

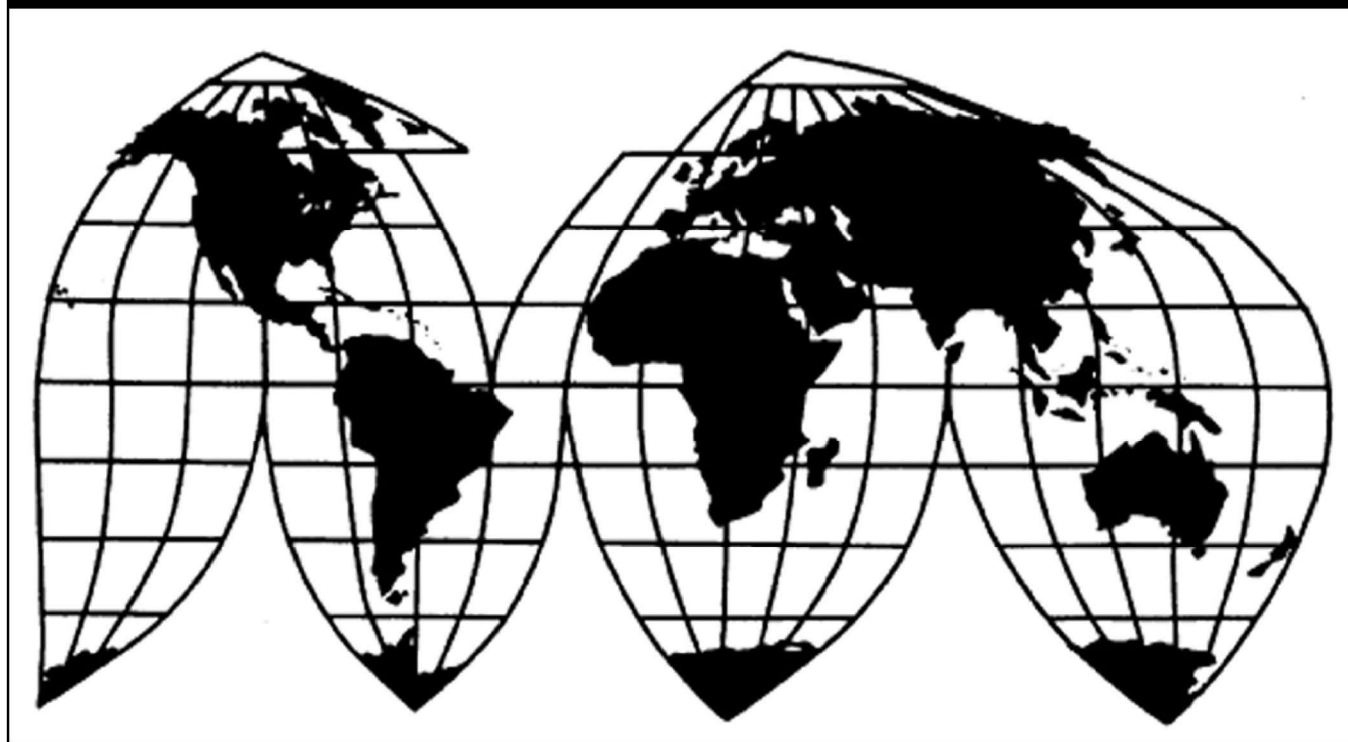
Light-Walled Rectangular Pipe and Tube from Taiwan

Investigation No. 731-TA-410 (Fifth Review)

Publication 5410

February 2023

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-410 (Fifth Review)

Light-Walled Rectangular Pipe and Tube from Taiwan

DETERMINATION

On the basis of the record¹ developed in the subject five-year review, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the antidumping duty order on light-walled rectangular pipe and tube from Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted this review on July 1, 2022 (87 FR 39562) and determined on October 4, 2022, that it would conduct an expedited review (88 FR 2374, January 13, 2023).

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

Views of the Commission

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the antidumping duty order on light-walled rectangular pipe and tube (“LWR pipe and tube”) from Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

Original Investigation. On June 6, 1988, the Mechanical Tubing Subcommittee of the Committee on Pipe and Tube Imports and the members of the subcommittee, which consisted of individual manufacturers of LWR pipe and tube, filed an antidumping duty petition regarding imports of LWR pipe and tube from Taiwan.¹ In March 1989, the Commission determined that an industry in the United States was materially injured or threatened with material injury by reason of imports of LWR pipe and tube from Taiwan that had been found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value (“LTFV”).² Commerce subsequently published the antidumping duty order on March 27, 1989.³

First Review. In July 2000, the Commission conducted its first five-year review of the antidumping duty order on LWR pipe and tube from Taiwan. Following a full review, in which it cumulated subject imports from Taiwan and Argentina, the Commission determined that revocation of the antidumping duty orders on LWR pipe and tube from Argentina and Taiwan would likely lead to continuation or recurrence of material injury to an industry in the United

¹ *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan*, Inv. No. 731-TA-410 (Final), USITC Pub. 2169 at 1, A-1 (Mar. 1989) (“*Original Determination*”).

² *Original Determination*, USITC Pub. 2169 at 1, A-1. In the original investigation, the Commission cumulated subject imports from Taiwan with imports from Argentina, which were also subject to investigation at that time. *Id.* at 7-9. Two Commissioners made present material injury determinations, two made threat determinations, and two made negative determinations. *Id.* at 1.

³ *Antidumping Duty Order; Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan*, 54 Fed. Reg. 12467 (Mar. 27, 1989).

States within a reasonably foreseeable time.⁴ Subsequently, Commerce issued a continuation of the antidumping duty order on LWR pipe and tube from Taiwan.⁵

Second Review. In July 2006, the Commission conducted its second five-year review and, following a full review, determined that revocation of the antidumping duty order on LWR pipe and tube from Taiwan was likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁶ Subsequently, Commerce issued a continuation of the antidumping duty order on LWR pipe and tube from Taiwan.⁷

Third Review. In January 2012, the Commission conducted its third five-year review and, following an expedited review, determined that revocation of the antidumping duty order covering LWR pipe and tube from Taiwan was likely to lead to continuation or recurrence of

⁴ *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela*, Inv. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review), USITC Pub. 3316 at 60 (July 2000) (“*First Review*”). In the first five-year review of the antidumping duty order on LWR pipe and tube from Taiwan, the Commission grouped the review of that order with reviews of the following: antidumping duty orders on LWR pipe and tube from Singapore and Argentina; certain countervailing duty orders on imports of circular, welded non-alloy steel pipe and tube not more than 16 inches in outside diameter (“CW pipe and tube”); and antidumping duty orders on imports of certain oil country tubular goods. The Commission conducted these reviews together in order to promote administrative efficiency due to similarities in the products and/or market participants. *Id.* at 6. The Commission considered subject imports from Taiwan on a cumulated basis with imports of LWR pipe from Argentina for purposes of the first review. *Id.* at 48.

⁵ *Continuation of Antidumping Duty Orders: Light-Walled Rectangular Welded Carbon Steel Pipe and Tube from Argentina and Taiwan; Circular Welded Non-Alloy Steel Pipe and Tube from Brazil, Korea, Mexico, and Taiwan; Welded Carbon Steel Pipe and Tube from India, Thailand, and Turkey; and Small Diameter Standard and Rectangular Steel Pipe and Tube from Taiwan*, 65 Fed. Reg. 50955 (Aug. 22, 2000).

⁶ *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey*, Inv. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532-534, and 536 (Second Review), USITC Pub. 3867 at 46 (July 2006) (“*Second Review*”). For the second five-year review of the antidumping duty order on LWR pipe and tube from Taiwan, the Commission grouped the review of that order with reviews of orders on LWR pipe and tube from Argentina and Singapore and on CW pipe and tube from various countries. For the second review of the antidumping duty order on LWR pipe from Taiwan, the Commission considered subject imports from Taiwan on a non-cumulated basis. *Id.* at 28-35.

⁷ *Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan: Continuation of Antidumping Duty Order*, 71 Fed. Reg. 45521 (Aug. 9, 2006).

material injury to an industry in the United States within a reasonably foreseeable time.⁸ Subsequently, Commerce issued a continuation of the antidumping duty order.⁹

Fourth Review. In July 2017, the Commission conducted its fourth five-year review and, following an expedited review, determined that revocation of the antidumping duty order would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁰ Commerce subsequently issued a notice of continuation of the order, effective August 9, 2017.¹¹

Current Five-Year Review. The Commission instituted this five-year review on July 1, 2022.¹² It received one response to the notice of institution, jointly filed by Atlas Tube (“Atlas”), Bull Moose Tube Co. (“Bull Moose”), California Steel and Tube (“California Steel”), Maruichi American Corp. (“Maruichi”), Nucor Tubular Products, Inc. (“Nucor”), and Searing Industries, Inc. (“Searing”), all of which are domestic producers of LWR pipe and tube (collectively, “Domestic Producers”).¹³ No respondent interested party responded to the notice of institution or participated in this review. On October 4, 2022, the Commission determined that the domestic interested party group response was adequate and that the respondent interested party group response was inadequate.¹⁴ Finding no other circumstances that would warrant conducting a full review, the Commission determined that it would conduct an expedited review of the antidumping duty order.¹⁵ Domestic Producers submitted joint final comments pursuant to Commission Rule 207.62(d)(1) regarding the determination that the Commission should reach.¹⁶

⁸ *Light-Walled Rectangular Pipe and Tube from Taiwan*, Inv. No. 731-TA-410 (Third Review), USITC Pub. 4301 at 17 (January 2012) (“*Third Review*”).

⁹ *Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan: Continuation of Antidumping Duty Order*, 77 Fed. Reg. 5240 (Feb. 2, 2012).

¹⁰ *Light-Walled Rectangular Pipe and Tube from Taiwan*, Inv. No. 731-TA-410 (Fourth Review), USITC Pub. 4707 at 1 (July 2017) (“*Fourth Review*”).

¹¹ *Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan; Continuation of Antidumping Duty Order*, 82 Fed. Reg. 37193 (Aug. 9, 2017).

¹² *Light-Walled Rectangular Pipe and Tube Taiwan; Institution of a Five-Year Review*, 87 Fed. Reg. 39562 (July 1, 2022).

¹³ See *Domestic Producers’ Response to Notice of Institution*, EDIS Doc. 776770 (Aug. 1, 2022) (“*Domestic Response*”); *Domestic Producers’ Confidential Response to Notice of Institution*, EDIS Doc. 776768 (Aug. 1, 2022) (“*Confidential Domestic Response*”); Confidential Report, INV-UU-092 at I-3 (Sept. 22, 2022) (“*CR*”); *Light-Walled Rectangular Pipe and Tube from Taiwan*, Inv. No. 731-TA-410 (Fifth Review), USITC Pub. 5410 at I-2 (Feb. 2023) (“*PR*”).

¹⁴ *Commission Adequacy Vote in Light-Walled Rectangular Pipe and Tube from Taiwan*, EDIS Doc. 781717 (Oct. 4, 2022). Chairman Johanson voted for a full review of the order given the amount of time that has transpired since the Commission last conducted a full review (2006). *Id.*

¹⁵ *Light-Walled Rectangular Pipe and Tube from Taiwan; Scheduling of an Expedited Five-Year Review*, 88 Fed. Reg. 2374 (Jan. 13, 2023).

¹⁶ *Domestic Producers’ Final Comments*, EDIS Doc. 788665 (Jan. 26, 2023) (“*Domestic Final Comments*”).

U.S. industry data in this review are based on data provided by the Domestic Producers, which are estimated to have accounted for *** percent of total U.S. LWR pipe and tube production in 2021, in their response to the notice of institution.¹⁷ U.S. import data and related data are based on Commerce’s official import statistics.¹⁸ Foreign industry data and related information are based on information from the original investigation and prior five-year reviews, information submitted by the Domestic Producers in their response to the notice of institution, and publicly available information compiled by the Commission.¹⁹ Additionally, three purchasers, ***, responded to the Commission’s adequacy phase questionnaire.²⁰

II. Domestic Like Product

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”²¹ The Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”²² The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.²³

Commerce has defined the imported merchandise within the scope of the order under review as follows:

The products covered by the *Order* are LWR tubing of rectangular (including square) cross-section, having a wall thickness of less than 0.156 inch. This merchandise is classified under subheading 7306.61.5000 of the Harmonized Tariff Schedule (HTS). It was formerly classified under subheading 7306.60.5000. The HTS subheadings are

¹⁷ CR/PR at Tables I-2, I-5; *Domestic Response* at 18, Exhibit 1; *Confidential Domestic Response* at Exhibit 1.

