

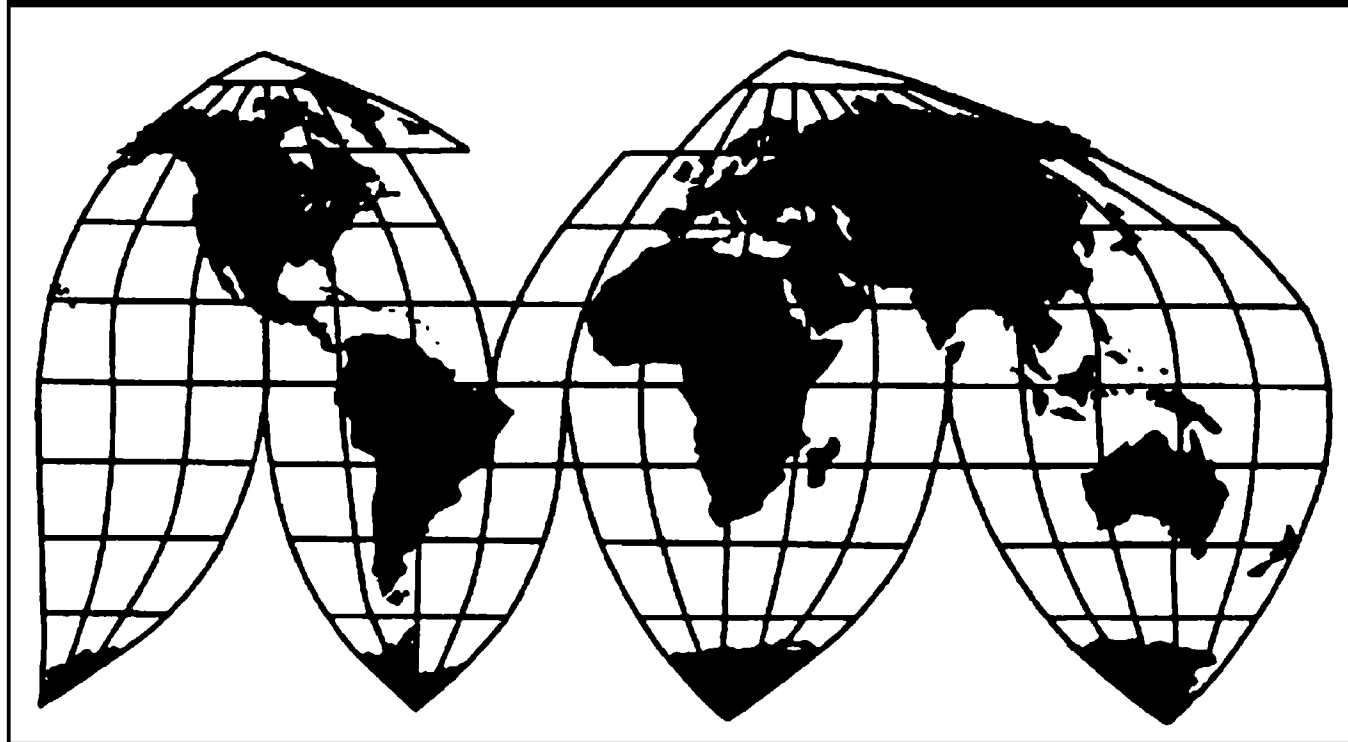
# **Methionine from Japan and Spain**

Investigation Nos. 731-TA-1535-1536 (Final)

**Publication 5230**

**September 2021**

**U.S. International Trade Commission**



Washington, DC 20436

# U.S. International Trade Commission

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# UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-1535-1536 (Final)

Methionine from Japan and Spain

## DETERMINATIONS

On the basis of the record<sup>1</sup> developed in the subject investigations, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that an industry in the United States is materially injured by reason of imports of methionine from Japan and Spain, provided for in subheadings 2930.40.00 and 2930.90.46 of the Harmonized Tariff Schedule of the United States, that have been found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value (“LTFV”).<sup>2 3</sup>

## BACKGROUND

The Commission, pursuant to section 735(b) of the Act (19 U.S.C. 1673d(b)), instituted antidumping duty investigations, effective July 29, 2020, following receipt of petitions filed with the Commission and Commerce by Novus International Inc., St. Charles, Missouri. Effective, February 24, 2021, the Commission established a general schedule for the conduct of the final phase of its investigations on methionine, following a preliminary determination by Commerce that imports of methionine from France were being sold at LTFV within the meaning of section 733(b) of the Act (19 U.S.C. 1673b(b)). Notice of the scheduling of the final phase of the Commission’s investigations and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of March 9,

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

<sup>2</sup> 86 FR 38983 and 86 FR 38985 (July 23, 2021).

<sup>3</sup> The Commission also finds that imports subject to Commerce’s affirmative critical circumstances determination are not likely to undermine seriously the remedial effect of the antidumping duty order on Spain.

2021 (86 FR 13585). In light of the restrictions on access to the Commission building due to the COVID–19 pandemic, the Commission conducted its hearing by video conference on May 11, 2021. All persons who requested the opportunity were permitted to participate.

The investigation schedules became staggered when Commerce: (i) postponed the final determinations for its antidumping duty investigations regarding methionine from Japan and Spain; and (ii) reached an earlier final antidumping duty determination concerning methionine from France. On June 30, 2021, the Commission issued a final affirmative determination in its antidumping duty investigation of methionine from France (86 FR 35826, July 7, 2021). Following notification of final determinations by Commerce that imports of methionine from Japan and Spain were being sold at LTFV within the meaning of section 735(a) of the Act (19 U.S.C. 1673d(a)), notice of the supplemental scheduling of the final phase of the Commission’s antidumping duty investigations was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of August 2, 2021 (86 FR 41513).



## Views of the Commission

Based on the record in the final phase of these investigations, we determine that an industry in the United States is materially injured by reason of imports of methionine from Japan and Spain found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value (“LTFV”). We also find that critical circumstances do not exist with respect to imports from Spain that are subject to Commerce’s affirmative critical circumstances determination.

