pipe fittings in 1998. These four firms (and their predecessor firms) accounted for \*\*\* percent of domestic production in the 1986/87 original proceeding and \*\*\* percent of

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<sup>54</sup> ITT Grinnell ceased production of carbon steel butt-weld pipe fittings in 1985, L.A. Boiler Works ceased production in 1988, and Tube Turns ceased production in 1987. Flo-Blend shifted its production to specialty alloy steel fittings and became a wholly-owned subsidiary of Trinity. Both Tube-Line and Weldbend added capital equipment from the time of the 1986 investigations to the 1992 investigation that granted them some integrated production capability, thereby making them combination producers instead of mere converters. *Certain Carbon Steel Butt-Weld Pipe Fittings from China and Thailand, Inv. Nos. 731-TA-520-521 (Final)*, USITC Publication 2528, June 1992, p. I-16.

<sup>55</sup> \*\*\*. Tube-Line and Weldbend stated that "the production processes and financial performance of Tube-Line and Weldbend have been, and remain, dependent on low-cost unfinished imports. Further, inclusion of their data distorts certain domestic industry indicators, especially pricing, productivity, and profitability." *Certain Carbon Steel Butt-Weld Pipe Fittings from China and Thailand, Inv. Nos. 731-TA-520 and 521 (Final)*, USITC Publication 2528, June 1992, p. 16.

<sup>56</sup> *Certain Carbon Steel Butt-Weld Pipe Fittings from China and Thailand, Inv. Nos. 731-TA-520-521 (Final)*, USITC Publication 2528, June 1992, p. I-16.

<sup>57</sup> In 2002, Ezeflow, Inc. of Quebec, Canada acquired Tube-Line. *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, p. I-11, n.42.

<sup>58</sup> Ladish sold its production facilities and brand name to Hackney. Steel Forgings became a specialty products manufacturer and no longer produced carbon steel butt-weld pipe fittings.

In the 1995 investigations, the Commission did not exclude Weldbend from the domestic industry, determining that "Weldbend operates an integrated manufacturing facility, producing a substantial majority of the unfinished fittings it finishes. This stands in contrast to its position principally as a converter dependent on low-cost, unfinished imported fittings during previous investigations." *Certain Carbon Steel Butt-Weld Pipe Fittings from France, India, Israel, Malaysia, The Republic of Korea, Thailand, the United Kingdom, and Venezuela, Inv. Nos. 701-TA-360 and 361 and 731-TA-688-695 (Final)*, USITC Publication 2870, April 1995, pp. I-8-9.



domestic production in the 1992 original proceeding.<sup>59</sup> In the Commission's full second five-year reviews in 2005 and its expedited third five-year reviews in 2011, these same four producers responded to the Commission's notices of institution and stated that they accounted for \*\*\* percent of total U.S. production of carbon steel butt-weld pipe fittings.<sup>60</sup>

In these current fourth five-year reviews, Tube Forgings, Mills, and Hackney responded to the Commission's notice of institution and stated that they account for \*\*\* percent of total U.S. production.<sup>61</sup> In a separate submission, Weldbend reported that it could not estimate its share of total U.S. production,<sup>62</sup> but based on information provided in the Tube Forgings, Mills, and Hackney's response, the four responding firms combined once again accounted for \*\*\* percent of total U.S. production of the domestic like product in 2015.<sup>63</sup>

### **Definition of the domestic industry and related party issues**

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 1986 and 1992 proceedings, the Commission defined the domestic industry to include all domestic producers of carbon steel butt-weld pipe fittings, except Weldbend and Tube-Line, which the Commission determined to exclude as related parties.<sup>64</sup>

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<sup>59</sup> *Investigation Nos. 731-TA-308-310, and 520-521 (Review): Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand—Staff Report*, INV-V-252, November 3, 1999, pp. I-13-14.

<sup>60</sup> *Investigation Nos. 731-TA-308-310, and 520-521 (Second Review): Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand—Staff Report*, INV-CC-166, September 29, 2005, p. I-21. They also noted that Tube-Line, which did not submit a questionnaire response during those reviews, accounted for \*\*\* percent of U.S. production, and that the remainder of U.S. production could be accounted for by specialty fittings makers. *Ibid.*, p. I-21, n.47. Trinity Fittings Group was renamed Hackney Ladish, Inc. in 2006. *Investigation Nos. 731-TA-308-310, and 520-521 (Third Review): Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand—Staff Report*, INV-JJ-018, March 2, 2011, p. I-16, n.44. *Investigation Nos. 731-TA-308-310, and 520-521 (Third Review): Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand—Staff Report*, INV-JJ-018, March 2, 2011, pp. I-16.

<sup>61</sup> *Tube Forgings, Mills, and Hackney response to Commission's notice of institution*, p. 32.

<sup>62</sup> *Weldbend's response to Commission's notice of institution*, p. 6.

<sup>63</sup> *Tube Forgings, Mills, and Hackney response to Commission's notice of institution*, p. 25. The domestic production of nine U.S. "specialty" products producers listed in the responses to the Commission's notice of institution are believed to be small and incidental. Tube Forgings, Mills, and Hackney response to Commission's notice of institution, p. 25. In fact, staff's review of these firms' websites suggests that several may not be producers of the domestic like product.

<sup>64</sup> *Butt-Weld Pipe Fittings From Brazil and Taiwan, Inv. Nos. 731-TA-308 and 310 (Final)*, USITC Publication 1918, December 1986, p. 9; *Certain Carbon Steel Butt-Weld Pipe Fittings from China and Thailand, Inv. Nos. 731-TA-520-521 (Final)*, USITC Publication 2528, June 1992, pp. 5, 16. Tube-Line was found to be partially owned by Benkan America, a wholly-owned subsidiary of Benkan Corporation of

(continued...)

In the expedited first five-year reviews, the Commission defined the domestic industry to include all domestic producers of carbon steel butt-weld pipe including Weldbend, which the Commission determined was no longer a related party, but again excluding Tube-Line as a related party.<sup>65</sup>

In the full second five-year reviews, the Commission defined the domestic industry to include all domestic producers of carbon steel butt-weld pipe fittings, and determined that although Tube-Line and \*\*\* qualified as related parties, circumstances did not warrant their exclusion from the domestic industry.<sup>66</sup> In the expedited third five-year reviews, no party disagreed with the domestic industry definition from the full second five-year reviews, and no new facts were presented to warrant a different definition. Therefore, the Commission defined the domestic industry as all domestic producers of carbon steel butt-weld pipe fittings.<sup>67</sup>

In these current fourth five-year reviews, Weldbend stated that the Commission should continue to include it in the domestic industry, as has been done in the first, second, and third reviews.<sup>68</sup> The three responding U.S. producers did not specifically respond to the notice's optional request for statements about the definition of the domestic industry, but did address related party concerns, noting that they are unaware of any U.S. manufacturers that could be considered to be one.<sup>69</sup>

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(...continued)

Japan. During this period, Benkan Corporation of Japan exported the subject merchandise produced by Thai Benkan in Thailand to the United States. *Certain Carbon Steel Butt-Weld Pipe Fittings from China and Thailand, Inv. Nos. 731-TA-520-521 (Final)*, USITC Publication 2528, June 1992, p. 9, n.28. Weldbend purchased unfinished pipe fittings from China, converted them, and sold them as their own. The Commission concluded that Weldbend's relationship with the importers was sufficiently close so that the related party provision should be applied to Weldbend. *Ibid.*, pp. 12-13.

<sup>65</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Review)*, USITC Publication 3263, December 1999, pp. 6-7. During the expedited first five-year reviews, Weldbend no longer indirectly controlled an importer by making large purchases of the subject merchandise. Therefore, it was no longer a related party eligible for exclusion from the domestic industry. *Ibid.*, p. 6, n.22.

<sup>66</sup> In 2002, Tube-Line was acquired by Ezeflow, Inc., of Quebec, Canada, thereby severing its relationship with the subject country producers. The evidence was lacking whether Tube-Line continued to benefit from subject imports. \*\*\* imported small quantities of the subject merchandise at the beginning of the period of review in the full second five-year reviews, representing \*\*\* percent of domestic production in 1999 and \*\*\* percent in 2000. However, there were no imports or purchases thereafter and no other bases for excluding it as a related party. Confidential Views, *Certain Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Second Review)*, p. 9.

<sup>67</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, p. 6.

<sup>68</sup> *Weldbend's response to Commission's notice of institution*, p. 10.

<sup>69</sup> *Tube Forgings, Mills, and Hackney response to Commission's notice of institution*, p. 26.

## U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution of the current five-year reviews.<sup>70</sup> Table I-3 presents a compilation of the data submitted from all responding U.S. producers, as well as trade and financial data submitted by U.S. producers in the original proceedings, expedited first five-year reviews, full second five-year reviews, and expedited third five-year reviews.

**Table I-3**

**Carbon steel butt-weld pipe fittings: Trade and financial data submitted by U.S. producers, 1985, 1991, 1998, 2004, 2009, and 2015**

| Quantity = 1,000 pounds; value = 1,000 dollars<br>Unit values and unit financial data are dollars per pound |                       |                       |               |                |               |                |
|---|-----------------------|-----------------------|---------------|----------------|---------------|----------------|
| Item  | Calendar year         |                       |               |                |               |                |
|   | Original <sup>1</sup> | Original <sup>2</sup> | First reviews | Second reviews | Third reviews | Fourth reviews |
|   | 1985                  | 1991                  | 1998          | 2004           | 2009          | 2015           |
| Capacity  | ***                   | ***                   | (3)           | 114,000        | 96,421        | 72,671         |
| Production  | 47,580                | ***                   | ***           | 67,809         | 30,172        | 34,889         |
| Capacity utilization (percent)  | ***                   | ***                   | (3)           | 59.5           | 31.3          | 48.0           |
| U.S. commercial shipments:  |                       |                       |               |                |               |                |
| Quantity  | ***                   | ***                   | ***           | 63,213         | 28,226        | 31,322         |
| Value   | ***                   | ***                   | ***           | 84,173         | 109,794       | 111,314        |
| Unit value  | ***                   | ***                   | ***           | 1.33           | 3.89          | 3.55           |
| Internal consumption/company transfers:   |                       |                       |               |                |               |                |
| Quantity  | ***                   | 0                     | (3)           | 0              | (3)           | 0              |
| Value   | ***                   | 0                     | (3)           | 0              | (3)           | 0              |
| Unit value  | ***                   | --                    | (3)           | --             | (3)           | --             |
| Total U.S. shipments:   |                       |                       |               |                |               |                |
| Quantity  | ***                   | ***                   | (3)           | 63,213         | (3)           | 31,322         |
| Value   | ***                   | ***                   | (3)           | 84,173         | (3)           | 111,314        |
| Unit value  | ***                   | ***                   | (3)           | 1.33           | (3)           | 3.55           |

Table continued on next page.

<sup>70</sup> Individual company trade and financial data are presented in app. B.