¹⁸ CR/PR at Tables I-6, I-7.

¹⁹ CR/PR at Tables I-7-10.

²⁰ CR/PR at D-3.

²¹ 19 U.S.C. § 1677(4)(A).

²² 19 U.S.C. § 1677(10); *see, e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Dep’t of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

²³ *See, e.g., Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

provided for convenience and customs purposes only. The written product description remains dispositive.²⁴

LWR pipe and tube is used for a variety of applications, including fencing, window guards, cattle chutes, railings for construction and agricultural applications, and more ornamental (but also functional) items, such as furniture parts, athletic equipment, lawn and garden equipment, store shelving, towel racks, and similar items. It is not used to convey liquids or gases. LWR pipe and tube sold in the U.S. market is generally manufactured to conform to standards set by ASTM International or the American Society of Mechanical Engineers (“ASME”). LWR pipe and tube’s physical properties and specifications often depend on the intended end use. Corrosion-resistant LWR pipe and tube products, often galvanized, are used in applications where corrosion resistance is required, such as in air conditioning equipment, automotive parts, or certain outdoor signs.²⁵

In the original investigation and prior reviews, the Commission defined a single domestic like product consisting of LWR pipe and tube, coextensive with Commerce’s scope.²⁶ In this review, there is no new information on the record suggesting that the characteristics and uses of domestically produced LWR pipe and tube have changed since the prior reviews so as to warrant revisiting the Commission’s domestic like product definition.²⁷ The Domestic Producers agree that the Commission should again define a single domestic like product consisting of LWR pipe and tube.²⁸ Accordingly, we continue to define a single domestic like product consisting of LWR pipe and tube, coextensive with Commerce’s scope.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”²⁹ In defining the domestic industry, the Commission’s general practice has been

²⁴ Commerce Memorandum from James Maeder to Lisa W. Wang, *Issues and Decision Memorandum for the Final Results of the Expedited Sunset Review of the Antidumping Duty Order on Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan*, EDIS Doc. 788280 at 3 (Oct. 20, 2022) (“*Commerce I&D Memorandum*”).

²⁵ See generally CR/PR at I-8-11.

²⁶ *Original Determination*, USITC Pub. 2169 at 3-4, 51 n.2; *First Review*, USITC Pub. 3316 at 13-14; *Second Review*, USITC Pub. 3867 at 6-7; *Third Review*, USITC Pub. 4301 at 6; *Fourth Review*, USITC Pub. 4707 at 6.

²⁷ See generally CR/PR at I-8-11.

²⁸ *Domestic Response* at 18.

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

to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigation and prior reviews, the Commission defined the domestic industry as all U.S. producers of LWR pipe and tube.³⁰ Domestic Producers state that they agree with the definition of the domestic industry from the original investigation and prior reviews.³¹ There are no related party or other domestic industry issues in this review.³² Accordingly, consistent with our definition of the domestic like product, we define the domestic industry as all U.S. producers of LWR pipe and tube.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping duty order unless: (1) it makes a determination that dumping is likely to continue or recur, and (2) the Commission makes a determination that revocation of the antidumping duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”³³ The SAA states that “under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”³⁴ Thus, the likelihood standard is prospective in nature.³⁵ The CIT has found that

³⁰ *Original Determination*, USITC Pub. 2169 at 4; *First Review*, USITC Pub. 3316 at 16; *Second Review*, USITC Pub. 3867 at 9; *Third Review*, USITC Pub. 4301 at 7; *Fourth Review*, USITC Pub. 4707 at 6.

³¹ *Domestic Response* at 18.

³² Domestic Producers reported ***. *Domestic Response* at Exhibit 1.

³³ 19 U.S.C. § 1675a(a).

³⁴ SAA at 883-84. The SAA states that “{t}he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” *Id.* at 883.

³⁵ While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

“likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.³⁶

The statute states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.”³⁷ According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”³⁸

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”³⁹ It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).⁴⁰ The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination.⁴¹

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed

³⁶ See *NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), *aff’d mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion;” “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); *Usinor v. United States*, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

³⁷ 19 U.S.C. § 1675a(a)(5).

³⁸ SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

³⁹ 19 U.S.C. § 1675a(a)(1).

⁴⁰ 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings with respect to the order under review. *Commerce I&D Memorandum* at 3.

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

to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.⁴² In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.⁴³

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.⁴⁴

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.⁴⁵ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the order under review and whether the industry is vulnerable to material injury upon revocation.⁴⁶

⁴² 19 U.S.C. § 1675a(a)(2).

⁴³ 19 U.S.C. § 1675a(a)(2)(A-D).

⁴⁴ See 19 U.S.C. § 1675a(a)(3). The SAA states that “{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

⁴⁵ 19 U.S.C. § 1675a(a)(4).

⁴⁶ The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission “considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.” SAA at 885.

No respondent interested party participated in this expedited review. The record, therefore, contains limited new information with respect to the LWR pipe and tube industry in Taiwan. There is also limited information on the LWR pipe and tube market in the United States during the period of review. Accordingly, for our determination, we rely as appropriate on the facts available from the original investigation and prior reviews and the limited new information on the record of this review.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁴⁷ The following conditions of competition inform our determination.

1. Demand Conditions

Original Investigation and Prior Reviews. In the original investigation, the Commission observed that demand for LWR pipe and tube depended on demand for the various end-use products in which it is used, including construction and various ornamental applications.⁴⁸ In the first review, the Commission found that demand for LWR pipe and tube had nearly doubled since the original investigation.⁴⁹ In the second review, the Commission found that demand for LWR pipe and tube had nearly tripled since the original investigation and that demand was closely tied to residential construction because two of the largest sources of demand for LWR pipe and tube were for fencing and outdoor furniture.⁵⁰ In the third review, the Commission observed that demand had declined since the last review, and the domestic interested parties did not project demand to increase.⁵¹ In the fourth review, the Commission observed that the increase in demand since the last recession had stopped or reversed by 2016, with apparent U.S. consumption in 2016 higher than in 2010 but lower than in 2005.⁵²

Current Review. There is no new information indicating that the factors influencing demand have changed since the prior proceedings. Demand for LWR pipe and tube, as in prior proceedings, remains driven by demand for such products as fencing, window guards, metal

⁴⁷ 19 U.S.C. § 1675a(a)(4).

⁴⁸ *Original Determination*, USITC Pub. 2169 at 28, 44.

⁴⁹ *First Review*, USITC Pub. 3316 at 42.

⁵⁰ *Second Review*, USITC Pub. 3867 at 36.

⁵¹ *Third Review*, USITC Pub. 4301 at 10.

⁵² *Fourth Review*, USITC Pub. 4704 at 10.

furniture, railings, furniture components, athletic equipment, lawn and garden equipment, racks, air-conditioning equipment, and automotive parts.⁵³

Apparent U.S. consumption of LWR pipe and tube was 705,598 short tons in 2021, as compared to 580,514 short tons in 2016; 384,535 short tons in 2010; 793,000 short tons in 2005; 564,898 short tons in 1998; and 288,446 short tons in 1987.⁵⁴

2. Supply Conditions

Original Investigation and Prior Reviews. In the original investigation, the U.S. market was supplied by domestic producers, imports from Taiwan, and imports from other countries.⁵⁵ Most domestic producers of LWR pipe and tube were small, non-integrated or partially integrated firms that did not melt their own steel to make slabs.⁵⁶ Nineteen firms operated 25 production lines and accounted for approximately 85 percent of domestic production in 1987.⁵⁷

In the first review, the Commission observed that the market share held by nonsubject imports had increased.⁵⁸ The Commission also found that the domestic industry had consolidated somewhat and that 13 firms accounted for approximately 80 to 90 percent of domestic production in 1998, with the three largest firms accounting for 53 percent of domestic production.⁵⁹

In the second review, the Commission observed that nonsubject imports continued to supply an increasing share of the U.S. market, reaching their highest level in 2006.⁶⁰ The Commission also noted that in 2008, antidumping and countervailing duty orders went into effect on imports from China, and antidumping duty orders went into effect on imports from Korea, Mexico, and Turkey. It observed that domestic interested parties asserted imports from these sources had been greatly reduced as a result. Additionally, the Commission found that there was little further consolidation of the domestic industry and that there were shifts in production among domestic firms.⁶¹

In the third review, the Commission observed that nonsubject imports continued to supply the U.S. market in greater quantities than subject imports from Taiwan.⁶² The Commission found that there had been changes in the composition of the domestic industry

⁵³ *Domestic Response* at 17. Two of the three purchasers who responded to the questionnaire stated ***. See CR/PR at D-3. Responding purchaser ***, while responding purchaser ***. *Id.*

⁵⁴ CR/PR at Table I-7.

⁵⁵ *Original Determination*, USITC Pub. 2169 at 24-25.

⁵⁶ *Original Determination*, USITC Pub. 2169 at A-6.

⁵⁷ *Original Determination*, USITC Pub. 2169 at A-6, A-8.

⁵⁸ *First Review*, USITC Pub. 3316 at 42.

⁵⁹ *First Review*, USITC Pub. 3316 at 42, n.247.

⁶⁰ *Second Review*, USITC Pub. 3867 at 37.

⁶¹ *Second Review*, USITC Pub. 3867 at 36-37.

⁶² *Third Review*, USITC Pub. 4301 at 11.

and further concentration of the industry since the prior reviews, which limited the comparability of data from the original investigation and prior reviews with data from the third review.⁶³

In the fourth review, the Commission observed that the supply of nonsubject imports had increased since the last period of review while the supply of domestically produced LWR pipe and tube in the U.S. market fell sharply due to the closure of a domestic production facility.⁶⁴ The Commission found that the domestic industry still accounted for a majority of apparent U.S. consumption in 2016, followed by nonsubject imports; subject imports from Taiwan accounted for less than 0.05 percent of apparent U.S. consumption in 2016.⁶⁵

Current Review. During the period of review, the LWR pipe and tube market in the United States was supplied primarily by domestic producers and nonsubject imports.

The domestic industry was the largest source of supply in the U.S. market in 2021, accounting for 57.4 percent of apparent U.S. consumption that year.⁶⁶ The information available indicates there were some changes to the domestic industry during the period of review, including the anticipated opening of two new production facilities and the sale of an existing production facility to a Japanese company; one responding purchaser anticipated increased domestic capacity in the next few years.⁶⁷

Subject imports were the smallest source of supply in the U.S. market in 2021, accounting for less than 0.05 percent of apparent U.S. consumption.⁶⁸

Nonsubject imports accounted for 42.6 percent of apparent U.S. consumption in 2021.⁶⁹ The largest sources of nonsubject imports in 2021 were Canada and Mexico.⁷⁰

3. Substitutability and Other Conditions

Original Investigation and Prior Reviews. In the original investigation, the Commission found that domestically produced LWR pipe and tube was “relatively” interchangeable with subject imports, with some limits on substitutability.⁷¹ In the first review, the Commission found that LWR pipe and tube was a commodity product and that domestically produced LWR

⁶³ *Third Review*, USITC Pub. 4301 at 11.

⁶⁴ *Fourth Review*, USITC Pub. 4707 at 11.

⁶⁵ *Fourth Review*, USITC Pub. 4707 at 11.

⁶⁶ CR/PR at Table I-7.

⁶⁷ CR/PR at Table I-4, D-3. In March 2021, Nucor announced plans to build a mill in Kentucky, and in March 2022, Zekelman Industries (“Zekelman”) announced plans to open a pipe and tube plant in Illinois in fall 2022. *Id.* In November 2021, Tenaris S.A. (“Tenaris”) sold its subsidiary, Geneva Structural Tubes LLC (“Geneva”), and its plant in Nebraska to MKK USA, a wholly owned subsidiary of Maruichi Steel Tube Ltd. of Japan. *Id.*

⁶⁸ CR/PR at Table I-7.

⁶⁹ CR/PR at Table I-7.

⁷⁰ CR/PR at Table I-6.

⁷¹ *Original Determination*, USITC Pub. 2169 at 29-30, 45-46.

pipe and tube products were generally substitutable with cumulated subject imports.⁷² In the second review, the Commission found moderately high substitutability between domestically produced LWR pipe and tube and cumulated subject imports. It also found that prices in the U.S. market were competitive.⁷³ In the third and fourth reviews, the Commission found that there was moderately high substitutability between domestically produced LWR pipe and tube and subject imports and that price was an important factor in purchasing decisions.⁷⁴

Current Review. The record in this review contains no new information to indicate that the degree of substitutability between the domestic like product and subject imports or the importance of price in purchasing decisions has changed since the last review. Domestic Producers assert that these factors have not changed since the last review.⁷⁵ Accordingly, we again find that there is a moderately high degree of substitutability between the domestic like product and subject imports and that price remains an important factor in purchasing decisions.

