

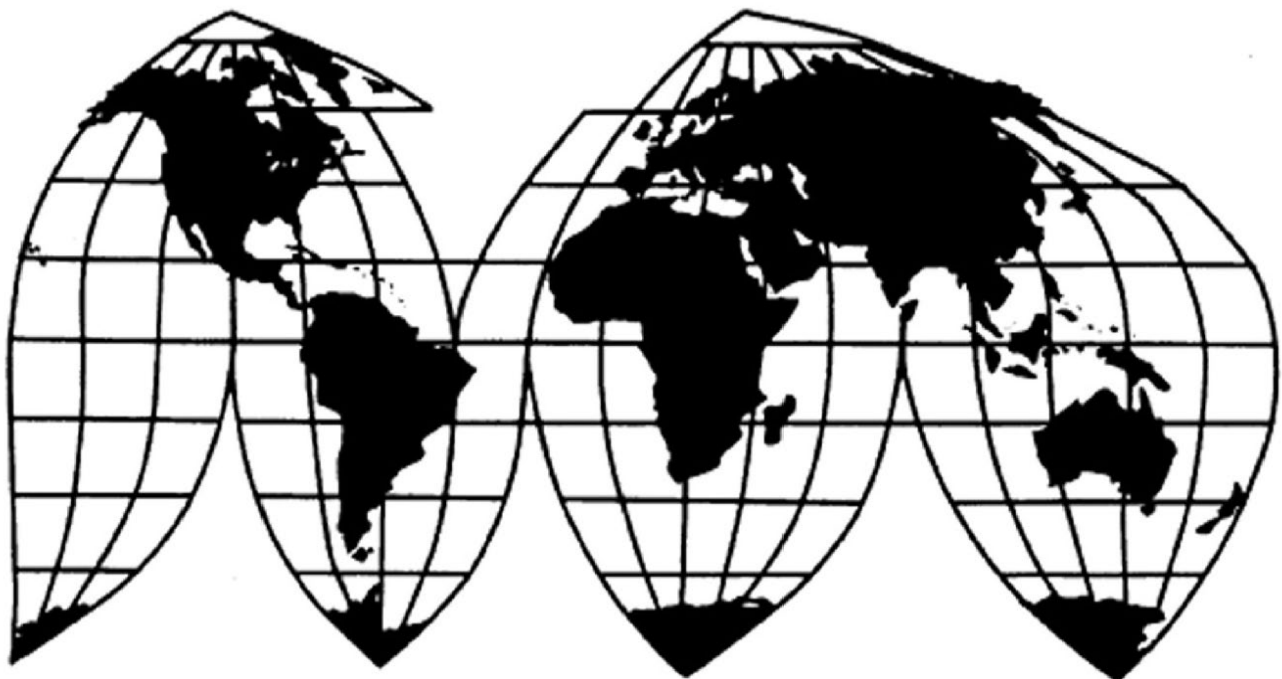
Plastic Decorative Ribbon from China

Investigation Nos. 701-TA-592 and 731-TA-1400 (Review)

Publication 5541

September 2024

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-592 and 731-TA-1400 (Review)

Plastic Decorative Ribbon from China

DETERMINATIONS

On the basis of the record¹ developed in the subject five-year reviews, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the antidumping and countervailing duty orders on plastic decorative ribbon from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.²

BACKGROUND

The Commission instituted these reviews on February 1, 2024 (89 FR 6540, February 1, 2024) and determined on May 6, 2024 that it would conduct expedited reviews (89 FR 56902, July 11, 2024).

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

² Commissioner Karpel did not participate.

Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the antidumping and countervailing duty orders on plastic decorative ribbon (“ribbon”) from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

The Original Investigations. On December 27, 2017, Berwick Offray, LLC (“Berwick” or “domestic interested party”), a domestic producer of ribbon, filed antidumping and countervailing duty petitions with the Department of Commerce (“Commerce”) and the Commission on imports of ribbon from China. On February 1, 2019, Commerce determined that imports of plastic decorative ribbon from China were being sold at less than fair value (“LTFV”) and subsidized by the Government of China.¹ On March 15, 2019, the Commission found that an industry in the United States was materially injured by reason of imports from China that were sold at LTFV and subsidized by the government of China.² On March 22, 2019, Commerce issued antidumping and countervailing duty orders on ribbon from China.³

The Current Reviews. On February 1, 2024, the Commission instituted these first five-year reviews of the antidumping and countervailing duty orders on ribbon from China.⁴ On March 1, 2024, Berwick, a domestic producer of ribbon, filed a response to the notice of institution.⁵ No respondent interested party responded to the notice of institution or

¹ *Certain Plastic Decorative Ribbon From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 84 Fed. Reg. 1055 (Feb. 1, 2019); *Certain Plastic Decorative Ribbon From the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 84 Fed. Reg. 1064 (Feb. 1, 2019); see also *Certain Plastic Decorative Ribbon From the People's Republic of China: Corrected Final Affirmative Countervailing Duty Determination*, 84 Fed. Reg. 7019 (Mar. 1, 2019).

² *Plastic Decorative Ribbon from China*, Inv. Nos. 701-TA-592 and 731-TA-1400 (Final), USITC Pub. 4875 (Mar. 2019) (“Original Determinations”); Confidential Report, Memorandum INV-WW-030 (Apr. 24, 2024), (“CR”); Public Report, *Plastic Decorative Ribbon from China*, Inv. Nos. 701-TA-592 and 731-TA-1400 (Review), USITC Pub. 5541 (Sept. 2024) (“PR”) at I-2–I-3.

³ CR/PR at I-3; *Certain Plastic Decorative Ribbon From the People's Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order; and Countervailing Duty Order*, 84 Fed. Reg. 10786 (Mar. 22, 2019).

⁴ CR/PR at I-1; *Plastic Decorative Ribbon From China; Institution of Five-Year Reviews*, 89 Fed. Reg. 6540 (Feb. 1, 2024).

⁵ *Plastic Decorative Ribbon from China: Substantive Response to the Notice of Institution*, EDIS Doc. 815337 (Mar. 1, 2024) (“Domestic Interested Party Response”).

participated in these reviews. On May 6, 2024, the Commission determined that the domestic interested party group response to its notice of institution was adequate, and that the respondent interested party group response was inadequate.⁶ Finding no other circumstances that would warrant conducting full reviews, the Commission determined that it would conduct expedited reviews pursuant to section 751(c)(3) of the Tariff Act.⁷ The domestic interested party filed comments with the Commission pursuant to 19 C.F.R. § 207.61(d) regarding the determinations that the Commission should reach.⁸

The U.S. industry data in these reviews are based on information supplied by Berwick in its response to the notice of institution; Berwick accounted for approximately *** percent of domestic production of ribbon in 2023.⁹ U.S. import data and related information are based on Commerce’s official import statistics.¹⁰ Foreign industry data are based on information from the original investigations, information submitted by the domestic interested party in these expedited reviews, and publicly available information compiled by the Commission.¹¹ Additionally, five firms, ***, identified by the domestic interested party as top U.S. purchasers of ribbons, responded to the Commission’s adequacy phase questionnaire.¹²

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”¹³ 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.”¹⁴ The Commission’s

⁶ Explanation of Commission Determination on Adequacy, EDIS Doc. 821466 (May 14, 2024).

⁷ Explanation of Commission Determination on Adequacy.

⁸ Petitioner’s Final Comments, EDIS Doc. 828964 (Aug. 8, 2024).

⁹ CR/PR at I-2.

¹⁰ CR/PR at Table I-5. Import data are compiled from official Commerce statistics for HTS statistical reporting numbers 3920.20.0015 and 3926.40.0010. *Id.* Import data for ribbon may be overstated as HTS statistical reporting numbers 3920.20.0015 and 3926.40.0010 may contain products outside the scope of these reviews. *Id.*

¹¹ See CR/PR at I-16, I-16 n.32, I-16 n.33.

¹² CR/PR at D-3.

¹³ 19 U.S.C. § 1677(4)(A).

¹⁴ 19 U.S.C. § 1677(10); see, e.g., *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade

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.¹⁵

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

The merchandise covered by the Order is certain plastic decorative ribbon, having a width (measured at the narrowest span of the ribbon) of less than or equal to four (4) inches, but disregarding any features that measure 4 inches or less in width, such as tapering or cutting at the ends or in a bow knot, provided that aggregate length of such features comprises no more than 20% of the length of the ribbon. Subject merchandise includes but is not limited to ribbon wound onto itself; a spool, a core or a tube (with or without flanges); attached to a card or strip; wound into a keg- or egg-shaped configuration; made into bows, bow-like items, or other shapes or configurations; and whether or not packaged or labeled for retail sale. The subject merchandise is typically made of substrates of polypropylene, but may be made in whole or in part of any type of plastic, including without limitation, plastic derived from petroleum products and plastic derived from cellulose products. Unless the context otherwise clearly indicates, the word “ribbon” used in the singular includes the plural and the plural “ribbons” includes the singular.

The subject merchandise includes ribbons comprised of one or more layers of substrates made, in whole or in part, of plastics adhered to each other, regardless of the method used to adhere the layers together, including without limitation, ribbons comprised of layers of substrates adhered to each other through a

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).

¹⁵ *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).

lamination process. Subject merchandise also includes ribbons comprised of (a) one or more layers of substrates made, in whole or in part, of plastics adhered to (b) one or more layers of substrates made, in whole or in part, of non-plastic materials, including, without limitation, substrates made, in whole or in part, of fabric.