**Table I-3--Continued**

**Carbon steel butt-weld pipe fittings: Trade and financial data submitted by U.S. producers, 1985, 1991, 1998, 2004, 2010, and 2015**

| Quantity = 1,000 pounds; value = 1,000 dollars            |                       |                       |                  |                |                  |                  |
|---|-----------------------|-----------------------|------------------|----------------|------------------|------------------|
| Unit values and unit financial data are dollars per pound |                       |                       |                  |                |                  |                  |
| Item  | Calendar year         |                       |                  |                |                  |                  |
|   | Original <sup>1</sup> | Original <sup>2</sup> | First reviews    | Second reviews | Third reviews    | Fourth reviews   |
|   | 1985                  | 1991                  | 1998             | 2004           | 2009             | 2015             |
| Net sales value   | 44,908                | ***                   | ( <sup>3</sup> ) | 85,048         | 109,994          | 111,314          |
| COGS  | 43,116                | ***                   | ( <sup>3</sup> ) | 67,523         | 83,336           | 80,407           |
| Net sales quantity  | ( <sup>3</sup> )      | ( <sup>3</sup> )      | ( <sup>3</sup> ) | 61,601         | ( <sup>3</sup> ) | ( <sup>3</sup> ) |
| Unit COGS   | ( <sup>3</sup> )      | ( <sup>3</sup> )      | ( <sup>3</sup> ) | 1.10           | ( <sup>3</sup> ) | ( <sup>3</sup> ) |
| COGS/net sales (percent)                                  | 96.0                  | ***                   | ( <sup>3</sup> ) | 79.4           | ( <sup>3</sup> ) | 72.2             |
| Gross profit or (loss)                                    | 1,792                 | ***                   | ( <sup>3</sup> ) | 17,525         | 26,658           | 30,907           |
| SG&A  | 5,858                 | ***                   | ( <sup>3</sup> ) | 11,367         | 15,851           | 23,391           |
| Operating income or (loss)                                | (4,066)               | ***                   | ( <sup>3</sup> ) | 6,158          | 10,808           | 7,516            |
| Operating income (loss)/net sales (percent)               | (9.1)                 | ***                   | ( <sup>3</sup> ) | 7.2            | 9.8              | 6.8              |

<sup>1</sup> The 1986 original investigations concern carbon steel butt-weld pipe fittings imported from Brazil, Japan, and Taiwan.

<sup>2</sup> The 1992 original investigations concern carbon steel butt-weld pipe fittings imported from China and Thailand.

<sup>3</sup> Not available.

Note 1.--Data from the original investigations and the expedited first five-year reviews present data only for finished fittings produced by carbon steel pipe, as well as from rough-formed or semifinished fittings purchased from another producer and/or importer. Financial data cover all subject fitting operations.

Note 2.--Figures may not add to total shown due to rounding.

Source: *Carbon Steel Butt-Weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand: Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*—Staff Report: INV-JJ-018, table I-6, March 2, 2011. For the year 1985, data are compiled using data submitted in the Commission’s original 1986 proceeding (see tables 4, 5, and 8). For the year 1991, data are compiled using data submitted in the Commission’s original 1992 proceeding (see tables 5, 6, and 11). For the year 1998, data are compiled using data submitted in the Commission’s expedited first five-year reviews (see table I-1). For the year 2004, the data are compiled using data submitted in the Commission’s full second five-year reviews (see app. C). For the year 2009, the data are compiled using data submitted in the Commission’s expedited third five-year reviews (see table I-3). For the year 2015, data are compiled using data submitted by domestic interested parties. *Tube Forgings, Mills, and Hackney response to Commission’s Notice of Institution*, p. 32 and *Weldbend’s response to Commission’s Notice of Institution*, Attachment A.

## U.S. IMPORTS AND APPARENT CONSUMPTION

### U.S. importers

In the final phase of the original 1986 proceeding on carbon steel butt-weld pipe fittings from Brazil, Japan, and Taiwan, the Commission received 24 questionnaires from importers that accounted for virtually all of the imports of the subject merchandise from Brazil, Japan, and Taiwan in 1985.<sup>71</sup> In the final phase of the original 1992 proceeding on carbon steel butt-weld pipe fittings from China and Thailand, the Commission issued questionnaires to 68 importers of the subject merchandise and received 27 questionnaire responses. Of these 27 firms, 17 firms imported finished fittings from China, 10 imported finished fittings from Thailand, 6 imported unfinished fittings from China, and 5 imported unfinished fittings from Thailand.<sup>72</sup>

In the 2005 full second five-year reviews, the Commission issued questionnaires to 27 firms believed to import carbon steel butt-weld pipe fittings. The Commission received responses from 10 firms, accounting for \*\*\* percent of subject U.S. imports in 2004.<sup>73</sup>

In their response to the Commission's notice of institution in these current reviews, Tube Forgings, Mills, and Hackney identified five importers of subject merchandise from China, Taiwan, and Thailand, noting that they also import from nonsubject sources, including Malaysia and Korea.<sup>74</sup> Weldbend also identified importers, including one not listed in the other domestic producers' response.<sup>75</sup>

### U.S. imports

In its original 1986 proceeding on carbon steel butt-weld pipe fittings from Brazil, Japan, and Taiwan, the Commission found that the absolute volume of cumulated imports, at 32 million pounds in 1983 and 51 million pounds in 1985, was significant. The market share of the subject imports had increased from 46 percent in 1983 to 65 percent in 1985.<sup>76</sup> In the original 1992 proceeding on carbon steel butt-weld pipe fittings from China and Thailand, the Commission found, based on threat of material injury, a ten-fold increase in Chinese producers' capacity and production during the period of review. The Commission also found a 10-percent

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<sup>71</sup> *Butt-Weld Pipe Fittings From Brazil and Taiwan, Inv. Nos. 731-TA-308 and 310 (Final)*, USITC Publication 1918, December 1986, p. A-32.

<sup>72</sup> *Certain Carbon Steel Butt-Weld Pipe Fittings from China and Thailand, Inv. No. 731-TA-520-521 (Final)*, USITC Publication 2528, p. I-18.

<sup>73</sup> *Investigation Nos. 731-TA-308-310, and 520-521 (Second Review): Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand—Staff Report*, INV-CC-166, September 29, 2005, p. I-22, n.50.

<sup>74</sup> *Tube Forgings, Mills, and Hackney response to Commission's notice of institution*, p. 27.

<sup>75</sup> *Weldbend's response to Commission's notice of institution*, p. 5.

<sup>76</sup> *Butt-Weld Pipe Fittings From Brazil and Taiwan, Inv. Nos. 731-TA-308 and 310 (Final)*, USITC Publication 1918, December 1986, pp. 16-17; *Butt-Weld Pipe Fittings from Japan, Inv. No. 731-TA-309 (Final)*, USITC Publication 1943, January 1987, pp. 9-10.

increase in Thai producers' capacity and a 30-percent increase in their production, as well as significant excess capacity in both countries. The Commission further noted that the market share of the cumulated imports had increased and was at all times in excess of one third of the U.S. market, and the United States was a primary export market for both countries.<sup>77</sup>

In the expedited first five-year reviews, the Commission found a likely significant increase in subject import volume in the reasonably foreseeable future if the orders were revoked. During those reviews, no imports of the subject merchandise from Brazil entered the United States and only a minimal amount from Japan was imported. However, imports of the subject merchandise from Taiwan accounted for 16 percent of total U.S. imports. Although there was limited information on the record concerning the foreign industries, the Commission indicated that they did appear to be structured as they were during the original proceedings. The Commission noted that the orders had a significant restraining effect on the subject imports and that, in the absence of contrary information or argument, subject imports would have been likely to increase to a significant level and regain U.S. market share without the orders.<sup>78</sup>

In the full second five-year reviews, the Commission found that the volume of cumulated subject imports would likely be significant if the orders were revoked. During those reviews, the cumulated subject import volume declined from \*\*\* pounds in 1999 to \*\*\* pounds in 2000, increased to \*\*\* pounds in 2001, declined to \*\*\* in 2003, and then increased to \*\*\* pounds in 2004, a level \*\*\* percent lower than in 1999.<sup>79</sup> Cumulated subject imports accounted for \*\*\* percent of apparent U.S. consumption in 2004, compared with 36.2 percent in 1985 and \*\*\* percent in 1991.<sup>80</sup> Nevertheless, cumulated subject imports maintained a presence in the U.S. market throughout the period of review. The Commission had found during the original proceedings that cumulated subject import volume and market share were significant, although they were at a low level during the full second five-year reviews due to the restraining effect of the orders.<sup>81</sup> However, the Commission found that there \*\*\* of subject imports in the U.S. market.<sup>82</sup> The Commission also found that subject foreign producers had an incentive to increase exports of carbon steel butt-weld pipe fittings to the U.S. market if the orders were revoked, given their substantial quantity of exports to third country markets, the

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<sup>77</sup> *Certain Carbon Steel Butt-Weld Pipe Fittings from China and Thailand, Inv. No. 731-TA-520-521 (Final)*, USITC Publication 2528, pp. 24-27.

<sup>78</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Review)*, USITC Publication 3263, December 1999, pp. 15 and I-15.

<sup>79</sup> *Investigation Nos. 731-TA-308-310, and 520-521 (Second Review): Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand—Staff Report*, INV-CC-166, September 29, 2005, table IV-1.

<sup>80</sup> *Ibid.*, app. C.

<sup>81</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310, 520 and 521 (Second Review)*, USITC Publication 3809, pp. 18-19.

<sup>82</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310, 520 and 521 (Second Review)*, Confidential Views, p. 27.

relatively higher prices available in the U.S. market, and the moderately high degree of substitutability between subject imports and the domestic like product.<sup>83</sup>

In the expedited third five-year reviews, the Commission found the cumulated subject import volume, both in absolute terms and relative to production and consumption in the United States, would likely be significant and increase significantly absent the restraining effect of the antidumping duty orders.<sup>84</sup> During those reviews, the cumulated subject import volume declined from \*\*\* pounds in 2005 to \*\*\* pounds in 2007, increased to \*\*\* pounds in 2008, declined to \*\*\* in 2009, and then increased to \*\*\* pounds in 2010, a level \*\*\* percent higher than in 2005.<sup>85</sup> Cumulated subject imports accounted for \*\*\* percent of apparent U.S. consumption in 2009.<sup>86</sup> Nevertheless, cumulated subject imports maintained a presence in the U.S. market throughout the period of review. The Commission also found no evidence that the structure of the subject foreign industries had changed since the original proceedings.<sup>87</sup>

Table I-4 presents the quantity and value of imports of items covered by HTS subheading 7307.90.30 from subject and nonsubject sources using official Commerce statistics and \*\*\* during 2010-15. During this period, there were no imports from Brazil and virtually no imports from Japan. While there was some presence of subject imports from China, Taiwan, and Thailand, combined they did not account for more than 4.3 percent of total import volume in any year during 2010-15. Table I-5 presents quantity and value of imports from the leading nonsubject sources. Malaysia and Korea are the leading source of imports, and show increasing volumes since 2010. Nonsubject imports from Thailand are the third largest source of imports, followed by imports from Italy.