Effective March 23, 2018, imports of LWR pipe and tube produced in Taiwan became subject to an additional 25 percent ad valorem duty under Section 232 of the Trade Expansion Act of 1962, as amended.⁷⁶

C. Likely Volume of Subject Imports

1. The Original Investigation and Prior Five-Year Reviews

During the original investigation, the volume of subject imports from Taiwan was 406 short tons in 1985; 9,975 short tons in 1986; 14,770 short tons in 1987; 9,105 short tons in the first nine months of (“interim”) 1987; and 15,747 short tons in interim 1988.⁷⁷ The market share of subject imports from Taiwan was 0.2 percent in 1985, 3.8 percent in 1986, 5.1 percent in 1987, 4.1 percent in interim 1987, and 6.4 percent in interim 1988.⁷⁸

In the first review (in which the Commission conducted its analysis for Taiwan on a cumulated basis with Argentina), the Commission found that the antidumping duty orders had a restraining effect on cumulated subject imports from Argentina and Taiwan and concluded that the likely volume of cumulated subject imports would reach significant levels within a reasonably foreseeable time if the orders were revoked.⁷⁹ It observed that after the imposition of the antidumping duty order, imports of LWR pipe and tube from Taiwan fell to 5,375 short

⁷² *First Review*, USITC Pub. 3316 at 42, 45.

⁷³ *Second Review*, USITC Pub. 3867 at 37, 45.

⁷⁴ *Third Review*, USITC Pub. 4301 at 12, 15; *Fourth Review*, USITC Pub. 4707 at 11-12.

⁷⁵ *Domestic Response* at 15. Domestic Producers contend that LWR pipe and tube continues to be a commodity product made to standard specifications and sold on the basis of price, which is not likely to change in the imminent future. *Id.* at 17.

⁷⁶ CR/PR at I-8.

⁷⁷ *Original Determination*, USITC Pub. 2169 at A-27-28, Table 14.

⁷⁸ *Original Determination*, USITC Pub. 2169 at A-30, Table 16.

⁷⁹ *First Review*, USITC Pub. 3316 at 43-44.

tons in 1989, rose to 14,188 short tons in 1990, then fell to 8,519 short tons in 1991 and 2,620 short tons in 1992, and were minimal or zero thereafter.⁸⁰ The Commission found significant subject imports were likely upon revocation in light of the significant unused capacity in Argentina and Taiwan, the previously demonstrated interest in the U.S. market by subject producers, and the ability of subject producers to increase U.S. market penetration rapidly.⁸¹

In the second review, the Commission found that the antidumping duty order had a restraining effect on subject imports from Taiwan, with these imports generally remaining in the U.S. market, but at minimal levels, since 1992.⁸² The Commission found no indication that the industry in Taiwan had changed significantly since the original investigation, when its production capacity and unused capacity levels were substantial and it was export oriented.⁸³ Based on these factors, combined with the moderately high substitutability of the domestic like product and subject imports from Taiwan and the growth in the U.S. market, the Commission found that producers in Taiwan would have an incentive to export significant volumes of LWR pipe and tube to the U.S. market if the order were revoked.⁸⁴

In the third review, the Commission observed that the volume of subject imports was small, but found that it would likely be significant if the order were revoked.⁸⁵ It found that the record suggested there was still significant capacity and unused capacity in Taiwan and that exports from Taiwan to Australia, a much smaller market than the United States, had increased such that Australia had initiated antidumping duty investigations on imports of similar products from Taiwan.⁸⁶

In the fourth review, the Commission found that the order had had a restraining effect, limiting subject imports to small volumes during the period of review.⁸⁷ The Commission found that the LWR pipe and tube industry in Taiwan had expanded, and that the new entrants had significant capacity.⁸⁸ The Commission also found that the subject industry remained export oriented, with exports having increased 55 percent in the January to November 2016 period as compared to 2015.⁸⁹ Additionally, the Commission noted that an antidumping duty order on LWR pipe and tube from Taiwan remained in place in Australia, the subject industry's largest export market, providing an additional incentive for subject producers to target the United

⁸⁰ *First Review*, USITC Pub. 3316 at 43.

⁸¹ *First Review*, USITC Pub. 3316 at 43-44.

⁸² *Second Review*, USITC Pub. 3867 at 44, 55-56.

⁸³ *Second Review*, USITC Pub. 3867 at 44, 55-56.

⁸⁴ *Second Review*, USITC Pub. 3867 at 44, 56.

⁸⁵ *Third Review*, USITC Pub. 4301 at 14.

⁸⁶ *Third Review*, USITC Pub. 4301 at 13-14.

⁸⁷ *Fourth Review*, USITC Pub. 4707 at 13.

⁸⁸ *Fourth Review*, USITC Pub. 4707 at 13.

⁸⁹ *Fourth Review*, USITC Pub. 4707 at 13.

States should the order be revoked.⁹⁰ The Commission concluded that subject import volume would likely be significant if the order were revoked.

2. The Current Review

The record in this review indicates that subject imports maintained a presence in the U.S. market during the period of review, although limited, under the disciplining effect of the order. Subject import volume was 99 short tons in 2021, 48 short tons in 2020, 137 short tons in 2019, 367 short tons in 2018, and 196 short tons in 2017.⁹¹

The record in this expedited review contains limited information on the LWR pipe and tube industry in Taiwan. Nonetheless, the available information indicates that subject producers have the means and incentive to increase their exports of subject merchandise to the U.S. market to significant levels if the order were revoked. Domestic Producers provided a list of seven possible producers of LWR pipe and tube in Taiwan⁹² and submitted information indicating that all seven producers in existence during the last review remain in operation with substantial, and in some cases increasing, capacity.⁹³

The record also indicates that subject producers remain export oriented. According to data from the Global Trade Atlas (“GTA”), total exports from Taiwan of tubes, pipes, and hollow profiles of iron or steel welded of a square or rectangular cross-section, a category that includes LWR pipe and tube and out-of-scope products, increased irregularly from 51,045 short tons in 2017 to 91,789 short tons in 2021, with a 69.0 percent increase from 2020 to 2021.⁹⁴ Consistent with these GTA data, information submitted by Domestic Producers shows specifically that several subject producers remain export oriented and are focused on the U.S. market.⁹⁵ According to this information, subject producer Kounan has an “export percentage” of 80 percent and considers the United States a “target export market”; subject producer Mayer Steel Pipe Co. (“Mayer”) increased its revenues by 30 percent from 2020 to 2021, driven by export revenue; subject producer Vulcan Industrial Corp. (“Vulcan”) has an “export percentage” of 41 to 50 percent and an “export focus” that includes the United States; and subject producer Shin Yang Steel has an “export focus” that includes the United States.⁹⁶

⁹⁰ *Fourth Review*, USITC Pub. 4707 at 13.

⁹¹ CR/PR at Table I-6.

⁹² CR/PR at I-19.

⁹³ *Domestic Response* at 11-12, Exhibits 3, 5. According to information submitted by Domestic Producers, subject producer Far East Machinery Corp. (“FEMCO”) increased its output by 33 percent by installing a smart manufacturing line, while subject producer Kounan Steel Co. (“Kounan”) expanded its production capacity by installing new machinery. *Id.* at 11, Exhibits 3-4.

⁹⁴ CR/PR at Table I-9. These data may be overstated because HS subheading 7306.61 may contain products outside the scope of this review.

⁹⁵ *Domestic Response* at 11-12, Exhibits 4, 5, 7, 9.

The information available also indicates that the U.S. market remains attractive to Taiwan producers of rectangular tubular products, a category that includes both LWR pipe and tube and out-of-scope products. Although subject imports of LWR pipe and tube from Taiwan were minimal during the period of review due to the restraining effect of the order, the United States was Taiwan's fourth largest export destination for rectangular tubular products in 2021.⁹⁷ Furthermore, LWR pipe and tube from Taiwan remains subject to an antidumping duty order in Australia, Taiwan's second-largest export market, which would make the U.S. market relatively more attractive in the event of revocation.⁹⁸

Given the significant volume of subject imports during the original investigation, the Taiwan industry's substantial capacity and export orientation, and the attractiveness of the U.S. market to subject producers, we find that the volume of subject imports would likely be significant, both in absolute terms and relative to consumption in the United States, if the order were revoked.⁹⁹

D. Likely Price Effects

1. The Original Investigation and Prior Five-Year Reviews

In the original investigation, cumulated subject imports from Argentina and Taiwan undersold the domestic like product in all possible comparisons.¹⁰⁰ The two Commissioners who reached affirmative present injury determinations found that cumulated subject imports from Argentina and Taiwan suppressed prices for the domestic like product.¹⁰¹ The two Commissioners who found threat of material injury found that LWR pipe and tube from Taiwan consistently undersold the domestic like product throughout the period examined.¹⁰²

In the first review, the Commission was unable to obtain meaningful pricing information on subject LWR pipe and tube imports because subject imports had only been present in the U.S. market in limited quantities, and subject producers had not submitted information.¹⁰³ The Commission found that if the orders on LWR pipe and tube from Argentina and Taiwan were

⁹⁷ CR/PR at 20.

⁹⁸ CR/PR at I-21. The order was extended in 2022, with an antidumping duty margin of up to 23.5 percent. *Id.*

⁹⁹ Only *** reported that Section 232 duties affected the supply of, or demand for, subject imports during the period of review. CR/PR at D-3. Furthermore, the U.S. market is sufficiently attractive to encourage subject producers to export significant quantities of LWR pipe and tube in the absence of the order.

The record in this expedited review contains no information concerning inventories of the subject merchandise or the ability of subject producers to product shift.

¹⁰⁰ *Original Determination*, USITC Pub. 2169 at A-35, A-36

¹⁰¹ *Original Determination*, USITC Pub. 2169 at 30-31, 35-42.

¹⁰² *Original Determination*, USITC Pub. 2169 at 55-57.

¹⁰³ *First Review*, USITC Pub. 3316 at 44.

revoked, there would likely be significant underselling by cumulated subject imports.¹⁰⁴ The Commission also found that LWR pipe and tube from Argentina and Taiwan would likely enter the United States at prices that would have a significant depressing or suppressing effect on prices for the domestic like product in light of the commodity nature of the product, the inelasticity of domestic demand for LWR pipe and tube, and the demonstrated willingness of subject producers during the original investigations to undersell the domestic like product as a means of gaining market share.¹⁰⁵

In the second review, the Commission found that it had no meaningful contemporaneous U.S. pricing or average unit value data on subject imports from Taiwan, although the record did show that price remained an important consideration in purchasing decisions in the U.S. market.¹⁰⁶ Raw material prices influenced LWR pipe and tube prices, and the Commission observed that hot-rolled steel was the primary input in the manufacture of LWR pipe and tube.¹⁰⁷ The Commission found that if the order were revoked, LWR pipe and tube from Taiwan would likely undersell the domestic like product in order to gain market share, forcing U.S. producers to either lower prices (at the risk of being unable to cover costs) or lose market share.¹⁰⁸ The Commission based this finding on the moderately high substitutability of the domestic like product and subject LWR pipe and tube from Taiwan, a purchaser's expressed interest in LWR pipe and tube from Taiwan, the demonstrated willingness of subject producers in Taiwan to undersell the domestic like product to gain market share during the original investigations, and the finding of a likely significant volume of subject imports in the event of revocation.¹⁰⁹

In the third review, the Commission found that price remained an important consideration in purchasing decisions and that subject imports were highly substitutable for the domestic like product.¹¹⁰ The Commission observed that subject producers demonstrated an interest in the U.S. market in the original investigation, and after the imposition of the order, and they were willing to undersell the domestic like product to gain market share.¹¹¹ It concluded that if the order were revoked, the likely significant volume of subject imports would likely undersell the domestic like product and have significant price depressing or suppressing effects within a reasonably foreseeable time.¹¹²

¹⁰⁴ *First Review*, USITC Pub. 3316 at 44.

¹⁰⁵ *First Review*, USITC Pub. 3316 at 44.

¹⁰⁶ *Second Review*, USITC Pub. 3867 at 44-45, 57.

¹⁰⁷ *Second Review*, USITC Pub. 3867 at LWR-V-I, 37.

¹⁰⁸ *Second Review*, USITC Pub. 3867 at 45, 57.

¹⁰⁹ *Second Review*, USITC Pub. 3867 at 44-45, 57.