### I. Background

The petitions in the antidumping duty investigations of imports of methionine from Japan and Spain were filed on July 29, 2020, by a domestic producer of methionine, Novus International, Inc. (“Petitioner”). The investigation schedules became staggered, however, when Commerce: (i) postponed the final determinations for its antidumping duty investigations regarding methionine from Japan and Spain;<sup>1</sup> and (ii) reached an earlier final determination concerning methionine from France (the “leading” investigation) in May 2021.<sup>2</sup> This necessitated an earlier final determination by the Commission in the leading investigation.<sup>3</sup> The Commission issued its final affirmative determination regarding LTFV imports in the leading investigation in June 2021.

Subsequently, Commerce published its final affirmative determinations regarding LTFV imports of methionine from Japan and Spain on July 23, 2021.<sup>4</sup> As a result, the Commission must now make its determinations in the antidumping duty investigations on methionine from Japan and Spain (the “trailing investigations”). Pursuant to the statutory provision on staggered investigations, the record for all subject investigations on imports of methionine closed on June

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<sup>1</sup> *Methionine From Japan: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances and Postponement of Final Determination and Extension of Provisional Measures*, 86 Fed. Reg. 12627 (Mar. 4, 2021); *Methionine From Spain: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Negative Determination of Critical Circumstances, Postponement of Final Determination, and Extension of Provisional Measures*, 86 Fed. Reg. 12614 (Mar. 4, 2021).

<sup>2</sup> *Methionine From France: Final Determination of Sales at Less Than Fair Value and Final Partial Determination of Critical Circumstances*, 86 Fed. Reg. 26697 (May 17, 2021).

<sup>3</sup> *Methionine from France*, Inv. No. 731-TA-1534 (Final), USITC Pub. 5206 (June 2021) (“*Methionine Leading Determination*”).

<sup>4</sup> *Methionine From Japan: Final Affirmative Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances*, 86 Fed. Reg. 38983 (July 23, 2021); *Methionine From Spain: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances*, 86 Fed. Reg. 38985 (July 23, 2021).

4, 2021, except that Commerce’s final antidumping duty determinations on methionine from Japan and Spain and the parties’ final comments concerning these determinations have been added to the record.<sup>5 6</sup>

## **II. Negligible Imports**

Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than 3 percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall generally be deemed negligible.<sup>7</sup>

During the 12-month period prior to the filing of the petitions (July 2019 through June 2020), subject imports from Japan accounted for 26.9 percent of total imports of methionine and subject imports from Spain accounted for 63.8 percent of total imports of methionine.<sup>8</sup> Thus, subject imports from Japan and Spain each were not less than the 3 percent individual statutory negligibility threshold applicable to antidumping duty investigations. Accordingly, we find that the subject imports from Japan and Spain are not negligible.

## **III. Material Injury by Reason of Cumulated Subject Imports**

Section 771(7)(G)(iii) of the Tariff Act of 1930, as amended (“the Act”), provides that the Commission must make its material injury determination in the trailing investigations on the basis of the same record as that in the leading investigation regarding methionine, except to the extent discussed above.<sup>9</sup> Therefore, in these investigations, we adopt the findings and analyses from our determination and views regarding subject imports from the leading

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<sup>5</sup> See 19 U.S.C. § 1677(7)(G)(iii).

<sup>6</sup> Petitioner filed supplemental final comments with respect to the investigations that are the subject of these determinations. Petitioner’s Supplemental Final Comments, EDIS Doc. 748863 (Aug. 6, 2021). Respondents Sumitomo Chemical Company and Sumitomo Chemical America, Inc. (collectively, “Sumitomo”) and Adisseo France SAS, Adisseo Espana SA, and Adisseo USA Inc. (collectively, “Adisseo”) each filed supplemental final comments with respect to the investigations that are the subject of these determinations. Sumitomo Supplemental Final Comments, EDIS Doc. 748874 (Aug. 6, 2021); Adisseo Supplemental Final Comments, EDIS Doc. 748995 (Aug. 9, 2021).

<sup>7</sup> 19 U.S.C. § 1677(24)(A)(i).

<sup>8</sup> Confidential Report (“CR”), INV-TT-096 (Aug. 17, 2021) and Public Report (“PR”), *Methionine from Japan and Spain*, USITC Pub. 5230 (Sept. 2021), (“Supplemental CR/PR”) at Table I-3. The negligibility calculations are unchanged from the leading investigations since Commerce did not find any firms’ dumping margins in the trailing investigations to be *de minimis*.

<sup>9</sup> 19 U.S.C. § 1677(7)(G)(iii).

investigation with respect to the issues of domestic like product, domestic industry, cumulation, conditions of competition, and material injury by reason of cumulated subject imports.<sup>10 11</sup> Accordingly, we determine that an industry in the United States is materially injured by reason of subject imports of methionine from Japan and Spain found by Commerce to be sold in the United States at LTFV.

## IV. Critical Circumstances

### A. Legal Standards

In its final antidumping duty determination, Commerce found that critical circumstances exist with respect to Adisseo Espana S.A. and all other producers and exporters from Spain.<sup>12</sup> Because we have determined that the domestic industry is materially injured by reason of subject imports from this country, we must further determine “whether the imports subject to the affirmative {Commerce critical circumstances} determination ... are likely to undermine

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<sup>10</sup> *Methionine Leading Determination*, USITC Pub. 5206.

<sup>11</sup> The statute additionally instructs the Commission to consider the “magnitude of the margin of dumping” in an antidumping duty proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its final antidumping duty determinations with regard to LTFV imports from Japan and Spain, Commerce calculated antidumping duty margins of 76.50 percent for subject imports from Sumitomo Chemical Company, Ltd. and all others from Japan, and 37.53 percent for subject imports from Adisseo Espana S.A. and all others from Spain. Supplemental CR/PR at Table I-1; *Methionine From Japan: Final Affirmative Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances*, 86 Fed. Reg. 38983 (July 23, 2021); *Methionine From Spain: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances*, 86 Fed. Reg. 38985 (July 23, 2021). The Commission notes that no individual producers/exporters from the subject countries in the trailing investigations were excluded from Commerce’s final affirmative determinations.