The ribbons subject to the *Order* may be of any color or combination of colors (including without limitation, ribbons that are transparent, translucent or opaque) and may or may not bear words or images, including without limitation, those of a holiday motif. The subject merchandise includes ribbons with embellishments and/or treatments, including, without limitation, ribbons that are printed, hot-stamped, coated, laminated, flocked, crimped, die-cut, embossed (or that otherwise have impressed designs, images, words or patterns), and ribbons with holographic, metallic, glitter or iridescent finishes.

Subject merchandise includes “pull-bows” an assemblage of ribbons connected to one another, folded flat, and equipped with a means to form such ribbons into the shape of a bow by pulling on a length of material affixed to such assemblage, and “pre-notched” bows, an assemblage of notched ribbon loops arranged one inside the other with the notches in alignment and affixed to each other where notched, and which the end user forms into a bow by separating and spreading the loops circularly around the notches, which form the center of the bow. Subject merchandise includes ribbons that are packaged with non-subject merchandise, including ensembles that include ribbons and other products, such as gift wrap, gift bags, gift tags and/or other gift packaging products. The ribbons are covered by the scope of the *Order*; the “other products” (i.e., the other, non-subject merchandise included in the ensemble) are not covered by the scope of the *Order*.

Excluded from the scope of the Order are the following: (1) ribbons formed exclusively by weaving plastic threads together; (2) ribbons that have metal wire in, on, or along the entirety of each of the longitudinal edges of the ribbon; (3) ribbons with an adhesive coating covering the entire span between the longitudinal edges of the ribbon for the entire length of the ribbon; (4) ribbon formed into a bow without a tab or other means for attaching the bow to an object using adhesives, where the bow has: (a) An outer layer that is either flocked, made of fabric, or covered by any other decorative coating such as glitter (whether of plastic or non-plastic materials), and (b) a flexible metal wire at the base which permits attachment to an object by twist-tying; (5) elastic ribbons, meaning ribbons that elongate when stretched and return to their original dimension when the stretching load is removed; (6) ribbons affixed as a decorative detail to non-subject merchandise, such as a gift bag, gift box, gift tin, greeting card or plush toy, or affixed (including by tying) as a decorative detail to packaging containing non subject merchandise; (7) ribbons that are (a) affixed to non-subject merchandise as a working component of such non-subject merchandise, such as where the ribbon comprises a book marker, bag cinch, or part of an identity card holder, or (b) affixed (including by tying) to non-subject merchandise as a working component that holds or packages such non-subject merchandise or attaches packaging or labeling to such non-subject merchandise, such as a “belly band” around a pair of pajamas, a pair of socks or a blanket; (8) imitation raffia made of plastics having a thickness not more than one (1) mil when measured in an unfolded/untwisted state; (9) cords, i.e., multiple strands of materials that have been braided, gimped or twisted together; and (10) ribbons in the form of bows having a diameter of less than seven-eighths (7/8) of an inch, or having a diameter of more than 16 inches, based on actual measurement. For purposes of this exclusion, the diameter of a bow is equal to the diameter of

the smallest circular ring through which the bow will pass without compressing the bow.

The scope of the Order excludes shredded plastic film or shredded plastic strip, in each case where the shred does not exceed 5 mm in width and does not exceed 18 inches in length.

The scope of the Order excludes plastic garlands and plastic tinsel garlands, imported in lengths of not less than three (3) feet. The longitudinal base of these garlands may be made of wire or non-wire material, and these garlands may include plastic die-cut pieces. Also excluded are items made of plastic garland and/or plastic tinsel where the items do not have a tab or other means for attaching the item to an object using adhesives. This exclusion does not apply to plastic garland bows, plastic tinsel bows, or other bow-like products made of plastic garland or plastic tinsel.

The scope of the Order excludes ribbons made exclusively of fabric formed by weaving or knitting threads together, or by matting, condensing or pressing fibers together to create felt fabric, regardless of thread or fiber composition, including without limitation, fabric ribbons of polyester, nylon, acrylic or terylene threads or fibers. This exclusion does not apply to plastic ribbons that are flocked.

The scope of the Order excludes ribbons having a width of less than three (3) mm when incorporated by weaving into mesh material (whether flat or tubular) or fabric ribbon (meaning ribbon formed by weaving all or any of the following: man-made fibers, natural fibers, metal threads and/or metalized yarns), in each case only where the mesh material or fabric ribbon is imported in the form of a decorative bow or a decorative bow-like item.

Further, excluded from the scope of the AD order are any products covered by the existing AD order on polyethylene terephthalate film, sheet, and strip from China. See Polyethylene

Terephthalate Film, Sheet, and Strip from Brazil, the People's Republic of China and the United Arab Emirates: Antidumping Duty Orders and Amended Final Determination of Sales at Less Than Fair Value for the United Arab Emirates, 73 FR 66595 (November 10, 2008).

Merchandise covered by the order is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3920.20.0015 and 3926.40.0010. Merchandise covered by the Order also may enter under subheadings 3920.10.0000; 3920.20.0055; 3920.30.0000; 3920.43.5000; 3920.49.0000; 3920.62.0050; 3920.62.0090; 3920.69.0000; 3921.90.1100; 3921.90.1500; 3921.90.1910; 3921.90.1950; 3921.90.4010; 3921.90.4090; 3926.90.9996; 5404.90.0000; 9505.90.4000; 4601.99.9000; 4602.90.0000; 5609.00.3000; 5609.00.4000; and 6307.90.9889. These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of the *Order* is dispositive.¹⁶

Ribbon is produced primarily from polypropylene that is melted and extruded into rolls, which are decorated as desired and slit into much thinner rolls, called pies.¹⁷ The pies are unwound and rewound into various retail configurations of ribbon or converted into bow mechanisms and shapes.¹⁸ Although their primary end use is as a decorative component of gift wrapping, finished ribbon products can be used, for example, as balloon strings or decorations as part of a floral arrangement or at a grave site as a commemoration of loss.¹⁹

In the original investigations, the Commission defined a single domestic like product including all plastic decorative ribbon corresponding to the scope.²⁰ The Commission found that

¹⁶ *Certain Plastic Decorative Ribbon From the People's Republic of China: Final Results of Expedited Sunset Review of the Antidumping Duty Order*, 89 Fed. Reg. 48376 (June 6, 2024) and accompanying Issues and Decision Memorandum at 2-4, Case No. A-570-075, EDIS Doc. 829265 (May 31, 2024); *Certain Plastic Decorative Ribbon From the People's Republic of China: Final Results of Expedited First Sunset Reviews of the Countervailing Duty Order*, 89 Fed. Reg. 48554 (June 7, 2024) and accompanying Issues and Decision Memorandum at 2-4, Case No. C-570-076, EDIS Doc. 829265 (May 31, 2024).

¹⁷ CR/PR at I-10–I-11.

¹⁸ CR/PR at I-11.

¹⁹ CR/PR at I-9.

²⁰ Original Determinations, USITC Pub. 4785 at 8.

all ribbon within the scope possessed similar physical characteristics; was used primarily as decoration in gift wrapping and party crafting; could be used interchangeably; was sold to mass market retailers and similar stores; and was produced in a similar manner at the same facilities and generally by the same employees.²¹

In these first five-year reviews, the record does not contain any new information suggesting that the pertinent product characteristics and uses of ribbon have changed since the original investigations.²² The domestic interested party argues that the Commission should adopt the domestic like product definition from the original investigations.²³ Accordingly, we define the domestic like product as all plastic decorative ribbon corresponding to the 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.”²⁴ In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

The Original Investigations. In the original investigations, the Commission found a single domestic industry, consisting of all domestic producers of plastic decorative ribbon.²⁵ The Commission considered whether appropriate circumstances existed to exclude U.S. producer Berwick from the domestic industry as a related party.²⁶ It determined that Berwick was subject to possible exclusion under the related parties provision because it imported ribbon from China during the period of investigation (“POI”).²⁷ The Commission found, given that Berwick’s U.S. production far exceeded its volume of imports of subject merchandise throughout the POI, that the record indicated that its principal interest was in domestic production, and that appropriate circumstances did not exist to exclude Berwick from the domestic industry.²⁸

²¹ Original Determinations, USITC Pub. 4785 at 8.

²² See CR/PR at I-9–I-11.

²³ Domestic Interested Party Response at 21.

²⁴ 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.

²⁵ Original Determinations, USITC Pub. 4875 at 10.

²⁶ Original Determinations, USITC Pub. 4875 at 9-10.

²⁷ Original Determinations, USITC Pub. 4875 at 9.

²⁸ Original Determinations, USITC Pub. 4875 at 10.

The Commission also considered whether appropriate circumstances existed to exclude U.S. producer Hallmark from the domestic industry as a related party.²⁹ It determined that Hallmark was subject to possible exclusion under the related parties provision because it imported ribbon from China during the POI.³⁰ The Commission found that, given that Hallmark's U.S. production far exceeded its volume of imports of subject merchandise throughout the POI, the record indicated that its principal interest was in domestic production.³¹ It also noted that no party had argued for Hallmark's exclusion from the domestic industry.³² Consequently, the Commission found that appropriate circumstances did not exist to exclude Hallmark from the domestic industry.³³

The Current Reviews. In these first five-year reviews, Berwick does not take a position on the definition of the domestic industry.³⁴ There is no indication on the record that there are related parties or other domestic industry issues in these reviews. Accordingly, consistent with our definition of the domestic like product, we again define the domestic industry as all U.S. producers of ribbon.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time."³⁵ 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

²⁹ Original Determinations, USTIC Pub. 4875 at 10.