¹¹⁰ *Third Review*, USITC Pub. 4301 at 15.

¹¹¹ *Third Review*, USITC Pub. 4301 at 14-15.

¹¹² *Third Review*, USITC Pub. 4301 at 15.

In the fourth review, the Commission continued to find a moderately high degree of substitutability between subject imports from Taiwan and the domestic like product and that price was an important factor in purchasing decisions.¹¹³ The Commission found that if the order were revoked, significant volumes of subject imports would likely significantly undersell the domestic like product to gain market share, as they did in the original investigation, thereby forcing the domestic industry to either lower prices or lose sales and market share.¹¹⁴ The Commission concluded that if the order were revoked, subject imports would likely have significant depressing or suppressing effects on prices for the domestic like product.¹¹⁵

2. The Current Review

As discussed above, we continue to find a moderately high degree of substitutability between the domestic like product and subject imports and that price remains an important factor in purchasing decisions.

The record in this expedited review does not contain new product-specific pricing information. Based on the available information, including the moderately high degree of substitutability between the domestic like product and subject imports, the importance of price in purchasing decisions, and the attractiveness of the U.S. market to subject producers, we find that if the order were revoked, significant volumes of subject imports would likely undersell the domestic like product, as they did in the original investigation. Absent the discipline of the order, the significant volume of low-priced subject imports would likely take sales and market share from domestic producers and/or force the domestic industry to cut prices or forego needed price increases. Accordingly, we conclude that if the order were revoked, subject imports would likely have significant price effects.

E. Likely Impact

1. The Original Investigation and Prior Five-Year Reviews

In the original investigation, the Commission found that a number of the domestic industry's performance indicators improved between 1985 and 1987.¹¹⁶ The two Commissioners who reached present material injury determinations concluded that while the industry's condition was not objectively poor, the subject imports had a materially adverse effect on the industry's output.¹¹⁷ The two Commissioners who made threat determinations found that the industry was in a vulnerable condition.¹¹⁸

¹¹³ *Fourth Review*, USITC Pub. 4707 at 14.

¹¹⁴ *Fourth Review*, USITC Pub. 4707 at 14-15.

¹¹⁵ *Fourth Review*, USITC Pub. 4707 at 15.

¹¹⁶ *Original Determination*, USITC Pub. 2169 at 47-49, 51-54.

¹¹⁷ *Original Determination*, USITC Pub. 2169 at 30-31, 47-49.

¹¹⁸ *Original Determination*, USITC Pub. 2169 at 51-54.

In the first review, the Commission found that the domestic industry had experienced meaningful improvements in production, capacity, shipments, and employment as a consequence of the orders on subject imports from Argentina and Taiwan and the increases in demand in the U.S. construction sector.¹¹⁹ The domestic industry's operating margin was markedly higher than during the original investigations.¹²⁰ The Commission concluded that in light of these improvements, the industry was not vulnerable to material injury.¹²¹ Nevertheless, the Commission determined that if the orders were revoked, the adverse price effects associated with increased volumes of cumulated subject imports from Argentina and Taiwan would likely have a significant impact on the domestic industry's condition.¹²²

In the second review, the Commission found that the domestic industry was not vulnerable to material injury if the order were revoked.¹²³ Nevertheless, given the generally substitutable nature of subject imports from Taiwan and the domestic like product and the attractiveness of the U.S. market, the Commission found that the likely significant volume of subject imports, when combined with the likely adverse price effects of those imports, would likely have a significant impact on the domestic industry's production, shipments, sales, and revenues.¹²⁴ Reductions in these performance factors, the Commission found, would have a direct adverse impact on the domestic industry's profitability and employment levels, as well as its ability to raise capital and make and maintain necessary capital investments.¹²⁵

In the third and fourth reviews, the Commission found that the significant volume of subject imports and their price effects would likely have a significant impact on the domestic industry within a reasonably foreseeable time.¹²⁶ It found that if the order were revoked, subject imports would increase in volume at the expense of the domestic industry.¹²⁷ In both reviews, the Commission found that the record was insufficient to make a determination on whether the domestic industry was vulnerable to the continuation or recurrence of material injury.¹²⁸

2. The Current Review

The record in this expedited review contains limited information concerning the domestic industry's performance since the last review.

¹¹⁹ *First Review*, USITC Pub. 3316 at 45.

¹²⁰ *First Review*, USITC Pub. 3316 at 45.

¹²¹ *First Review*, USITC Pub. 3316 at 45.

¹²² *First Review*, USITC Pub. 3316 at 45.

¹²³ *Second Review*, USITC Pub. 3867 at 45.

¹²⁴ *Second Review*, USITC Pub. 3867 at 45, 57.

¹²⁵ *Second Review*, USITC Pub. 3867 at 45, 57.

¹²⁶ *Third Review*, USITC Pub. 4301 at 17; *Fourth Review*, USITC Pub. 4707 at 16-17.

¹²⁷ *Third Review*, USITC Pub. 4301 at 17; *Fourth Review*, USITC Pub. 4707 at 16.

¹²⁸ *Third Review*, USITC Pub. 4301 at 17; *Fourth Review*, USITC Pub. 4707 at 16.

The information available indicates that the domestic industry's performance was mixed in 2021 as compared to its performance in the final years examined in the original investigation and prior reviews. The domestic industry's capacity in 2021, 792,718 short tons, was lower than in the previous three reviews but higher than the first review and original investigation.¹²⁹ Its production in 2021, 413,179 short tons, was higher than in the prior proceedings, with the exception of the second review, while its capacity utilization, 52.1 percent, was higher than in the previous three reviews but lower than in the first review and original investigation.¹³⁰ The domestic industry's U.S. shipments in 2021, 404,934 short tons, were higher than in the previous two reviews and original investigation but lower than in the first two reviews.¹³¹ Its market share in 2021, 57.4 percent, was lower than in the prior proceedings, with the exception of the second review.¹³² The domestic industry's net sales and operating income in 2021 were both higher than in the prior proceedings, while its operating income as a share of net sales was higher than in every prior proceeding but the fourth review. The domestic industry's net sales in 2021 were \$744.0 million, its operating income was \$80.3 million, and its ratio of operating income to net sales was 10.8 percent.¹³³ This limited information is insufficient for us to make a finding as to whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.

Based on the information available in this review, we find that revocation of the order would likely result in a significant increase in subject import volume that would likely undersell the domestic like product, causing the domestic industry to lose sales and market share and/or significantly depressing or suppressing prices for the domestic like product. The likely significant volume of subject imports and their adverse price effects would likely have a significant adverse impact on the domestic industry's production, shipments, sales, market share, and revenues, which, in turn, would have a direct adverse impact on the industry's

¹²⁹ CR/PR at Table I-5. The domestic industry's capacity was 895,176 short tons in 2016; 1.2 million short tons in 2010; 886,000 short tons in 2005; 599,170 short tons in 1998; and 320,361 short tons in 1987. *Id.*

¹³⁰ CR/PR at Table I-5. The domestic industry's production was 385,220 short tons in 2016; 316,149 short tons in 2010; 451,000 short tons in 2005; 403,669 short tons in 1998; and 212,027 short tons in 1987. *Id.* Its capacity utilization was 43.0 percent in 2016, 26.9 percent in 2010, 50.9 percent in 2005, 67.4 percent in 1998, and 66.2 percent in 1987. *Id.*

¹³¹ CR/PR at Table I-5. The domestic industry's U.S. shipments totaled 360,368 short tons in 2016; 264,168 short tons in 2010; 455,000 short tons in 2005; 404,970 short tons in 1998; and 207,888 short tons in 1987. *Id.*

¹³² CR/PR at Table I-7. The domestic industry's apparent U.S. consumption equaled 62.1 percent in 2016, 68.7 percent in 2010, 57.4 percent in 2005, 71.7 percent in 1998, and 72.1 percent in 1987. *Id.*

¹³³ CR/PR at Table I-5. The domestic industry's net sales were \$334.8 million in 2016, \$272.9 million in 2010, \$428.4 million in 2005, \$112.0 million in 1998, and \$93.0 million in 1987; its operating income was \$42.8 million in 2016, \$14.8 million in 2010, \$44.7 million in 2005, \$10.5 million in 1998, and \$2.8 million in 1987; and its ratio of operating income to net sales was 12.8 percent in 2016, 5.5 percent in 2010, 10.4 percent in 2005, 9.4 percent in 1998, and 3.0 percent in 1987. *Id.*

profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. Consequently, we conclude that, if the order were revoked, subject imports from Taiwan would be likely to have an adverse impact on the domestic industry within a reasonably foreseeable time.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports. Nonsubject imports increased their presence in the U.S. market since the last review, accounting for 42.6 percent of apparent U.S. consumption in 2021.¹³⁴ Nevertheless, the record provides no indication that the presence of nonsubject imports would prevent subject imports from entering the U.S. market in significant quantities after revocation of the order, adversely affecting the domestic industry's prices and/or taking market share from the industry. Given that the domestic industry supplied 57.4 percent of apparent U.S. consumption in 2021, the moderately high degree of substitutability between subject imports and the domestic like product, and the importance of price in purchasing decisions, we find it likely that the increase in low-priced subject imports would come at least in part at the expense of the domestic industry and/or depress or suppress prices for the domestic like product.¹³⁵ For these reasons, we find that any effects of nonsubject imports would be distinct from the likely effects attributable to the subject imports.

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

IV. Conclusion

For foregoing reasons, we determine that revocation of the antidumping duty order on LWR pipe and tube from Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

¹³⁴ CR/PR at Table I-7. Nonsubject imports' share of apparent U.S. consumption was 37.9 percent in 2016, 31.2 percent in 2010, 42.6 percent in 2005, 28.3 percent in 1998, and 22.8 percent in 1987. *Id.*

¹³⁵ CR/PR at Table I-7.

Information obtained in this review

Background

On July 1, 2022, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that it had instituted a review to determine whether revocation of the antidumping order on light-walled rectangular pipe and tube (“LWR pipe and tube”) from Taiwan would be likely to lead to continuation or recurrence of material injury.² All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.³ ⁴ Table I-1 presents information relating to the background and schedule of this proceeding:

Table I-1
LWR pipe and tube: Information relating to the background and schedule of this proceeding

Effective date	Action
July 1, 2022	Notice of initiation by Commerce (87 FR 39459, July 1, 2022)
July 1, 2022	Notice of institution by Commission (87 FR 39562, July 1, 2022)
October 4, 2022	Date for Commission’s vote on adequacy
October 25, 2022	Date for Commerce’s results of its expedited review (87 FR 64437, October 25, 2022)
February 22, 2023	Commission’s determination and views

¹ 19 U.S.C. 1675(c).

² 87 FR 39562, July 1, 2022. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of a five-year review of the subject antidumping duty order. 87 FR 39459, July 1, 2022. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission’s website (www.usitc.gov).

³ 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 the original investigations and subsequent full reviews are presented in app. C.

⁴ Interested parties were also requested to provide a list of three to five leading purchasers in the U.S. market for the domestic like product and the subject merchandise. Presented in app. D are the responses received from purchaser surveys transmitted to the purchasers identified in this proceeding.

Responses to the Commission’s notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject review. It was filed on behalf of the following entities:

1. Atlas Tube (“Atlas”), Bull Moose Tube Company (“Bull Moose”), California Steel and Tube (“California Steel”), Maruichi American Corporation (“Maruichi”), Nucor Tubular Products Inc. (“Nucor”), and Searing Industries, Inc. (“Searing”), domestic producers of LWR pipe and tube (collectively referred to herein as “domestic interested parties”)

A complete response to the Commission’s notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy and explain any deficiencies in their responses. A summary of the number of responses and estimates of coverage for each is shown in table I-2.

Table I-2
LWR pipe and tube: Summary of completed responses to the Commission’s notice of institution

Interested party	Type	Number of firms	Coverage
U.S. producer	Domestic	6	***%

Note: The U.S. producer coverage figure presented is the domestic interested parties’ estimate of their share of total U.S. production of LWR pipe and tube during 2021. Domestic interested parties’ response to the notice of institution, August 1, 2022, p. 18 and Exhibit 1.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or full review from the domestic interested parties. The domestic interested parties request that the Commission conduct an expedited review of the antidumping duty order on LWR pipe and tube.⁵

⁵ Domestic interested parties’ comments on adequacy, September 13, 2022, p. 5.