We have taken into account in our analysis the fact that Commerce has made findings that all cumulated subject imports are sold in the United States at less than fair value. In addition to this consideration, other factors that support our analysis from the leading determination in *Methionine Leading Determination* remain unchanged and do not require modification of that analysis; in turn, our analysis of the significant price effects of cumulated subject imports found in the leading determination are especially probative to our assessment of the impact of subject imports from Japan and Spain on the domestic industry. See *Methionine Leading Determination*, USITC Pub. 5206 at 30-47.

<sup>12</sup> *Methionine From Spain: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances*, 86 Fed. Reg. 38985 (July 23, 2021). Commerce found that critical circumstances did not exist with respect to imports from Japan. *Methionine From Japan: Final Affirmative Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances*, 86 Fed. Reg. 38983 (July 23, 2021). Accordingly, the Commission is not rendering a critical circumstances determination on imports from Japan.

seriously the remedial effect of the antidumping {and/or countervailing duty} order{s} to be issued."<sup>13</sup>

The SAA indicates that the Commission is to determine "whether, by massively increasing imports prior to the effective date of relief, the importers have seriously undermined the remedial effect of the order" and specifically "whether the surge in imports prior to the suspension of liquidation, rather than the failure to provide retroactive relief, is likely to seriously undermine the remedial effect of the order."<sup>14</sup> The legislative history for the critical circumstances provision indicates that the provision was designed "to deter exporters whose merchandise is subject to an investigation from circumventing the intent of the law by increasing their exports to the United States during the period between initiation of an investigation and a preliminary determination by {Commerce}."<sup>15</sup> An affirmative critical circumstances determination by the Commission, in conjunction with an affirmative determination of material injury by reason of subject imports, would normally result in the retroactive imposition of duties for those imports subject to the affirmative Commerce critical circumstances determination for a period 90 days prior to the suspension of liquidation.

The statute provides that, in making this determination, the Commission shall consider, among other factors it considers relevant,

- (I) the timing and the volume of the imports,
- (II) a rapid increase in inventories of the imports, and
- (III) any other circumstances indicating that the remedial effect of the {order} will be seriously undermined.<sup>16</sup>

In considering the timing and volume of subject imports, the Commission's practice is to consider import quantities prior to the filing of the petition with those subsequent to the filing of the petition using monthly statistics on the record regarding those firms for which Commerce

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<sup>13</sup> 19 U.S.C. §§ 1671d(b)(4)(A)(ii), 1673d(b)(4)(A)(ii).

<sup>14</sup> SAA at 877.

<sup>15</sup> *ICC Industries, Inc. v United States*, 812 F.2d 694, 700 (Fed. Cir. 1987), quoting H.R. Rep. No. 96-317 at 63 (1979), *aff'g*, 632 F. Supp. 36 (Ct. Int'l Trade 1986). See 19 U.S.C. §§ 1671b(e)(2), 1673b(e)(2).

<sup>16</sup> 19 U.S.C. §§ 1671d(b)(4)(A)(ii), 1673d(b)(4)(A)(ii).

has made an affirmative critical circumstances determination.<sup>17</sup> No party submitted critical circumstances arguments with respect to the trailing investigations.<sup>18</sup>

## B. Analysis

We first consider the appropriate period for comparison of pre-petition and post-petition levels of the imports subject to the affirmative critical circumstances finding. The Commission frequently relies on six-month comparison periods, but has used shorter periods where Commerce's preliminary determination falls within the post-petition six-month period.<sup>19</sup> As this is not the case here, we have compared the volume of subject imports in the six months prior to the filing of the petition (February 2020 – July 2020) with the volume of subject imports in the six months after the filing of the petition (August 2020 – January 2021).<sup>20</sup>

Subject imports from Spain increased from 20,527 short tons in the pre-petition period to 21,681 short tons in the post-petition period, an increase of 5.6 percent.<sup>21</sup> End-of-period inventories of subject merchandise produced by Adisseo Espana S.A. and all other producers from Spain fluctuated in the post-petition period, but ended the period \*\*\* percent higher in January 2021 at \*\*\* short tons compared to July 2020 at \*\*\*.<sup>22</sup>

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<sup>17</sup> See *Lined Paper School Supplies from China, India, and Indonesia*, Inv. Nos. 701-TA-442-43, 731-TA-1095-97, USITC Pub. 3884 at 46-48 (Sept. 2006); *Carbazole Violet Pigment from China and India*, Inv. Nos. 701-TA-437 and 731-TA-1060-61 (Final), USITC Pub. 3744 at 26 (Dec. 2004); *Certain Frozen Fish Fillets from Vietnam*, Inv. No. 731-TA-1012 (Final), USITC Pub. 3617 at 20-22 (Aug. 2003).

<sup>18</sup> See Petitioner's Supplemental Final Comments; Sumitomo Supplemental Final Comments at 5. Adisseo acknowledged that Commerce reached an affirmative critical circumstances determination with respect to methionine from Spain but raised no arguments with respect to the determination. Adisseo Supplemental Final Comments at 1.

<sup>19</sup> See, e.g., *Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, Korea, the Netherlands, Turkey, and the United Kingdom*, Inv. Nos. 701-TA-545-547, 731-TA-1291-1297 (Final), USITC Pub. 4638 at 49-50 (Sept. 2016); *Certain Corrosion-Resistance Steel Products from China, India, Italy, Korea, and Taiwan*, Inv. Nos. 701-TA-534-537 and 731-TA-1274-1278 (Final), USITC Pub. 4630 at 35-40 (July 2016); *Carbon and Certain Steel Wire Rod from China*, Inv. Nos. 701-TA-512, 731-TA-1248 (Final), USITC Pub. 4509 at 25-26 (Jan. 2015) (using five-month periods because preliminary Commerce countervailing duty determination was during the sixth month after the petition). In the present case Commerce issued its preliminary determinations in the antidumping duty investigation with respect to Spain in March 2021, after the six-month post-petition period of August 2020 to January 2021. See *Methionine From Spain: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Negative Determination of Critical Circumstances, Postponement of Final Determination, and Extension of Provisional Measures*, 86 Fed. Reg. 12614 (Mar. 4, 2021).

