

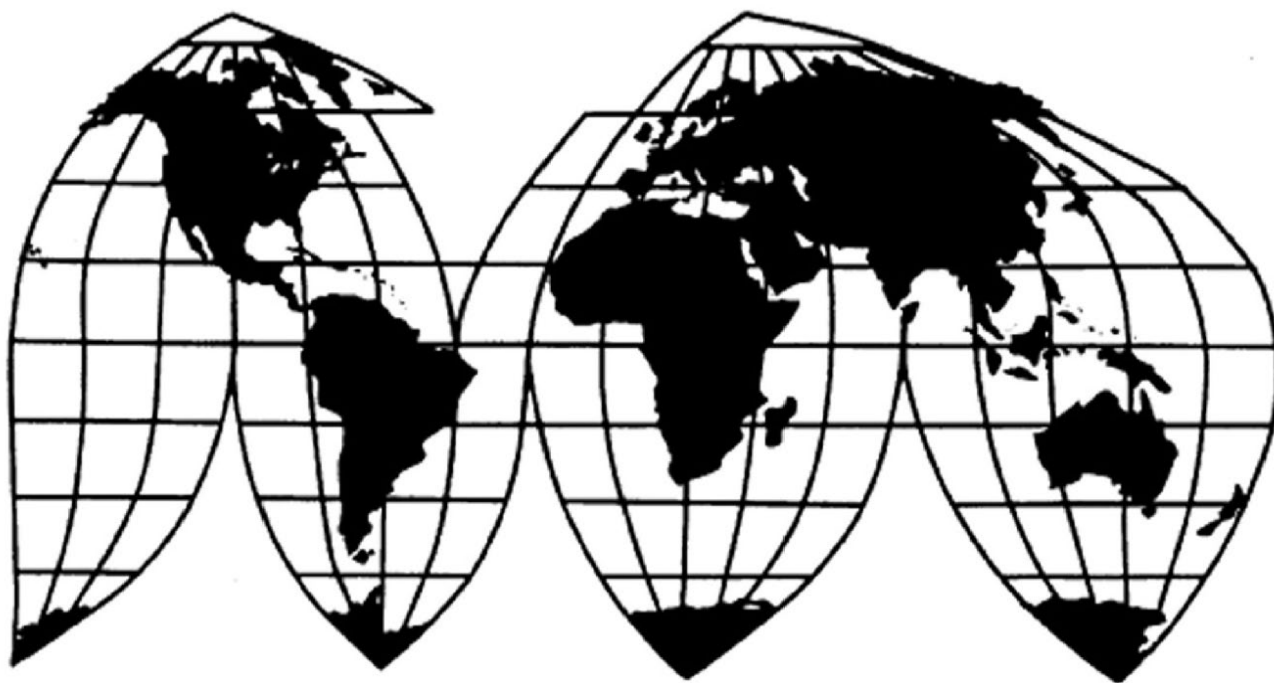
Large Residential Washers from Mexico

Investigation No. 731-TA-1200 (Second Review)

Publication 5552

October 2024

U.S. International Trade Commission



U.S. International Trade Commission

COMMISSIONERS

Amy A. Karpel, Chair
David S. Johanson
Rhonda K. Schmittlein
Jason E. Kearns

Catherine DeFilippo
Director of Operations

Staff assigned

Alejandro Orozco, Investigator
Tyler Berard, Industry Analyst
Sharon Ford, Industry Analyst
James Horne, Economist
Lena Raxter, Attorney
Charles Cummings, Supervisory Investigator

Address all communications to
Secretary to the Commission
United States International Trade Commission
Washington, DC 20436

U.S. International Trade Commission

Washington, DC 20436
www.usitc.gov

Large Residential Washers from Mexico

Investigation No. 731-TA-1200 (Second Review)

Publication 5552



October 2024

CONTENTS

	Page
Determination	1
Views of the Commission	3
Information obtained in this review	I-1
Background	I-1
Responses to the Commission's notice of institution.....	I-2
Individual responses	I-2
Party comments on adequacy	I-2
The original investigations	I-3
The first five-year reviews.....	I-3
Previous and related investigations.....	I-4
Commerce's five-year review	I-5
The product.....	I-6
Commerce's scope	I-6
U.S. tariff treatment.....	I-8
Description and uses.....	I-9
Manufacturing process	I-14
The industry in the United States	I-17
U.S. producers.....	I-17
Recent developments	I-17
U.S. producers' trade and financial data	I-19
Definitions of the domestic like product and domestic industry	I-20
U.S. importers	I-21
U.S. imports.....	I-22
Apparent U.S. consumption and market shares.....	I-22
The industry in Mexico.....	I-24
Producers in Mexico	I-24
Recent developments	I-25
Exports	I-25
Third-country trade actions	I-26
The global market	I-27

Appendixes

A.	Federal Register notices.....	A-1
B.	Company-specific data.....	B-1
C.	Summary data compiled in prior proceedings.....	C-1
D.	Purchaser questionnaire responses.....	D-1

Note: Information that would reveal confidential operations of individual concerns may not be published. Such information is identified by brackets or by headings in confidential reports and is deleted and replaced with asterisks in public reports.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-1200 (Second Review)

Large Residential Washers from Mexico

DETERMINATION

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

BACKGROUND

The Commission instituted this review on April 1, 2024 (89 FR 22455) and determined on July 5, 2024 that it would conduct an expedited review (89 FR 67669, August 21, 2024).

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

Views of the Commission

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

I. Background

Original Investigations. In February 2013, the Commission determined that an industry in the United States was materially injured by reason of imports of LRWs from South Korea and Mexico sold at less than fair value (“LTFV”) and subsidized by the government of South Korea.¹ On February 15, 2013, Commerce issued antidumping duty orders covering LRWs from South Korea and Mexico and a countervailing duty order covering LRWs from South Korea.²

First Reviews. On January 2, 2018, the Commission instituted its first reviews of the antidumping duty orders on LRWs from South Korea and Mexico and the countervailing duty order on LRWs from South Korea.³ On April 9, 2018, the Commission decided to conduct full reviews.⁴ On April 24, 2019, the Commission reached negative determinations for the antidumping and countervailing duty orders on LRWs from South Korea and an affirmative determination for the antidumping duty order on LRWs from Mexico.⁵ As a result, effective February 15, 2019, Commerce issued notice of revocation of the antidumping and

¹ *Large Residential Washers from Korea and Mexico*, 78 Fed. Reg. 10636 (Feb. 14, 2013).

² *Large Residential Washers from the Republic of Korea: Countervailing Duty Order*, 78 Fed. Reg. 11154 (Feb. 15, 2013); *Large Residential Washers from Mexico and the Republic of Korea: Antidumping Duty Orders*, 78 Fed. Reg. 11148 (Feb. 15, 2013).

³ *Certain Large Residential Washers from Korea and Mexico; Institution of Five-Year Reviews*, 83 Fed. Reg. 145 (Jan. 2, 2018); *Large Residential Washers from Korea and Mexico*, Inv. Nos. 701-TA-488 and 731-TA-1199-1200 (First Review), USITC Pub. 4882 (Apr. 2019) (“First Review”).