The original investigation

The original investigation resulted from a petition filed on June 6, 1988 with Commerce and the Commission by the mechanical tubing subcommittee of the Committee on Pipe and Tube Imports and by the individual manufacturers of LWR pipe and tube that are members of the subcommittee.⁶ On March 27, 1989, Commerce determined that imports of LWR pipe and tube from Taiwan were being sold at less than fair value (“LTFV”).⁷ The Commission determined on March 1989 that an industry in the United States was materially injured or threatened with material injury by reason of LTFV imports of LWR pipe and tube from Taiwan.⁸ On March 27, 1989, Commerce issued its antidumping duty order with the final weighted-average dumping margins ranging from 5.51 to 40.97 percent.⁹

The first five-year review

On August 5, 1999, the Commission determined that it would conduct a full review of the antidumping order on certain pipe and tube from Taiwan.¹⁰ On December 3, 1999, Commerce determined that revocation of the antidumping duty order on light-walled rectangular welded carbon steel pipe and tube from Taiwan would be likely to lead to continuation or recurrence of dumping and subsidization.¹¹ On July 26, 2000, the Commission determined that material injury would be likely to continue or recur within a reasonably

⁶ Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Inv. No. 731-TA-410 (Final); USITC Publication 2169, March 1989 (“Original publication”), p. A-1.

⁷ 54 FR 12467, March 27, 1989.

⁸ Original publication, p. 1.

⁹ 54 FR 12467, March 27, 1989.

¹⁰ 64 FR 45276, August 19, 1999. In the first full five-year review, the Commission grouped the antidumping duty order on LWR pipe and tube from Taiwan with the antidumping duty orders on LWR pipe and tube from Singapore and Argentina; the countervailing duty order on imports of circular welded non-alloy steel pipe and tube (“CWP”) from Turkey; the antidumping duty orders on imports of CWP from Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey; and the antidumping duty orders on oil country tubular goods (“OCTG”) from Canada and Taiwan in order to promote administrative efficiency due to similarities in the products and/or market participants. Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigation Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review), USITC Publication 3316, July 2000 (“First review publication”), p. 6.

¹¹ 64 FR 67871, December 3, 1999.

foreseeable time.¹² Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective August 22, 2000, Commerce issued a continuation of the antidumping duty order on imports of LWR pipe and tube from Taiwan.¹³

The second five-year review

On October 4, 2005, the Commission determined that it would conduct a full review of the antidumping duty order on LWR pipe and tube from Taiwan.¹⁴ On November 7, 2005, Commerce determined that revocation of the antidumping duty order on LWR pipe and tube from Taiwan would lead or likely lead to continuation or recurrence of dumping.¹⁵ On July 18, 2006, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹⁶ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective August 9, 2006, Commerce issued a continuation of the antidumping duty order on imports of LWR pipe and tube from Taiwan.¹⁷

¹² 65 FR 48733, August 9, 2000. The Commission also determined that revocation of the antidumping duty order on imports LWR pipe and tube from Argentina would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time, but it made a negative determination concerning the antidumping duty order on imports of LWR pipe and tube from Singapore. It made negative determinations concerning the antidumping duty orders on imports of OCTG from Canada and Taiwan and the antidumping duty order on imports of CWP from Venezuela and affirmative determinations concerning the antidumping duty orders on imports of CWP from Brazil, India, South Korea, Taiwan, Thailand, and Turkey and the countervailing duty order on imports of CWP from Turkey.

¹³ 65 FR 50955, August 22, 2000.

¹⁴ 70 FR 60367, October 17, 2005. In the second full five-year review, the Commission grouped the antidumping duty orders on imports of LWR pipe and tube from Argentina and Taiwan with the antidumping duty orders on imports of CWP from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey and the countervailing duty order on imports of CWP from Turkey to promote administrative efficiency. Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532-534 and 536 (Second Review), USITC Publication 3867 (“Second review publication”), July 2006, pp. 4-5.

¹⁵ 70 FR 67432, November 7, 2005. Commerce also determined that revocation of the antidumping duty order on LWR pipe and tube from Argentina would lead or likely lead to continuation or recurrence of dumping.

¹⁶ 71 FR 42118, July 25, 2006. The Commission further determined that revocation of the antidumping duty order on LWR pipe and tube from Argentina would not be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.

¹⁷ 71 FR 45521, August 9, 2006.

The third five-year review

On October 4, 2011, the Commission determined that it would conduct an expedited review of the antidumping duty order on LWR pipe and tube from Taiwan.¹⁸ On October 18, 2011, Commerce determined that revocation of the antidumping duty order on LWR pipe and tube from Taiwan would be likely to lead to continuation or recurrence of dumping.¹⁹ On January 17, 2012, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.²⁰ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective February 2, 2012, Commerce issued a continuation of the antidumping duty order on imports of LWR pipe and tube from Taiwan.²¹

The fourth five-year review

On April 10, 2017, the Commission determined that it would conduct an expedited review of the antidumping duty order on LWR pipe and tube from Taiwan.²² On May 9, 2017, Commerce determined that revocation of the antidumping duty order on LWR pipe and tube from Taiwan would likely lead to continuation or recurrence of dumping.²³ On July 25, 2017, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.²⁴ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective August 9, 2017, Commerce issued a continuation of the antidumping duty order on imports of LWR pipe and tube from Taiwan.²⁵

¹⁸ 76 FR 64105, October 17, 2011.

¹⁹ 76 FR 64312, October 18, 2011.

²⁰ 77 FR 3497, January 24, 2012.

²¹ 77 FR 5240, February 2, 2012.

²² 82 FR 21406, May 8, 2017.

²³ 82 FR 21512, May 9, 2017.

²⁴ 82 FR 35238, July 28, 2017.

²⁵ 82 FR 37193, August 9, 2017.

Previous and related investigations

The Commission has conducted a number of previous import relief investigations on LWR pipe and tube or similar merchandise, as presented in table I-3.

Table I-3
LWR pipe and tube: Previous and related Commission proceedings and status of orders

Date	Number	Country	ITC Original Determination	Current Status of Order
1984	731-TA-138	South Korea	Affirmative	Order revoked following voluntary restraint agreement, October 1985
1984	731-TA-198	Spain	Terminated	Terminated after preliminary; petition withdrawn
1986	731-TA-211	Taiwan	Negative	Order revoked after Final investigation, January 1986
1986	731-TA-296	Singapore	Affirmative	Order revoked after first review, July 2000
1987	731-TA-349	Taiwan	Negative	Order revoked after Final investigation, July 1987
1989	731-TA-409	Argentina	Affirmative	Order revoked after second review, July 2006
1995	731-TA-730	Mexico	Negative	Order revoked after Preliminary investigation, May 1995
2004	731-TA-1054	Mexico	Negative	Order revoked after Final investigation, October 2004.
2004	731-TA-1055	Turkey	Negative	Order revoked after Final investigation, October 2004.
2008	731-TA-1121	Turkey	Affirmative	Order continued after second review, July 2020.
2008	701-TA-449	China	Affirmative	Order continued after second review, July 2020.

Date	Number	Country	ITC Original Determination	Current Status of Order
2008	731-TA-1118	China	Affirmative	Order continued after second review, July 2020.
2008	731-TA-1119	South Korea	Affirmative	Order continued after second review, July 2020.
2008	731-TA-1120	Mexico	Affirmative	Order continued after second review, July 2020.

Source: U.S. International Trade Commission publications and Federal Register notices.

Note: “Date” refers to the year in which the investigation or review was instituted by the Commission.

Commerce’s five-year review

Commerce announced that it would conduct an expedited review with respect to the orders on imports of LWR pipe and tube from Taiwan with the intent of issuing the final results of this review based on the facts available not later than December 2, 2022.²⁶ Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <http://enforcement.trade.gov/frn/>. Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty order on imports of LWR pipe and tube are noted in the sections titled “The original investigations” and “U.S. imports,” if applicable.

²⁶ Letter from Alex Villanueva, Senior Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, August 23, 2022.

The product

Commerce's scope

Commerce has defined the scope as follows:

*The product covered by the order is light-walled welded carbon steel pipe and tube of rectangular (including square) cross-section having a wall thickness of less than 0.156 inch.*²⁷

U.S. tariff treatment

LWR pipe and tube is currently imported under Harmonized Tariff Schedule of the United States (“HTS”) subheading 7306.61.50. This subheading covers tubes, pipes and hollow profiles of iron or nonalloy steel of square or rectangular cross section, welded and having a wall thickness of less than 4 millimeters. LWR pipe and tube produced in Taiwan is imported into the U.S. market at a column 1-general duty rate of “free.”²⁸ Effective March 23, 2018, LWR pipe and tube produced in Taiwan is subject to an additional 25 percent ad valorem duty under Section 232 of the Trade Expansion Act of 1962, as amended.²⁹ LWR pipe and tube produced in

²⁷ 82 FR 37193, August 9, 2017.

²⁸ HTSUS (2022) Basic Revision 9, USITC Publication 5372, September 2022, pp. 73-19.

²⁹ Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. §1862), authorizes the President, on advice of the Secretary of Commerce, to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security. 83 FR 11625, March 15, 2018.

Section 232 import duties on steel articles currently cover all countries of origin except Argentina, Australia, Brazil, Canada, Mexico, and South Korea. Imports from Australia, Canada, and Mexico are exempt from Section 232 duties and quotas on steel articles, while imports originating in Argentina, Brazil, and South Korea are exempt from duties but are instead subject to absolute quotas. EU member states (effective January 1, 2022), Japan (effective April 1, 2022), and the United Kingdom (effective June 1, 2022) are currently subject to tariff-rate quotas (“TRQs”) for steel articles, and imports that exceed the TRQ limits are subject to the Section 232 tariffs. Section 232 import duties on steel articles originating in Turkey were temporarily raised from 25 percent to 50 percent, effective August 13, 2018, but were restored back to 25 percent May 21, 2019. In addition, Section 232 duties on steel articles of Ukraine are suspended, effective June 1, 2022, to June 1, 2023. 83 FR 11625, March 15, 2018; 83 FR 13361, March 28, 2018; 83 FR 20683, May 7, 2018; 83 FR 25857, June 5, 2018; 83 FR 40429, August 15, 2018; 84 FR 23987, May 23, 2019; 87 FR 11, January 3, 2022; 87 FR 19351, April 1, 2022; 87 FR 33407, June 2, 2022; 87 FR 33591, June 3, 2022.

See also HTS subheadings 9903.80.01 and 9903.80.03 and U.S. notes 16(a) and 16(b) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2022) Revision 8, USITC Publication 5345, July 2022, pp. 99-III-23 – 99-III-26, 99-III-293.

China is currently subject to an additional 7.5 percent ad valorem duty under Section 301 of the Trade Act of 1974.³⁰ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Description and uses³¹

LWR pipe and tube is a long-rolled, welded carbon steel product commonly used in applications not involving the conveyance of liquids or gases and is not designed to be load bearing. The most common applications for LWR pipe and tube are those for which a thinner wall may be preferred, such as ornamental fencing, window guards, door security frames, metal furniture, cattle chutes, railings, furniture components, athletic equipment, lawn and garden equipment, store display shelves, racks, and other similar items. LWR pipe and tube's physical properties and specifications often depend on the intended end use. Corrosion-resistant LWR pipe and tube, often galvanized, are used in applications where corrosion resistance is required, such as air-conditioning equipment, automotive parts, or certain outdoor signs.

The terms "pipes," "tubes," and "tubular products" are interchangeable in common usage and in the HTSUS. However, tubular-product manufacturers typically classify "pipes" as having a circular cross-section in a few standard sizes, whereas "tubes" may have any cross-sections including circular, square, rectangular or others. Pipes are specified in terms of their internal nominal diameter, whereas tubes are specified in terms of their outside dimensions and wall thickness. Steel pipes and tubes can be further subdivided according to their manufacturing method (welded or seamless) or grades of steel (carbon, alloy, or stainless).³² Only welded carbon-steel tubular products are subject to these reviews.

³⁰ LWR pipe and tube was subject to an additional 15 percent ad valorem duty under Section 301 from September 1, 2019, until February 14, 2020. 84 FR 45821, August 30, 2019, and 85 FR 3741, January 22, 2020.

³¹ Unless otherwise noted, this information is based on Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Fourth Review), USITC Publication 4707, July 2017 ("Fourth review publication"), pp. I-9–I-10.

³² Although carbon steel contains trace amounts of alloy elements, it is mainly composed of carbon and iron. Alloy steel is any type of steel to which one or more elements besides carbon have been intentionally added to produce a desired physical property or characteristic. Common elements that are added to make alloy steel are molybdenum, manganese, nickel, silicon, boron, chromium, and vanadium. Stainless steel is an alloy steel composed of certain amounts of nickel and chromium, which makes it corrosion resistant.