<sup>20</sup> In its critical circumstances determination in the leading investigation, the Commission used the same comparison periods. See *Methionine Leading Determination*, USITC Pub. 5206 at 50.

<sup>21</sup> Supplemental CR/PR at Table I-4.

<sup>22</sup> Derived from Supplemental CR/PR at Table I-5.

The record reflects that the increased volumes of imports subject to Commerce’s critical circumstances determination with respect to Spain will not undermine the remedial effects of the antidumping duty order. The increase in the volume of imports involved are modest, particularly in the context of the overall U.S. market. As noted above, import quantities of methionine from Spain were 20,527 short tons in the pre-petition period and 21,681 short tons in the post-petition period, an increase of 1,154 short tons. Inventories of imported methionine from Spain increased by an even smaller amount of \*\*\* short tons. By contrast, apparent U.S. consumption was \*\*\* short tons in 2020.<sup>23</sup> In addition, Petitioner submitted information that suggests that the volumes involved will not undermine the remedial effects of the order. Specifically, Petitioner provided data indicating \*\*\* and other significant benefits to domestic producers, such as \*\*\*.<sup>24</sup> These improvements suggest that the volume of subject imports in the post-petition period will not seriously undermine the remedial effect of the order.

In light of these considerations, we find that the record in this investigation does not support a finding the subject imports from Spain subject to Commerce’s affirmative critical circumstances finding would undermine seriously the remedial effect of the antidumping duty order. Consequently, we determine that critical circumstances do not exist with respect to subject imports from Spain.<sup>25</sup>

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<sup>23</sup> Confidential Report, Memorandum INV-TT-072 and *Methionine from France*, Inv. No. 731-TA-1534 (Final), USITC Pub. 5206 (June 2021), Public Report, at Table IV-11.

<sup>24</sup> Petitioner’s Posthearing Brief, Answers to Commissioner Questions, EDIS Doc. 742798, at 23. The period for which the Commission collected pricing and performance data for the domestic industry concluded in December 2020, so there is no questionnaire data covering this period.

<sup>25</sup> Chair Kearns and Commissioner Karpel observe that the statute directs the Commission to consider the following factors in making this determination: “the timing and volume the imports, a rapid increase in the inventories of the imports, and any other circumstances indicating that the remedial effect of the antidumping order will be seriously undermined.” 19 U.S.C. §1673d(b)(4)(A)(ii). In their analysis, they would therefore take into account a number of factors as appropriate to a given investigation (as directed by the statute) and do not necessarily give precedence to the pre- and post-petition subject import volumes. Among the factors they may consider, depending on the facts of the investigation and the available data, are the parties’ arguments, subject import volumes relative to apparent U.S. consumption or production, monthly changes in subject import volume, subject import inventories (both absolute and relative to imports or shipments of imports), purchaser inventories, pricing, and the domestic industry’s performance. Chair Kearns and Commissioner Karpel concur that the record in this investigation does not support a finding that the subject imports from Spain would undermine seriously the remedial effects of the order.

## **V. Conclusion**

For the reasons stated above, we determine that an industry in the United States is materially injured by reason of subject imports of methionine from Japan and Spain found by Commerce to be sold in the United States at LTFV. We also find that critical circumstances do not exist with respect to imports from Spain that are subject to Commerce's affirmative critical circumstances determination.





# Part I: Introduction

## Background

These investigations result from petitions filed with the U.S. Department of Commerce (“Commerce”) and the U.S. International Trade Commission (“USITC” or “Commission”) by Novus International, Inc. (“Novus”), St. Charles, Missouri, on July 29, 2020, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair-value (“LTFV”) imports of methionine<sup>1</sup> from France, Japan, and Spain. The following tabulation provides information relating to the background of these investigations.<sup>2 3</sup>

Effective date	Action
July 29, 2020	Petitions filed with Commerce and the Commission; institution of Commission investigations (85 FR 47243, August 4, 2020)
August 18, 2020	Commerce’s notice of initiation (85 FR 52324, August 25, 2020)
September 14, 2020	Commission’s preliminary determinations (85 FR 58385, September 18, 2020)
February 24, 2021	Scheduling of final phase of Commission investigations (86 FR 13585, March 9, 2021)
March 4, 2021	Commerce’s preliminary affirmative AD determination and preliminary partial affirmative determination of critical circumstances for France (86 FR 12627)
March 4, 2021	Commerce’s preliminary affirmative AD determination, preliminary affirmative determination of critical circumstances, and postponement of final AD determination for Japan (86 FR 12625)
March 4, 2021	Commerce’s preliminary affirmative AD determination, preliminary negative determination of critical circumstances, and postponement of final AD determination for Spain (86 FR 12614)
May 11, 2021	Commission’s hearing

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<sup>1</sup> For a complete description of the merchandise subject to this proceeding, see the section entitled “The Subject Merchandise” in Part I of *Methionine from France, Japan and Spain*, Investigation Nos. 731-TA-1534-1356 (Final), USITC Publication 5206, June 2021.

<sup>2</sup> Pertinent *Federal Register* notices are referenced in appendix A, and may be found at the Commission’s website ([www.usitc.gov](http://www.usitc.gov)).

<sup>3</sup> Appendix B presents a list of witnesses who appeared at the Commission’s hearing.

Effective date	Action
May 17, 2021	Commerce's final affirmative AD determination and final partial affirmative determination of critical circumstances for France (86 FR 26697)
June 10, 2021	Commission's vote on AD investigation for France
June 30, 2021	Commission's determination and views on AD investigation for France (86 FR 35826, July 7, 2021)
July 23, 2021	Commerce's final affirmative AD determination and final negative determination of critical circumstances for Japan (86 FR 38983) and Commerce's final affirmative AD determination and final affirmative determination of critical circumstances for Spain (86 FR 38985, July 23, 2021)
August 24, 2021	Commission's vote
September 7, 2021	Commission's views

The information contained in this report is intended to be used in conjunction with data presented in the Commission's report on *Methionine from France*, Investigation No. 731-TA-1534 (Final), USITC Publication 5206, June 2021, and its corresponding confidential report contained in memorandum No. INV-TT-072, *Methionine from France, Japan, and Spain: Investigation Nos 731-TA-1534-1536 (Final)*, and revised by memorandum No. INV-TT-073 (June 3, 2021).<sup>4</sup> No new information except for Commerce's final LTFV determinations concerning methionine from Japan and Spain, and party comments thereon is included in the record for this proceeding.<sup>5</sup>

## Nature and extent of sales at LTFV

On July 23, 2021, Commerce published a notice in the *Federal Register* of its final determinations of sales at LTFV with respect to imports from Japan<sup>6</sup> and Spain.<sup>7</sup> Tables I-1 and I-2 present Commerce's dumping margins with respect to imports of methionine from Japan and Spain, respectively.