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<sup>83</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310, 520 and 521 (Second Review)*, USITC Publication 3809, pp. 19-20.

<sup>84</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, p. 16.

<sup>85</sup> *Investigation Nos. 731-TA-308-310, and 520-521 (Third Review): Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand—Staff Report*, INV-JJ-018, March 2, 2011, table I-4.

<sup>86</sup> *Ibid.*, table I-6.

<sup>87</sup> *Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*, USITC Publication 4222, April 2011, p. 15.

**Table I-4**  
**Carbon steel butt-weld pipe fittings: U.S. imports, 2010-15**

| Item                          | Calendar year                          |        |         |         |         |         |
|-------------------------------|--|--------|---------|---------|---------|---------|
|                               | 2010                                   | 2011   | 2012    | 2013    | 2014    | 2015    |
|                               | Quantity (1,000 pounds)                |        |         |         |         |         |
| U.S. imports from--<br>Brazil | 0                                      | 0      | 0       | 0       | 0       | 0       |
| China                         | 356                                    | 510    | 349     | 2,055   | 982     | 648     |
| Japan                         | 0                                      | 2      | 0       | 0       | 1       | 0       |
| Taiwan                        | 1,955                                  | 1,389  | 1,459   | 2,794   | 2,049   | 1,526   |
| Thailand (subject)            | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Subtotal (subject)            | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Thailand (nonsubject)         | ***                                    | ***    | ***     | ***     | ***     | ***     |
| All other sources             | 61,628                                 | 71,624 | 93,144  | 104,448 | 87,678  | 89,231  |
| Subtotal (nonsubject)         | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Total                         | 71,533                                 | 81,700 | 102,807 | 121,489 | 99,747  | 99,464  |
|                               | Landed duty-paid value (1,000 dollars) |        |         |         |         |         |
| U.S. imports from--<br>Brazil | 0                                      | 0      | 0       | 0       | 0       | 0       |
| China                         | 434                                    | 735    | 387     | 2,046   | 823     | 759     |
| Japan                         | 0                                      | 9      | 0       | 4       | 15      | 3       |
| Taiwan                        | 2,278                                  | 2,000  | 2,232   | 4,687   | 3,173   | 1,945   |
| Thailand (subject)            | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Subtotal (subject)            | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Thailand (nonsubject)         | ***                                    | ***    | ***     | ***     | ***     | ***     |
| All other sources             | 71,305                                 | 84,618 | 116,844 | 140,899 | 118,497 | 103,121 |
| Subtotal (nonsubject)         | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Total                         | 84,367                                 | 99,377 | 131,555 | 167,800 | 137,051 | 115,985 |
|                               | Unit value (dollars per pound)         |        |         |         |         |         |
| U.S. imports from--<br>Brazil | --                                     | --     | --      | --      | --      | --      |
| China                         | 1.22                                   | 1.44   | 1.11    | 1.00    | 0.84    | 1.17    |
| Japan                         | --                                     | 4.69   | --      | 66.78   | 11.58   | 10.16   |
| Taiwan                        | 1.17                                   | 1.44   | 1.53    | 1.68    | 1.55    | 1.27    |
| Thailand (subject)            | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Subtotal (subject)            | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Thailand (nonsubject)         | ***                                    | ***    | ***     | ***     | ***     | ***     |
| All other sources             | 1.16                                   | 1.18   | 1.25    | 1.35    | 1.35    | 1.16    |
| Subtotal (nonsubject)         | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Total                         | 1.18                                   | 1.22   | 1.28    | 1.38    | 1.37    | 1.17    |

Source: Official Commerce statistics for HTS subheading 7307.93.30. U.S. imports identified as being manufactured by Awaji Materia (Thailand) have been removed from subject U.S. imports from Thailand and have been identified as nonsubject imports from Thailand. These imports were identified using \*\*\*.



**Table I-5  
Carbon steel butt-weld pipe fittings: Top sources of U.S. imports, 2010-15**

| Item                           | Calendar year                          |        |         |         |         |         |
|--------------------------------|--|--------|---------|---------|---------|---------|
|                                | 2010                                   | 2011   | 2012    | 2013    | 2014    | 2015    |
|                                | Quantity (1,000 pounds)                |        |         |         |         |         |
| U.S. imports from-<br>Malaysia | 31,650                                 | 33,320 | 37,804  | 42,036  | 35,632  | 43,306  |
| Korea                          | 10,650                                 | 11,987 | 16,454  | 20,209  | 18,242  | 20,477  |
| Thailand (nonsubject)          | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Italy                          | 3,695                                  | 4,997  | 7,340   | 9,425   | 9,379   | 6,133   |
| Subtotal                       | ***                                    | ***    | ***     | ***     | ***     | ***     |
| All other nonsubject sources   | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Nonsubject subtotal            | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Subject                        | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Total                          | 71,533                                 | 81,700 | 102,807 | 121,489 | 99,747  | 99,464  |
|                                | Landed duty-paid value (1,000 dollars) |        |         |         |         |         |
| U.S. imports from-<br>Malaysia | 26,354                                 | 30,594 | 36,251  | 42,228  | 33,377  | 37,442  |
| Korea                          | 17,345                                 | 16,643 | 22,690  | 32,619  | 29,371  | 28,637  |
| Thailand (nonsubject)          | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Italy                          | 6,685                                  | 10,515 | 15,685  | 22,074  | 20,114  | 11,665  |
| Subtotal                       | ***                                    | ***    | ***     | ***     | ***     | ***     |
| All other nonsubject sources   | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Nonsubject subtotal            | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Subject                        | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Total                          | 84,367                                 | 99,377 | 131,555 | 167,800 | 137,051 | 115,985 |
|                                | Unit value (dollars per pound)         |        |         |         |         |         |
| U.S. imports from-<br>Malaysia | 0.83                                   | 0.92   | 0.96    | 1.00    | 0.94    | 0.86    |
| Korea                          | 1.63                                   | 1.39   | 1.38    | 1.61    | 1.61    | 1.40    |
| Thailand (nonsubject)          | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Italy                          | 1.81                                   | 2.10   | 2.14    | 2.34    | 2.14    | 1.90    |
| Subtotal                       | ***                                    | ***    | ***     | ***     | ***     | ***     |
| All other nonsubject sources   | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Nonsubject subtotal            | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Subject                        | ***                                    | ***    | ***     | ***     | ***     | ***     |
| Total                          | 1.18                                   | 1.22   | 1.28    | 1.38    | 1.37    | 1.17    |

Source: Official Commerce statistics for HTS subheading 7307.93.30. U.S. imports identified as being manufactured by Awaji Materia (Thailand) have been removed from subject U.S. imports from Thailand and have been identified as nonsubject imports from Thailand. These imports were identified using \*\*\*.

## Apparent U.S. consumption and market shares

Table I-6 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares for periods from the two separate original investigations, and periods from the first, second, third, and current reviews. From the first original investigations to the second reviews, apparent consumption increased steadily while U.S. producers' U.S. shipments experienced an overall increase. In the third review, in 2009, apparent consumption was lower compared to 2004, and U.S. producers' market share decreased from 53.2 percent to 36.3 percent. In 2015, U.S. producers' market share has decreased further, to 23.9 percent, while nonsubject imports have experienced the largest increase in market share.

**Table I-6**  
**Carbon steel butt-weld pipe fittings: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 1985, 1991, 1999, 2004, 2009, and 2015**

| Item                           | Calendar year    |                  |               |                |               |                |
|--------------------------------|------------------|------------------|---------------|----------------|---------------|----------------|
|                                | Original         | Original         | First Reviews | Second Reviews | Third Reviews | Fourth Reviews |
|                                | 1985             | 1991             | 1999          | 2004           | 2009          | 2015           |
| <b>Quantity (1,000 pounds)</b> |                  |                  |               |                |               |                |
| U.S. producers' U.S. shipments | ***              | ***              | 67,056        | 63,213         | 28,226        | 31,322         |
| U.S. imports from--            |                  |                  |               |                |               |                |
| Brazil                         | ***              | ( <sup>1</sup> ) | 0             | 0              | 0             | 0              |
| China                          | ( <sup>1</sup> ) | ***              | 125           | 177            | 389           | 648            |
| Japan                          | ***              | ( <sup>1</sup> ) | 292           | 0.1            | 2             | 0              |
| Taiwan                         | ***              | ( <sup>1</sup> ) | 4,952         | 2,482          | 1,203         | 1,526          |
| Thailand (subject)             | ( <sup>1</sup> ) | ***              | ***           | ***            | ***           | ***            |
| Subtotal (subject)             | 28,580           | ***              | ***           | ***            | ***           | ***            |
| Thailand (nonsubject)          | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ***           | ***            | ***           | ***            |
| All other sources              | ***              | ***              | 19,863        | 41,070         | 42,590        | 89,231         |
| Subtotal (nonsubject)          | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ***           | ***            | ***           | ***            |
| Total imports                  | ***              | 42,029           | 36,481        | 55,577         | 49,537        | 99,464         |
| Apparent consumption           | 79,015           | 101,784          | 103,357       | 118,790        | 77,763        | 130,786        |

Table continued on next page.

**Table I-6--Continued**

**Carbon steel butt-weld pipe fittings: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 1985, 1991, 1999, 2004, 2009, and 2015**

| Item                                  | Calendar year    |                  |               |                |               |                |
|---------------------------------------|------------------|------------------|---------------|----------------|---------------|----------------|
|                                       | Original         | Original         | First Reviews | Second Reviews | Third Reviews | Fourth Reviews |
|                                       | 1985             | 1991             | 1999          | 2004           | 2009          | 2015           |
| <b>Share of consumption (percent)</b> |                  |                  |               |                |               |                |
| U.S. producers' U.S. shipments        | ***              | ***              | 64.8          | 53.2           | 36.3          | 23.9           |
| U.S. imports from--                   |                  |                  |               |                |               |                |
| Brazil                                | ***              | ( <sup>1</sup> ) | 0.0           | 0.0            | 0.0           | 0              |
| China                                 | ( <sup>1</sup> ) | ***              | 0.1           | 0.1            | 0.5           | 0.5            |
| Japan                                 | ***              | ( <sup>1</sup> ) | 0.3           | 0.0            | 0.0           | 0.0            |
| Taiwan                                | ***              | ( <sup>1</sup> ) | 4.8           | 2.1            | 1.5           | 1.2            |
| Thailand (subject)                    | ( <sup>1</sup> ) | ***              | ***           | ***            | ***           | ***            |
| Subtotal (subject)                    | 36.2             | ***              | ***           | ***            | ***           | ***            |
| Thailand (nonsubject)                 | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ***           | ***            | ***           | ***            |
| All other sources                     | ***              | ***              | 19.2          | 34.6           | 54.8          | 68.2           |
| Subtotal (nonsubject)                 | ( <sup>1</sup> ) | ( <sup>1</sup> ) | ***           | ***            | ***           | ***            |
| Total imports                         | ***              | 41.3             | 35.2          | 46.8           | 63.7          | 76.1           |

<sup>1</sup> Data are unavailable.