LWR pipe and tube sold in the U.S. market is generally manufactured to conform to standards of the American Society for Testing and Materials (“ASTM”) International³³ or the American Society of Mechanical Engineers (“ASME”). Chemical requirements, testing procedures, and permissible variations (tolerances) are specified in the ASTM and ASME specifications. Domestically produced and subject imported LWR pipe and tube is typically manufactured to meet ASTM A-500 (structural tubing) or ASTM A-513 (mechanical tubing).³⁴ In the U.S. market, LWR pipe and tube is commonly stocked and sold in 20- or 24-foot straight lengths in bundles.

Generally, less expensive products such as steel angle, bar, rod, and channel can be utilized in place of LWR pipe and tube in many applications, however, their inferior strength-to-weight ratio may restrain their usage in certain instances. Circular light-walled pipe and tube could serve as a substitute to LWR pipe and tube, but end-user specifications and customer preferences limit the interchangeability of these products.

Manufacturing process³⁵

U.S. producers currently employ two methods in the manufacture of LWR pipe and tube, both of which use flat-rolled steel sheet as an input, as follows:

(1) Two-stage forming (from flat coil to round tube to rectangular tube): In this process, flat-rolled steel sheet is slitted into strips of the width needed to produce the desired size of pipe and tube. The steel strips are then fed into equipment that bends the strip into tubular form. The edges of the strip are then pressed together and heated to approximately 2,600 degrees Fahrenheit. The pressure and heat on the edges form a weld. After welding, the round tube is formed into rectangular or square shapes by forming rolls. The tube is then cooled and cut to size.

(2) Direct forming: In this process, LWR pipe and tube are produced directly from flat coil to rectangular tube. Essentially, the steel sheet is formed into a rectangular shape and then the edges of the sheet are welded.

³³ ASTM International (formerly the American Society for Testing and Materials) is not a product testing or certification organization. Rather, manufacturers can voluntarily choose to indicate on the label or packaging that their products have been tested in accordance to ASTM standards.

³⁴ Mechanical tubing is either welded or seamless tubing that is produced in different sizes, shapes, and chemical compositions to meet the specification required for the end use. ASTM A-513, specifically A513M - 19 covers the following: 1) electric-resistance-welded carbon and alloy steel tubing for use as mechanical tubing, 2) mechanical tubing made from hot- or cold-rolled steel, and 3) round, square, rectangular, and special shape tubing.

³⁵ Unless otherwise noted, this information is based on fourth review publication, pp. I-13-I-14.

These two processes can be performed on the same equipment, using the same employees that are used to produce round pipe and tube and structural (heavier-walled rectangular) tube. Following the welding process, LWR pipe and tube are often galvanized. Galvanizing is the process of coating steel with a thin film of zinc to protect the steel from corrosion. The most common method for galvanizing is the hot-dip process, which involves dipping the tube into a molten zinc bath.³⁶

The industry in the United States

U.S. producers

During the final phase of the original investigation, the Commission received U.S. producer questionnaires from 19 firms, which accounted for approximately 85 percent of production of LWR pipe and tube in the United States during 1987.³⁷ During the first five-year review, the Commission received U.S. producer questionnaires from 13 firms, which accounted for approximately 80-90 percent of production of LWR pipe and tube in the United States during 1999.³⁸ During the second five-year review, the Commission received U.S. producer questionnaires from 14 firms, which accounted for nearly all U.S. production of LWR pipe and tube during the period under review.³⁹ During the third five-year review, eight responding firms accounted for approximately *** percent of production of LWR pipe and tube in the United States in 2010.⁴⁰ During the fourth five-year review, domestic interested parties provided a list of 20 known and currently operating U.S. producers of LWR pipe and tube. Eight responding firms accounted for approximately 74.8 percent of production of LWR pipe and tube in the United States during 2016.⁴¹

³⁶ The bath temperature is typically between 830 to 850 degrees Fahrenheit. Galvanized coatings are formed by a chemical process during which steel and zinc metallurgically bond, forming a series of corrosion-inhibiting, highly abrasion-resistant zinc/iron alloy layers.

³⁷ Original publication, p. A-8.

³⁸ First review publication, p. LWR I-3.

³⁹ Second review publication p. LWR-I-1.

⁴⁰ Investigation No. 731-TA-410 (Third Review): Light-Walled Rectangular Pipe and Tube from Taiwan, Confidential Report, INV-JJ-126, ("Third review confidential report"), p. I-3.

⁴¹ Fourth review publication, p. I-2.

In response to the Commission’s notice of institution in this current review, domestic interested parties provided a list of 11 known and currently operating U.S. producers of LWR pipe and tube. Six firms providing U.S. industry data in response to the Commission’s notice of institution accounted for approximately *** percent of production of LWR pipe and tube in the United States during 2021.⁴²

Recent developments

Table I-4 presents events in the U.S. industry since the Commission’s last five-year review.⁴³

Table I-4
LWR pipe and tube: Recent developments in the U.S. industry

Item	Firm	Event
Planned Expansion	Nucor Tubular Products	In March of 2021, Nucor announced plans to build a \$164 million tube mill in Ghent, Kentucky to produce hollow structural section tubing, mechanical steel tubing, and galvanized solar torque tubing. The new mill is expected to create 72 jobs.
Sale	Tenaris	Tenaris sold its subsidiary, “Geneva Structural Tubes LLC,” and the Geneva plant in Nebraska to MKK USA, a wholly owned subsidiary of Maruichi Steel Tube Ltd of Japan, in November 2021.
Planned Expansion	Zekelman	Zekelman plans to open a pipe and tube plant in Rochelle, Illinois in the fall of 2022 and create an estimated 100-150 jobs.

Source: City of Rochelle, “Steel Pipe & Tube Supplier Zekelman Adding Northern Illinois Plant,” Industrial Distribution, March 8, 2022, <https://www.inddist.com/company-expansion-consolidation/news/22106011/steel-pipe-tube-supplier-zekelman-adding-northern-illinois-plant>, retrieved August 31, 2022; Tenaris, “Tenaris completes sale of structural pipe business to MKK USA,” November 1, 2021, <https://www.tenaris.com/en/newsroom/news-listing/tenaris-completes-sale-of-structural-pipe-business--04251081721>, retrieved August 31, 2022; ABC 36, “Nucor plans to build a \$164 million tube mill in Gallatin County,” March 25, 2021, <https://www.wtvq.com/nucor-plans-to-build-a-164-million-tube-mill-in-gallatin-county/>, retrieved August 31, 2022.

⁴² Domestic interested parties’ response to the notice of institution, August 1, 2022, Exhibit 1.

⁴³ For recent developments, if any, in tariff treatment, please see “U.S. tariff treatment” section. Hot-rolled steel sheet, the primary input for LWR pipe and tube, is similarly subject to Section 232 duties.

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 in the current five-year review.⁴⁴ Table I-5 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigation and subsequent five-year reviews.

Table I-5
LWR pipe and tube: Trade and financial data submitted by U.S. producers, by period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio is in percent

Item	Measure	1987	1998	2005	2010	2016	2021
Capacity	Quantity	320,361	599,170	886,000	1,174,325	895,176	792,718
Production	Quantity	212,027	403,669	451,000	316,149	385,220	413,179
Capacity utilization	Ratio	66.2	67.4	50.9	26.9	43.0	52.1
U.S. shipments	Quantity	207,888	404,970	455,000	264,168	360,368	404,934
U.S. shipments	Value	140,515	225,943	424,830	253,484	319,938	743,218
U.S. shipments	Unit value	676	558	934	960	888	1,835
Net sales	Value	93,000	112,005	428,401	272,943	334,821	743,948
COGS	Value	84,464	93,860	356,747	228,854	263,467	594,662
COGS to net sales	Ratio	90.8	83.8	83.3	83.9	78.7	79.9
Gross profit or (loss)	Value	8,536	18,146	71,654	44,089	74,515	149,286
SG&A expenses	Value	5,760	7,660	26,978	29,344	31,738	69,037
Operating income or (loss)	Value	2,776	10,485	44,676	14,745	42,777	80,249
Operating income or (loss) to net sales	Ratio	3.0	9.4	10.4	5.5	12.8	10.8

Source: For the year 1987, data are compiled using data submitted in the Commission's original investigation. For the year 1998, data are compiled using data submitted in the Commission's first five-year review. For the year 2005, data are compiled using data submitted in the Commission's second five-year review. For the year 2010, data are compiled using data submitted in the Commission's third five-year review. For the year 2016, data are compiled using data submitted in the Commission's fourth five-year review. For the year 2021, data are compiled using data submitted by domestic interested parties. Domestic interested parties' response to the notice of institution, August 1, 2022, Exhibit 1.

Note: For a discussion of data coverage, please see "U.S. producers" section.

⁴⁴ Individual company trade and financial data are presented in app. B.

Definitions 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. 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. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if “appropriate circumstances” exist.⁴⁵

In its original determination, its full first and second five-year review determinations, and its expedited third and fourth five-year review determinations, the Commission defined the domestic industry as all U.S. producers of light-walled rectangular pipe and tube and the domestic like product as LWR pipe and tube coextensive with Commerce's scope.⁴⁶

U.S. importers

During the final phase of the original investigation, the Commission received U.S. importer questionnaires from firms which accounted for approximately 73.0 percent of total U.S. imports of LWR pipe and tube from Taiwan.⁴⁷ Import data presented in the original investigation are based on official Commerce statistics. During the first five-year review, the Commission received U.S. importer questionnaires from 11 firms.⁴⁸ Import data presented in the first review are based on official Commerce statistics and questionnaire responses. During the second five-year review, the Commission received U.S. importer questionnaires from two firms accounting for zero percent of imports from subject sources in the period under review.⁴⁹ Import data presented in the second review are based on official Commerce statistics. The Commission did not receive responses from any respondent interested parties in its third five-year review. Additionally, the domestic interested parties did not provide a list of potential U.S.

⁴⁵ Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

⁴⁶ 87 FR 39562, July 1, 2022.

⁴⁷ Original publication, p. A-21.

⁴⁸ There were no reported imports of LWR pipe and tube from Taiwan during 1997, 1998, and January-September 1999. First review publication, p. LWR I-12.

⁴⁹ Imports of LWR pipe and tube from subject sources was minimal between 1999 and 2005. Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532-534 and 536 (Second Review): Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Confidential Report, INV-DD-083, June 12, 2006, as revised in INV-DD-093, June 20, 2006 and INV-DD-100, June 28, 2006 (“Second review confidential report”), pp. LWR-I-13 and LWR-IV-1.

importers that may currently import LWR pipe and tube from Taiwan.⁵⁰ Import data presented in the third five-year review are based on official Commerce statistics. The Commission did not receive responses from any respondent interested parties in its fourth five-year review. Additionally, the domestic interested parties were unable to identify potential U.S. importers of LWR pipe and tube from Taiwan.⁵¹ Import data presented in the fourth five-year review are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested parties provided a list of 22 potential U.S. importers of LWR pipe and tube.⁵²

⁵⁰ Allied Tube and Conduit, Bull Moose, JMC Steel Group, Leavitt Tube Company, California Steel, Hannibal Industries, and Searing's response to the notice of institution, August 1, 2011, p. 15

⁵¹ Domestic interested parties' response to the notice of institution, February 2, 2017, p. 22.

⁵² Domestic interested parties' response to the notice of institution, August 1, 2022, Exhibit 1.

U.S. imports

Table I-6 presents the quantity, value, and unit value of U.S. imports from Taiwan as well as the other top sources of U.S. imports (shown in descending order of 2021 imports by quantity).

Table I-6
LWR pipe and tube: U.S. imports, by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short tons

U.S. imports from	Measure	2017	2018	2019	2020	2021
Taiwan	Quantity	196	367	137	48	99
Canada	Quantity	88,709	82,139	73,228	100,598	130,945
Mexico	Quantity	105,150	98,482	84,770	87,935	113,446
All other sources	Quantity	36,603	43,590	36,236	30,667	56,174
Nonsubject sources	Quantity	230,462	224,211	194,233	219,200	300,565
All import sources	Quantity	230,659	224,578	194,371	219,248	300,664
Taiwan	Value	204	417	190	229	119
Canada	Value	84,099	93,761	73,007	88,421	228,742
Mexico	Value	83,269	104,441	74,346	68,898	200,182
All other sources	Value	27,244	43,167	33,930	26,896	74,770
Nonsubject sources	Value	194,612	241,369	181,283	184,215	503,695
All import sources	Value	194,816	241,786	181,473	184,444	503,814
Taiwan	Unit value	1.04	1.14	1.39	4.76	1.20
Canada	Unit value	0.95	1.14	1.00	0.88	1.75
Mexico	Unit value	0.79	1.06	0.88	0.78	1.76
All other sources	Unit value	0.74	0.99	0.94	0.88	1.33
Nonsubject sources	Unit value	0.84	1.08	0.93	0.84	1.68
All import sources	Unit value	0.84	1.08	0.93	0.84	1.68

Source: Compiled from official Commerce statistics for HTS statistical reporting number 7306.61.5000, accessed September 6, 2022.