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<sup>4</sup> Appendix C of this report reproduces summary data referenced in the Commission's views.

<sup>5</sup> Comments consistent with the statutory limitation for subsequently completed investigations were filed on behalf of Novus International, Inc., Sumitomo Chemical Company, Sumitomo Chemical America, Inc., Adisseo France SAS, Adisseo Espana SA, and Adisseo USA Inc.

<sup>6</sup> 86 FR 38983, July 23, 2021.

<sup>7</sup> 86 FR 38985, July 23, 2021.

**Table I-1**

**Methionine: Commerce’s final weighted-average LTFV margins with respect to imports from Japan**

Exporter/producer	Final dumping margin (percent)
Sumitomo Chemical Company, Ltd	76.50
All others	76.50

Source: 86 FR 38983, July 23, 2021.

**Table I-2**

**Methionine: Commerce’s final weighted-average LTFV margins with respect to imports from Spain**

Exporter/producer	Final dumping margin (percent)
Adisseo España S.A.	37.53
All others	37.53

Source: 86 FR 38985, July 23, 2021.

## **Negligibility**

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.<sup>8</sup> Negligible imports are generally defined in the Act, as amended, as imports from a country of merchandise corresponding to a domestic like product where such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petition or the initiation of the investigation. However, if there are imports of such merchandise from a number of countries subject to investigations initiated on the same day that individually account for less than 3 percent of the total volume of the subject merchandise, and if the imports from those countries collectively account for more than 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period, then imports from such countries are deemed not to be negligible.<sup>9</sup> By quantity, imports from France, Japan, and Spain accounted for 7.1 percent, 26.9 percent, and 63.8 percent of total imports of methionine, respectively, during the twelve months preceding the petitions. Table I-3 presents the share of total U.S. imports, by quantity, attributable to France, Japan, Spain, and nonsubject sources during the most recent 12-month period preceding the petitions.

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<sup>8</sup> Sections 703(a)(1), 705(b)(1), 733(a)(1), and 735(b)(1) of the Act (19 U.S.C. §§ 1671b(a)(1), 1671d(b)(1), 1673b(a)(1), and 1673d(b)(1)).

<sup>9</sup> Section 771 (24) of the Act (19 U.S.C § 1677(24)).

**Table I-3**  
**Methionine: U.S. imports in the twelve-month period preceding the filing of the petitions, July 2019 through June 2020**

Quantity in short tons; share of quantity is the share of total imports by quantity in percent.

Source of imports	Quantity	Share of quantity
France	5,394	7.1
Japan	20,322	26.9
Spain	48,206	63.8
Subject sources	73,921	97.8
Nonsubject sources	1,658	2.2
All import sources	75,579	100.0

Source: Official U.S. import statistics for HTS statistical reporting numbers 2930.40.0000 and 2930.90.4600, accessed April 6, 2021.

Note: These calculations are based on Commerce's final AD determinations for methionine from Japan (86 FR 38983, July 23, 2021) and Spain (86 FR 38985, July 23, 2021), and are unchanged from the calculations in the leading investigations.

## Critical circumstances

On July 23, 2021, Commerce issued its final determinations that “critical circumstances” exist in the AD investigation with regards to imports from Spain of methionine from Adisseo España and all other exporters and producers in Spain but do not exist in the AD investigation with regards to imports of methionine from Japan.<sup>10 11</sup> In these investigations, if both Commerce and the Commission make affirmative final critical circumstances determinations, certain subject imports may be subject to antidumping duties retroactive by 90 days from March 4, 2021, the effective date of Commerce’s preliminary affirmative LTFV determinations. Table I-4 and figure I-1 present data on U.S. imports from Spain that are subject to Commerce’s affirmative final AD critical circumstances determination, while table I-5 presents U.S. importer’s inventories of U.S. imports from Spain subject to Commerce’s affirmative final AD critical circumstances determination.

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<sup>10</sup> On March 4, 2021, Commerce issued its preliminary determination that critical circumstances exist in the AD investigation of imports from Japan of methionine with respect to Sumitomo Chemical Company, Ltd and for all other producers and exporters in Japan. 86 FR 12625, March 4, 2021.

<sup>11</sup> 86 FR 38983 and 86 FR 38985, July 23, 2021, referenced in app. A. When petitioners file timely allegations of critical circumstances, Commerce examines whether there is a reasonable basis to believe or suspect that (1) either there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at LTFV and that there was likely to be material injury by reason of such sales; and (2) there have been massive imports of the subject merchandise over a relatively short period.

**Table I-4****Methionine: U.S. imports from Spain subject to Commerce's affirmative final critical circumstances determination, February 2020 to January 2021**

Quantity in short tons.

<b>Month</b>	<b>Relation to petition</b>	<b>Quantity</b>
February 2020	Before	3,686
March 2020	Before	3,498
April 2020	Before	4,911
May 2020	Before	3,420
June 2020	Before	3,302
July 2020	Before	1,711
August 2020	After	4,924
September 2020	After	1,032
October 2020	After	4,020
November 2020	After	5,623
December 2020	After	2,354
January 2021	After	3,728

Table continued.