Source: Data for the years 1985, 1991, 1999, and 2004 are from *Carbon Steel Butt-Weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand: Inv. Nos. 731-TA-308-310 and 520-521 (Third Review)*—Staff Report, INV-JJ-018, March 2, 2011, table I-6. For the year 2015, data are compiled using data submitted by domestic interested parties. *Tube Forgings, Mills, and Hackney response to Commission's notice of institution*, p. 32 and *Weldbend's response to Commission's notice of institution*, Attachment A.

### 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. Additional information concerning geographical markets and simultaneous presence in the market is presented below.<sup>88</sup>

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<sup>88</sup> In addition, available information concerning subject country producers and the global market is presented in the next section of this report.

### Presence in the market

Table I-7 presents data on the number of monthly entries of U.S. imports of carbon steel butt-weld pipe fittings, by source, during 2010-15. As the table shows, subject carbon steel butt-weld pipe fittings were not imported from Brazil during any month of 2010-15, were imported in only three months from Japan, but were imported with regular frequency from China, Taiwan, and Thailand during this period.

**Table I-7**  
**Carbon steel butt-weld pipe fittings: U.S. imports, monthly entries into the United States, by sources, 2010-15**

| Country                   | Calendar year |      |      |      |      |      |
|---------------------------|---------------|------|------|------|------|------|
|                           | 2010          | 2011 | 2012 | 2013 | 2014 | 2015 |
| <b>Brazil</b>             | 0             | 0    | 0    | 0    | 0    | 0    |
| <b>China</b>              | 7             | 10   | 10   | 12   | 12   | 12   |
| <b>Japan</b>              | 0             | 2    | 0    | 0    | 1    | 0    |
| <b>Taiwan</b>             | 11            | 12   | 12   | 12   | 12   | 11   |
| <b>Thailand (subject)</b> | ***           | ***  | ***  | ***  | ***  | ***  |

*Source:* Official Commerce statistics for HTS subheading 7307.93.30. U.S. imports identified as being manufactured by Awaji Materia (Thailand) have been removed from subject U.S. imports from Thailand and have been identified as nonsubject imports from Thailand. These imports were identified using \*\*\*.

### Geographical markets

Carbon steel butt-weld pipe fittings produced in the United States are shipped nationwide. Information summarizing the geographic areas to which imported carbon steel butt-weld pipe fittings enter the United States is presented in table I-8.

Table I-8

**Carbon steel butt-weld pipe fittings: U.S. imports from subject countries, by Customs district, 2010-15**

| Item                               | Customs district        | Imports (short tons) |
|------------------------------------|-------------------------|----------------------|
| <b>Brazil</b>                      | NA                      | 0                    |
| <b>China</b>                       | Houston-Galveston, TX   | 1,803                |
|                                    | Los Angeles, CA         | 1,753                |
|                                    | Savannah, GA            | 704                  |
|                                    | All others              | 641                  |
|                                    | <b>Subtotal (China)</b> |                      |
| <b>Japan</b>                       | Chicago, IL             | 1                    |
|                                    | Los Angeles, CA         | 2                    |
|                                    | Pembina, ND             | 1                    |
| <b>Subtotal (Japan)</b>            |                         | 4                    |
| <b>Taiwan</b>                      | Chicago, IL             | 7,373                |
|                                    | Savannah, GA            | 2,084                |
|                                    | Houston-Galveston, TX   | 823                  |
|                                    | Los Angeles, CA         | 696                  |
|                                    | All others              | 196                  |
| <b>Subtotal (Taiwan)</b>           |                         | 11,172               |
| <b>Thailand (subject)</b>          | ***                     | ***                  |
|                                    | ***                     | ***                  |
|                                    | All others              | ***                  |
| <b>Subtotal (Thailand subject)</b> |                         | ***                  |

Source: Official Commerce statistics for HTS subheading 7307.93.30. U.S. imports identified as being manufactured by Awaji Materia (Thailand) have been removed from subject U.S. imports from Thailand. These imports were identified using \*\*\*.

### THE INDUSTRY IN BRAZIL

In the original investigations, the Commission received data from the sole producer of carbon steel butt-weld pipe fittings in Brazil, Conforja, S.A. (“Conforja”). In the Commission’s full second five-year reviews, the Commission requested data from Conforja but the firm did not provide the Commission with a questionnaire response in those full five-year reviews. In these current fourth five-year reviews, responding U.S. producers identified the Brazilian producer, Uniforja – Cooperative Central de Producao Industrial de Trabalhadores em Metalurgia (“Uniforja”), as accounting for all U.S. imports from Brazil.<sup>89</sup> After the third sunset reviews, U.S. imports of carbon steel butt-weld pipe fittings from Brazil almost ceased.<sup>90</sup>

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<sup>89</sup> *Carbon Steel Butt-weld Pipe Fittings from Brazil, China, Taiwan, Japan, and Thailand Invs. Nos. 731-TA-308-310, 520-521 (Third Review)*, USITC Publication 4222, April 2011, p. I-19. *Tube Forgings, Mills, and Hackney response to Commission’s notice of institution*, March 31, 2016, p. 28.

<sup>90</sup> *Tube Forgings, Mills, and Hackney response to Commission’s notice of institution*, March 31, 2016, p. 28.

Uniforja states that it is the largest producer of flanges, rings, and steel fittings in Latin America and has approximately 215,255 square feet of production area.<sup>91</sup> Another Brazilian producer, Induscurva Comercial Ltda., reportedly has 19,685 square feet of production area.<sup>92</sup>

Table I-9 provides data obtained from the Global Trade Atlas of exports of iron or steel butt-weld pipe fittings from Brazil to leading foreign markets.<sup>93</sup>

**Table I-9**

**Carbon steel butt-weld pipe fittings: Brazil's reported exports, 2010-15**

| Country            | Calendar year           |      |       |       |       |      |
|--------------------|-------------------------|------|-------|-------|-------|------|
|                    | 2010                    | 2011 | 2012  | 2013  | 2014  | 2015 |
|                    | Quantity (1,000 pounds) |      |       |       |       |      |
| Colombia           | 0                       | 0    | 0     | 0     | 97    | 89   |
| Belgium            | 0                       | 3    | 0     | 0     | 0     | 42   |
| Angola             | 12                      | 14   | 350   | 137   | 35    | 26   |
| Dominican Republic | 5                       | 3    | 1     | 0     | 0     | 23   |
| Singapore          | 0                       | 1    | 106   | 213   | 304   | 22   |
| Bolivia            | 0                       | 0    | 9     | 7     | 4     | 9    |
| Paraguay           | 7                       | 85   | 1     | 3     | 0     | 2    |
| Turkey             | 0                       | 0    | 0     | 0     | 0     | 2    |
| Netherlands        | 0                       | 0    | 0     | 33    | 0     | 1    |
| Argentina          | 0                       | 0    | 1     | 395   | 36    | 1    |
| All other          | 48                      | 198  | 632   | 311   | 714   | 1    |
| Total              | 73                      | 304  | 1,100 | 1,098 | 1,190 | 218  |

Source: Compiled from Global Trade Atlas, Export Statistics, HTS 7307.93, April 26, 2016. Please note that HTS 7307.93 may include products not within the scope of these reviews.

## THE INDUSTRY IN CHINA

U.S. producers report that Chinese manufacturers of carbon steel butt-weld pipe fittings have substantial capacity and are active exporters.<sup>94</sup> U.S. producers note that in 2014, China's volume of exports of carbon steel butt-weld pipe fittings was almost \*\*\* times greater than the

<sup>91</sup> UNIFORJA - Cooperativa Central de Produção Industrial de Trabalhadores em Metalurgia, "Quem Samos," undated. <http://www.uniforja.com.br/empresa/quem-somos.wt> (accessed April 25, 2016).

<sup>92</sup> Induscurva Comercial Ltda., "Nossa História," undated. <http://www.induscurva.com.br/historia.asp> (April 25, 2016).

<sup>93</sup> Carbon steel butt-weld pipe fittings are included in Global Trade Atlas' 6-digit number 7307.93, which may also include products not within the scope of these reviews.

<sup>94</sup> *Tube Forgings, Mills, and Hackney response to Commission's notice of institution*, March 31, 2016, pp. 6–9 and 28–29.

collective production capacity of three of the four major U.S. producers.<sup>95</sup> U.S. producers also report that a number of Chinese producers are focused on exports of their carbon steel butt-weld pipe fittings.<sup>96</sup>

Table I-10 provides data obtained from the Global Trade Atlas of exports of iron or steel butt-weld pipe fittings from China to leading foreign markets.<sup>97</sup> Chinese exports are subject to antidumping duties in other markets. These include orders in Argentina, the European Union (“EU”), and Turkey.<sup>98</sup>

**Table I-10**

**Carbon steel butt-weld pipe fittings: China’s reported exports, 2010-15**

| Country              | Calendar year           |         |         |         |         |         |
|----------------------|-------------------------|---------|---------|---------|---------|---------|
|                      | 2010                    | 2011    | 2012    | 2013    | 2014    | 2015    |
|                      | Quantity (1,000 pounds) |         |         |         |         |         |
| India                | 34,058                  | 35,707  | 31,564  | 23,369  | 44,756  | 43,646  |
| Malaysia             | 10,163                  | 11,618  | 13,937  | 15,818  | 22,442  | 26,577  |
| Iran                 | 15,874                  | 16,494  | 11,251  | 17,931  | 21,724  | 25,670  |
| Korea South          | 13,902                  | 20,740  | 20,167  | 12,802  | 20,529  | 22,820  |
| United Arab Emirates | 13,843                  | 16,307  | 18,948  | 25,111  | 19,143  | 22,591  |
| Indonesia            | 11,061                  | 15,903  | 20,280  | 23,208  | 18,790  | 22,571  |
| Russia               | 2,971                   | 14,959  | 17,585  | 26,495  | 23,966  | 17,074  |
| Vietnam              | 5,628                   | 4,673   | 5,818   | 10,031  | 8,461   | 14,620  |
| Thailand             | 1,961                   | 3,255   | 4,739   | 8,789   | 11,569  | 12,692  |
| Saudi Arabia         | 4,402                   | 4,093   | 5,957   | 3,825   | 5,706   | 12,323  |
| All other            | 138,393                 | 147,256 | 186,220 | 191,811 | 211,141 | 170,398 |
| Total                | 252,257                 | 291,004 | 336,465 | 359,192 | 408,228 | 390,982 |

Source: Compiled from Global Trade Atlas, Export Statistics, HTS 7307.93, April 26, 2016. Please note that HTS 7307.93 may include products not within the scope of these reviews.

<sup>95</sup> *Tube Forgings, Mills, and Hackney response to commission’s notice of institution*, March 31, 2016, p. 7.