³⁰ Original Determinations, USTIC Pub. 4875 at 10.

³¹ Original Determinations, USTIC Pub. 4875 at 10.

³² Original Determinations, USTIC Pub. 4875 at 10.

³³ Original Determinations, USTIC Pub. 4875 at 10.

³⁴ See *generally* Domestic Interested Party's Response.

³⁵ 19 U.S.C. § 1675a(a).

elimination of its restraining effects on volumes and prices of imports.”³⁶ Thus, the likelihood standard is prospective in nature.³⁷ The U.S. Court of International Trade has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.³⁸

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.”³⁹ 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.”⁴⁰

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.”⁴¹ 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

³⁶ 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.

³⁷ 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.

³⁸ 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’”).

³⁹ 19 U.S.C. § 1675a(a)(5).

⁴⁰ 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.*

⁴¹ 19 U.S.C. § 1675a(a)(1).

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).⁴² 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.⁴³

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.⁴⁴ 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.⁴⁵

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.⁴⁶

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

⁴² 19 U.S.C. § 1675a(a)(1). Commerce has made no duty absorption findings. Issues and Decision Memorandum from *Certain Plastic Decorative Ribbon From the People's Republic of China: Final Results of Expedited Sunset Review of the Antidumping Duty Order* at 5, Case No. A-570-075, EDIS Doc No. 829265 (May 31, 2024).

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

⁴⁴ 19 U.S.C. § 1675a(a)(2).

⁴⁵ 19 U.S.C. § 1675a(a)(2)(A-D).

⁴⁶ 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.

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.⁴⁷ 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 orders under review and whether the industry is vulnerable to material injury upon revocation.⁴⁸

The record contains limited new information with respect to the ribbon industry in China. There also is limited information on the ribbon market in the United States during the period of review (“POR”). Accordingly, for our determination, we rely as appropriate on the facts available from the original investigations, and the limited new information on the record in these five-year reviews.

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.”⁴⁹ The following conditions of competition inform our determination.

1. Demand Conditions

The Original Investigations. The Commission found that ribbon was used primarily as decoration for gifts, but could be used for other decorative purposes in celebrations or special events.⁵⁰ The Commission determined that demand for ribbon was seasonal, with sales negotiations with large retailers – who make most purchases of ribbon – reportedly taking

⁴⁷ 19 U.S.C. § 1675a(a)(4).

⁴⁸ 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.

⁴⁹ 19 U.S.C. § 1675a(a)(4).

⁵⁰ Original Determinations, USITC Pub. 4875 at 14.

place from October of the prior year until the following April.⁵¹ Domestic production was greatest during the second and third quarters, with the largest shipment volumes occurring between September and November.⁵² The Commission found that ribbon was sold in a variety of forms, with bows being the most popular.⁵³ It determined that demand for ribbon fluctuated in a fairly narrow range during the POI; apparent U.S. consumption decreased irregularly from \$*** in 2015 to \$*** in 2017.⁵⁴

The Current Reviews. The information available indicates that demand for ribbon continues to be seasonal, with sales negotiations taking place in October through April and domestic production greatest in the second and third quarters.⁵⁵ Berwick asserts that a slight uptick in demand occurred in the domestic market during the COVID-19 pandemic, but has since evened out.⁵⁶ It states that it is unaware of any other significant changes in demand for ribbon.⁵⁷

Apparent U.S. consumption of ribbon was \$*** in 2023, down from \$*** in 2017.⁵⁸

2. Supply Conditions

The Original Investigations. The Commission found that the domestic industry, consisting of two firms, Berwick and Hallmark (with Berwick the *** producer), was the largest supplier of ribbon to the U.S. market during the POI.⁵⁹ Its share of apparent U.S. consumption declined from *** percent in 2015 to *** percent in 2017; the share was lower, at *** percent, in interim (January to June) 2018 compared to the *** percent level in interim 2017.⁶⁰

⁵¹ Original Determinations, USITC Pub. 4875 at 14-15.

⁵² Original Determinations, USITC Pub. 4875 at 15.

⁵³ Original Determinations, USITC Pub. 4875 at 15.

⁵⁴ Confidential Opinion in *Plastic Decorative Ribbon from China*, Inv. Nos. 701-TA-592 and 731-TA-1400 (Final), EDIS Doc. No. 670305 (Mar. 18, 2019) (“Confidential Original Determinations”) at 19-20.

⁵⁵ Domestic Interested Party Response at 20-21.

⁵⁶ Domestic Interested Party Response at 21.

⁵⁷ Domestic Interested Party Response at 21. All responding purchasers also indicated that there have been *** changes in demand since January 1, 2018 and that they *** any changes within a reasonably foreseeable time. CR/PR at D-3.

⁵⁸ CR/PR at Table I-6. Official import statistics by quantity cannot be relied upon to discuss trends in imports because the unit of measurement specified in the HTS statistical reporting numbers 3920.20.0015 and 3926.40.0010 are “kilograms” and “number of units,” respectively, whereas the Commission relied upon value in the original investigations due to responding firms’ inability to provide consistent and reliable quantity data. *Id.* at Table I-5. Consequently, we use value for our analysis of the import data and apparent U.S. consumption.

⁵⁹ Confidential Original Determinations at 20.

⁶⁰ Confidential Original Determinations at 20.

The Commission found that subject imports were the second-largest source of supply to the U.S. market and the predominant source of imports during the POI.⁶¹ Subject imports' share of apparent U.S. consumption increased irregularly from *** percent in 2015 to *** percent in 2017; it was *** percent in interim 2017 and higher, at *** percent, in interim 2018.⁶² The Commission also determined that an appreciable share of subject imports were imported or facilitated by the domestic industry and that retailers also directly imported ribbon from China in substantial amounts.⁶³

The Commission found that nonsubject imports consistently accounted for a small share of the U.S. market during the POI. Their share of apparent U.S. consumption was *** from 2015 to 2017; it was *** percent in interim 2017 and *** percent in interim 2018.⁶⁴

The Current Reviews. In 2023, the domestic industry was the largest source of ribbon in the U.S. market, nonsubject imports were the second largest, and subject imports from China were the smallest.⁶⁵ The domestic industry accounted for *** percent of apparent U.S. consumption of ribbon by value in 2023,⁶⁶ down from *** percent in 2017.⁶⁷ Berwick increased its capacity by *** pounds since the original investigations, which was the only major development in the ribbon industry.⁶⁸

⁶¹ Confidential Original Determinations at 21.

⁶² Confidential Original Determinations at 21.

⁶³ Original Determinations, USITC Pub. 4875 at 16.

⁶⁴ Confidential Original Determinations at 21.

⁶⁵ CR/PR at Table I-6.

⁶⁶ Data for apparent consumption and shares of apparent consumption are by value. As explained above, official import statistics by quantity cannot be relied upon to discuss trends in imports because the unit of measurement specified in the HTS statistical reporting numbers 3920.20.0015 and 3926.40.0010 are "kilograms" and "number of units", respectively, whereas the Commission relied upon value in the original investigations due to responding firms' inability to provide consistent and reliable quantity data. CR/PR at Tables I-5, I-6.

⁶⁷ CR/PR at Table I-6. Data for the domestic industry in the original investigations consisted of questionnaire data from two producers that accounted for the vast majority of domestic production in 2017, whereas data in the current reviews consists of data provided by Berwick in its response to the notice of institution. *Id.* at I-11, Table I-6. Berwick accounted for *** of reported domestic production throughout the original period of investigation and accounted for approximately *** percent of domestic production in 2023. Confidential Report, Memorandum INV-RR-001 (Feb 13, 2019), EDIS Doc. No. 816711, at Table III-4, Public Report, *Plastic Decorative Ribbon from China*, Inv. Nos. 701-TA-592 and 731-TA-1400 (Final), USITC Pub. 4875 (Mar. 2019) ("PR") at Table III-4; CR/PR at I-11.

⁶⁸ CR/PR at I-11–I-12; Domestic Interested Party's Response at 21. *** responding purchasers also reported *** changes in supply in the U.S. market since January 1, 2018, and *** foresee any changes within a reasonably foreseeable time. CR/PR at D-3.

Subject imports accounted for *** percent of apparent U.S. consumption of ribbon in 2023, down from *** percent in 2017.⁶⁹

Nonsubject imports accounted for *** percent of apparent U.S. consumption of ribbon in 2023, up from *** percent in 2017.⁷⁰ The largest sources of nonsubject imports in 2023 were Mexico, Vietnam, and India.⁷¹

3. Substitutability and Other Conditions

The Original Investigations. The Commission found that the domestic like product and subject imports were highly substitutable.⁷² It determined that a majority of market participants reported that subject imports from China were always or frequently interchangeable with domestically produced ribbon.⁷³ The Commission also found that price was an important factor in purchasing decisions for ribbon, noting that a majority of market participants indicated that price was an important factor.⁷⁴

The Commission found that the primary input in producing ribbon was polypropylene and that prices for polypropylene fluctuated but decreased overall by 21.6 percent during the POI.⁷⁵

The Current Reviews. The record of these reviews contains no information indicating that the degree of substitutability between the domestic like product and subject imports or the importance of price has changed since the original investigations. The domestic interested party argues that the conditions of competition in the U.S. market for ribbon remain unchanged from the original investigations.⁷⁶ Accordingly, we again find that subject imports and the domestic like product are highly substitutable and that price is an important factor in purchasing decisions.