**Table I-4 Continued****Methionine: U.S. imports from Spain subject to Commerce's affirmative final critical circumstances determination, February 2020 to January 2021**

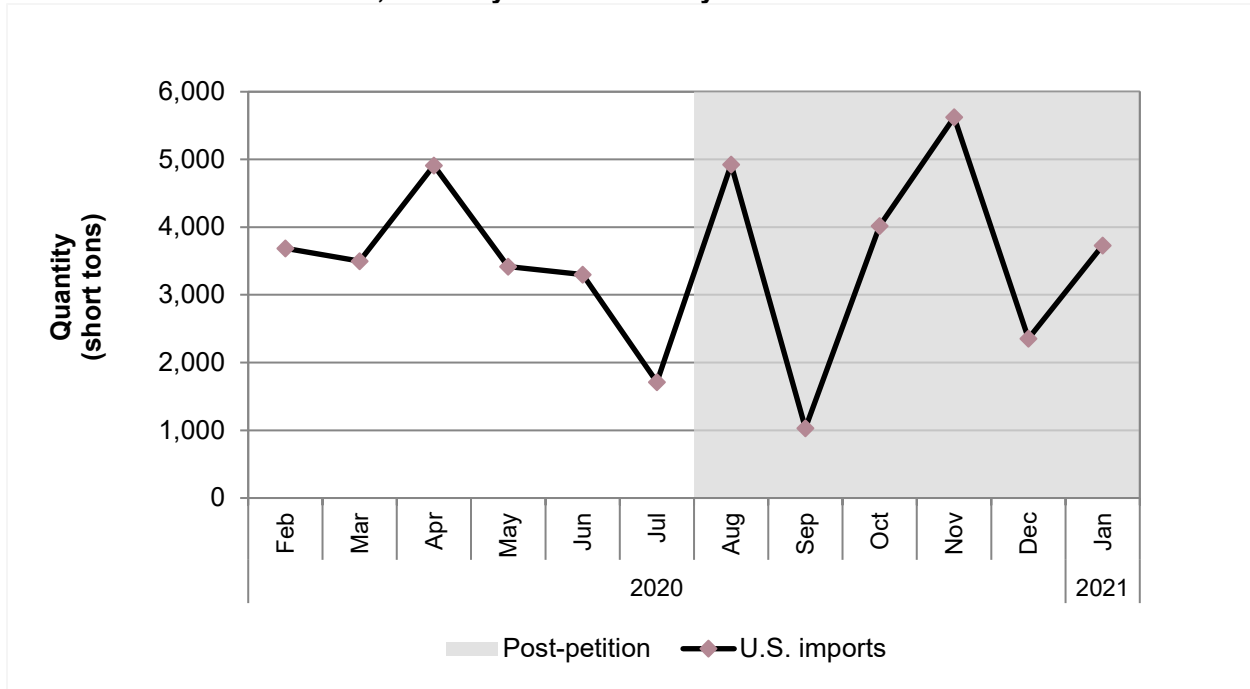
Quantity in short tons.

<b>Comparison pre-post petition period</b>	<b>Before period quantity</b>	<b>After period quantity</b>	<b>Difference in percent</b>
1 month	1,711	4,924	187.9
2 months	5,013	5,956	18.8
3 months	8,433	9,977	18.3
4 months	13,344	15,599	16.9
5 months	16,842	17,953	6.6
6 months	20,527	21,681	5.6

Source: Official U.S. import statistics for HTS statistical reporting numbers 2930.40.0000 and 2930.90.4600, accessed April 6, 2021.

**Figure I-1**

**Methionine: U.S. imports from Spain subject to Commerce’s affirmative final AD critical circumstances determination, February 2020 to January 2021**



Source: Official U.S. import statistics for HTS statistical reporting numbers 2930.40.0000 and 2930.90.4600, accessed April 6, 2021.

**Table I-5**

**Methionine: U.S. importers’ end-of-month inventories from Spain subject to Commerce’s affirmative final critical circumstances determination, July 2020 to February 2021**

Quantity in short tons; NA is not applicable or available.

Month	Quantity	Percent change
July 31, 2020	***	NA
August 31, 2020	***	***
September 30, 2020	***	***
October 31, 2020	***	***
November 30, 2020	***	***
December 31, 2020	***	***
January 31, 2021	***	***
February 28, 2021	***	***

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

**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
85 FR 47243 August 4, 2020	<i>Methionine From France, Japan, and Spain; Institution of Anti-Dumping Duty Investigations and Scheduling of Preliminary Phase Investigations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2020-08-04/pdf/2020-16923.pdf">https://www.govinfo.gov/content/pkg/FR-2020-08-04/pdf/2020-16923.pdf</a>
85 FR 52324 August 25, 2020	<i>Methionine From France, Japan, and Spain: Initiation of Less-Than-Fair-Value Investigations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2020-08-25/pdf/2020-18592.pdf">https://www.govinfo.gov/content/pkg/FR-2020-08-25/pdf/2020-18592.pdf</a>
85 FR 58385 September 18, 2020	<i>Methionine From France, Japan, and Spain; Determinations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2020-09-18/pdf/2020-20588.pdf">https://www.govinfo.gov/content/pkg/FR-2020-09-18/pdf/2020-20588.pdf</a>
86 FR 12614 March 4, 2021	<i>Methionine From Spain: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Negative Determination of Critical Circumstances, Postponement of Final Determination, and Extension of Provisional Measures</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-03-04/pdf/2021-04416.pdf">https://www.govinfo.gov/content/pkg/FR-2021-03-04/pdf/2021-04416.pdf</a>
86 FR 12625 March 4, 2021	<i>Methionine From Japan: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances and Postponement of Final Determination and Extension of Provisional Measures</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-03-04/pdf/2021-04417.pdf">https://www.govinfo.gov/content/pkg/FR-2021-03-04/pdf/2021-04417.pdf</a>