<sup>96</sup> Chinese producers identified by U.S. producers include: Cangzhou Baisheng Pipe-Fittings Manufacturing Co., Ltd., Cangzhou Heng Xin Tai Pipeline Machinery Co., Ltd., Cangzhou Hengli Pipe Fitting Manufacturing Co., Ltd., Cangzhou Qiancheng Steel-Pipe Co., Ltd., Haitian Pipe Fittings Co., Ltd., Jinan Luyang Forging Co., Ltd., Qingdao Best Year Hardware & Machinery Co., Ltd., Shandong Minmetals Co., Ltd., Shandong Rongxin Import & Export Co., Ltd., Shanghai ATT Pipe Fitting Manufacturing Co., Ltd. Shenyang Ruihong Pipe Fitting Co., Ltd., and Zibo Wel-fit Metal Products Co., Ltd. *Tube Forgings, Mills, and Hackney response to notice of institution*, March 31, 2016, pp. 6–9 and 28–29.

<sup>97</sup> Carbon steel butt-weld pipe fittings are included in Global Trade Atlas’ 6-digit number 7307.93. which may also include products not within the scope of these reviews.

<sup>98</sup> See section of report on “Antidumping or Countervailing Duty Orders in Third-Country Markets.”

## THE INDUSTRY IN JAPAN

During the Commission's full second five-year reviews, the Commission requested data from the following three producers of carbon steel butt-weld pipe fittings: (1) Awaji Materia Co., Ltd. (formally Awaji Sangya, K.K.) ("Awaji"); (2) Benkan Japan KK (formally Benex Corp.) ("Benkan"); and (3) Mitsui & Co., Ltd. ("Mitsui"). None of the three Japanese producers provided the Commission with a questionnaire response in the full second five-year reviews. U.S. producers providing responses to the Commission's notice of institution in these current fourth five-year reviews listed Benkan and Awaji as likely exporters of the subject merchandise from Japan. They also noted that their unconfirmed Internet research indicates that the following companies may also manufacture carbon steel pipe fittings in Japan: Kuze Bellow Kogyo Co., Ltd.; Miyoshi Tekko Co., Ltd.; and Sumitomo Metals Co., Ltd.

The Benkan Corporation has three plants that produce carbon steel butt-weld pipe fittings, of which two plants in Ota-City, Gunma, Japan, likely produce subject products, and one in Osaka, Japan, that produces large butt-weld pipe fittings.<sup>99</sup> The company also produces carbon steel butt-weld fittings in Thailand and, in 2014, in Vietnam.<sup>100</sup>

Awaji Materia Co., Ltd.'s factory in Sumoto City, Japan, employs 78 persons, producing special bevel-ends of weld fittings, with production of carbon steel pipe fittings (including threaded fittings) at 500 tons per month.<sup>101</sup> The company also has a production subsidiary, Awaji Materia (Thailand) Company, in Thailand.<sup>102</sup>

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<sup>99</sup> In September 2014, Benkan Japan K.K. changed its name to Benkan Corp. Benkan Corp., "Announcement of Company Name Change," press release, August 20, 2014. <https://www.benkan.com/en/news/2014/140820.html> (accessed April 25, 2016).

Benkan Corp., "Welding Type Pipe Fittings Domestic Production Base," March 24, 2016, in Japanese. <http://ameblo.jp/benkan-japan/entry-12139840613.html> (accessed April 18, 2016). The company has another plant in Kiryu Osaka that produces out of scope products based on their large size.

<sup>100</sup> Benkan Corp., "Corporate Profile," undated. <https://www.benkan.com/en/company/index.html> (accessed April 18, 2016). There are two factories in Vietnam, one for stainless steel mechanical joints and pipe fittings, and one for carbon steel butt-weld pipe fittings. See Benkan Viet Nam, "Khánh Thành Phân Xưởng Benkan Việt Nam 2 Tại KCN Thuận Đạo mở rộng," September 22, 2014. <http://benkan-vietnam.com.vn/vi/news/khanh-thanh-phan-xuong-benkan-viet-nam-2-tai-kcn-thuan-dao-mo-rong-339.html> (Accessed April 26, 2016). In September 2014, Benkan Corp. acquired all the shares of Thai Benkan Co., Ltd., and thereby made the company a wholly owned subsidiary. Benkan Corp., "Notice of Acquisition of Shares for Thai Benkan Co., Ltd ( TBC )," press release, October 24, 2014. <https://www.benkan.com/en/news/2014/141024.html> (accessed April 25, 2016).

<sup>101</sup> Awaji Materia Co., Ltd., "Facilities: Head Office & Factory/Logistic Center," undated. <http://www.awaji-m.jp/english/company/facilities.html#awaji> (accessed April 18, 2016).

<sup>102</sup> Awaji Materia Co., Ltd. "Facilities: Head Office & Factory/Logistic Center," undated. <http://www.awaji-m.jp/english/company/facilities.html#awaji> (accessed April 18, 2016).



Nippon Steel and Sumitomo Metals Corporation (“NSSMC”) has two production facilities for carbon steel butt-weld pipe fittings.<sup>103</sup> NSSMC’s pipe-making group produces fittings at its Kimitsu Works in Kimitsu City, Japan. This facility has a production capacity of 290,000 tons for products with an outer diameter of 0.83–4.5 inches for galvanized pipes and tubes and pressure steel pipes.<sup>104</sup> NSSMC’s subsidiary Nippon Steel Sumitomo Metals Machinery and Engineering Co., Ltd. subsidiary Nippon Steel & Sumikin Kikoh Company, Ltd. (NSSKC), located in Amagasaki, Japan, produces carbon steel butt-weld pipe fittings and high pressure gas containers and employs 160 persons.<sup>105</sup>

Table I-11 provides data obtained from the Global Trade Atlas of exports of iron or steel butt-weld pipe fittings from Japan to the United States and to other leading foreign markets.<sup>106</sup>

**Table I-11**

**Carbon steel butt-weld pipe fittings: Japan’s reported exports, 2010-15**

| Country       | Calendar year           |        |       |        |       |       |
|---------------|-------------------------|--------|-------|--------|-------|-------|
|               | 2010                    | 2011   | 2012  | 2013   | 2014  | 2015  |
|               | Quantity (1,000 pounds) |        |       |        |       |       |
| Singapore     | 6,928                   | 7,022  | 5,260 | 7,034  | 1,904 | 1,093 |
| Indonesia     | 181                     | 199    | 149   | 3,069  | 1,489 | 748   |
| Philippines   | 763                     | 421    | 653   | 566    | 630   | 743   |
| Vietnam       | 31                      | 12     | 45    | 78     | 50    | 649   |
| United States | 477                     | 347    | 30    | 21     | 120   | 442   |
| Egypt         | 701                     | 173    | 20    | 0      | 0     | 390   |
| Kuwait        | 2                       | 14     | 0     | 0      | 0     | 386   |
| China         | 643                     | 694    | 666   | 321    | 590   | 361   |
| Malaysia      | 87                      | 221    | 25    | 3      | 405   | 171   |
| Thailand      | 1,178                   | 821    | 590   | 427    | 544   | 161   |
| All other     | 4,159                   | 3,164  | 1,086 | 1,877  | 1,073 | 663   |
| World         | 15,149                  | 13,087 | 8,525 | 13,396 | 6,805 | 5,808 |

Source: Compiled from Global Trade Atlas, Export Statistics, HTS 7307.93, April 26, 2016. Please note that HTS 7307.93 may include products not within the scope of these reviews.

<sup>103</sup> Nippon Steel & Sumitomo Metal Corp., *Pipes & Tubes of Nippon Steel & Sumitomo Metal*, 2013, pp. 1-4. [http://www.nssmc.com/product/catalog\\_download/pdf/P001en.pdf](http://www.nssmc.com/product/catalog_download/pdf/P001en.pdf) (accessed April 25, 2016).

<sup>104</sup> Nippon Steel & Sumitomo Metal Corp., *Pipes & Tubes of Nippon Steel & Sumitomo Metal*, 2013, pp. 1-4. [http://www.nssmc.com/product/catalog\\_download/pdf/P001en.pdf](http://www.nssmc.com/product/catalog_download/pdf/P001en.pdf) (accessed April 25, 2016).

<sup>105</sup> Nippon Steel & Sumikin Kikoh Company, Ltd., “Company Profile,” undated. <http://www.nsskikoh.nssmc.com/company/company01.html> (accessed April 25, 2016).

<sup>106</sup> Carbon steel butt-weld pipe fittings are included in Global Trade Atlas’ 6-digit number 7307.93. which may also include products not within the scope of these reviews.

## THE INDUSTRY IN TAIWAN

During the Commission's full second five-year reviews, the Commission requested data from the following two producers of carbon steel butt-weld pipe fittings in Taiwan: Chup Hsin Enterprises Co., Ltd. ("Chup Hsin") and Rigid Industries Co., Ltd. ("Rigid Industries"). Neither firm in Taiwan provided the Commission with a questionnaire response in its full second five-year reviews. The participating U.S. producers in these current fourth five-year reviews listed as producers of carbon steel butt-weld pipe fittings in Taiwan the two firms previously identified by the Commission in its second five-year reviews, as well as two additional producers identified through Internet research (Wellgrow Industries Corp. and Valtec Ind. Co., Ltd.).

The known producers of carbon steel butt-weld pipe fittings in Taiwan are Chup Hsin Enterprise Company, Ltd. ("Chup Hsin"), Rigid Industries Co., Ltd. ("Rigid Industries"), and Wellgrow Industries Corp. ("Wellgrow"), a distributor of the Hsiung Shun Group, and Niang Hong Pipe Fittings Co. Ltd.<sup>107</sup> Information on much of the industry in Taiwan is not readily available. Wellgrow states on its Internet site that its monthly capacity is 200 tons for a variety of fittings and other related products and that it exports 70 percent of its products.<sup>108</sup>

Table I-12 provides data obtained from the Global Trade Atlas concerning exports of iron or steel butt-weld pipe fittings from Taiwan to leading foreign markets.<sup>109</sup>

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<sup>107</sup> The EU has an antidumping duty order on carbon steel butt-weld pipe fittings from China that includes products exported from Taiwan. Although Chup Hsin, Rigid Industries, and Niang Hong Pipe Fittings Co., Ltd., were excluded from that order in 2003, the exemption was repealed in 2009. See *Council Regulation 803/2009: Imposing a Definitive Anti-dumping Duty on Imports of Certain Tube and Pipe Fittings, of Iron or Steel, Originating in the People's Republic of China and Thailand, and those Consigned from Taiwan, Whether Declared as Originating in Taiwan, or not, and Repealing the Exemption Granted to Chup Hsin Enterprise Co. Ltd. and Nian Hong Pipe Fittings Co. Ltd.*, August 27, 2009, 2009, O.J. L 233/1, September 4, 2009, pp. 1 and 16.

<sup>108</sup> Wellgrow Industries Corp., "About Us," undated. <http://www.fittings.com.tw/about.htm> (accessed April 26, 2016). USITC staff was not able to identify Internet sites for Chup Hsin, Rigid Industries, and Niang Hong Pipe Fittings Co., Ltd.