During the POR, imports of ribbon from China became subject to additional *ad valorem* duties under Section 301 of the Trade Act of 1974 (“section 301”).⁷⁷

⁶⁹ CR/PR at Table I-6. Subject import data may be overstated because official import statistics may include out-of-scope merchandise. *Id.*

⁷⁰ CR/PR at Table I-6. Nonsubject import data may be overstated because official import statistics may include out-of-scope merchandise. *Id.*

⁷¹ CR/PR at Table I-5.

⁷² Original Determinations, USITC Pub. 4875 at 16.

⁷³ Original Determinations, USITC Pub. 4875 at 16-17.

⁷⁴ Original Determinations, USITC Pub. 4875 at 17.

⁷⁵ Original Determinations, USITC Pub. 4875 at 17.

⁷⁶ See Domestic Interested Party Response at 16, 21.

⁷⁷ CR/PR at I-8; *Notice of Action and Request for Public Comment Concerning Proposed Determination of Action Pursuant to Section 301: China’s Acts, Policies, and Practices Related to*

C. Likely Volume of Subject Imports

The Original Investigations. The Commission found that that the volume of subject imports and the increase in that volume were significant in absolute terms and relative to apparent U.S. consumption.⁷⁸ It determined that the value of subject imports increased from \$15.2 million in 2015 to \$18.4 million in 2017, an increase of 21.1 percent, and that the value of subject imports was higher in interim 2018 compared to interim 2017.⁷⁹ The Commission also found that subject imports gained market share at the expense of the domestic industry.⁸⁰

The Current Reviews. The record indicates that subject imports maintained a significant presence in the U.S. market throughout the POR, while under the disciplining effect of the order.⁸¹ The value of subject imports was \$16.3 million in 2018, \$9.9 million in 2019, \$10.0 million in 2020, \$12.1 million in 2021, \$11.6 million in 2022, and \$13.9 million in 2023.⁸² Subject imports accounted for *** percent of apparent U.S. consumption in 2023, down from *** percent in 2017.⁸³

The record in these five-year reviews contains limited information on the subject industry in China. The information available, however, indicates that subject producers have the ability and incentive to continue and increase their exports of ribbon to the U.S. market at significant levels if the orders were revoked.

Technology Transfer, Intellectual Property, and Innovation, 83 Fed. Reg. 28710 (June 20, 2018). Effective July 6, 2018, merchandise classifiable in HTS subheadings 3920.10.00, 3920.20.00, 3920.30.00, 3920.43.50, 3920.49.00, 3920.62.00, 3920.69.00, 3921.90.11, 3921.90.15, 3921.90.19, and 3921.90.40 is subject to an additional 25 percent *ad valorem* duty under section 301. CR/PR at I-8. Merchandise classifiable in HTS subheadings 4601.99.90, 4602.90.00, 5404.90.00, 5609.00.30, and 5609.00.40 was subject to an additional section 301 duty of 10 percent *ad valorem* through the close of 2018 and then to an additional duty of 25 percent *ad valorem* as of January 1, 2019. *Id.* Effective September 1, 2019, merchandise classifiable in HTS subheading 3926.90.99 and 6307.90.98 became subject to what is now an additional section 301 duty of 7.5 percent *ad valorem*. *Id.* On August 20, 2019, a 10 percent additional *ad valorem* section 301 duty was announced, but on August 30, 2019, it was increased to 15 percent, effective September 1, 2019. On January 22, 2020, the U.S. Trade Representative announced the rate would be reduced from 15 percent to 7.5 percent, effective February 14, 2020. Merchandise in these HTS categories were also subject to numerous exclusions, most of which have expired. *Id.* at I-9 n.15.

⁷⁸ Original Determinations, USITC Pub. 4875 at 18.

⁷⁹ Original Determinations, USITC Pub. 4875 at 17.

⁸⁰ Original Determinations, USITC Pub. 4875 at 18.

⁸¹ See CR/PR at Tables I-5, I-6.

⁸² CR/PR at Table I-5.

⁸³ CR/PR at Table I-6.

The subject industry is a large producer and exporter of ribbon. The domestic interested party has identified 51 possible producers of ribbon in China.⁸⁴ According to Global Trade Atlas (“GTA”) data concerning plastic sheets, strips, and other items, a category that includes ribbon and out-of-scope products, China was by far the largest global exporter of such merchandise, exporting \$7.03 billion in 2023, which was 5.75 times higher than the next largest exporter, Germany.⁸⁵ These exports from China have also increased substantially over the POR, from \$3.89 billion in 2018 to \$6.06 billion in 2021 and \$7.03 billion in 2023.⁸⁶

Available information also indicates that the U.S. market remains attractive to subject producers. Subject imports maintained a substantial presence in the U.S. market throughout the POR, accounting for *** percent of apparent U.S. consumption in 2023,⁸⁷ reflecting both continued interest in the U.S. market on the part of subject producers and ready distribution networks and customers in the United States. According to GTA data concerning plastic sheets, strips, and other items, a category that includes ribbon and out-of-scope products, the United States was by far the largest export market for such merchandise from China throughout the POR.⁸⁸

Given the foregoing, including the significant and increasing volume and market share of subject imports during the original investigations, the continued significant presence of subject imports in the U.S. market during the POR, China’s large and increasing volume of exports of plastic sheets, strips, and other items, 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 orders were revoked.⁸⁹

D. Likely Price Effects

The Original Investigations. The Commission found that subject imports significantly undersold the domestic like product, and that, given the high substitutability of the domestic like product and subject imports and the importance of price in purchasing decisions, there was a link between this underselling and subject imports’ gain in market share at the expense of the domestic industry.⁹⁰ The Commission considered both pricing and purchase cost data, and

⁸⁴ CR/PR at I-16; Domestic Interested Party’s Response at Exh. 5.

⁸⁵ CR/PR at Table I-8.

⁸⁶ CR/PR at Table I-7.

⁸⁷ CR/PR at Table I-6.

⁸⁸ CR/PR at Table I-7.

⁸⁹ The record of these expedited reviews contains no information concerning inventories of subject merchandise.

⁹⁰ Original Determinations, USITC Pub. 4875 at 20.

determined that the purchase cost data for direct imports demonstrated that subject imports were generally available at a lower cost to importers than the sales prices of the domestic like product.⁹¹ It also found that the domestic industry had lost sales to subject imports on the basis of price.⁹²

The Commission also concluded that the subject imports depressed prices of the domestic like product to a significant degree.⁹³ Because of the seasonality of sales in the industry, which were overwhelmingly concentrated in the second half of the year, the Commission compared pricing data for the domestic industry in the fourth quarter in each year of the POI.⁹⁴ It determined that a decline in the domestic industry's price for the most predominant pricing product was caused by the large and increasing volume of low-priced subject imports, and observed that this price decline occurred despite relatively flat demand and that the domestic industry's unit cost of goods sold ("COGS") was higher in 2017 than 2015.⁹⁵

The Current Reviews. As discussed in section II.B.3 above, we continue to find that subject imports and the domestic like product are highly substitutable, and that price is important in purchasing decisions.

The record in these expedited reviews does not contain recent product-specific pricing information. Given that subject imports and the domestic like product are highly substitutable, that price is important in purchasing decisions, and that there was significant underselling in the original investigations, we find that the likely significant volume of subject imports would likely undersell the domestic like product to a significant degree, as during the original investigations, as a means of gaining market share. Absent the discipline of the orders, the likely significant volume of low-priced subject imports would force the domestic industry to lower prices or forego needed price increases, or else lose sales and market share to subject imports. Consequently, we find that if the orders were revoked, subject imports would likely have significant price effects.

E. Likely Impact

The Original Investigations. The Commission found that most measures of the domestic industry's output and financial performance declined over the POI as the industry lost market

⁹¹ Original Determinations, USITC Pub. 4875 at 19.

⁹² Original Determinations, USITC Pub. 4875 at 20.

⁹³ Original Determinations, USITC Pub. 4875 at 20.

⁹⁴ Original Determinations, USITC Pub. 4875 at 20.

⁹⁵ Original Determinations, USITC Pub. 4875 at 20.

share.⁹⁶ It determined that the significant volume of lower priced subject imports led to underselling and price depression, which in turn caused the domestic industry's market share to decrease and its financial indicators to deteriorate.⁹⁷ Consequently, the Commission concluded that the subject imports had a significant impact on the domestic industry.⁹⁸

In its non-attribution analysis, the Commission considered whether nonsubject imports could be responsible for the domestic industry's injury.⁹⁹ It determined that, because nonsubject imports consistently maintained a very small share of the market over the POI, they could not explain the magnitude of the decrease in the domestic industry's market share, nor the price effects caused by the subject imports' underselling.¹⁰⁰

The Current Reviews. The record in these five-year reviews contains limited information concerning the domestic industry's performance since the original investigations. The information available indicates that the domestic industry's trade indicators and financial performance in 2023 were worse than in the last year examined in the original investigations.¹⁰¹

The domestic industry's capacity in 2023, at *** pounds, was higher than the *** pounds level in 2017, but its production, at *** pounds, and capacity utilization, at *** percent, were lower than the 2017 figures, *** pounds and *** percent, respectively.¹⁰²

The AUV of the domestic industry's U.S. shipments was higher in 2023, at \$*** per pound, than in 2017, when it was \$*** per pound.¹⁰³ The domestic industry's U.S. shipments by both volume and value were lower in 2023, at *** pounds and \$*** respectively, than in 2017, when they were *** pounds and \$***.¹⁰⁴ The domestic industry's *** percent share of apparent U.S. consumption in 2023 was also lower than in 2017, when it was *** percent.¹⁰⁵

The domestic industry's net sales value was lower in 2023, at \$***, and its COGS to net sales ratio was higher, at *** percent, than in 2017, when the domestic industry's net sales

⁹⁶ Original Determinations, USITC Pub. 4875 at 21.