⁴ *Certain Large Residential Washers from Korea and Mexico; Notice of Commission Determination to Conduct Full Five-Year Reviews*, 83 Fed. Reg. 18347 (Apr. 26, 2018). The Commission determined that responses to its notice of institution were adequate with respect to the domestic interested party group and the respondent interested party group with respect to Korea. *Id.* The Commission was evenly divided on whether the respondent interested party group response with respect to Mexico was adequate. *Id.* Commissioner Kearns did not participate in the adequacy determination.

⁵ First Review, at I-2.

countervailing duty orders on LRWs from South Korea and, effective May 6, 2019, issued a notice of continuation of the antidumping duty order on LRWs from Mexico.⁶

Other proceedings. Subsequent to its determinations in the original investigations, the Commission investigated LRWs, under a somewhat narrower scope, in an antidumping duty investigation regarding China and a global safeguard investigation of LRWs.⁷ On January 30, 2017, the Commission determined that an industry in the United States was materially injured by reason of imports of LRWs from China sold at LTFV, and Commerce issued an antidumping duty order covering LRWs from China on February 6, 2017.⁸ The order was continued after the first expedited five-year review, effective August 30, 2022.⁹

On October 5, 2017, pursuant to an investigation instituted under section 201 of the Trade Act of 1974, the Commission determined that LRWs were being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing an article like or directly competitive with the imported article, and provided a report containing its serious injury findings and remedy recommendations to the President on December 4, 2017.¹⁰ On January 23, 2018, the President issued a proclamation imposing a safeguard measure in the form of a tariff rate quota (“TRQ”) on imports of LRWs and certain covered parts, as further discussed in section III.B.4 below.¹¹ The safeguard measure terminated on February 7, 2023.¹²

⁶ *Large Residential Washers from Mexico and the Republic of Korea: Continuation of Antidumping Duty Order (Mexico) and Revocation of Antidumping and Countervailing Duty Orders (Korea)*, 84 Fed. Reg. 19763 (May 6, 2019).

⁷ The scope of both *LRWs from China* and the *LRWs* safeguard investigation covered all LRWs within the scope of these reviews with the exception of LRWs that are: (1) top loading with a permanent split capacitor motor, belt drive, and flat wrap spring clutch; (2) front loading with a controlled induction motor and belt drive; and (3) front loading with a cabinet width of more than 28.5 inches. See *Large Residential Washers from China*, Inv. No. 731-TA-1306 (Final), USITC Pub. 4666 (Jan. 2017) at 5-6; *Large Residential Washers*, Inv. No. TA-201-076 (“LRWs Safeguard”), USITC Pub. 4745 (Dec. 2017) at 7-8.

⁸ *Large Residential Washers from China; Determination*, 82 Fed. Reg. 9223 (Feb. 3, 2017); *Large Residential Washers from the People’s Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order*, 82 Fed. Reg. 9371 (Feb. 6, 2017).

⁹ *Large Residential Washers from the People’s Republic of China: Continuation of the Antidumping Duty Order*, 87 Fed. Reg. 52904 (Aug. 30, 2022).

¹⁰ See *LRWs Safeguard*, USITC Pub. 4745 at 1-2. The scope of the safeguard investigation was identical to the scope of the antidumping duty investigation of LRWs from China, and thus somewhat narrower than the scope of the orders under review. See *id.* at 7-8.

¹¹ *Proclamation 9694 to Facilitate Positive Adjustment to Competition from Imports of Large Residential Washers*, 83 Fed. Reg. 3553 (Jan. 23, 2018).

¹² CR/PR at I-8.

Current Review. On April 1, 2024, the Commission instituted this second five-year review of the antidumping duty order on LRWs from Mexico.¹³ Domestic interested party Whirlpool Corporation (“Whirlpool”), a domestic producer of LRWs, filed the sole response to the notice of institution.¹⁴ The Commission did not receive a response from any respondent interested party. On July 5, 2024, the Commission determined that the domestic interested party group response was adequate and that the respondent interested party group response was inadequate.¹⁵ Finding no other circumstances that would warrant conducting a full review, the Commission determined that it would conduct an expedited review of the order.¹⁶ Whirlpool submitted final comments regarding the determination that the Commission should reach.¹⁷

U.S. industry data in this review is based on information provided by Whirlpool in its response to the notice of institution and publicly available information compiled by the Commission.¹⁸ Whirlpool is estimated to have accounted for *** percent of U.S. production of LRWs in 2023.¹⁹ U.S. import data are based on official Commerce statistics.²⁰ Foreign industry data and related information are based on information from the original investigations and first five-year reviews, information submitted by Whirlpool in its response to the notice of institution, and publicly available information compiled by the Commission.²¹ Additionally, one firm, ***, identified by Whirlpool as a U.S. purchaser of LRWs, responded to the Commission’s adequacy phase purchaser questionnaire.²²

¹³ *Large Residential Washers from Mexico; Institution of a Five-Year Review*, 89 Fed. Reg. 22455 (Apr. 1, 2024).

¹⁴ Whirlpool’s Response to the Notice of Institution, EDIS Doc. Nos. 820145 (Confidential Version) & 820147 (Public Version) (May 1, 2024) (“Whirlpool’s NOI Response”).

¹⁵ Explanation of Commission Determination on Adequacy, EDIS Doc. 829761 (Aug. 16, 2024); *Large Residential Washers from Mexico; Scheduling of an Expedited Five-Year Review*, 89 Fed. Reg. 67669 (Aug. 21, 2024).

¹⁶ Explanation of Commission Determination on Adequacy, EDIS Doc. 829761 (Aug. 16, 2024); *Large Residential Washers from Mexico; Scheduling of an Expedited Five-Year Review*, 89 Fed. Reg. 67669 (Aug. 21, 2024).

¹⁷ Whirlpool’s Final Comments, EDIS Doc. 832089 (Confidential Version) & 832090 (Public Version) (Sept. 12, 2024).

¹⁸ Confidential Report (“CR”), INV-WW-068 at I-17 to I-19; Public Report (“PR”), *Large Residential Washers from Mexico*, Inv. No. 731-TA-1200 (Second Review), USITC Pub. 5552 (Oct. 2024) at I-17 to I-19; Whirlpool’s NOI Response, at 10-12, 35.

¹⁹ CR/PR at Table I-2 & I-17.

²⁰ CR/PR at I-21 to I-23 & Table I-6. Official import statistics are based on HTS statistical reporting numbers 8450.20.0040 & 8450.20.0080. *Id.* at Table I-6 Note.

²¹ CR/PR at I-24 to I-26.

²² CR/PR at D-3.

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.”²³ 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.”²⁴ The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.²⁵

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

The products covered by the Order are all large residential washers and certain subassemblies thereof from Mexico. For purposes of the *Order*, the term “large residential washers” denotes all automatic clothes washing machines, regardless of the orientation of the rotational axis, except as noted below, with a cabinet width (measured from its widest point) of at least 24.5 inches (62.23 cm) and no more than 32.0 inches (81.28 cm). Also covered are certain subassemblies used in large residential washers, namely: (1) all assembled cabinets designed for use in large residential washers which incorporate, at a minimum: (a) at least three of the six cabinet surfaces; and (b) a bracket; (2) all assembled tubs²⁶ designed for use in large residential washers which incorporate, at a minimum: (a) a tub; and (b) a seal; (3) all assembled baskets²⁷ designed for use in large residential washers which incorporate, at a minimum: (a) a side wrapper;²⁸ (b) a

²³ 19 U.S.C. § 1677(4)(A).