<sup>109</sup> Carbon steel butt-weld pipe fittings are included in Global Trade Atlas' 6-digit number 7307.93, which may also include products not within the scope of these reviews.

**Table I-12**

**Carbon steel butt-weld pipe fittings: Taiwan’s reported exports, 2010-15**

| Country       | Calendar year           |        |        |        |        |        |
|---------------|-------------------------|--------|--------|--------|--------|--------|
|               | 2010                    | 2011   | 2012   | 2013   | 2014   | 2015   |
|               | Quantity (1,000 pounds) |        |        |        |        |        |
| Canada        | 1,312                   | 2,945  | 3,627  | 2,670  | 4,372  | 3,931  |
| United States | 2,145                   | 1,177  | 1,887  | 2,641  | 2,526  | 2,758  |
| Italy         | 2,429                   | 2,601  | 2,269  | 2,903  | 2,526  | 2,174  |
| Mexico        | 181                     | 75     | 225    | 886    | 1,369  | 959    |
| Turkey        | 0                       | 0      | 0      | 0      | 388    | 542    |
| Singapore     | 280                     | 485    | 560    | 591    | 670    | 511    |
| Saudi Arabia  | 37                      | 7      | 0      | 430    | 141    | 408    |
| Vietnam       | 419                     | 40     | 9      | 1,338  | 2,103  | 388    |
| Japan         | 24                      | 2      | 22     | 9      | 68     | 141    |
| Korea         | 0                       | 9      | 0      | 0      | 55     | 123    |
| All other     | 2,247                   | 3,109  | 3,885  | 4,963  | 2,306  | 342    |
| World         | 9,074                   | 10,450 | 12,483 | 16,431 | 16,526 | 12,278 |

Source: Compiled from Global Trade Atlas, Export Statistics, HTS 7307.93, April 26, 2016. Please note that HTS 7307.93 may include products not within the scope of these reviews.

**THE INDUSTRY IN THAILAND**

During the full second five-year reviews, the Commission requested data from the following two producers of carbon steel butt-weld pipe fittings in Thailand: Thai Benkan Co., Ltd. (“Thai Benkan”) and TTU Industrial Corp., Ltd. Neither of these Thai firms provided the Commission with a questionnaire response in the full second five-year reviews. A third producer in Thailand, Awaji Materia (Thailand) Co., received a *de minimis* dumping margin in the original investigations and is currently excluded from the order.

U.S. producers providing responses to the Commission's notice of institution in these current fourth five-year reviews report that significant Thai producers subject to the antidumping duty order are Thai Benkan and TTU Industrial Corporation. U.S. producers note that other Thai producers include Thana Lohakit Company, Co., Ltd., which does not have a specific antidumping margin, and Awaji Materia (Thailand) Company, which is not subject to the antidumping duty order.<sup>110</sup>

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<sup>110</sup> *Tube Forgings, Mills, and Hackney response to Commission’s notice of institution*, March 31, 2016, pp. 11 and 30. U.S. producers also listed Thai-Asia P.E. Pipe Company, Ltd. as a possible producer in Thailand. However, the company does not appear to produce carbon steel butt-weld pipe fittings, but the company is a significant producer of large high-density polyethylene (HDPE) pipe and pipe fittings. Thai-Asia P.E. Pipe Company, Ltd., “Home,” undated. <http://www.tappipe.com/site2/index.php?&lan=en> (accessed April 18, 2016).

Thai Benkan Co., Ltd. became a wholly owned subsidiary of the Benkan Corporation of Japan in 2014. U.S. producers report that Thai Benkan has an annual production capacity of 14,400 tons of carbon steel butt-weld pipe fittings.<sup>111</sup> In 2009, the EU renewed its antidumping duty order on imports from Thailand and issued to Thai Benkan Co., Ltd., a company-specific antidumping duty margin of zero.<sup>112</sup>

TTU Industrial Corporation of Thailand employs 150 workers. The company has the capacity to process 12,000 metric tons of pipe fittings in Thailand (includes both carbon steel and stainless steel pipe fittings).<sup>113</sup>

Thana Lohakit Company states on its website that it started as a local retailer but later expanded to international sales. The company states that the number of employees is 10. The company does not list any manufacturing operations.<sup>114</sup>

Awaji Materia (Thailand) Company is a subsidiary of Awaji Materia Co., Ltd. of Japan.<sup>115</sup> The Awaji Materia (Thailand) Co., was established in 1987 and currently has 500 employees and produces 1,800 tons per month of carbon steel butt-weld pipe fittings.<sup>116</sup> Recently, the company arranged with a South-East Asian metals trading house for increased ASEAN region distribution and opened up a warehouse in Thailand to supply the new distribution arrangement. As noted above, the EU renewed its antidumping duty order on Thailand and in 2009 assigned Awaji Materia (Thailand) Company, Ltd. a company-specific antidumping duty margin of 7.4 percent.<sup>117</sup>

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<sup>111</sup> *Tube Forgings, Mills, and Hackney response to notice of institution*, March 31, 2016, p. 11. See also Thai Benkan Company, Ltd., “Manufacturer Range,” undated. <http://www.thaibenkan.co.th/sales.htm> (accessed April 26, 2016).

<sup>112</sup> *See Council Regulation 803/2009: imposing a definitive anti-dumping duty on imports of certain tube and pipe fittings, of iron or steel, originating in the People’s Republic of China and Thailand, and those consigned from Taiwan, whether declared as originating in Taiwan, or not, and repealing the exemption granted to Chup Hsin Enterprise Co. Ltd. and Nian Hong Pipe Fittings Co. Ltd.*, August 27, 2009, 2009, O.J. L 233/1, September 4, 2009.

<sup>113</sup> TTU Industrial Corp., Ltd., “Profile: History,” undated. <http://www.ttu.co.th/index.php> (accessed April 18, 2016).

<sup>114</sup> Thana Lohakit Co., Ltd., “Company profile,” undated. <http://www.thana-intl.com/about.htm> (accessed April 18, 2016).

<sup>115</sup> Awaji Materia Co., Ltd., “Facilities,” undated. <http://www.awaji.jp/english/company/facilities.html> (accessed April 18, 2016).

<sup>116</sup> Awaji Materia Co., Ltd., “Facilities,” undated. <http://www.awaji.jp/english/company/facilities.html> (accessed April 18, 2016).

<sup>117</sup> *See Council Regulation 803/2009: imposing a definitive anti-dumping duty on imports of certain tube and pipe fittings, of iron or steel, originating in the People’s*

*Republic of China and Thailand, and those consigned from Taiwan, whether declared as originating in Taiwan, or not, and repealing the exemption granted to Chup Hsin Enterprise Co. Ltd. and Nian Hong Pipe Fittings Co. Ltd.*, August 27, 2009, 2009, O.J. L 233/1, September 4, 2009.

Table I-13 provides data obtained from the Global Trade Atlas of exports of iron or steel butt-weld pipe fittings from Thailand to the United States and to other leading foreign markets.<sup>118</sup>

**Table I-13**

**Carbon steel butt-weld pipe fittings: Thailand's reported exports, 2010-15**

| Country              | Calendar year           |        |        |        |        |        |
|----------------------|-------------------------|--------|--------|--------|--------|--------|
|                      | 2010                    | 2011   | 2012   | 2013   | 2014   | 2015   |
|                      | Quantity (1,000 pounds) |        |        |        |        |        |
| Japan                | 17,822                  | 19,297 | 18,296 | 16,828 | 18,670 | 19,029 |
| United States        | 15,022                  | 19,763 | 17,109 | 17,586 | 15,596 | 12,053 |
| Canada               | 6,014                   | 9,072  | 9,172  | 7,357  | 6,763  | 5,625  |
| Singapore            | 3,807                   | 3,946  | 4,300  | 5,016  | 5,259  | 3,041  |
| United Arab Emirates | 2,989                   | 5,039  | 3,763  | 4,422  | 3,424  | 2,019  |
| Indonesia            | 1,310                   | 3,169  | 2,101  | 2,818  | 2,186  | 1,960  |
| Saudi Arabia         | 4,767                   | 2,301  | 3,215  | 900    | 368    | 937    |
| South Africa         | 1,058                   | 1,019  | 2,058  | 1,331  | 963    | 652    |
| Belgium              | 1,059                   | 729    | 1,184  | 1,724  | 921    | 621    |
| Kuwait               | 336                     | 164    | 135    | 213    | 399    | 399    |
| All other            | 8,437                   | 13,692 | 9,601  | 6,014  | 3,483  | 2,259  |
| World                | 62,620                  | 78,192 | 70,934 | 64,210 | 58,031 | 48,595 |

*Source:* Compiled from Global Trade Atlas, Export Statistics, HTS 7307.93, April 26, 2016. Please note that HTS 7307.93 may include products not within the scope of these reviews. Exports of Awaji Materia are included in the "exports to United States" data.

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

Antidumping duty orders are currently maintained by Argentina, the EU, Mexico, and Turkey on imports of carbon-steel butt-weld pipe fittings from China, Malaysia, Korea, Philippines, Indonesia, Russia, Sri Lanka, Taiwan, and Turkey, with an antidumping order on Thailand expiring in 2014.

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<sup>118</sup> Carbon steel butt-weld pipe fittings are included in Global Trade Atlas' 6-digit number 7307.93, which may also include products not within the scope of these reviews.

## Argentina

In October 2009, Argentina issued an antidumping duty order on carbon steel butt-weld pipe fittings from China, with an antidumping duty margin of \$3.94 per kilogram.<sup>119</sup> Argentina commenced a review of the order in October 2014.<sup>120</sup>

## European Union (EU)

As of April 2016, the EU maintains antidumping duty orders on imports of steel butt-weld pipe fittings from China, Korea, Malaysia, Russia, and Turkey.<sup>121</sup> The EU also has antidumping duty orders on imports from Indonesia, Taiwan, Sri Lanka, and the Philippines to prevent circumvention of Chinese-origin subject products consigned to these countries and subsequently exported to the EU. In 2014, the EU terminated an antidumping duty order on

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<sup>119</sup> World Trade Organization, *Semi-Annual Report under Article 16.4 of the Agreement: Argentina*, G/ADP/N/195/ARG, February 22, 2010, p. 4. The subject product are carbon steel butt-weld pipe fittings of an external diameter of 2 inches or more but not exceeding 12 inches.

<sup>120</sup> World Trade Organization, *Semi-Annual Report under Article 16.4 of the Agreement: Argentina*, G/ADP/N/272/ARG, October 12, 2015, p. 7.

<sup>121</sup> The EU issued an antidumping order on both imports from China and Thailand in 1996. The EU also issued orders on imports from Taiwan in 2003, both Indonesia and Sri Lanka in 2004, and the Philippines in 2006. The EU issued orders on imports from Korea, Malaysia, and Russia in 2002, and on imports from Turkey in 2013.