⁹⁷ Original Determinations, USITC Pub. 4875 at 21.

⁹⁸ Original Determinations, USITC Pub. 4875 at 21.

⁹⁹ Original Determinations, USITC Pub. 4875 at 21.

¹⁰⁰ Original Determinations, USITC Pub. 4875 at 21.

¹⁰¹ As noted above, domestic industry data from the original investigations were from the questionnaire responses of two domestic producers accounting for the vast majority of domestic production in 2017, whereas the data in the current reviews are from one domestic producer that accounted for approximately *** percent of domestic production in 2023. CR/PR at I-11.

¹⁰² CR/PR at Table I-4. In 2017, the domestic industry's capacity was *** pounds, its production was *** pounds, and its capacity utilization was *** percent. *Id.*

¹⁰³ CR/PR at Table I-4.

¹⁰⁴ CR/PR at Table I-4.

¹⁰⁵ CR/PR at Table I-6.

value was \$*** and its COGS to net sales ratio was *** percent.¹⁰⁶ The industry's operating income as a share of net sales to was lower in 2023, at *** percent, than in 2017, at *** percent.¹⁰⁷ The domestic industry's gross profit, at \$***, and operating income, at \$***, were also lower in 2023 than in 2017, when its gross profit was \$*** and its operating income was \$***.¹⁰⁸ The limited information on the record is insufficient for us to make a finding on whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.¹⁰⁹

Based on the information available, we find that revocation of the orders would likely result in a significant volume of subject imports that would likely undersell the domestic like product to a significant degree. Given the high degree of substitutability between subject imports and the domestic like product and the importance of price in purchasing decisions, significant volumes of low-priced subject imports would likely capture sales and market share from the domestic industry and/or force domestic producers to lower their prices or forego needed price increases in order to maintain their sales, thereby depressing or suppressing prices for the domestic like product to a significant degree. The likely significant volume of subject imports and their likely price effects would negatively affect the domestic industry's capacity, production, capacity utilization, shipments, and market share, which would in turn negatively impact the industry's profitability and employment. Consequently, we conclude that if the orders were revoked, subject imports would be likely to have a significant 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. Although nonsubject import value has increased since the original investigations, from \$*** in 2017 to \$21.1 million in 2023, the record provides no indication that the presence of nonsubject imports, which accounted for *** percent of apparent U.S. consumption in 2023, would prevent subject imports from having a significant presence in the U.S. market after revocation, in light of the subject imports' continued presence in the U.S. market during the POR, China's large volume of exports of ribbon and related products, the attractiveness of the U.S. market, and the likelihood of underselling by subject imports to gain market share.¹¹⁰ Given that subject imports and the domestic like product are

¹⁰⁶ CR/PR at Table I-4.

¹⁰⁷ CR/PR at Table I-4.

¹⁰⁸ CR/PR at Table I-4.

¹⁰⁹ Based on the information available, particularly the domestic industry's capacity utilization rate, operating income, and decline in market share, Commissioner Kearns finds the domestic industry to be in a vulnerable condition.

¹¹⁰ CR/PR at Tables I-5, I-6.

highly substitutable and that price is important in purchasing decisions, the significant volume of low-priced subject imports that are likely after revocation would likely take market share from the domestic industry, as well as from nonsubject imports, and/or force domestic producers to either lower prices or forego price increases to retain market share. Consequently, we find that any future effects of nonsubject imports would be distinct from the likely effects attributable to subject imports, and that nonsubject imports would not prevent subject imports from having a significant impact on the domestic industry.

In sum, we conclude that if the orders were revoked, subject imports of ribbon from China would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

IV. Conclusion

For the above reasons, we determine that revocation of the antidumping and countervailing duty orders on ribbon from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Information obtained in these reviews

Background

On February 1, 2024, 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 reviews to determine whether revocation of antidumping and countervailing duty orders on plastic decorative ribbon from China would likely lead to the continuation or recurrence of material injury to a domestic industry.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
Plastic decorative ribbon: Information relating to the background and schedule of this proceeding

Effective date	Action
February 1, 2024	Notice of initiation by Commerce (89 FR 6499, February 1, 2024)
February 1, 2024	Notice of institution by Commission (89 FR 6540, February 1, 2024)
May 6, 2024	Commission’s vote on adequacy
June 6, 2024	Commerce’s results of its expedited AD review (89 FR 48376, June 6, 2024)
June 7, 2024	Commerce’s results of its expedited CVD review (89 FR 48554, June 7, 2024)
September 6, 2024	Commission’s determinations and views

¹ 19 U.S.C. 1675(c).

² 89 FR 6499, February 1, 2024. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of five-year reviews of the subject antidumping and countervailing duty orders. 89 FR 6540, February 1, 2024. 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 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 a submission in response to its notice of institution in the subject reviews on behalf of Berwick Offray, LLC (“Berwick”), a domestic producer of plastic decorative ribbon (referred to herein as “domestic interested party”).

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 or explain deficiencies in their responses and to provide clarifying details where appropriate. A summary of the number of responses and estimates of coverage for each is shown in table I-2.

Table I-2
Plastic decorative ribbon: Summary of responses to the Commission’s notice of institution

Interested party type	Number	Coverage
U.S. producer	1	***%

Note: The U.S. producer coverage figure presented is the domestic interested party’s estimate of its share of total U.S. production of plastic decorative ribbon during 2023. Domestic interested party’s supplemental information to its response to the notice of institution, March 11, 2024, p. 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 expedited or full reviews from Berwick. Berwick requests that the Commission conduct expedited reviews of the antidumping and countervailing duty orders on plastic decorative ribbon from China.⁵

The original investigations

The original investigations resulted from petitions filed on December 27, 2017 with Commerce and the Commission by Berwick Offray, LLC, Berwick, Pennsylvania.⁶ On February 1, 2019, Commerce determined that imports of plastic decorative ribbon from China were being sold at less than fair value (“LTFV”) and subsidized by the Government of China.⁷ The

⁵ Domestic interested party’s comments on adequacy, April 11, 2024, p. 2.

⁶ Plastic Decorative Ribbon from China, Inv. Nos. 701-TA-592 and 731-TA-1400 (Final), USITC Publication 4875, March 2019 (“Original publication”), p. I-1.

⁷ 84 FR 1055 and 84 FR 1064, February 1, 2019. Corrected Final Affirmative Countervailing Duty Determination, 84 FR 7019, March 1, 2019.

Commission determined on March 15, 2019 that the domestic industry was materially injured by reason of LTFV and subsidized imports of plastic decorative ribbon from China.⁸ On March 22, 2019, Commerce issued its antidumping and countervailing duty orders with the final weighted-average dumping margins ranging from 61.99 to 370.04 percent and net subsidy rates ranging from 14.27 to 94.67 percent.⁹

Previous and related investigations

Plastic decorative ribbon has not been the subject of any prior related antidumping or countervailing duty investigations in the United States. However, the Commission has conducted previous import relief investigations on narrow woven ribbons, as presented in table I-3.

Table I-3
Plastic decorative ribbon: Related Commission proceeding and current status

Date	Number	Country	ITC original determination	Current status
2009	701-TA-467	China	Affirmative	Order continued after second review, March 2022.
2009	731-TA-1164	China	Affirmative	Order continued after second review, March 2022.
2009	731-TA-1165	Taiwan	Affirmative	Order continued after second review, March 2022.

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

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

⁸ 84 FR 10531, March 21, 2019.

⁹ 84 FR 10786, March 22, 2019.

Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of plastic decorative ribbon from China with the intent of issuing the final results of these reviews based on the facts available not later than May 31, 2024.¹⁰ Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <https://access.trade.gov/public/FRNoticesListLayout.aspx>. 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 and countervailing duty orders on imports of plastic decorative ribbon from China are noted in the sections titled "The original investigations" and "U.S. imports," if applicable.

The product

Commerce's scope

Commerce has defined the scope as follows:

"The merchandise covered by these orders is certain plastic decorative ribbon, having a width (measured at the narrowest span of the ribbon) of less than or equal to four (4) inches, but disregarding any features that measure 4 inches or less in width, such as tapering or cutting at the ends or in a bow knot, provided that aggregate length of such features comprises no more than 20% of the length of the ribbon. Subject merchandise includes but is not limited to ribbon wound onto itself; a spool, a core or a tube (with or without flanges); attached to a card or strip; wound into a keg- or egg-shaped configuration; made into bows, bow-like items, or other shapes or configurations; and whether or not packaged or labeled for retail sale. The subject merchandise is typically made of substrates of polypropylene, but may be made in whole or in part of any type of plastic, including without limitation, plastic derived from

¹⁰ Letter from Eric Greynolds, Office Director, Office IV, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, March 22, 2024.

petroleum products and plastic derived from cellulose products. Unless the context otherwise clearly indicates, the word “ribbon” used in the singular includes the plural and the plural “ribbons” includes the singular.

The subject merchandise includes ribbons comprised of one or more layers of substrates made, in whole or in part, of plastics adhered to each other, regardless of the method used to adhere the layers together, including without limitation, ribbons comprised of layers of substrates adhered to each other through a lamination process. Subject merchandise also includes ribbons comprised of (a) one or more layers of substrates made, in whole or in part, of plastics adhered to (b) one or more layers of substrates made, in whole or in part, of non-plastic materials, including, without limitation, substrates made, in whole or in part, of fabric.