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

²⁵ *See, e.g., Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 (Dec. 2005) at 8-9; *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 (July 2003) at 4; *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 (Feb. 2003) at 4.

²⁶ A “tub” is the part of the washer designed to hold water.

²⁷ A “basket” (sometimes referred to as a “drum”) is the part of the washer designed to hold clothing or other fabrics.

²⁸ A “side wrapper” is the cylindrical part of the basket that actually holds the clothing or other fabrics.

base; and (c) a drive hub;²⁹ and (4) any combination of the foregoing subassemblies.

The products are currently classifiable under subheadings 8450.20.0040 and 8450.20.0080 of the Harmonized Tariff Schedule of the United States (HTSUS). Products subject to this Order may also enter under HTSUS subheadings 8450.11.0040, 8450.11.0080, 8450.90.2000, and 8450.90.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this scope is dispositive.³⁰

LRWs are automatic clothes washing appliances capable of cleaning fabrics using water and detergent in conjunction with wash, rinse, and spin cycles typically programmed into the unit.³¹ They are produced in either top load or front load configurations.³² Top load LRWs possess drums that spin on a vertical axis and are loaded with soiled clothing through a door on the top of the unit.³³ Front load LRWs possess drums that spin on a horizontal or tilted axis and are loaded with soiled clothing through a door in the front of the unit.³⁴ All LRWs are typically purchased by households for use in single-family dwellings.³⁵

Top load LRWs can wash clothes using either an agitator or an impeller. Agitator-based top load LRWs are characterized by their use of a pole-shaped agitator inside the drum, which cleans clothes by swirling them through detergent and water.³⁶ Due to the interior volume occupied by the agitator, agitator-based top load LRWs generally offer less capacity than other types of LRWs.³⁷ Because agitator-based top load LRWs require more water and energy than impeller-based top load LRWs, they are less likely to satisfy Energy Star certification under U.S. Department of Energy (“DOE”) guidelines, although some agitator-based top load LRW models have qualified for Energy Star.³⁸ In the original investigations, the Commission referred to agitator-based top load LRWs as conventional top load (“CTL”) washers, and found that certain

²⁹ A “drive hub” is the hub at the center of the base that bears the load from the motor.

³⁰ *Large Residential Washers from Mexico: Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order*, 89 Fed. Reg. 59892 (July 24, 2024) and accompanying Issues and Decision Memorandum at 2; see also CR/PR at I-6-7. Note that, between the first review and this current review, Commerce changed its definition of the imported merchandise.

³¹ CR/PR at I-9.

³² CR/PR at I-9.

³³ CR/PR at I-9 to I-10.

³⁴ CR/PR at I-12.

³⁵ CR/PR at I-9.

³⁶ CR/PR at I-11.

³⁷ CR/PR at I-9 to I-11.

³⁸ CR/PR at I-11.

CTL LRWs qualified for Energy Star but none as high efficiency (“HE”) machines under the guidelines promulgated by the Consortium for Energy Efficiency (“CEE”).³⁹ To comply with more stringent water and energy efficiency standards implemented by the DOE on March 7, 2015, Whirlpool re-engineered its agitator-based LRWs to utilize “HE-agitators” and more efficient “shallow fill” technology, which requires the use of specially formulated HE detergent.⁴⁰

Impeller-based top load LRWs are characterized by their use of a flat, rotating hub at the base of the drum, which cleans clothes by lifting and dropping them into a small quantity of water and HE detergent.⁴¹ They reduce energy consumption by spinning clothes at high speed, thereby extracting more water and leaving clothes in need of less time in a dryer.⁴² In the original investigations, the Commission found that impeller-based top load washers qualified as HE machines under CEE guidelines, and therefore categorized them as “HETL” washers.⁴³ After the DOE implemented increasingly more stringent water and energy efficiency standards, however, many impeller-based top load LRWs no longer qualified for Energy Star, although impeller-based top load LRWs are more likely to meet the Energy Star standard than agitator-based LRWs.⁴⁴

Front load LRWs are typically positioned more toward the premium end of the LRW market in terms of price and performance.⁴⁵ They conserve water by lifting clothes with a baffle as the drum spins on a horizontal or tilted axis and dropping them into a small quantity of water and HE detergent.⁴⁶ Like impeller-based top load LRWs, front load LRWs reduce energy consumption by spinning clothes at high speeds that extract more water and reduce drying time.⁴⁷ In the original investigations, the Commission found that all front load washers qualified as HE machines under CEE standards, and therefore categorized them as “HEFL” washers.⁴⁸ Most front load LRWs qualify for Energy Star under the DOE’s new standards.⁴⁹

³⁹ *Certain Large Residential Washers from Korea and Mexico*, Inv. Nos. 701-TA-488 and 731-TA-1199-1200 (Final), USITC Pub. 4378 (Feb. 2013) (“Original Determinations”) at 6.

⁴⁰ CR/PR at I-11 & Table I-4.

⁴¹ CR/PR at I-9 to I-11.

⁴² CR/PR at I-11.

⁴³ Original Determinations at 6.

⁴⁴ CR/PR at I-11 to I-12 & Table I-4.

⁴⁵ CR/PR at I-12.

⁴⁶ CR/PR at I-12.

⁴⁷ CR/PR at I-12.

⁴⁸ Original Determinations at 7.

⁴⁹ CR/PR at I-12.

1. The Original Investigations

Petitioner argued that the Commission should define a single domestic like product coextensive with the amended scope of the investigation, encompassing all LRWs but excluding top load washers with a capacity of less than 3.7 cubic feet.⁵⁰ Respondents argued that the Commission should define the domestic like product to include both LRWs within the amended scope as well as out-of-scope top load washers with a capacity of less than 3.7 cubic feet, consistent with the domestic like product definition from the preliminary phase of the investigations.⁵¹

The Commission found no new information on the record that would warrant reconsideration of its finding from the preliminary phase investigations that no clear dividing lines separated CTL, HETL, and HEFL washers within the amended scope.⁵² Based on an analysis of its traditional like product factors, the Commission found that the preponderance of similarities between top load washers with a capacity of less than 3.7 cubic feet and in-scope LRWs indicated the absence of any clear dividing line.⁵³ The Commission therefore defined the domestic like product to include both LRWs described by the scope and top load washers with a capacity of less than 3.7 cubic feet.⁵⁴

2. The First Reviews

The Commission found that there was no information or argument on the record indicating that the Commission should revisit the domestic like product definition adopted in the original investigations.⁵⁵ Accordingly, the Commission again defined the domestic like product to include both LRWs described by the scope and top load washers with a capacity of less than 3.7 cubic feet.⁵⁶

⁵⁰ Original Determinations at 7. Pursuant to a request filed by Whirlpool, Commerce had amended the final scope of the investigation to exclude top load washers with a capacity of less than 3.7 cubic feet. *Id.* at 5.