The EU also issued orders on imports from Croatia in 1996, terminated in 2001; and the Czech Republic and Slovakia in 2002, both terminated in May 2004 with the enlargement of the European Communities. *World Trade Organization, Semi-Annual Report under Article 16.4 of the Agreement: European Communities*, G/ADP/N/119/EEC, September 14, 2004, pp. 6 and 13.

*See Council Regulation 584/96: Imposing A Definitive Anti-Dumping Duty on Imports of Certain Tube or Pipe Fittings, of Iron or Steel, Originating in the People's Republic of China, Croatia and Thailand, and Collecting Definitively the Provisional Duty Imposed*, March 11, 1996, 1996, O.J. L 84/1, April 3, 1996. One Croatian and three Thai exporters were exempted from the duty order.

*See Council Regulation 2015/1934, Imposing a Definitive Anti-dumping Duty on Imports of Certain Tube and Pipe Fittings, of Iron or Steel, Originating in the People's Republic of China, Following and Expiry Review Pursuant to Article 11(2) of Regulation (EC) No 1225/2009*, October 27, 2015, 2015, O.J. L 282/14, October 28, 2015.

*See Council Regulation 2016/306: Amending Implementing Regulation (EU) No 1283/2014 Imposing a Definitive Anti-dumping Duty on Imports of Certain Tube and Pipe Fittings, of Iron or Steel, Originating in the Republic of Korea and Malaysia Following an Interim Review Pursuant to Article 11(3) of Council Regulation (EC) No 1225/2009*, March 3, 2016, 2016, O.J. L 58/38, March 4, 2016.

*See Council Regulation 78/2013: Imposing a Definitive Anti-dumping Duty and Collecting Definitely the Provisional Duty Imposed on Imports of Certain Tube and Pipe Fittings of Iron or Steel Originating in Russia and Turkey*, January 17, 2013, 2013, O.J. L 27/1, January 29, 2013.

Thailand.<sup>122</sup> EU antidumping duty margins currently in effect are shown in the tabulation below.

| <b>Country</b> | <b>Margin (percent)</b> |
|----------------|-------------------------|
| China          | 58.6 ( <sup>1</sup> )   |
| Korea          | 44.0                    |
| Malaysia       | 49.9, 59.9, and 75      |
| Russia         | 23.8                    |
| Turkey         | 2.9 and 16.7            |

<sup>1</sup> Extended to imports from Taiwan, Indonesia, Sri Lanka and the Philippines, whether originating or not in those countries.

Source: Various EU Official Journal notices.

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<sup>122</sup> See *Notice of the Expiry of Certain Anti-dumping Measures (2014/C 297/03)*, O.J., C 297/12, September 4, 2014. The order expired September 5, 2014.

## Mexico

In August 2004, Mexico issued an antidumping order on carbon steel butt-weld pipe fittings from China with a margin of 84.01 percent.<sup>123</sup> In November 2006, Mexico renewed the order and changed to the duty to \$2.07 per kilogram.<sup>124</sup> In February 2011, Mexico renewed the order and lowered the duty to \$1.05 per kilogram.<sup>125</sup> In February 2015, Mexico renewed the order for an additional five years from August 2014, again with a duty of \$1.05 per kilogram.<sup>126</sup> As of the end of 2015, the order remains in force.<sup>127</sup>

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<sup>123</sup> See *Resolución final de la investigación antidumping sobre las importaciones de conexiones de acero al carbón para soldar a tope, en diámetros en el rango de 1/2 a 16 pulgadas, incluyendo ambas, mercancía actualmente clasificada en la fracción arancelaria 7307.93.01 de la Tarifa de la Ley de los Impuestos Generales de Importación y de Exportación, originarias de la República Popular China, independientemente del país de procedencia*, Diario Oficial de la Federación, August 2, 2004, Mexico. [http://www.dof.gob.mx/nota\\_detalle.php?codigo=666659&fecha=04/08/2004](http://www.dof.gob.mx/nota_detalle.php?codigo=666659&fecha=04/08/2004) (accessed April 11, 2016). The order covers fittings with an outside diameter of 0.5 to 16 inches.

<sup>124</sup> See *Resolución final de la Revisión de cuota compensatoria definitiva sobre las importaciones de conexiones de acero al carbón para soldar a tope, en diámetros en el rango de 1/2 a 16 pulgadas, incluyendo ambas, mercancía clasificada en la fracción arancelaria 7307.93.01 de la Tarifa de la Ley de los Impuestos Generales de Importación y de Exportación, originarias de la República Popular China, independientemente del país de procedencia*, Diario Oficial de la Federación, November 7, 2006, Mexico. [http://www.dof.gob.mx/nota\\_detalle.php?codigo=4936721&fecha=07/11/2006](http://www.dof.gob.mx/nota_detalle.php?codigo=4936721&fecha=07/11/2006) (accessed April 11, 2016).

<sup>125</sup> See *Resolución final del examen de vigencia de la cuota compensatoria impuesta a las importaciones de conexiones de acero al carbón para soldar a tope, originarias de la República Popular China, independientemente del país de procedencia. Esta mercancía se clasifica en la fracción arancelaria 7307.93.01 de la Tarifa de la Ley de los Impuestos Generales de Importación y de Exportación*, Diario Oficial de la Federación, February 2, 2011, Mexico. [http://www.dof.gob.mx/nota\\_detalle.php?codigo=5176445&fecha=02/02/2011](http://www.dof.gob.mx/nota_detalle.php?codigo=5176445&fecha=02/02/2011) (accessed April 11, 2016).

<sup>126</sup> See *RESOLUCIÓN Final del examen de vigencia de la cuota compensatoria impuesta a las importaciones de conexiones de acero al carbon para soldar a tope, originarias de la República Popular China, independientemente del país de procedencia. Esta mercancía ingresa por la fracción arancelaria 7307.93.01 de la Tarifa de la Ley de los Impuestos Generales de Importación y de Exportación*, Diario Oficial de la Federación, February 2, 2011, Mexico. [http://www.dof.gob.mx/nota\\_detalle.php?codigo=5399138&fecha=02/07/2015](http://www.dof.gob.mx/nota_detalle.php?codigo=5399138&fecha=02/07/2015) (accessed April 11, 2016).

<sup>127</sup> World Trade Organization, *Semi-Annual Report under Article 16.4 of the Agreement: Mexico*, G/ADP/N/280/MEX, February 22, 2016, p. 11.



## Turkey

In January 2010, Turkey issued an antidumping duty order on carbon steel butt-weld pipe fittings from China, with the lesser of an antidumping duty margin of 42.6 percent or \$663 per ton.<sup>128</sup> Turkey commenced a review of the order in January 2015.<sup>129</sup>

### THE GLOBAL MARKET

Table I-14 presents the largest global export sources of carbon steel butt-weld pipe fittings during 2010-15.

**Table I-14**

**Carbon steel butt-weld pipe fittings: Global exports by major sources, 2010-15**

| Country       | Calendar year           |         |           |           |           |           |
|---------------|-------------------------|---------|-----------|-----------|-----------|-----------|
|               | 2010                    | 2011    | 2012      | 2013      | 2014      | 2015      |
|               | Quantity (1,000 pounds) |         |           |           |           |           |
| China         | 252,257                 | 291,004 | 336,465   | 359,192   | 408,228   | 390,982   |
| Korea         | 125,778                 | 157,014 | 190,015   | 145,555   | 138,672   | 146,522   |
| Italy         | 101,731                 | 104,627 | 108,972   | 113,502   | 116,270   | 125,106   |
| Thailand      | 62,620                  | 78,192  | 70,934    | 64,210    | 58,031    | 48,595    |
| Malaysia      | 47,046                  | 47,288  | 50,210    | 53,848    | 55,499    | 48,488    |
| Germany       | 40,149                  | 39,268  | 43,239    | 47,240    | 44,542    | 39,489    |
| Austria       | 24,449                  | 27,617  | 30,901    | 33,912    | 35,647    | 34,102    |
| United States | 17,005                  | 20,374  | 27,151    | 25,957    | 25,056    | 21,425    |
| Russia        | 8,400                   | 6,142   | 6,308     | 14,398    | 17,408    | 20,754    |
| France        | 17,088                  | 23,980  | 24,405    | 28,366    | 20,055    | 17,505    |
| All other     | 133,285                 | 148,710 | 160,015   | 172,654   | 188,536   | 126,803   |
| World         | 829,808                 | 944,217 | 1,048,614 | 1,058,834 | 1,107,944 | 1,019,771 |

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

Source: Compiled from Global Trade Atlas, Export Statistics, HTS 7307.93, April 26, 2016. Please note that HTS 7307.93 may include products not within the scope of these reviews.

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<sup>128</sup> World Trade Organization, *Semi-Annual Report under Article 16.4 of the Agreement: Turkey*, G/ADP/N/202/TUR, August 6, 2010, p. 3.

<sup>129</sup> World Trade Organization, *Semi-Annual Report under Article 16.4 of the Agreement: Turkey*, G/ADP/N/280/TUR, February 25, 2016, p. 8.

**APPENDIX A**

***FEDERAL REGISTER NOTICES***



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

| Citation                      | Title   | Link  |
|-------------------------------|---|---|
| 81 FR 10656,<br>March 1, 2016 | <i>Carbon Steel Butt-Weld Pipe Fittings From Brazil, China, Japan, Taiwan, and Thailand; Institution of Five-Year Reviews</i> | <a href="https://www.federalregister.gov/articles/2016/03/01/2016-04164/carbon-steel-butt-weld-pipe-fittings-from-brazil-china-japan-taiwan-and-thailand-institution-of">https://www.federalregister.gov/articles/2016/03/01/2016-04164/carbon-steel-butt-weld-pipe-fittings-from-brazil-china-japan-taiwan-and-thailand-institution-of</a> |
| 81 FR 10578,<br>March 1, 2016 | <i>Initiation of Five-Year ("Sunset") Review</i>  | <a href="https://www.federalregister.gov/articles/2016/03/01/2016-04464/initiation-of-five-year-sunset-review">https://www.federalregister.gov/articles/2016/03/01/2016-04464/initiation-of-five-year-sunset-review</a>   |