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

Apparent U.S. consumption and market shares

Table I-7 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

Table I-7
LWR pipe and tube: Apparent U.S. consumption and market shares, by source and period

Quantity in short tons; value in 1,000 dollars; shares in percent

Source	Measure	1987	1998	2005	2010	2016	2021
U.S. producers	Quantity	207,888	404,970	455,000	264,168	360,368	404,934
Taiwan	Quantity	14,770	47	277	242	133	99
Nonsubject sources	Quantity	65,788	159,881	337,773	120,125	220,013	300,565
All import sources	Quantity	80,558	159,928	338,000	120,367	220,146	300,664
Apparent U.S. consumption	Quantity	288,446	564,898	793,000	384,535	580,514	705,598
U.S. producers	Value	140,515	225,943	424,830	253,484	319,938	743,218
Taiwan	Value	6,462	86	441	657	199	119
Nonsubject sources	Value	31,177	78,263	266,654	102,358	163,364	503,695
All import sources	Value	37,639	78,349	267,095	103,015	163,563	503,814
Apparent U.S. consumption	Value	178,154	304,292	691,925	356,499	483,501	1,247,032

Table continued.

Table I-7 Continued
LWR pipe and tube: Apparent U.S. consumption and market shares, by source and period

Quantity in short tons; value in 1,000 dollars; shares in percent

Source	Measure	1987	1998	2005	2010	2016	2021
U.S. producers	Share of quantity	72.1	71.7	57.4	68.7	62.1	57.4
Taiwan	Share of quantity	5.1	0.0	0.0	0.1	0.0	0.0
Nonsubject sources	Share of quantity	22.8	28.3	42.6	31.2	37.9	42.6
All import sources	Share of quantity	27.9	28.3	42.6	31.3	37.9	42.6
U.S. producers	Share of value	78.9	74.3	61.4	71.1	66.2	59.6
Taiwan	Share of value	3.6	0.0	0.1	0.2	0.0	0.0
Nonsubject sources	Share of value	17.5	25.7	38.5	28.7	33.8	40.4
All import sources	Share of value	21.1	25.7	38.6	28.9	33.8	40.4

Source: For the year 1987, data are compiled using data submitted in the Commission's original investigation. For the year 1998, data are compiled using data submitted in the Commission's first five-year review. For the year 2005, data are compiled using data submitted in the Commission's second five-year review. For the year 2010, data are compiled using data submitted in the Commission's third five-year review. For the year 2016, data are compiled using data submitted in the Commission's fourth five-year review. For the year 2021, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting number 7306.61.5000, accessed September 6, 2022.

Note: Share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Note: For a discussion of data coverage, please see "U.S. producers" and "U.S. importers" sections.

The industry in Taiwan

During the final phase of the original investigation, the Commission received data pertaining to three producers of LWR pipe and tube in Taiwan.⁵³ During the first five-year review, the Commission did not receive any foreign producer/exporter questionnaires but identified three possible producers of LWR pipe and tube in Taiwan.⁵⁴ During the second five-year review, the Commission did not receive any foreign producer/exporter questionnaires, but identified eight possible producers of LWR pipe and tube in Taiwan.⁵⁵ The Commission did not receive responses from any respondent interested parties during the third five-year review, however domestic interested parties provided a list of five possible producers of LWR pipe and tube in Taiwan in that proceeding.⁵⁶ The Commission did not receive responses from any respondent interested parties during the fourth five-year review, however domestic interested parties provided a list of seven possible producers of LWR pipe in tube in that proceeding.⁵⁷

Although the Commission did not receive responses from any respondent interested parties in this five-year review, the domestic interested parties provided a list of seven possible producers of LWR pipe and tube from Taiwan.⁵⁸

Table I-8 presents events in the Taiwan industry since the Commission's last five-year review.

Table I-8
LWR pipe and tube: Recent developments in the Taiwan industry

Item	Firm	Event
High demand	Mayer Steel Pipe	Mayer Steel Pipe reported in 2021 that strong steel pipe demand from Thailand and Vietnam were helping its financial performance. It expected this demand to last at least into 2022.

Source: Domestic interested parties' response to the notice of institution, exhibit 5, August 1, 2022.

⁵³ Data for the three producers were supplied by counsel to Ornatube in their posthearing brief. The data submitted were insufficient to develop trends in shipments and exports during the investigation period. Original publication, p. A-21-A-22.

⁵⁴ First review publication, p. LWR-IV-4.

⁵⁵ Second review publication, pp. LWR-IV-8-LWR-IV-9.

⁵⁶ Third review publication, pp. I-21-I-22.

⁵⁷ Fourth review publication, p. I-23.

⁵⁸ Domestic interested parties' response to the notice of institution, August 1, 2022, Exhibit 1.

Table I-9 presents export data for tubes, pipes and hollow profiles, of iron or steel, welded, of a square or rectangular cross-section, a category that includes LWR pipe and tube and out-of-scope products, from Taiwan (by export destination in descending order of quantity for 2021). Canada, Australia, and New Zealand were the leading destinations for exports from Taiwan in 2021.

Table I-9
Tubes, pipes and hollow profiles, of iron or steel, welded, of a square or rectangular cross-section: Quantity of exports from Taiwan, by destination and period

Quantity in short tons

Destination market	2017	2018	2019	2020	2021
Canada	3,315	19,196	15,610	9,037	36,792
Australia	19,946	26,193	22,035	19,758	26,053
New Zealand	1,076	1,073	1,336	1,538	7,764
United States	9,723	9,983	4,222	5,228	5,213
Philippines	374	433	359	250	2,201
Mexico	1,112	1,849	2,600	2,312	2,034
Saudi Arabia	410	1,020	1,476	1,746	1,532
Singapore	432	722	800	693	1,085
Ireland	690	591	1,179	901	1,034
United Kingdom	1,183	1,125	1,652	1,107	989
All other markets	12,784	13,293	14,424	11,742	7,092
All markets	51,045	75,478	65,693	54,312	91,789

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7306.61, accessed August 29, 2022. These data may be overstated as HS subheading 7306.61 may contain products outside the scope of this review.

Third-country trade actions

In June 2012, Australia issued an antidumping duty order ranging from 2.4 to 5.3 percent on hollow structural sections from Taiwan, a category that includes LWR pipe and tube. This order was extended in 2017 and again in 2022.⁵⁹ The antidumping duty order now ranges up to 23.5 percent.⁶⁰

The global market

Table I-10 presents global export data for tubes, pipes and hollow profiles, of iron or steel, welded, of a square or rectangular cross-section, a category that includes LWR pipe and tube and out-of-scope products, (by source in descending order of quantity for 2021). China, Italy, and Turkey were the leading exporters, by quantity, in 2021. China, Italy, and Turkey accounted for 18.0 percent, 15.2 percent, and 12.3 percent of total exports, by quantity, in 2021, respectively. In 2021, total exports increased by 3.4 percent from the previous year.

⁵⁹ Gazette ACDN 2012/31; ADN 2017/70.

⁶⁰ ADN 2022/049.

Table I-10
Tubes, pipes and hollow profiles, of iron or steel, welded, of a square or rectangular cross-section: Quantity of global exports by country and period

Quantity in short tons

Exporting country	2017	2018	2019	2020	2021
China	1,456,920	1,260,669	1,314,391	1,399,269	1,461,027
Italy	1,378,567	1,346,720	1,378,914	1,245,923	1,235,885
Turkey	995,560	871,789	901,399	966,798	997,307
Russia	316,323	366,448	403,380	504,177	535,579
Canada	370,871	317,185	310,275	366,104	400,889
Bulgaria	142,834	157,137	172,929	225,394	228,723
Portugal	144,012	145,855	147,512	169,855	203,381
United Kingdom	173,843	176,994	176,734	190,922	182,551
Poland	125,315	110,481	114,703	126,953	182,297
Mexico	177,487	152,834	118,052	109,463	174,630
All other exporters	3,002,670	3,328,410	2,992,631	2,559,917	2,530,695
All exporters	8,284,402	8,234,522	8,030,920	7,864,775	8,132,964

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7306.61. These data may be overstated as HS subheading 7306.61 may contain products outside the scope of this review.

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

APPENDIX A
FEDERAL REGISTER NOTICES

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

Citation	Title	Link
87 FR 39459 July 1, 2022	<i>Initiation of Five-Year (Sunset) Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2022-07-01/pdf/2022-14144.pdf
87 FR 39562 July 1, 2022	<i>Light-Walled Rectangular Pipe and Tube from Taiwan; Institution of a Five-Year Review</i>	https://www.govinfo.gov/content/pkg/FR-2022-07-01/pdf/2022-14160.pdf