⁵¹ Original Determinations at 7.

⁵² Original Determinations at 8.

⁵³ Original Determinations at 8, 11.

⁵⁴ Original Determinations at 11.

⁵⁵ First Reviews, USITC Pub. 4882 at 10.

⁵⁶ First Reviews, USITC Pub. 4882 at 10.

3. The Current Review

The record does not contain any new information suggesting that the pertinent characteristics and uses of LRWs have changed since the last review so as to warrant revisiting the Commission's domestic like product definition.⁵⁷ Whirlpool agrees with the Commission's definition of the domestic like product from the prior proceedings.⁵⁸ Consequently, we again define the domestic like product to include both LRWs described by the scope and top load washers with a capacity of less than 3.7 cubic feet (collectively, "washers").

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."⁵⁹ 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.

In the original investigations and the full first five-year reviews, the Commission defined a single domestic industry comprised of all domestic producers of LRWs.⁶⁰

In the original investigations, the Commission did not exclude any related parties under 19 U.S.C. § 1677(4)(B). Although three domestic producers—Electrolux, ***, and Whirlpool—qualified as related parties, the Commission found that appropriate circumstances did not exist for excluding any of them from the domestic industry as related parties.⁶¹ In the first reviews, the Commission found Samsung and *** qualified as related parties, but that appropriate circumstances did not exist to exclude either producer.⁶²

⁵⁷ CR/PR at I-20.

⁵⁸ Whirlpool's NOI Response at 13.

⁵⁹ 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.

⁶⁰ *Large Residential Washers from Mexico; Institution of a Five-Year Review*, 89 Fed. Reg. 22455 (Apr. 1, 2024).

⁶¹ Confidential Views, *Certain Large Residential Washers from Korea and Mexico*, Inv. Nos. 701-TA-488 and 731-TA-1119-1120 (Final), EDIS Doc. No. 822187 ("Confidential Original Determinations") at 18.

⁶² Confidential Views, *Large Residential Washers from Korea and Mexico*, Inv. Nos. 701-TA-488 and 731-TA-1199-1200 (First Review) ("Confidential First Review"), EDIS Doc. No. 822192 at 11-13.

In the current review, Whirlpool agrees with the Commission's definition of the domestic industry from the prior proceedings.⁶³ Based on information provided by Whirlpool, there are no related parties issues or other domestic industry issues in this review.⁶⁴ Consequently, consistent with our definition of the domestic like product, we again define the domestic industry as all domestic producers of washers.

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."⁶⁵ 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

⁶³ Whirlpool's NOI Response at 13. In the current review, Whirlpool states that it is not an exporter to the United States of LRWs from Mexico, nor is it related to an such exporter under Section 771(4)(B) of the Act, 19 U.S.C. § 1677(4)(B). Whirlpool's NOI Response at 10-11. Likewise, Whirlpool is neither an importer of LRWs from Mexico, nor is it related to such an importer under Section 771(4)(B) of the Act, 19 U.S.C. § 1677(4)(B). *Id.*

⁶⁴ Whirlpool's NOI Response at 11 & n.34. Whirlpool states that it understands that GE Appliances and Samsung also have affiliates that produce washing machines in Mexico. In the prior review, the Commission noted that Samsung's primary interest is in the domestic production of washers and that ***. The Commission likewise found that *** primary interest is in the domestic production of washers, noting that the company *** subject washers from Mexico ***. Confidential First Reviews at 16-17. There is no information on the record of the current review that would cause the Commission to re-visit its findings in the prior review. Furthermore, since neither *** responded to the Commission's notice of institution or otherwise participated in this review, there are no data to exclude from ***, even if the Commission were to find that appropriate circumstances exist to exclude, from the definition of the domestic industry.

⁶⁵ 19 U.S.C. § 1675a(a).

elimination of its restraining effects on volumes and prices of imports.”⁶⁶ Thus, the likelihood standard is prospective in nature.⁶⁷ The U.S. Court of International Trade (“CIT”) 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.⁶⁸

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.”⁶⁹ 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.”⁷⁰

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.”⁷¹ It directs the Commission to take into account its prior injury

⁶⁶ SAA, H.R. Rep. No. 103-316 vol. I 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.

⁶⁷ 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.

⁶⁸ 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’”).

⁶⁹ 19 U.S.C. § 1675a(a)(5).

⁷⁰ 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.*

⁷¹ 19 U.S.C. § 1675a(a)(1).

determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).⁷² 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.⁷³

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.⁷⁴ 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.⁷⁵

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.⁷⁶

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

⁷² 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings. *See Large Residential Washers from Mexico: Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order*, 89 Fed. Reg. 59892 (July 24, 2024).

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

⁷⁴ 19 U.S.C. § 1675a(a)(2).

⁷⁵ 19 U.S.C. § 1675a(a)(2)(A-D).

⁷⁶ *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.

to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.⁷⁷ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the order under review and whether the industry is vulnerable to material injury upon revocation.⁷⁸

No respondent interested party participated in this expedited review. The record, therefore, contains limited new information with respect to the LRW industry in Mexico. There also is limited information on the LRW market in the U.S. during the period of review. Accordingly, for our determination, we rely as appropriate on the facts available from the original investigations and first reviews, and the limited new information on the record in this second five-year review.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁷⁹ The following conditions of competition inform our determinations.

⁷⁷ 19 U.S.C. § 1675a(a)(4).

⁷⁸ 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.

⁷⁹ 19 U.S.C. § 1675a(a)(4).

1. Demand Conditions

Original Investigations. Apparent U.S. consumption of washers declined irregularly from 2009 to 2011.⁸⁰ The Commission found that demand for washers was not highly correlated to economic conditions because a substantial proportion of washer purchases were made to replace existing washers at the end of their useful lives, and washers had few if any substitutes.⁸¹ It also found that CTL, HETL, and HEFL washers each exhibited distinct demand trends over the period, with apparent U.S. consumption of CTL and HEFL washers declining while apparent U.S. consumption of HETL washers increased.⁸² Responding producers, importers, and purchasers attributed these trends to a shift in consumer preferences away from CTL washers to more energy efficient, larger capacity washers and from HEFL washers to HETL washers due to the perceived shortcomings of HEFL washers, including inferior ergonomics and mold and vibration problems.⁸³

The Commission found that the differing demand trends of CTL, HETL, and HEFL washers reflected a substantial degree of competition among the three types of washers. As further support, the Commission noted that retailers displayed and advertised the three types of washers side by side, and that consumers “cross-shopped” the different types of washers to a significant degree.⁸⁴

Recognizing that competition in the U.S. market occurs at the wholesale and retail levels, the Commission explained that it would focus its analysis on competition and pricing on sales by domestic producers and importers to retailer/distributors, but also recognized that retail consumer preferences influence retailers’ purchasing decisions.⁸⁵ Five large retailers—Best Buy, HH Gregg, Home Depot, Lowe’s, and Sears—accounted for 65 to 70 percent of washers sales in the U.S. market.⁸⁶

First Reviews. Apparent U.S. consumption of washers increased from *** units in 2012 to *** units in 2013, *** units in 2014, *** units in 2015, *** units in 2016, and *** units in

⁸⁰ Confidential Original Determinations at 27. Apparent U.S. consumption of washers increased from *** units in 2009 to *** units in 2010, but declined to *** units in 2011, a level *** percent lower than in 2009. *Id.*

⁸¹ Original Determinations at 17.