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



**Appendix B is redacted in its entirety.**





**APPENDIX C**

**SUMMARY DATA COMPILED IN PRIOR INVESTIGATIONS**



**Table I-6**  
**Carbon steel butt-weld pipe fittings: Summary data from the original investigations, second full reviews, and third expedited reviews, 1983-1985, 1989-1991, 1999-2004, and 2009**

| Item                                 | (Quantity=1,000 pounds; value=\$1,000; unit values; unit labor costs, and unit financial data are per pound) |        |        |        |        |         |         |         |         |         |        |         |        |
|--------------------------------------|--|--------|--------|--------|--------|---------|---------|---------|---------|---------|--------|---------|--------|
|                                      | 1983   | 1984   | 1985   | 1989   | 1990   | 1991    | 1999    | 2000    | 2001    | 2002    | 2003   | 2004    | 2009   |
| U.S. consumption quantity:<br>Amount | 68,625   | 80,561 | 79,015 | 95,192 | 99,365 | 101,784 | 103,537 | 114,332 | 128,921 | 110,926 | 91,981 | 118,790 | 77,763 |
| Producers' share <sup>1</sup>        | ***  | ***    | ***    | ***    | ***    | ***     | 64.8    | 59.3    | 48.3    | 56.8    | 55.3   | 53.2    | 36.3   |
| Importer's share: <sup>1</sup>       |  |        |        |        |        |         |         |         |         |         |        |         |        |
| Brazil                               | ***  | ***    | ***    | (2)    | (2)    | (2)     | 0.0     | 0.0     | 0.0     | 0.0     | 0.0    | 0.0     | 0      |
| China                                | (2)  | (2)    | (2)    | ***    | ***    | ***     | 0.1     | 0.1     | 0.2     | 0.1     | 0.1    | 0.1     | 0.5    |
| Japan                                | ***  | ***    | ***    | (2)    | (2)    | (2)     | 0.3     | 0.2     | 0.1     | 0.1     | 0.0    | 0.0     | 0      |
| Taiwan                               | ***  | ***    | ***    | (2)    | (2)    | (2)     | 4.8     | 2.9     | 2.5     | 1.0     | 1.7    | 2.1     | 1.5    |
| Thailand (subject)                   | (2)  | (2)    | (2)    | ***    | ***    | ***     | ***     | ***     | ***     | ***     | ***    | ***     | ***    |
| Subtotal                             | 30.4   | 38.6   | 36.2   | ***    | ***    | ***     | ***     | ***     | ***     | ***     | ***    | ***     | ***    |
| Thailand (nonsubject)                | (2)  | (2)    | (2)    | (2)    | (2)    | (2)     | ***     | ***     | ***     | ***     | ***    | ***     | ***    |
| All other countries <sup>1</sup>     | ***  | ***    | ***    | ***    | ***    | ***     | 19.2    | 26.5    | 38.7    | 32.0    | 31.3   | 34.6    | 54.8   |
| Subtotal                             | (2)  | (2)    | (2)    | (2)    | (2)    | (2)     | ***     | ***     | ***     | ***     | ***    | ***     | ***    |
| Total imports <sup>1</sup>           | ***  | ***    | ***    | 42.7   | 37.6   | 41.3    | 35.2    | 40.7    | 51.7    | 43.2    | 44.7   | 46.8    | 63.7   |
| U.S. import quantity from--          |  |        |        | (2)    | (2)    | (2)     | 0       | 0       | 0       | 0       | 10     | 0       | 0      |
| Brazil                               | ***  | ***    | ***    | ***    | ***    | ***     | 125     | 138     | 224     | 68      | 83     | 177     | 389    |
| China                                | (2)  | (2)    | (2)    | ***    | ***    | ***     | 292     | 220     | 74      | 101     | 0.4    | 0.1     | 2      |
| Japan                                | ***  | ***    | ***    | (2)    | (2)    | (2)     | 4,952   | 3,308   | 3,173   | 1,076   | 1,602  | 2,482   | 1,203  |
| Taiwan                               | ***  | ***    | ***    | ***    | ***    | ***     | ***     | ***     | ***     | ***     | ***    | ***     | ***    |
| Thailand (subject)                   | (2)  | (2)    | (2)    | ***    | ***    | ***     | ***     | ***     | ***     | ***     | ***    | ***     | ***    |
| Subtotal                             | 20,880   | 31,059 | 28,580 | ***    | ***    | ***     | ***     | ***     | ***     | ***     | ***    | ***     | ***    |
| Thailand (nonsubject)                | (2)  | (2)    | (2)    | (2)    | (2)    | (2)     | 19,863  | 30,273  | 49,909  | 35,478  | 28,812 | 41,070  | 42,590 |
| Other sources                        | ***  | ***    | ***    | ***    | ***    | ***     | ***     | ***     | ***     | ***     | ***    | ***     | ***    |
| Subtotal                             | (2)  | (2)    | (2)    | (2)    | (2)    | (2)     | ***     | ***     | ***     | ***     | ***    | ***     | ***    |
| All sources                          | ***  | ***    | ***    | 40,602 | 37,342 | 42,029  | 36,481  | 46,521  | 66,680  | 47,945  | 41,087 | 55,577  | 49,537 |

Table continued on next page.

**Table I-6--Continued**  
**Carbon steel butt-weld pipe fittings: Summary data from the original investigations, second full reviews, and third expedited reviews, 1983-1985, 1989-1991, 1999-2004, and 2009**

| Item                                       | (Quantity= 1,000 pounds; value=\$1,000; unit values, unit labor costs, and unit financial data are per pound) |          |          |      |      |      |          |          |          |          |          |          |           |
|--|---|----------|----------|------|------|------|----------|----------|----------|----------|----------|----------|-----------|
|  | 1983  | 1984     | 1985     | 1989 | 1990 | 1991 | 1999     | 2000     | 2001     | 2002     | 2003     | 2004     | 2009      |
| U.S. producers' Capacity                   | ***   | ***      | ***      | ***  | ***  | ***  | 114,000  | 114,000  | 101,000  | 96,520   | 87,225   | 114,000  | 96,421    |
| Production                                 | 36,602  | 51,795   | 47,580   | ***  | ***  | ***  | 65,514   | 64,796   | 62,606   | 61,467   | 48,571   | 67,809   | 30,172    |
| Capacity utilization <sup>1</sup>          | ***   | ***      | ***      | ***  | ***  | ***  | 57.5     | 56.8     | 62.0     | 63.7     | 55.7     | 59.5     | 31.3      |
| U.S. shipments Quantity                    | ***   | ***      | ***      | ***  | ***  | ***  | 67,056   | 67,811   | 62,241   | 62,981   | 50,894   | 63,213   | 28,226    |
| Value                                      | ***   | ***      | ***      | ***  | ***  | ***  | 66,437   | 67,035   | 70,298   | 68,053   | 59,601   | 84,173   | 109,794   |
| Unit value                                 | ***   | ***      | ***      | ***  | ***  | ***  | \$0.99   | \$0.99   | \$1.13   | \$1.08   | \$1.17   | \$1.33   | \$3.89    |
| Net sales                                  | \$41,621  | \$46,298 | \$44,908 | ***  | ***  | ***  | \$67,448 | \$67,913 | \$71,306 | \$68,589 | \$59,979 | \$85,048 | \$109,994 |
| Operating income                           | (7,705)   | (3,857)  | (4,066)  | ***  | ***  | ***  | (1,458)  | (494)    | 2,577    | 3,407    | 1,013    | 6,158    | 10,808    |
| Net income                                 | (8,844)   | (4,880)  | (6,362)  | ***  | ***  | ***  | (1,832)  | (1,135)  | 2,122    | 3,231    | 1,556    | 6,479    | (2)       |
| Operating income to net sales <sup>1</sup> | (18.5)  | (8.3)    | (9.1)    | ***  | ***  | ***  | (2.2)    | (0.7)    | 3.6      | 5.0      | 1.7      | 7.2      | 9.8       |
| Net income to net sales <sup>1</sup>       | (21.2)  | (10.5)   | (14.2)   | ***  | ***  | ***  | (2.7)    | (1.7)    | 3.0      | 4.7      | 2.6      | 7.6      | (2)       |

<sup>1</sup> In percent.

<sup>2</sup> Unavailable or not presented.

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

Source: Data for 1983-1985 are compiled from information collected in the Commission's original antidumping duty investigations on Brazil, Japan, and Taiwan: *Butt-weld Pipe Fittings from Brazil and Taiwan, Invs. Nos. 731-TA-308 and 310 (Final)*, USITC Publication 1918, December 1986 and *Butt-weld Pipe Fittings from Japan, Inv. No. 731-TA-309 (Final)*, USITC Publication 1943, January 1987.

Data for 1989-1991 are compiled from information collected in the Commission's original antidumping duty investigations on China and Thailand: *Certain Carbon Steel Butt-weld Pipe Fittings from China and Thailand, Invs. Nos. 731-TA-520 and 521 (Final)*, USITC Publication 2528, June 1992.

Data for 1999-2004 are compiled from information collected in the Commission's second full review on Brazil, China, Japan, Taiwan, and Thailand. *Carbon Steel Butt-weld Pipe Fittings from Brazil, China, Japan, Taiwan, and Thailand, Inv. Nos. 731-TA-308-310 and 520-521 (Second Review)*, USITC Publication 3809, October 2005.

Data for 2009 are compiled from data submitted in response to the Commission's notice of institution in the present expedited reviews, official Commerce statistics, and proprietary Customs data.

**APPENDIX D**  
**PURCHASER QUESTIONNAIRE RESPONSES**



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

1. a.) Have any changes occurred in technology; production methods; or development efforts to produce carbon steel butt-weld pipe fittings that affected the availability of carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand since initial year of review (2011)?

b.) Do you anticipate any changes in technology; production methods; or development efforts to produce carbon steel butt-weld pipe fittings that will affect the availability of carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand within a reasonably foreseeable time?

\* \* \* \* \*

2. a.) Have any changes occurred in the ability to increase production of carbon steel butt-weld pipe fittings (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production) that affected the availability of carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand since 2011?

b.) Do you anticipate any changes in the ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production) that will affect the availability of carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand within a reasonably foreseeable time?

\* \* \* \* \*

3. a.) Have any changes occurred in factors related to the ability to shift supply of carbon steel butt-weld pipe fittings among different national markets (including barriers to importation in foreign markets or changes in market demand abroad) that affected the availability of carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand since 2011?

b.) Do you anticipate any changes in factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad) that will affect the availability of carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand within a reasonably foreseeable time?

\* \* \* \* \*

4. a.) Have there been any changes in the end uses and applications of carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand since 2011?



b.) Do you anticipate any changes in the end uses and applications of carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand within a reasonably foreseeable time?

\* \* \* \* \*

5. a.) Have there been any changes in the existence and availability of substitute products for carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand since 2011?

b.) Do you anticipate any changes in the existence and availability of substitute products for carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand within a reasonably foreseeable time?

\* \* \* \* \*

6. a.) Have there been any changes in the level of competition between carbon steel butt-weld pipe fittings produced in the United States, carbon steel butt-weld pipe fittings produced in Brazil, China, Japan, Taiwan and Thailand, and such merchandise from other countries in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand since 2011?

b.) Do you anticipate any changes in the level of competition between carbon steel butt-weld pipe fittings produced in the United States, magnesium produced in Brazil, China, Japan, Taiwan and Thailand, and such merchandise from other countries in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand within a reasonably foreseeable time?

\* \* \* \* \*

7. a.) Have there been any changes in the business cycle for carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand since 2011?

b.) Do you anticipate any changes in the business cycle for carbon steel butt-weld pipe fittings in the U.S. market or in the market for carbon steel butt-weld pipe fittings in Brazil, China, Japan, Taiwan and Thailand within a reasonably foreseeable time?

\* \* \* \* \*