The ribbons subject to these orders may be of any color or combination of colors (including without limitation, ribbons that are transparent, translucent or opaque) and may or may not bear words or images, including without limitation, those of a holiday motif. The subject merchandise includes ribbons with embellishments and/or treatments, including, without limitation, ribbons that are printed, hot-stamped, coated, laminated, flocked, crimped, die-cut, embossed (or that otherwise have impressed designs, images, words or patterns), and ribbons with holographic, metallic, glitter or iridescent finishes.

Subject merchandise includes “pull-bows” an assemblage of ribbons connected to one another, folded flat, and equipped with a means to form such ribbons into the shape of a bow by pulling on a length of material affixed to such assemblage, and “pre-notched” bows, an assemblage of notched ribbon loops arranged one inside the other with the notches in alignment and affixed to each other where notched, and which the end user forms into a bow by separating and spreading the loops circularly around the notches, which form the center of the bow. Subject merchandise includes ribbons that are packaged with non-subject merchandise, including ensembles that include ribbons and other products, such as gift wrap, gift bags, gift tags and/or other gift packaging products. The ribbons are covered by the scope of these orders;

the “other products” (i.e., the other, non-subject merchandise included in the ensemble) are not covered by the scope of these orders.

Excluded from the scope of these orders are the following: (1) Ribbons formed exclusively by weaving plastic threads together; (2) ribbons that have metal wire in, on, or along the entirety of each of the longitudinal edges of the ribbon; (3) ribbons with an adhesive coating covering the entire span between the longitudinal edges of the ribbon for the entire length of the ribbon; (4) ribbon formed into a bow without a tab or other means for attaching the bow to an object using adhesives, where the bow has: (a) An outer layer that is either flocked, made of fabric, or covered by any other decorative coating such as glitter (whether of plastic or non-plastic materials), and (b) a flexible metal wire at the base which permits attachment to an object by twist-tying; (5) elastic ribbons, meaning ribbons that elongate when stretched and return to their original dimension when the stretching load is removed; (6) ribbons affixed as a decorative detail to non-subject merchandise, such as a gift bag, gift box, gift tin, greeting card or plush toy, or affixed (including by tying) as a decorative detail to packaging containing non subject merchandise; (7) ribbons that are (a) affixed to non-subject merchandise as a working component of such non-subject merchandise, such as where the ribbon comprises a book marker, bag cinch, or part of an identity card holder, or (b) affixed (including by tying) to non-subject merchandise as a working component that holds or packages such non-subject merchandise or attaches packaging or labeling to such non-subject merchandise, such as a “belly band” around a pair of pajamas, a pair of socks or a blanket; (8) imitation raffia made of plastics having a thickness not more than one (1) mil when measured in an unfolded/untwisted state; (9) cords, i.e., multiple strands of materials that have been braided, gimped or twisted together; and (10) ribbons in the form of bows having a diameter of less than seven-eighths (7/8) of an inch, or having a diameter of more than 16 inches, based on actual measurement. For purposes of this exclusion, the diameter of a bow is equal to the diameter of the smallest circular ring through which the bow will pass without compressing the bow.

The scope of these orders excludes shredded plastic film or shredded plastic strip, in each case where the shred does not exceed 5 mm in width and does not exceed 18 inches in length.

The scope of these orders excludes plastic garlands and plastic tinsel garlands, imported in lengths of not less than three (3) feet. The longitudinal base of these garlands may be made of wire or non-wire material, and these garlands may include plastic die-cut pieces. Also excluded are items made of plastic garland and/or plastic tinsel where the items do not have a tab or other means for attaching the item to an object using adhesives. This exclusion does not apply to plastic garland bows, plastic tinsel bows, or other bow-like products made of plastic garland or plastic tinsel.

The scope of these orders excludes ribbons made exclusively of fabric formed by weaving or knitting threads together, or by matting, condensing or pressing fibers together to create felt fabric, regardless of thread or fiber composition, including without limitation, fabric ribbons of polyester, nylon, acrylic or terylene threads or fibers. This exclusion does not apply to plastic ribbons that are flocked.

The scope of these orders excludes ribbons having a width of less than three (3) mm when incorporated by weaving into mesh material (whether flat or tubular) or fabric ribbon (meaning ribbon formed by weaving all or any of the following: Man-made fibers, natural fibers, metal threads and/or metalized yarns), in each case only where the mesh material or fabric ribbon is imported in the form of a decorative bow or a decorative bow-like item.

Further, excluded from the scope of the antidumping duty order are any products covered by the existing antidumping duty order on polyethylene terephthalate film, sheet, and strip (PET Film) from the People's Republic of China (China)."¹¹

¹¹ 84 FR 10786, March 22, 2019.

U.S. tariff treatment

Plastic decorative ribbon is currently provided for in Harmonized Tariff Schedule of the United States (“HTS”) subheadings 3920.20.00, 3920.30.00, 3920.43.50, 3920.49.00, 3920.62.00, 3920.69.00, 3921.90.11, 3921.90.15, 3921.90.19, 3921.90.40, 3926.40.00, 3926.90.99, 3920.10.00, 4601.99.90, 4602.90.00, 5404.90.00, 5609.00.30, 5609.00.40, 6307.90.98, and 9505.90.40. The 2024 general rate of duty is free for 5404.90.00 and 9505.90.40, 3.3 percent ad valorem for HTS subheading 4601.99.90, 3.5 percent ad valorem for HTS subheading 4602.90.00, 3.9 percent ad valorem for HTS subheading 5609.00.40, 4.2 percent ad valorem for HTS subheadings 3920.10.00, 3920.20.00, 3920.43.50, 3920.62.00, 3920.69.00, 3921.90.11, and 3921.90.40, 4.5 percent ad valorem for HTS subheading 5609.00.30, 5.3 percent ad valorem for HTS subheading 3921.90.19, 3926.40.00, and 3926.90.99, 5.8 percent ad valorem for 3920.30.00 and 3920.49.00, 6.5 percent ad valorem for HTS subheadings 3921.90.15, and 7.0 percent ad valorem for HTS subheading 6307.90.98.¹² Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Merchandise classifiable in HTS subheadings 3920.10.00, 3920.20.00, 3920.30.00, 3920.43.50, 3920.49.00, 3920.62.00, 3920.69.00, 3921.90.11, 3921.90.15, 3921.90.19, and 3921.90.40 was included among the second group of products of China that are subject to an additional 25 percent ad valorem duty (annexes A and B of the USTR notice published at 83 FR 28710) under Section 301 of the Trade Act of 1974, under HTS heading 9903.88.02.¹³

Merchandise classifiable in HTS subheadings 4601.99.90, 4602.90.00, 5404.90.00, 5609.00.30, and 5609.00.40 was included among the third group of products of China that are subject to an additional duty of 10 percent ad valorem through the close of 2018 and then to an additional duty of 25 percent ad valorem as of January 1, 2019, under HTS heading 9903.88.03.¹⁴

Merchandise classifiable in HTS subheading 3926.90.99 and 6307.90.98 was included among the group of products of China that went into effect on September 1, 2019, and are

¹² Harmonized Tariff Schedule of the United States, Revision 1, USITC Publication No. 5491, January 2024.

¹³ Notice of Action and Request for Public Comment Concerning Proposed Determination of Action Pursuant of Section 301: China’s Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 83 FR 28710, June 20, 2018; Harmonized Tariff Schedule of the United States, Revision 1, USITC Publication No. 5491, January 2024.

¹⁴ Harmonized Tariff Schedule of the United States, Revision 1, USITC Publication No. 5491, January 2024.

currently subject to an additional duty of 7.5 percent ad valorem, under HTS heading 9903.88.15.¹⁵

Merchandise classifiable in HTS subheadings 3926.40.00 and 9505.90.40 was not included among products of China that are subject to an additional duty and, as such, were omitted from U.S. note 20 to subchapter III of chapter 99.¹⁶

Description and uses¹⁷

Plastic decorative ribbon are long strips of polymer material that are primarily used in their finished form as gift wrapping. Although the primary end use is gift wrapping, other uses include as balloon strings, decorations to finish floral arrangements, crafts, or decorations that would be utilized on a mailbox or a grave site as a commemoration of someone's loss. Ribbons can also be used as part of religious customs or ceremonies. Holidays in which ribbons are used widely include Christmas and birthdays. Ribbons can be sold in straight strips or as a curl ribbon product containing individual separated spiral-shaped material.

Ribbons can be metalized to give a shiny appearance, embossed for a textured appearance, flocked to give a velvet appearance, or laminated with glitter. Ribbons can also be manufactured to contain printed symbols or words. Ribbons can be shaped into bows, and the bow products can be made in numerous different colors, shapes, and sizes. Some different

¹⁵ Historically, on August 20, 2019, a 10 percent additional ad valorem duty was announced, but on August 30, 2019, it was increased to 15 percent and became effective on September 1, 2019. On January 22, 2020, the U.S. Trade Representative announced the rate would be reduced from 15 percent to 7.5 percent, with an effective date of February 14, 2020. 84 FR 43304, 43304-43471; 85 FR 3741, p. 3741; 85 FR 28693; 85 FR 17936; Harmonized Tariff Schedule of the United States, Revision 1, USITC Publication 5491, January 2024, Chapter 99, as provided for in U.S. Note 20(r) to subchapter III and provided for in the subheadings enumerated in U.S. Note and 20(s), pp. 99-III-87; Examine China (n.d.), "Tariffs from China," accessed April 7, 2024. <https://www.examinechina.com/tariffs-from-china/#:~:text=Next%20to%20the%20general%20duty,on%20top%20of%20the%2013.5%25>.