⁸² Original Determinations at 17-18.

⁸³ Original Determinations at 17-18.

⁸⁴ Original Determinations at 18.

⁸⁵ Original Determinations at 18-19.

⁸⁶ Original Determinations at 18.

2017, which was *** percent higher than in 2012.⁸⁷ Apparent U.S. consumption was *** units in interim 2018, compared to *** units in interim 2017.⁸⁸ The Commission again found that demand for washers was not highly correlated to economic conditions because a substantial portion of washer purchases were motivated by consumer's need to replace existing washers at the end of the products' functional lifespan, and washers have few, if any, substitutes.⁸⁹ It found that demand for washers increased during the period of review, but future demand growth for washers in the U.S. market was expected to moderate.⁹⁰

The Commission also again found that competition in the U.S. market occurred at two levels of trade: sales by domestic producers and importers to retailer/distributors and sales by retailers to consumers.⁹¹ Domestic producers and importers made most of their sales to retailers, distributors, and buying groups.⁹² The Commission noted that, although their analysis focused on competition and pricing on sales by domestic producers and importers to retailer/distributors, consumer preferences also influenced retailers' purchasing decisions.⁹³ Four large appliance retailers—Best Buy, Home Depot, Lowe's, and Sears—accounted for three-quarters of purchases of washers in 2017.⁹⁴

Current Review. There is no new information on the record of this review indicating that the drivers of demand for washers have changed since the first reviews. However, the information available indicates that demand for washers fluctuated during the period of review. Whirlpool indicated that, while demand for washers has fluctuated upwards since the imposition of the order in January 2013, apparent U.S. consumption decreased irregularly from 2020 to 2022.⁹⁵ In its report evaluating the effectiveness of relief afforded by the safeguard measure, the Commission found that apparent U.S. consumption for full washer units had increased from 9.7 million units in 2020 to 10.5 million units in 2021 before declining to 9.0 million units in 2022, a level 7.8 percent lower than in 2020.⁹⁶ Whirlpool submitted data concerning total washer shipments from the Association of Home Appliance Manufacturers

⁸⁷ Confidential First Reviews at 51.

⁸⁸ Confidential First Reviews at 51.

⁸⁹ First Reviews, USITC Pub. 4882 at 32.

⁹⁰ First Reviews, USITC Pub. 4882 at 32.

⁹¹ First Reviews, USITC Pub. 4882 at 33.

⁹² First Reviews, USITC Pub. 4882 at 33.

⁹³ First Reviews, USITC Pub. 4882 at 33.

⁹⁴ First Reviews, USITC Pub. 4882 at 33.

⁹⁵ Whirlpool's NOI Response at 12.

⁹⁶ *Large Residential Washers: Evaluation of the Effectiveness of Import Relief*, Inv. No. TA-201-076 (Evaluation), USITC Pub. 5453 (Aug. 2023) ("Evaluation Report"), EDIS Doc. No. 822565, at Table V-8.

(“AHAM”) indicating that such shipments increased from 10.2 million units in 2022 to 11.0 million units in 2023, a level 7.8 percent higher than in 2020 (10.2 million units) and 11.1 percent higher than in 2017 (9.9 million units).⁹⁷ U.S. purchaser *** reported that, ***, there was ***.⁹⁸

The information available indicates that future demand conditions are unlikely to change. U.S. purchaser *** indicated that the ***.⁹⁹ Likewise, Whirlpool indicated that the current demand for LRWs is stable.¹⁰⁰

In 2023, apparent U.S. consumption of washers was *** units, which was *** percent lower than in 2017, at *** units.¹⁰¹

2. Supply Conditions

Original Investigations. The Commission found that the domestic industry consisted of four known producers, Alliance, GE, Staber, and Whirlpool, after Fisher & Paykel ceased production in 2009, and Bosch and Electrolux ceased production in 2011.¹⁰² The domestic industry accounted for *** percent of apparent U.S. consumption in 2011.¹⁰³ Having begun the period of investigation (“POI”) producing only CTL and HETL washers, Whirlpool commenced domestic production of HEFL washers in the fourth quarter of 2010 and ***.¹⁰⁴

The Commission found that most subject imports from South Korea were imported by LG and Samsung, while subject imports from Mexico were imported by Electrolux, Samsung,

⁹⁷ Whirlpool’s Response to Supplemental Questions from Staff, EDIS No. 822453 (Confidential) & 822454 (Public) (May 29, 2024) (“Whirlpool’s Supplemental Response”) at 3.

⁹⁸ CR/PR at D-3.

⁹⁹ CR/PR at D-3.

¹⁰⁰ Whirlpool’s NOI Response at 3.

¹⁰¹ CR/PR at Table I-7. Apparent U.S. consumption in 2023 is likely understated relative to that in the prior proceedings because domestic industry data coverage is much lower in this review, in which the only responding domestic producer accounted for *** percent of domestic production of LRWs in 2023, than in the original investigations and first reviews, when responding domestic producers accounted for virtually all domestic production of LRWs. *Id.* at I-17. Based on Whirlpool’s estimate that it accounted for *** percent of domestic production of LRWs in 2023, total domestic production would have been approximately *** units and apparent U.S. consumption would have been approximately *** units that year. Calculated from CR/PR at Tables I-1, I-7.

¹⁰² Original Determinations at 19.

¹⁰³ Confidential Original Determinations at 31.

¹⁰⁴ Confidential Original Determinations at 32.

and Whirlpool.¹⁰⁵ ***.¹⁰⁶ Cumulated subject imports accounted for *** percent of apparent U.S. consumption in 2011.¹⁰⁷

The Commission found that nonsubject imports, largely from China, the Czech Republic, and Germany, declined as a share of apparent U.S. consumption throughout the POI, from *** percent in 2009 to *** percent in 2011 and interim 2012.¹⁰⁸ The decline resulted largely from Whirlpool's decision to cease importing HEFL washers from Germany effective July 2012, pursuant to its decision to supply the U.S. market with domestically produced HEFL washers.¹⁰⁹

First Reviews. The Commission found that the domestic industry consisted of four producers during the period of review: Whirlpool; Haier U.S. Appliance Solutions, Inc., d/b/a/ GE Appliances ("GE"); Alliance; LG; and Samsung Electronics Home Appliances America ("Samsung").¹¹⁰ LG began washer production in the U.S. in November 2018, after the end of the period of review.¹¹¹ The domestic industry accounted for *** percent of apparent U.S. consumption in 2017.¹¹² During the period of review, LG, Samsung, ***, GE, and Whirlpool made major investments in domestic production.¹¹³

The Commission found that most subject imports from Mexico were imported by ***.¹¹⁴ Electrolux ceased washer production at its Webster City, Iowa facility in early 2011 and transferred all laundry product production to its facility in Juarez, Mexico.¹¹⁵ *** and used the facilities to produce smaller washers and out-of-scope washers (and dryers in Samsung's case) for markets in Mexico, Central America, and Latin America.¹¹⁶ Subject imports from Mexico accounted for *** percent of apparent U.S. consumption in 2017.¹¹⁷

The Commission found that nonsubject imports increased more than six-fold between 2012 and 2017, likely because LG and Samsung shifted production of washers for the U.S.