APPENDIX B
COMPANY-SPECIFIC DATA

* * * * *

APPENDIX C
SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

Table C-2
LWR pipe and tube: Summary data concerning the U.S. market, 1999-2005

(Quantity=1,000 short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)														
Item	Reported data							Period changes						
	1999	2000	2001	2002	2003	2004	2005	1999-2005	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
U.S. consumption quantity:														
Amount	749	746	668	787	793	763	792	5.8	-0.5	-10.4	17.9	0.7	-3.7	3.8
Producers' share (1)	69.8	67.3	66.5	62.6	63.4	63.7	57.4	-12.4	-2.5	-0.8	-3.9	0.7	0.3	-6.3
Importers' share (1):														
Argentina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	0.0	-0.0	0.0	0.0
Taiwan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	-0.0	-0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	-0.0	-0.0	-0.0	0.0	0.0
All other sources	30.2	32.7	33.5	37.4	36.6	36.3	42.6	12.3	2.5	0.8	3.9	-0.7	-0.3	6.3
Total imports	30.2	32.7	33.5	37.4	36.6	36.3	42.6	12.4	2.5	0.8	3.9	-0.7	-0.3	6.3
U.S. consumption value:														
Amount	403,990	423,193	352,957	422,226	437,124	649,020	691,926	71.3	4.8	-16.6	19.6	3.5	48.5	6.6
Producers' share (1)	74.5	71.1	70.4	66.6	67.6	67.5	61.4	-13.1	-3.4	-0.7	-3.8	1.0	-0.1	-6.1
Importers' share (1):														
Argentina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	0.0	-0.0	0.0	0.0
Taiwan	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-0.0	-0.0	-0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-0.0	-0.0	-0.0	-0.0	0.0	0.0
All other sources	25.5	28.9	29.6	33.4	32.4	32.5	38.5	13.0	3.4	0.7	3.8	-1.0	0.0	6.1
Total imports	25.5	28.9	29.6	33.4	32.4	32.5	38.6	13.1	3.4	0.7	3.8	-1.0	0.1	6.1
U.S. imports from:														
Argentina:														
Quantity	0	0.003	0	0.014	0	0	0	(2)	(2)	-100.0	(2)	-100.0	(2)	(2)
Value	0	6	0	7	0	0	0	(2)	(2)	-100.0	(2)	-100.0	(2)	(2)
Unit value	(2)	\$2,068	(2)	\$483	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Ending inventory quantity	0	0	0	0	0	0	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Taiwan:														
Quantity	0.077	0.023	0.013	0	0	0.059	0.277	258.4	-69.9	-43.1	-100.0	(2)	(2)	372.0
Value	132	48	6	0	0	98	441	233.0	-63.8	-86.6	-100.0	(2)	(2)	352.2
Unit value	\$1,713	\$2,062	\$484	(2)	(2)	\$1,661	\$1,592	-7.1	20.3	-76.5	(2)	(2)	(2)	-4.2
Ending inventory quantity	0	0	0	0	0	0	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Subtotal (subject):	0.077	0.026	0.013	0.014	0	0.059	0.277	258.4	-66.1	-49.5	7.8	-100.0	(2)	372.0
Value	132	54	6	7	0	98	441	233.0	-59.2	-88.1	7.5	-100.0	(2)	352.2
Unit value	\$1,713	\$2,063	\$484	\$483	(2)	\$1,661	\$1,592	-7.1	20.4	-76.5	-0.3	(2)	(2)	-4.2
Ending inventory quantity	0	0	0	0	0	0	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
All other sources:														
Quantity	227	244	224	294	290	277	337	48.9	7.6	-8.2	31.4	-1.3	-4.6	21.8
Value	103,032	122,291	104,642	141,019	141,739	210,700	266,654	158.8	18.7	-14.4	34.8	0.5	48.7	26.6
Unit value	\$455	\$502	\$468	\$479	\$488	\$761	\$790	73.8	10.3	-6.8	2.5	1.8	55.8	3.9
Ending inventory quantity	1	1	1	1	0	1	1	-13.8	4.3	-22.3	38.3	-97.7	3,566.7	-9.1
All sources:														
Quantity	227	244	224	294	290	277	338	49.0	7.6	-8.2	31.4	-1.3	-4.6	21.8
Value	103,165	122,345	104,648	141,026	141,739	210,798	267,095	158.9	18.6	-14.5	34.8	0.5	48.7	26.7
Unit value	\$455	\$502	\$468	\$479	\$488	\$761	\$791	73.8	10.2	-6.8	2.5	1.8	55.8	4.0
Ending inventory quantity	1	1	1	1	0	1	1	-13.8	4.3	-22.3	38.3	-97.7	3,566.7	-9.1
U.S. producers':														
Average capacity quantity	901	893	894	924	883	891	886	-1.6	-0.9	0.1	3.4	-4.5	0.9	-0.5
Production quantity	544	518	450	507	503	488	451	-17.1	-4.7	-13.2	12.7	-0.7	-3.0	-7.6
Capacity utilization (1)	60.3	58.0	50.3	54.8	57.0	54.8	50.9	-9.5	-2.3	-7.7	4.5	2.2	-2.2	-3.9
U.S. shipments:														
Quantity	523	502	444	493	502	486	455	-13.0	-4.0	-11.5	11.0	1.9	-3.2	-6.4
Value	300,825	300,848	248,309	281,200	295,385	438,222	424,830	41.2	0.0	-17.5	13.2	5.0	48.4	-3.1
Unit value	\$576	\$600	\$559	\$570	\$588	\$902	\$934	62.3	4.2	-6.7	2.0	3.1	53.3	3.6
Export shipments:														
Quantity	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	66	73	66	73	69	66	60	-8.6	10.1	-8.7	10.9	-5.8	-4.7	-8.5
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Production workers	1,093	1,050	978	1,058	1,099	1,068	1,059	-3.1	-3.9	-6.9	8.2	3.9	-2.8	-0.8
Hours worked (1,000s)	1,807	1,766	1,559	1,680	1,998	1,867	1,770	-2.0	-2.3	-11.7	7.7	18.9	-6.6	-5.2
Wages paid (\$1,000s)	28,178	27,048	25,256	29,610	34,092	34,009	32,999	17.1	-4.0	-6.6	17.2	15.1	-0.2	-3.0
Hourly wages	\$15.59	\$15.32	\$16.20	\$17.63	\$17.07	\$18.22	\$18.64	19.6	-1.8	5.8	8.8	-3.2	6.8	2.3
Productivity (tons per hour)	0.301	0.293	0.288	0.302	0.252	0.261	0.255	-15.4	-2.5	-1.7	4.6	-16.5	3.8	-2.6
Unit labor costs	\$52	\$52	\$56	\$58	\$68	\$70	\$73	41.2	0.7	7.6	4.1	16.0	2.8	5.0
Net sales:														
Quantity	499	477	421	467	509	490	457	-8.4	-4.5	-11.7	11.0	9.0	-3.8	-6.6
Value	288,564	288,059	234,075	265,797	297,840	441,580	428,401	48.5	-0.2	-18.7	13.6	12.1	48.3	-3.0
Unit value	\$578	\$604	\$556	\$569	\$585	\$901	\$936	62.0	4.6	-7.9	2.3	2.8	54.0	3.9
Cost of goods sold (COGS)	226,206	233,531	188,135	210,432	252,677	337,733	356,747	57.7	3.2	-19.4	11.9	20.1	33.7	5.6
Gross profit or (loss)	62,358	54,528	45,940	55,365	45,163	103,847	71,654	14.9	-12.6	-15.8	20.5	-18.4	129.9	-31.0
SG&A expenses	22,165	22,804	22,089	24,374	23,682	30,408	26,978	21.7	2.9	-3.1	10.3	-2.8	28.4	-11.3
Operating income or (loss)	40,193	31,724	23,851	30,991	21,481	73,438	44,676	11.2	-21.1	-24.8	29.9	-30.7	241.9	-39.2
Capital expenditures	7,698	8,578	7,727	5,768	10,842	9,973	7,434	-3.4	11.4	-9.9	-25.4	88.0	-8.0	-25.5
Unit COGS	\$453	\$490	\$447	\$451	\$496	\$689	\$780	72.1	8.1	-8.7	0.8	10.1	38.9	13.1
Unit SG&A expenses	\$44	\$48	\$53	\$52	\$47	\$62	\$59	32.8	7.8	9.7	-0.6	-10.9	33.4	-5.0
Unit operating income or (loss)	\$81	\$67	\$57	\$66	\$42	\$150	\$98	21.3	-17.3	-14.8	17.1	-36.4	255.2	-34.8
COGS/sales (1)	78.4	81.1	80.4	79.2	84.8	76.5	83.3	4.9	2.7	-0.7	-1.2	5.7	-8.4	6.8
Operating income or (loss)/ sales (1)	13.9	11.0	10.2	11.7	7.2	16.6	10.4	-3.5	-2.9	-0.8	1.5	-4.4	9.4	-6.2

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Not applicable.

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

Source: Compiled from data submitted in response to Commission questionnaires and from official statistics of the U.S. Department of Commerce.

Table C-3

Light-walled rectangular carbon steel pipes and tubes: Summary data concerning the U.S. market, 1997-98, January-September 1998, and January-September 1999

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

Item	Reported data				Period changes	
	1997	1998	January-September		1997-98	Jan.-Sept. 1998-99
			1998	1999		
U.S. consumption quantity:						
Amount	525,598	564,898	427,891	492,192	7.5	15.0
Producers' share (1)	72.2	71.7	72.4	66.9	-0.5	-5.5
Importers' share (1):						
Argentina	0.0	0.0	0.0	0.0	0.0	0.0
Singapore	0.0	0.0	0.0	0.0	0.0	0.0
Taiwan	0.0	(2)	(2)	(2)	0.0	0.0
Subtotal	0.0	(2)	(2)	(2)	0.0	0.0
Other sources	27.8	28.3	27.6	33.1	0.5	5.5
Total imports	27.8	28.3	27.6	33.1	0.5	5.5
U.S. consumption value:						
Amount	294,483	304,292	233,228	245,151	3.3	5.1
Producers' share (1)	75.1	74.3	74.8	70.0	-0.8	-4.7
Importers' share (1):						
Argentina	0.0	0.0	0.0	0.0	0.0	0.0
Singapore	0.0	0.0	0.0	0.0	0.0	0.0
Taiwan	0.0	(2)	(2)	(2)	0.0	0.0
Subtotal	0.0	(2)	(2)	(2)	0.0	0.0
Other sources	24.9	25.7	25.2	29.9	0.8	4.7
Total imports	24.9	25.7	25.2	30.0	0.8	4.7
U.S. imports from:						
Argentina:						
Quantity	0	0	0	0	0.0	0.0
Value	0	0	0	0	0.0	0.0
Unit value	(3)	(3)	(3)	(3)	(3)	(3)
Ending inventory quantity	0	0	0	0	0.0	0.0
Singapore:						
Quantity	0	0	0	0	0.0	0.0
Value	0	0	0	0	0.0	0.0
Unit value	(3)	(3)	(3)	(3)	(3)	(3)
Ending inventory quantity	0	0	0	0	0.0	0.0
Taiwan:						
Quantity	0	47	31	38	(3)	22.1
Value	0	86	57	63	(3)	11.8
Unit value	(3)	\$1,819.40	\$1,842.88	\$1,686.80	(3)	-8.5
Ending inventory quantity	0	0	0	0	0.0	0.0
Subtotal:						
Quantity	0	47	31	38	(3)	22.1
Value	0	86	57	63	(3)	11.8
Unit value	(3)	\$1,819.40	\$1,842.88	\$1,686.80	(3)	-8.5
Ending inventory quantity	0	0	0	0	0.0	0.0
Other sources:						
Quantity	146,220	159,881	118,237	162,859	9.3	37.7
Value	73,459	78,263	58,815	73,409	6.5	24.8
Unit value	\$502.38	\$489.51	\$497.43	\$450.75	-2.6	-9.4
Ending inventory quantity	300	444	1,641	1,109	48.0	-32.4
All sources:						
Quantity	146,220	159,928	118,268	162,897	9.4	37.7
Value	73,459	78,349	58,872	73,473	6.7	24.8
Unit value	\$502.38	\$489.90	\$497.78	\$451.04	-2.5	-9.4
Ending inventory quantity	300	444	1,641	1,109	48.0	-32.4

Table continued on next page.

Table C-3--Continued

Light-walled rectangular carbon steel pipes and tubes: Summary data concerning the U.S. market, 1997-98, January-September 1998, and January-September 1999

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

Item	Reported data				Period changes	
	1997	1998	January-September		1997-98	Jan.-Sept. 1998-99
			1998	1999		
U.S. producers':						
Average capacity quantity	567,640	599,170	447,584	494,793	5.6	10.5
Production quantity	382,215	403,669	310,626	335,015	5.6	7.9
Capacity utilization (1)	67.3	67.4	69.4	67.7	0.0	-1.7
U.S. shipments:						
Quantity	379,378	404,970	309,623	329,295	6.7	6.4
Value	221,025	225,943	174,356	171,678	2.2	-1.5
Unit value	\$582.60	\$557.93	\$563.12	\$521.35	-4.2	-7.4
Export shipments:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	42,960	42,295	44,653	47,908	-1.5	7.3
Inventories/total shipments (1) . .	***	***	***	***	***	***
Production workers	528	549	553	590	4.0	6.7
Hours worked (1,000s)	1,166	1,197	1,015	1,091	2.6	7.5
Wages paid (\$1,000s)	14,729	15,530	12,854	14,275	5.4	11.1
Hourly wages	\$12.63	\$12.98	\$12.66	\$13.08	2.7	3.3
Productivity (tons/1,000 hours) . .	327.8	337.3	306.0	306.9	2.9	0.3
Unit labor costs	\$38.54	\$38.47	\$41.38	\$42.61	-0.2	3.0
Net sales:						
Quantity	187,993	183,392	143,617	145,252	-2.4	1.1
Value	116,251	112,005	88,643	82,849	-3.7	-6.5
Unit value	\$618.38	\$610.74	\$617.22	\$570.38	-1.2	-7.6
Cost of goods sold (COGS)	97,201	93,860	73,905	67,768	-3.4	-8.3
Gross profit or (loss)	19,050	18,146	14,738	15,081	-4.7	2.3
SG&A expenses	8,151	7,660	6,118	6,282	-6.0	2.7
Operating income or (loss)	10,899	10,485	8,620	8,800	-3.8	2.1
Capital expenditures	3,897	3,088	2,166	***	-20.8	***
Unit COGS	\$517.05	\$511.80	\$514.60	\$466.56	-1.0	-9.3
Unit SG&A expenses	\$43.36	\$41.77	\$42.60	\$43.25	-3.7	1.5
Unit operating income or (loss) . .	\$57.98	\$57.17	\$60.02	\$60.58	-1.4	0.9
COGS/sales (1)	83.6	83.8	83.4	81.8	0.2	-1.6
Operating income or (loss)/ sales (1)	9.4	9.4	9.7	10.6	-0.0	0.9

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

(2) Less than 0.05 percent.

(3) Not applicable.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures. January-September inventory ratios are annualized.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

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 provided contact information for the following five firms as top purchasers of LWR pipe and tube: ***. Purchaser questionnaires were sent to these five firms and three firms (***) provided responses, which are presented below.

1. Have there been any significant changes in the supply and demand conditions for finished light-walled rectangular pipe and tube that have occurred in the United States or in the market for finished light-walled rectangular pipe and tube in Taiwan since January 1, 2017?

Purchaser	Yes / No	Changes that have occurred
***	***	***
***	***	***
***	***	***

2. Do you anticipate any significant changes in the supply and demand conditions for light-walled rectangular pipe and tube in the United States or in the market for light-walled rectangular pipe and tube in Taiwan within a reasonably foreseeable time?

Purchaser	Yes / No	Anticipated changes
***	***	***
***	***	***
***	***	***