Citation	Title	Link
86 FR 12627 March 4, 2021	<i>Methionine From France: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-03-04/pdf/2021-04415.pdf">https://www.govinfo.gov/content/pkg/FR-2021-03-04/pdf/2021-04415.pdf</a>
86 FR 13585 March 9, 2021	<i>Methionine From France, Japan, and Spain; Scheduling of the Final Phase of Antidumping Duty Investigations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-03-09/pdf/2021-04860.pdf">https://www.govinfo.gov/content/pkg/FR-2021-03-09/pdf/2021-04860.pdf</a>
86 FR 26697 May 17, 2021	<i>Methionine From France: Final Determination of Sales at Less Than Fair Value and Final Partial Determination of Critical Circumstances</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-05-17/pdf/2021-10264.pdf">https://www.govinfo.gov/content/pkg/FR-2021-05-17/pdf/2021-10264.pdf</a>
86 FR 35826 July 7, 2021	<i>Methionine From France</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-07-07/pdf/2021-14428.pdf">https://www.govinfo.gov/content/pkg/FR-2021-07-07/pdf/2021-14428.pdf</a>
86 FR 38983 July 23, 2021	<i>Methionine From Japan: Final Affirmative Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-07-23/pdf/2021-15755.pdf">https://www.govinfo.gov/content/pkg/FR-2021-07-23/pdf/2021-15755.pdf</a>
86 FR 38985 July 23, 2021	<i>Methionine From Spain: Final Affirmative Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-07-23/pdf/2021-15753.pdf">https://www.govinfo.gov/content/pkg/FR-2021-07-23/pdf/2021-15753.pdf</a>

**APPENDIX B**

**LIST OF HEARING WITNESSES**



## CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing via video conference:

**Subject:** Methionine from France, Japan, and Spain  
**Inv. Nos.:** 731-TA-1534-1536 (Final)  
**Date and Time:** May 11, 2021 - 9:30 a.m.

### **OPENING REMARKS:**

In Support of Imposition (**Christopher T. Cloutier**, Schagrin Associates)  
In Opposition to Imposition (**Christine M. Streatfeild**, Baker & McKenzie LLP)

### **In Support of the Imposition of Antidumping Duty Orders:**

Schagrin Associates  
Washington, DC  
on behalf of

Novus International, Inc.

**Dan Meagher**, President and Chief Executive Officer, Novus International, Inc.

**Jeff Klopfenstein**, Senior Consultant, Novus International, Inc.

**Ed Galo**, Chief Commercial Officer, Novus International, Inc.

**Jared Hux**, Director, Methionine Business, Novus International, Inc.

**Randy Khalaf**, Chief Financial Officer, Novus International, Inc.

**Christopher T. Cloutier**     )  
  ) – OF COUNSEL  
**Elizabeth J. Drake**         )

**In Opposition to the Imposition of  
Antidumping Duty Orders:**

Baker & McKenzie LLP  
Washington, DC  
on behalf of

Sumitomo Chemical Company, Ltd.  
Sumitomo Chemical America, Inc.  
("Sumitomo Chemical")

**Dr. Fumiharu Ishige**, General Manager, Business Planning  
and Administration Department, Sumitomo Chemical

**Scott Mitchell**, President, Sumitomo Chemical

**Dan Barnes**, General Manager - North America, Sumitomo Chemical

**Ted Williams**, Chief Operations Officer, D&D Ingredient Distributors, Inc.

**Christine M. Streatfeild** )  
 ) – OF COUNSEL  
**Kevin M. O'Brien** )

Steptoe & Johnson LLP  
Washington, DC  
on behalf of

Adisseo France S.A.S.  
Adisseo Espana S.A.  
Adisseo USA, Inc.  
Allen Harim Foods LLC

**Guy Harari**, Senior Global Director and President, Adisseo USA, Inc.

**Frank Chmitelin**, Executive Vice President of Sales, Adisseo France S.A.S.

**Dennis Cross**, Senior Manager of Purchasing, Allen Harim Foods LLC

**Amy Batal**, Corporate Nutritionist, Sanderson Farms, Inc.

**Kristin H. Mowry**, Counsel to Sanderson Farms, Inc., Mowry & Grimson, PLLC

**Jim Dougan**, Vice President, Economic Consulting Services, LLC

**In Opposition to the Imposition of  
Antidumping Duty Orders (continued):**

**Jerrie V. Mirga**, Vice President, Economic Consulting Services, LLC

**Eric C. Emerson** )  
 ) – OF COUNSEL  
**Luke M. Tillman** )

**INTERESTED PARTY IN OPPOSITION:**

Pet Food Institute  
Washington, DC

**Peter Tabor**, Vice President, Regulatory and International Affairs

**REBUTTAL/CLOSING REMARKS:**

In Support of Imposition (**Elizabeth J. Drake**, Schagrin Associates)  
In Opposition to Imposition (**Eric C. Emerson**, Steptoe & Johnson LLP)

**-END-**





**APPENDIX C**  
**SUMMARY DATA**



**Table C-1**

**Methionine: Summary data concerning the U.S. market, 2018-20**

(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year			Comparison years		
	2018	2019	2020	2018-20	2018-19	2019-20
<b>U.S. consumption quantity:</b>						
Amount.....	***	***	***	▲***	▲***	▲***
Producers' share (fn1).....	***	***	***	▼***	▼***	▼***
Importers' share (fn1):						
France.....	***	***	***	▼***	▼***	▼***
Japan.....	***	***	***	▲***	▲***	▲***
Spain.....	***	***	***	▲***	▲***	▲***
Subject sources.....	***	***	***	▲***	▲***	▲***
China.....	***	***	***	▼***	▼***	▼***
All other sources.....	***	***	***	▲***	▲***	▲***
Nonsubject sources.....	***	***	***	▼***	▼***	▼***
All import sources.....	***	***	***	▲***	▲***	▲***
<b>U.S. consumption value:</b>						
Amount.....	***	***	***	▼***	▼***	▼***
Producers' share (fn1).....	***	***	***	▼***	▼***	▼***
Importers' share (fn1):						
France.....	***	***	***	▼***	▼***	▲***
Japan.....	***	***	***	▲***	▲***	▲***
Spain.....	***	***	***	▲***	▲***	▲***
Subject sources.....	***	***	***	▲***	▲***	▲***
China.....	***	***	***	▼***	▼***	▼***
All other sources.....	***	***	***	▲***	▲***	▲***
Nonsubject sources.....	***	***	***	▼***	▼***	▼***
All import sources.....	***	***	***	▲***	▲***	▲***
<b>U.S. imports from:</b>						
<b>France:</b>						
Quantity.....	7,298	5,557	5,901	▼(19.1)	▼(23.9)	▲6.2
Value.....	17,102	11,553	11,474	▼(32.9)	▼(32.4)	▼(0.7)
Unit value.....	\$2,343	\$2,079	\$1,944	▼(17.0)	▼(11.3)	▼(6.5)
Ending inventory quantity.....	***	***	***	▲***	▼***	▲***
<b>Japan:</b>						
Quantity.....	12,225	17,861	30,893	▲152.7	▲46.1	▲73.0
Value.....	26,680	31,962	52,135	▲95.4	▲19.8	▲63.1
Unit value.....	\$2,182	\$1,789	\$1,688	▼(22.7)	▼(18.0)	▼(5.7)
Ending inventory quantity.....	***	***	***	▲***	▲***	▲***
<b>Spain:</b>						
Quantity.....	14,198	37,860	43,263	▲204.7	▲166.7	▲14.3
Value.....	27,540	62,666	62,651	▲127.5	▲127.5	▼(0.0)
Unit value.....	\$1,940	\$1,655	\$1,448	▼(25.3)	▼(14.7)	▼(12.5)
Ending inventory quantity.....	***	***	***	▲***	▼***	▲***