¹⁰⁵ Original Determinations at 19-20.

¹⁰⁶ Confidential Original Determinations at 33.

¹⁰⁷ Confidential Original Determinations at 33.

¹⁰⁸ Confidential Original Determinations at 33.

¹⁰⁹ Original Determinations at 20.

¹¹⁰ First Reviews, USITC Pub. 4882 at 33.

¹¹¹ First Reviews, USITC Pub. 4882 at 33.

¹¹² Confidential First Reviews at 53.

¹¹³ Confidential First Reviews at 53-54.

¹¹⁴ Confidential First Reviews at 54.

¹¹⁵ First Reviews, USITC Pub. 4882 at 34.

¹¹⁶ Confidential First Reviews at 55.

¹¹⁷ Confidential First Reviews at 53.

market from South Korea and Mexico to nonsubject countries.¹¹⁸ Nonsubject imports accounted for *** percent of apparent U.S. consumption in 2017.¹¹⁹

Current Review. The domestic industry remained the largest supplier of washers to the U.S. market, followed by nonsubject imports and subject imports.¹²⁰

The domestic industry's share of apparent U.S. consumption by quantity was *** percent in 2023, down from *** percent in 2017.¹²¹ Whirlpool identified six U.S. producers of washers during the period of review, including itself, GE, Alliance, Staber Industries, Inc., Samsung, and LG, although Whirlpool estimates that it accounted for *** of total U.S. production of washers in 2023.¹²²

Several domestic producers invested in their LRW production facilities during the period of review. Samsung and LG continued to invest in their new LRW production facilities in the United States.¹²³ In August 2019, Samsung expanded capacity at its Newberry, South Carolina LRW production facility; from 2019 to 2021, LG expanded capacity at its Clarksville, Tennessee LRW production facility; and in April 2019, GE Appliances expanded its workforce and increased capacity at its Louisville, Kentucky facility.¹²⁴ In April 2024, GE Appliances also introduced a new line of top load washing machines.¹²⁵

Subject imports' share of apparent U.S. consumption was *** percent in 2023, up from *** percent in 2017.¹²⁶ According to Whirlpool, Electrolux remains the primary importer of washers from Mexico, as during the first reviews.¹²⁷ Nonsubject imports' share of apparent U.S.

¹¹⁸ First Reviews, USITC Pub. 4882 at 34.

¹¹⁹ Confidential First Reviews at 53. In contrast, nonsubject imports accounted for *** percent of apparent U.S. consumption in the last year of the POI (2011). CR/PR at Table I-7. Thus, the nonsubject imports share of apparent U.S. consumption increased *** percentage points from 2011 to 2017. *Id.*

¹²⁰ CR/PR at Table I-7.

¹²¹ CR/PR at Table I-7. Domestic industry market share in 2023 is likely understated relative to that in the prior proceedings because domestic industry data coverage is much lower in this review, in which the only responding domestic producer accounted for *** percent of domestic production of LRWs in 2023, than in the original investigations and first reviews, when responding domestic producers accounted for virtually all domestic production of LRWs. *Id.* at I-17.

¹²² CR/PR at I-17.

¹²³ CR/PR at Table I-4.

¹²⁴ CR/PR at Table I-4.

¹²⁵ CR/PR at Table I-4.

¹²⁶ CR/PR at Table I-7. Subject import market share is likely overstated relative to that in the prior proceedings due to the lower domestic industry data coverage in this review as compared to the prior proceedings, as discussed above.

¹²⁷ Whirlpool's NOI Response at 12-13.

consumption was *** percent in 2023, up from *** percent in 2017.¹²⁸ The primary sources of nonsubject imports in 2023 were Thailand, China, and Vietnam.¹²⁹

Additionally, although U.S. purchaser ***, it reported that current supply conditions are ***.¹³⁰

3. Market Dynamics

Original Investigations. The Commission found that in typical sales negotiations between suppliers and retailers, suppliers proposed a minimum advertised price (“MAP”) for each model offered and then negotiated a profit margin for the retailer consisting of the difference between the MAPs and the retailer’s acquisition cost.¹³¹ Retailers decided which models to purchase based on factors including brand, margins, profitability, quality, and retail prices, and allocated the limited floor space at their retail establishments on the basis of consumer demand and the relative profitability of individual units.¹³²

The Commission also found that discounting was prevalent in the LRW market, particularly during holiday promotions such as Black Friday, with most responding purchasers reporting that the volume of LRW sales made at promotional prices increased during the POI, and that over 75 percent or over 90 percent of their sales were made at promotional prices in 2011.¹³³ Noting that there were two main categories of discounts, the Commission explained that direct discounts were discounts tied to the specific product being sold, while indirect discounts were discounts tied to some broad performance measure or volume discounts based on multiple product lines.¹³⁴ Responding purchasers reported that LG and Samsung offered larger discounts than GE or Whirlpool.¹³⁵

The Commission then found that ***,¹³⁶ ***,¹³⁷ ***,¹³⁸

¹²⁸ CR/PR at Table I-7. Nonsubject import market share is likely overstated relative to that in the prior proceedings due to the lower domestic industry data coverage in this review as compared to the prior proceedings, as discussed above.

¹²⁹ Official Import Statistics – Nonsubject Sources, EDIS Doc. 824639 (June 27, 2024).

¹³⁰ CR/PR at D-3.

¹³¹ Original Determinations at 20-21.

¹³² Original Determinations at 21.

¹³³ Original Determinations at 21-22.

¹³⁴ Original Determinations at 22.

¹³⁵ Original Determinations at 22.

¹³⁶ Confidential Original Determinations at 37.

¹³⁷ Confidential Original Determinations at 38.

¹³⁸ Confidential Original Determinations at 38.

First Reviews. During the first reviews, the Commission found that most washers were sold by domestic producers and importers to the four largest retailers—Best Buy, Home Depot, Lowe’s, and Sears—and most retailers purchased washers through direct negotiations with suppliers.¹³⁹ Typical negotiations between LRW suppliers and retailers revolved around prices and margins.¹⁴⁰ Responding domestic producers and importers reported offering purchasers a wide range of discounts, categorized as either direct (tied to a specific product) or indirect (tied to broad performance measures of multiple products), with promotional discounts provided during holidays such as President’s Day and Black Friday (the day after Thanksgiving).¹⁴¹

The Commission also found that retailer flooring decisions were an important factor driving sales of washers.¹⁴² Retailers sought to display an assortment of models and brands at a range of price points to serve a wide variety of customers.¹⁴³ Most responding purchasers that allocated floor space to a range of LRW models reported doing so on the basis of price, profit margin, and factors related to consumer demand.¹⁴⁴ Most responding purchasers reported that wholesale pricing, including discounts and promotions, were important in deciding to allocate a given floor spot to one LRW model over another.¹⁴⁵

Current Review. There is no new information or argument on the record of this review indicating that the market dynamics pertaining to washers have changed since the last reviews.