Numerous exclusions were granted by the United States Trade Representative for miscellaneous plastics; however, most of these exclusions have expired, and those products produced in China under subheading 3926.90.99 are subject to Section 301 duties. Excluded products that are currently not subject to the 9903.88.15 tariff include a subset of 352 previously reinstated exclusions and 77 COVID-related exclusions, and these are currently set to expire on May 31, 2024. The 9903.88.15 tariff applies to subheading 3926.90.99, and exclusions in that Chapter 39 subheading are related to medical use and do not include plastic decorative ribbon. 88 FR 90225, pp. 90225-90227.

¹⁶ Harmonized Tariff Schedule of the United States, Revision 1, USITC Publication No. 5491, January 2024.

¹⁷ Unless otherwise noted, this information is based on the original publication, pp. I-11-I-12.

formats include the standard bow, the tiny bow, the mega bow, perfect bow on a roll, pull bow, and a curl swirl bow.¹⁸

Some of the factors that are involved in determining the quality of the decorative product include color, packaging, and whether or not the packaging or bows are damaged by being crushed. These standards are similar whether the product is produced in the United States or China.

Manufacturing process¹⁹

The primary input in producing the subject plastic decorative ribbon is polypropylene. Polypropylene is a commodity that is purchased in bulk and is shaped in tiny pellets that are melted and colored during the production process for plastic decorative ribbon. The melted material is extruded to become a master roll of film. The master roll will then have different downstream steps depending on the desired product. If the final product is to have a metallic appearance, then the master roll will undergo the metallization process. Metallization is accomplished by purchasing master rolls of metallized polyethylene terephthalate (PET) film and laminating it to the polypropylene master roll or by metallizing in-house. Metallizing can take place directly on the polypropylene master roll, which eliminates the need for the lamination step and gives the product a deeper luster.

If the desired product is to contain glitter, then the polypropylene master roll undergoes lamination in high-speed coater laminators. The same laminator machines can be used for producing product labels and release liners for the bow tabs. If the product is to have a velvet final appearance, then it can be flocked by adhering polyester fibers onto the film. If the desired product is to contain printed information, then it undergoes a printing process where inks are mixed in-house and added onto the master roll.²⁰ The finishing processes for the ribbon include embossing²¹ and hot stamping.²²

¹⁸ As of this review, Berwick still manufactures a variety of bow products. Berwick Offray, "Bows and Accessories," accessed April 7, 2024. <https://berwickoffraywholesale.bwwweb.net/accessories>; Berwick Offray, "About," accessed April 7, 2024. <https://berwickoffraywholesale.bwwweb.net/accessories>.

¹⁹ Unless otherwise noted, this information is based on the original publication, pp. I-12-I-13.

²⁰ Flocking is a process in which short-chopped lengths of fiber (flock) are applied to an adhesive-coated backing fabric or other substrate. Textile Glossary, "Flocking," accessed April 2, 2024. <https://www.textileglossary.com/terms/flocking.html>.

²¹ Embossing is defined as decorating an object, especially with letters, using special tools that make a raised mark on its surface. Cambridge English Dictionary, accessed April 8, 2024.

²² Hot stamping is a process in which an engraved image, hot stamping die or type, is heated then forced down against a part with a marking foil sandwiched in between. The area where the die meets

(continued...)

The master polypropylene roll is cut into pies, which are the straight wound rolls of film for larger widths. Once the ribbon is slit into its final width, it can either be spooled or moved into the bow production process.

In the spooling process, ribbon can be wound onto itself in kegs, onto tubes, or onto spools, including paper board spools or injection-molded spools. Automated machinery is utilized to achieve spooling.

Several types of bows are formed in the bow production process. Mega bows are formed on large bow machines, while separate dedicated machines form tiny bows. Perfect bows are formed by using rings between each loop. Curl swirl bows are typically formed on machines that curl the ribbon and staple it to a tab. Standard bows are formed and packed in bulk boxes or bags. Some bows are machine packed, while specialty bows may be hand packed.

The industry in the United States

U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from two firms, which accounted for the vast majority of known production of plastic decorative ribbon in the United States during 2017.²³

In response to the Commission's notice of institution in these current reviews, domestic interested parties provided a list of five known and currently operating U.S. producers of plastic decorative ribbon. One firm providing U.S. industry data in response to the Commission's notice of institution accounted for approximately *** percent of production of plastic decorative ribbon in the United States during 2023.²⁴

Recent developments

One firm, Berwick, increased its capacity since the original investigation by *** pounds.²⁵ There were no other major developments in the plastic decorative ribbon industry

the part is where the ink from the foil is left behind. Stamprite Machine Company, "What Is Hot Stamping?" accessed April 2, 2024. <https://stampritemachine.com/about-us/hot-stamping-process/>.

²³ Original publication, p. III-1.

²⁴ Domestic interested party's response to the notice of institution, March 1, 2024, exh. 4 and domestic interested party's supplemental response to the notice of institution, March 11, 2024, p. 1.

²⁵ Original publication, p. III-4; domestic interested party's response to the notice of institution, March 1, 2024, exh. 7.

since the imposition of the orders identified by interested parties in this proceeding, and no additional information from outside sources was found.

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 reviews.²⁶ Table I-4 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations.

Table I-4
Plastic decorative ribbon: Trade and financial data submitted by U.S. producers, by period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; ratio in percent

Item	Measure	2015	2016	2017	2023
Capacity	Quantity	***	***	***	***
Production	Quantity	***	***	***	***
Capacity utilization	Ratio	***	***	***	***
U.S. shipments	Quantity	***	***	***	***
U.S. shipments	Value	***	***	***	***
U.S. shipments	Unit value	***	***	***	***
Net sales	Value	***	***	***	***
COGS	Value	***	***	***	***
COGS to net sales	Ratio	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***
SG&A expenses	Value	***	***	***	***
Operating income or (loss)	Value	***	***	***	***
Operating income or (loss) to net sales	Ratio	***	***	***	***

Source: For the years 2015-17, data are compiled using data submitted in the Commission's original investigations. For the year 2023, data are compiled using data submitted by domestic interested party. Domestic interested party's response to the notice of institution, March 1, 2024, exh. 7.

Note: The financial data are for fiscal year ended ***.

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

²⁶ 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.²⁷

In its original determinations, the Commission defined the domestic like product to include all plastic decorative ribbon corresponding to Commerce’s scope and the domestic industry to include all domestic producers of plastic decorative ribbon.²⁸

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 22 firms, which accounted for the vast majority of total U.S. imports of plastic decorative ribbon from China during 2017.²⁹ Import data presented in the original investigations are based on questionnaire responses.

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 party provided a list of 133 potential U.S. importers of plastic decorative ribbon.^{30 31}

²⁷ Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

²⁸ 89 FR 6540, February 1, 2024.

²⁹ Original publication, p. IV-1.

³⁰ Domestic interested party’s response to the notice of institution, March 1, 2024, exh. 5.

³¹ The list of possible U.S. importers submitted by domestic interested party likely overstates the actual number of U.S. importers of plastic decorative ribbon because it includes numerous freight forwarding and logistics firms as well as a number of duplicate entities. Domestic interested party response to the notice of institution, March 1, 2024, exh. 5.

U.S. imports

Table I-5 presents the value of U.S. imports from China as well as the other top sources of U.S. imports (shown in descending order of 2023 imports by value).

Table I-5
Plastic decorative ribbon: U.S. imports, by source and period

Value in 1,000 dollars

U.S. imports from	Measure	2018	2019	2020	2021	2022	2023
China	Value	16,346	9,928	10,013	12,172	11,588	13,939
Mexico	Value	4,332	7,375	5,266	6,650	6,576	10,360
Vietnam	Value	83	1,156	3,878	4,538	9,311	8,008
India	Value	104	53	277	601	597	735
All other sources	Value	3,555	5,054	2,040	2,700	3,799	1,996
Nonsubject sources	Value	8,073	13,638	11,461	14,488	20,283	21,099
All import sources	Value	24,420	23,566	21,474	26,660	31,871	35,038

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 3920.20.0015 and 3926.40.0010, accessed March 11, 2024. These data may be overstated as HTS statistical reporting numbers 3920.20.0015 and 3926.40.0010 may contain products outside the scope of these reviews.

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

Note: Official import statistics by quantity cannot be relied upon to discuss trends in imports because the unit of measurement specified in the HTS subheadings 3920.20.0015 and 3926.40.0010 are “kilograms” and “number of units”, respectively, whereas the Commission relied upon value in the original investigations due to responding firms’ inability to provide consistent and reliable quantity data. Consequently, this report presents value for its analysis of the import data.