Table continued.

**Table C-1--Continued**

**Methionine: Summary data concerning the U.S. market, 2018-20**

(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year			Comparison years		
	2018	2019	2020	2018-20	2018-19	2019-20
<b>Subject sources:</b>						
Quantity.....	33,722	61,278	80,057	▲ 137.4	▲ 81.7	▲ 30.6
Value.....	71,322	106,181	126,259	▲ 77.0	▲ 48.9	▲ 18.9
Unit value.....	\$2,115	\$1,733	\$1,577	▼ (25.4)	▼ (18.1)	▼ (9.0)
Ending inventory quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
<b>China:</b>						
Quantity.....	25,280	3,936	240	▼ (99.1)	▼ (84.4)	▼ (93.9)
Value.....	54,128	10,183	3,429	▼ (93.7)	▼ (81.2)	▼ (66.3)
Unit value.....	\$2,141	\$2,587	\$14,296	▲ 567.7	▲ 20.8	▲ 452.6
<b>All other sources:</b>						
Quantity.....	3,593	5,118	5,552	▲ 54.5	▲ 42.4	▲ 8.5
Value.....	7,121	9,249	9,539	▲ 34.0	▲ 29.9	▲ 3.1
Unit value.....	\$1,982	\$1,807	\$1,718	▼ (13.3)	▼ (8.8)	▼ (4.9)
<b>Nonsubject sources:</b>						
Quantity.....	28,873	9,054	5,792	▼ (79.9)	▼ (68.6)	▼ (36.0)
Value.....	61,249	19,432	12,968	▼ (78.8)	▼ (68.3)	▼ (33.3)
Unit value.....	\$2,121	\$2,146	\$2,239	▲ 5.5	▲ 1.2	▲ 4.3
Ending inventory quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
<b>All import sources:</b>						
Quantity.....	62,594	70,332	85,849	▲ 37.2	▲ 12.4	▲ 22.1
Value.....	132,571	125,613	139,227	▲ 5.0	▼ (5.2)	▲ 10.8
Unit value.....	\$2,118	\$1,786	\$1,622	▼ (23.4)	▼ (15.7)	▼ (9.2)
Ending inventory quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
<b>U.S. producers':</b>						
Average capacity quantity.....	***	***	***	***	***	***
Production quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Capacity utilization (fn1).....	***	***	***	▼ ***	▼ ***	▼ ***
<b>U.S. shipments:</b>						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▼ ***	▼ ***	▼ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▼ ***
<b>Export shipments:</b>						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▼ ***	▼ ***	▼ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▼ ***
Ending inventory quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Inventories/total shipments (fn1).....	***	***	***	▼ ***	▼ ***	▼ ***

Table continued.

**Table C-1--Continued**

**Methionine: Summary data concerning the U.S. market, 2018-20**

(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year			Comparison years		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. producers'--Continued:						
Production workers.....	***	***	***	▼***	▼***	▼***
Hours worked (1,000s).....	***	***	***	▼***	▼***	▼***
Wages paid (\$1,000).....	***	***	***	▼***	▼***	▼***
Hourly wages (dollars per hour).....	***	***	***	▲***	▲***	▼***
Productivity (short tons per 1,000 hours).....	***	***	***	▲***	▲***	▲***
Unit labor costs.....	***	***	***	▼***	▲***	▼***
Net sales:						
Quantity.....	***	***	***	▲***	▲***	▲***
Value.....	***	***	***	▼***	▼***	▼***
Unit value.....	***	***	***	▼***	▼***	▼***
Cost of goods sold (COGS).....	***	***	***	▼***	▼***	▼***
Gross profit or (loss) (fn2).....	***	***	***	▼***	▼***	▼***
SG&A expenses.....	***	***	***	▼***	▼***	▲***
Operating income or (loss) (fn2).....	***	***	***	▼***	▼***	▼***
Net income or (loss) (fn2).....	***	***	***	▼***	▼***	▲***
Unit COGS.....	***	***	***	▼***	▼***	▼***
Unit SG&A expenses.....	***	***	***	▼***	▼***	▼***
Unit operating income or (loss) (fn2).....	***	***	***	▼***	▼***	▼***
Unit net income or (loss) (fn2).....	***	***	***	▼***	▼***	▲***
COGS/sales (fn1).....	***	***	***	▲***	▲***	▼***
Operating income or (loss)/sales (fn1).....	***	***	***	▼***	▼***	▼***
Net income or (loss)/sales (fn1).....	***	***	***	▼***	▼***	▲***
Capital expenditures.....	***	***	***	▼***	▼***	▼***
Research and development expenses....	***	***	***	▼***	▼***	▼***
Net assets.....	***	***	***	▼***	▼***	▼***

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "--". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

fn1.--Reported data are in percent and period changes are in percentage points.

fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics for HTS statistical reporting numbers 2930.40.0000 and 2930.90.4600, accessed April 6, 2021.