4. Substitutability and Other Conditions

Original Investigations. The Commission found a moderately high degree of substitutability between subject imports and domestically produced washers, and that price was an important factor in the U.S. LRW market, although non-price factors were also important.¹⁴⁶ As the Commission explained, both the price-based nature of negotiations between suppliers and retailers and the prevalence of discounting underscored the importance of price in the U.S. market.¹⁴⁷ The Commission also found that subject imports and domestically produced washers were comparable with respect to non-price factors, including “fit, feel, and

¹³⁹ First Reviews, USITC Pub. 4882 at 34-35.

¹⁴⁰ First Reviews, USITC Pub. 4882 at 35.

¹⁴¹ First Reviews, USITC Pub. 4882 at 35.

¹⁴² First Reviews, USITC Pub. 4882 at 35.

¹⁴³ First Reviews, USITC Pub. 4882 at 35.

¹⁴⁴ First Reviews, USITC Pub. 4882 at 35.

¹⁴⁵ First Reviews, USITC Pub. 4882 at 35.

¹⁴⁶ Original Determinations at 23.

¹⁴⁷ Original Determinations at 24.

finish” and innovation, based on purchaser responses, Consumer Reports rankings, and the hearing testimony of a witness from Home Depot, a large purchaser of washers that otherwise opposed the imposition of duties.¹⁴⁸

Finally, the Commission found that domestically produced top load washers with a capacity of less than 3.7 cubic feet—which are not in-scope but are included in the Commission’s definition of the domestic like product—were not shielded from competition from subject import competition to a significant degree, based on its definition of the domestic like product, Whirlpool’s production of HETL washers with a capacity of less than 3.7 cubic feet, and consumer cross-shopping of CTL washers with HETL and HEFL washers.¹⁴⁹ The Commission also found that the prices of subject imports affected sales of all domestically produced washers, including CTL washers, with HETL washers capturing market share from CTL washers as they expanded into lower price points.¹⁵⁰ Witnesses from Whirlpool and Home Depot had stated at the hearing that discounts on more fully featured washers compelled price reductions on less featured models through “price compression,” and responding purchasers reported that the availability of a highly featured LRW at a low price affects the sales of less highly featured washers.¹⁵¹

First Reviews. The Commission found a moderately high degree of substitutability between subject imports and domestically produced washers.¹⁵² It also found that price was an important factor in purchasing decisions for washers, although non-price factors were also important.¹⁵³ Responding purchasers indicated that availability, reliability of supply, product consistency, and price were the most important factors influencing their LRW purchasing decisions.¹⁵⁴ The Commission also found that domestic producer and importer pricing practices and the prevalence of discounting were further evidence supporting the conclusion that price was an important factor in the LRW market.¹⁵⁵ Other information on the record indicated that domestically produced washers were comparable to imported washers in terms of non-price

¹⁴⁸ Original Determinations at 24-25.

¹⁴⁹ Original Determinations at 26.

¹⁵⁰ Original Determinations at 26.

¹⁵¹ Original Determinations at 26.

¹⁵² First Reviews, USITC Pub. 4882 at 35. Although the Commission characterized the degree of substitutability as “moderate to high” in conditions of competition, the Commission elsewhere clarified that it was finding the same “moderately high” degree of substitutability as was found in the original investigations. *See id.* at 18, 52.

¹⁵³ First Reviews, USITC Pub. 4882 at 35.

¹⁵⁴ First Reviews, USITC Pub. 4882 at 35-36.

¹⁵⁵ First Reviews, USITC Pub. 4882 at 36.

factors, including information concerning the innovations introduced by Whirlpool, GE, LG, and Samsung, and rankings in independent publications.¹⁵⁶

The Commission found that differences in product mix had not significantly attenuated competition between subject imports and domestically produced washers.¹⁵⁷ It recognized that front load washers represented a relatively higher proportion of subject imports, that agitator-based top load washers represented *** of domestic industry shipments but *** subject imports, and that all washers from Mexico were ***, whereas domestically produced washers were ***.¹⁵⁸ As the Commission explained, however, domestically produced washers and subject imports of the same type competed directly and there was also competition between domestic and subject washers of different types, insofar as they were cross-shopped by consumers, and between belt-driven and direct drive washers.¹⁵⁹

The Commission also took into consideration the safeguard measure proclaimed on January 23, 2018.¹⁶⁰ Finally, the Commission noted that the domestic industry incurred increased raw material costs towards the end of the period of review due to the tariffs imposed on March 22, 2018, on steel and aluminum under section 232, and on June 20 and September 21, 2018, on certain components imported from China under section 301.¹⁶¹

Current Review. The record in this five-year review contains no new information to indicate that the degree of substitutability between the domestic like product and subject imports, or the importance of price in purchasing decisions, have changed since the last reviews. Based on the available information in this expedited review, we again find that there is a moderately high degree of substitutability between subject imports and the domestic like product, and that price remains an important factor in purchasing decisions, along with non-price factors.

U.S. imports of washers, including washers from Mexico, were subject to a global safeguard measure under section 203 of the Trade Act of 1974 effective February 7, 2018, consisting of a TRQ with an in-quota volume of 1.2 million units (allocated on a quarterly basis

¹⁵⁶ First Reviews, USITC Pub. 4882 at 36.

¹⁵⁷ First Reviews, USITC Pub. 4882 at 36-37.

¹⁵⁸ Confidential First Reviews at 59.

¹⁵⁹ First Reviews, USITC Pub. 4882 at 36-37.

¹⁶⁰ First Reviews, USITC Pub. 4882 at 37-38.

¹⁶¹ First Reviews, USITC Pub. 4882 at 38.

beginning in February 2020).¹⁶² During the first year of the measure, the in-quota tariff rate was 20 percent and the above-quota tariff rate was 50 percent, but these rates were gradually reduced on an annual basis until by the last year of the measure, from February 8, 2022 through February 7, 2023, the in-quota tariff rate was 14 percent and the above-quota tariff rate was 30 percent.¹⁶³ The safeguard measure terminated on February 7, 2023.¹⁶⁴

C. Likely Volume of Subject Imports

1. The Original Investigations

The Commission found that the volume and increase in volume of cumulated subject imports from South Korea and Mexico were significant, both in absolute terms and relative to apparent U.S. consumption and production, over the POI.¹⁶⁵ Finding that interim 2012 data were affected by the filing of the petition, the Commission relied principally on data from 2009

¹⁶² CR/PR at I-8 & n.29. In October 2017, pursuant to an investigation instituted under Section 201 of the Trade Act of 1974 (“Section 201”), the Commission determined that LRWs were being imported into the United States in such increased quantities as to be a substantial cause of serious injury to a domestic industry and provided a report containing its serious injury findings and remedy recommendations to the President in December 2017. *LRWs Safeguard*, USITC Pub. 4745 (Dec. 2017). Subsequently, on January 23, 2018, pursuant to Section 203 of the Trade Act of 1974, the President issued Proclamation 9694 providing for annual TRQs for LRWs and certain covered parts, effective February 7, 2018, which would terminate after three years and one day. *Proclamation 9694 to Facilitate Positive Adjustment to Competition from Imports of Large Residential Washers*, 83 Fed. Reg. 3553 (Jan. 23, 2018). On January 23, 2020, the President modified the TRQs’ quantitative limitations by allocating the within-quota quantities for the quota year on a quarterly basis, effective February 7, 2020. *Proclamation 9979*, 85 Fed. Reg. 5125 (Jan. 28, 2020). In December 2020, following receipt of a petition requesting extension of the safeguard measure, the Commission determined that action with respect to imports of LRWs continued to be necessary to prevent or remedy serious injury and that there was evidence that the domestic LRW industry was making a positive adjustment to import competition. *Large Residential Washers: Extension of Action*, Inv. No. TA-201-76 (Extension), USITC Pub. 5144 (Dec. 2020) at 1. Subsequently, on January 14, 2021, the President issued Proclamation 10133, extending the safeguard measures on LRWs for two years, through February 7, 2023. *Proclamation 10133*, 86 Fed. Reg. 6541 (Jan. 21, 2021); CR/PR at I-8 n.29.