Apparent U.S. consumption and market shares

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

Table I-6
Plastic decorative ribbon: Apparent U.S. consumption and market shares, by source and period

Quantity in 1,000 pounds; value in 1,000 dollars; shares in percent; NA is not available

Source	Measure	2015	2016	2017	2023
U.S. producers	Quantity	***	***	***	***
China	Quantity	3,323	4,562	4,910	NA
Nonsubject sources	Quantity	***	***	***	NA
All import sources	Quantity	***	***	***	NA
Apparent U.S. consumption	Quantity	***	***	***	NA
U.S. producers	Value	***	***	***	***
China	Value	15,199	19,874	18,413	13,939
Nonsubject sources	Value	***	***	***	21,099
All import sources	Value	***	***	***	35,038
Apparent U.S. consumption	Value	***	***	***	***
U.S. producers	Share of quantity	***	***	***	NA
China	Share of quantity	***	***	***	NA
Nonsubject sources	Share of quantity	***	***	***	NA
All import sources	Share of quantity	***	***	***	NA
U.S. producers	Share of value	***	***	***	***
China	Share of value	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***
All import sources	Share of value	***	***	***	***

Source: For the years 2015-17, data are compiled using data submitted in the Commission's original investigations. For the year 2023, U.S. producers' U.S. shipments are compiled from the domestic interested party's response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 3920.20.0015 and 3926.40.0010, accessed March 11, 2024.

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

Note: For a discussion on the Commission's reason for relying on value for its analysis, please see the second note to table I-5.

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

The industry in China

Producers in China

During the final phase of the original investigations, the Commission received a foreign producer/exporter questionnaire from one firm, which accounted for *** percent of production of plastic decorative ribbon in China during 2017, and approximately *** percent of U.S. imports of plastic decorative ribbon from China during 2017.³²

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 51 possible producers of plastic decorative ribbon in China.³³

Recent developments

There were no major developments in the Chinese industry since the imposition of the orders identified by interested parties in the proceeding, and no relevant information from outside sources was found.

Exports

Table I-7 presents export data for plastic sheets, strips, and other items, a category that includes plastic decorative ribbon and out-of-scope products, from China (by export destination in descending order of value for 2023).

³² Investigation Nos. 701-TA-592 and 731-TA-1400 (Final): Plastic Decorative Ribbon from China, Confidential Report, INV-RR-001, February 13, 2019 (“Original confidential report”), p. VII-3.

³³ Domestic interested party’s response to the notice of institution, March 1, 2024, exh. 5.

Table I-7
Plastic sheets, strips, and other items: Value of exports from China, by destination and period

Value in 1,000 dollars

Destination market	2018	2019	2020	2021	2022	2023
United States	979,173	940,283	1,012,536	1,527,494	1,874,475	1,763,318
Malaysia	98,229	130,787	142,722	266,554	288,516	342,706
Japan	137,198	144,496	192,511	287,819	455,327	319,550
Singapore	61,823	98,403	98,713	90,676	281,638	313,028
Australia	57,677	67,334	90,114	132,232	224,671	311,957
Vietnam	120,393	165,079	166,626	218,495	256,052	257,943
India	204,427	260,095	141,684	249,313	273,722	255,615
United Kingdom	149,277	199,779	190,842	286,472	241,038	250,967
Netherlands	122,426	143,958	152,182	198,626	235,014	186,339
Korea, South	88,288	98,440	108,696	183,805	181,591	176,602
All other destination markets	1,870,796	2,055,606	1,910,189	2,618,680	2,944,215	2,851,443
Total China exports	3,889,706	4,304,259	4,206,815	6,060,164	7,256,259	7,029,467

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 3920.20 and 3926.40, accessed March 21, 2024. These data may be overstated as HS subheadings 3920.20 and 3926.40 may contain products outside the scope of these reviews.

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

Third-country trade actions

Based on available information, plastic decorative ribbon from China has not been subject to other antidumping or countervailing duty investigations outside the United States.³⁴

The global market

According to GTA data, the four largest nonsubject exporters of plastic sheets, strips, and other plastic items (including plastic decorative ribbon), by value, in 2023, were Germany, Italy, Turkey, and Belgium. These nonsubject countries represented 18.5 percent of total global exports by value. Table I-8 presents global export data for plastic sheets, strips, and other items, a category that includes plastic decorative ribbon and out-of-scope products (by source in descending order of value for 2023).

³⁴ Counsel to Berwick stated that to the best of its knowledge, Chinese exports are not currently subject to antidumping duties in third countries. Domestic interested party's response to the notice of institution, March 1, 2024, p. 14.

Table I-8**Plastic sheets, strips, and other items: Value of global exports by country and period**

Value in 1,000 dollars

Exporting Country	2018	2019	2020	2021	2022	2023
United States	629,962	589,353	557,984	649,562	720,700	662,181
China	3,889,706	4,304,259	4,206,815	6,060,164	7,256,259	7,029,467
Germany	1,265,065	1,181,018	1,152,417	1,483,488	1,435,828	1,222,142
Italy	868,063	839,005	802,347	945,579	961,891	761,064
Turkey	431,769	398,166	422,746	545,520	645,403	562,323
Belgium	507,619	471,935	409,561	475,590	462,035	376,114
Portugal	331,619	364,323	368,598	489,204	512,527	414,977
Japan	369,265	351,236	349,400	403,084	374,247	330,124
Netherlands	343,996	341,665	336,419	480,743	469,416	394,475
United Kingdom	360,961	332,025	328,451	362,696	373,587	267,206
All other exporters	5,229,465	5,032,966	4,794,728	6,524,436	6,368,358	4,470,239
Total global exports	13,597,529	13,616,598	13,171,482	17,770,504	18,859,551	15,828,131

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 3920.20 and 3926.40, accessed March 21, 2024. These data may be overstated as HS subheadings 3920.20 and 3926.40 may contain products outside the scope of these reviews.

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
89 FR 6499 February 1, 2024	<i>Initiation of Five-Year (Sunset) Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2024-02-01/pdf/2024-02001.pdf
89 FR 6540 February 1, 2024	<i>Plastic Decorative Ribbon From China; Institution of Five- Year Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2024-02-01/pdf/2024-01907.pdf

APPENDIX B
COMPANY-SPECIFIC DATA

* * * * *

APPENDIX C
SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

Table C-1

Plastic decorative ribbon: Summary data concerning the U.S. market, 2015-17, January to June 2017, and January to June 2018

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

	Reported data					Period changes			
	2015	Calendar year 2016	2017	January to June 2017	January to June 2018	2015-17	Comparison years 2015-16	2016-17	Jan-Jun 2017-18
U.S. consumption value:									
Amount.....	***	***	***	***	***	***	***	***	***
Producers' share (fn1).....	***	***	***	***	***	***	***	***	***
Importers' share (fn1):									
China.....	***	***	***	***	***	***	***	***	***
Nonsubject sources.....	***	***	***	***	***	***	***	***	***
All import sources.....	***	***	***	***	***	***	***	***	***
U.S. consumption quantity:									
Amount.....	***	***	***	***	***	***	***	***	***
Producers' share (fn1).....	***	***	***	***	***	***	***	***	***
Importers' share (fn1):									
China.....	***	***	***	***	***	***	***	***	***
Nonsubject sources.....	***	***	***	***	***	***	***	***	***
All import sources.....	***	***	***	***	***	***	***	***	***
U.S. importers' U.S. imports--									
China:									
Quantity.....	3,323	4,562	4,910	1,335	1,600	47.7	37.3	7.6	19.9
Value.....	15,199	19,874	18,413	4,469	5,181	21.1	30.8	(7.4)	15.9
Unit value.....	\$4.57	\$4.36	\$3.75	\$3.35	\$3.24	(18.0)	(4.8)	(13.9)	(3.3)
Ending inventory quantity.....	164	144	116	111	***	(29.3)	(12.1)	(19.6)	***
Nonsubject sources:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
All import sources:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
U.S. producers:									
Average capacity quantity.....	***	***	***	***	***	***	***	***	***
Production quantity.....	***	***	***	***	***	***	***	***	***
Capacity utilization (fn1).....	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Inventories/total shipments (fn1).....	***	***	***	***	***	***	***	***	***
Production workers.....	***	***	***	***	***	***	***	***	***
Hours worked.....	***	***	***	***	***	***	***	***	***
Wages paid.....	***	***	***	***	***	***	***	***	***
Hourly wages.....	***	***	***	***	***	***	***	***	***
Productivity (pounds per hour).....	***	***	***	***	***	***	***	***	***
Unit labor costs.....	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS).....	***	***	***	***	***	***	***	***	***
Gross profit or (loss).....	***	***	***	***	***	***	***	***	***
SG&A expenses.....	***	***	***	***	***	***	***	***	***
Operating income or (loss).....	***	***	***	***	***	***	***	***	***
Net income or (loss).....	***	***	***	***	***	***	***	***	***
Capital expenditures.....	***	***	***	***	***	***	***	***	***
Unit COGS.....	***	***	***	***	***	***	***	***	***
Unit SG&A expenses.....	***	***	***	***	***	***	***	***	***
Unit operating income or (loss).....	***	***	***	***	***	***	***	***	***
Unit net income or (loss).....	***	***	***	***	***	***	***	***	***
COGS/sales (fn1).....	***	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1).....	***	***	***	***	***	***	***	***	***
Net income or (loss)/sales (fn1).....	***	***	***	***	***	***	***	***	***

Notes: Shares and ratio shown as "0.0" represent values greater than zero, but less than "0.05" percent. Due to reporting issues with quantity measurement, consumption based on value is presented first.

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

fn2.--Undefined.

Source: Compiled from data submitted in response to Commission questionnaires

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 plastic decorative ribbon: ***. Purchaser questionnaires were sent to these five firms and all firms provided responses, which are presented below.

1. Have there been any significant changes in the supply and demand conditions for finished plastic decorative ribbon that have occurred in the United States or in the market for plastic decorative ribbon in China since January 1, 2018?

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

2. Do you anticipate any significant changes in the supply and demand conditions for plastic decorative ribbon in the United States or in the market for plastic decorative ribbon in China within a reasonably foreseeable time?

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