¹⁶³ CR/PR at I-8; *Proclamation 10133*, 86 Fed. Reg. 6541 (Jan. 21, 2021).

¹⁶⁴ CR/PR at I-8. Following termination, the Commission conducted an investigation evaluating the effectiveness of the relief action imposed by the President on imports of large residential washers and parts thereof under section 203 of the Act. *Evaluation Report*, USITC Pub. 5453 (Aug. 2023) at 1.

¹⁶⁵ Original Determinations at 29-30.

to 2011.¹⁶⁶ Cumulated subject import volume increased irregularly from *** units in 2009, equivalent to *** percent of apparent U.S. consumption, to *** units in 2011, equivalent to *** percent of apparent U.S. consumption.¹⁶⁷ The ratio of subject imports to domestic industry production also increased irregularly from *** percent in 2009 to *** percent in 2011.¹⁶⁸

The Commission also found that subject imports significantly increased their penetration of the HETL and HEFL washer segments, which were important to Whirlpool's profitability and viability, at the direct expense of the domestic industry.¹⁶⁹ Specifically, the Commission found that the domestic industry's ability to compensate for declining sales of CTL washers with increased sales of HETL washers was compromised by subject imports, as they captured *** percentage points of market share from the domestic industry in the HETL segment between 2009 and 2011.¹⁷⁰

The Commission further found that subject imports significantly increased their penetration of the HEFL washer market, from *** percent in 2009 to *** percent in 2011, resulting in a *** percentage point increase in the subject imports' market share in the segment.¹⁷¹ The Commission found this market share loss significant because subject import competition contributed to Bosch's decision to close its U.S. HEFL washer plant in May 2011 and because the elevated subject import market share contributed to Whirlpool's inability to capitalize on its \$100 million investment to shift HEFL production from Germany and Mexico to the United States.¹⁷²

2. The First Reviews

The Commission found that subject import volume was likely to increase significantly and would be significant if the order on washers from Mexico were revoked.¹⁷³ Specifically, the

¹⁶⁶ Original Determinations at 30 & n.240. The Commission exercised its discretion to discount data from the interim 2012 period on finding that the petition's filing contributed significantly to the domestic industry's improved performance in interim 2012, by helping the industry realize a price increase and by reducing the volume of subject imports from Korea in interim 2012. *Id.* at 30 n.240.

¹⁶⁷ Confidential Original Determinations at 52.

¹⁶⁸ Confidential Original Determinations at 52.

¹⁶⁹ Original Determinations at 31-32.

¹⁷⁰ Confidential Original Determinations at 54-55.

¹⁷¹ Confidential Original Determinations at 55-56. Further, the Commission found that the domestic industry's U.S. shipments of HEFL washers as a share of apparent U.S. consumption of HEFL washers declined from *** percent in 2009 to *** percent in 2010 before increasing to *** percent in 2011, a level *** percentage points lower than in 2009. *Id.* at 56.

¹⁷² Original Determinations at 33-34.

¹⁷³ First Reviews, USITC Pub. 4882 at 50, 52.

Commission found that subject imports from Mexico had maintained a significant presence in the U.S. market throughout the period of review.¹⁷⁴ Although the subject industry's capacity had declined during the period of review, as its rate of capacity utilization increased irregularly, the Commission found that Mexican producers—specifically Electrolux—were likely to use their substantial excess capacity to significantly increase exports to the U.S. market if the order were revoked.¹⁷⁵ In this regard, *** had demonstrated a continued interest in serving the U.S. market, having accounted for all subject imports from Mexico since 2012, and maintained ongoing relationships with U.S. customers.¹⁷⁶ The Commission also found that the safeguard measure on imports of certain washers would not be an impediment or disincentive to Electrolux's exports from Mexico to the U.S. market because ***.¹⁷⁷

3. The Current Review

Subject imports maintained a substantial presence in the U.S. market throughout the period of review.¹⁷⁸ They declined irregularly during the period of review, declining from 320,647 units in 2018 to 261,108 units in 2019, 239,324 units in 2020, and 233,814 units in 2021, before increasing to 245,721 units in 2022 and 290,945 units in 2023, a level 9.3 percent lower than in 2018.¹⁷⁹ Subject imports accounted for *** percent of the apparent U.S. consumption in 2023.¹⁸⁰

The record in this five-year review contains limited information on the LRW industry in Mexico. The information available indicates that subject producers have the means to export significant volumes of subject merchandise to the U.S. market if the order were revoked. Whirlpool provided a list of six possible producers of washers in Mexico.¹⁸¹

The information available indicates that the subject industry possessed substantial capacity during this second period of review. The Mexican industry possessed capacity of *** units in 2017, with a capacity utilization rate of *** percent, and no major developments in the Mexican industry have been reported since the last reviews.¹⁸²

¹⁷⁴ First Reviews, USITC Pub. 4882 at 50.

¹⁷⁵ First Reviews, USITC Pub. 4882 at 50-52.

¹⁷⁶ Confidential First Reviews at 84.

¹⁷⁷ Confidential First Reviews at 84.

¹⁷⁸ CR/PR at Table I-6.

¹⁷⁹ CR/PR at Table I-6.

¹⁸⁰ CR/PR at Table I-7.

¹⁸¹ Whirlpool's NOI Response at 9, 11; CR/PR at I-24.

¹⁸² CR/PR at I-25, Table I-8. Whirlpool's Mexican operations alone, which do not export to the United States, possessed a capacity of *** units in 2023, with a capacity utilization rate of *** percent.

The information available also indicates that the subject industry remains a large exporter. Global Trade Atlas (“GTA”) data covering Mexican exports of merchandise under Harmonized Schedule (“HS”) subheading 8450.20, which includes washers and out-of-scope products, shows that the value of such exports decreased irregularly from \$312.2 million in 2018 to \$185.3 million in 2023.¹⁸³ Mexico was the sixth largest global exporter of washers in 2023.¹⁸⁴

The information available also indicates that the U.S. market remains attractive to subject producers. Subject imports maintained a significant presence in the U.S. market during the POR, accounting for *** percent of apparent U.S. consumption in 2023, indicating that subject producers have maintained customers and distribution networks in the United States.¹⁸⁵ According to Whirlpool, Electrolux continues to serve the U.S. market with imports of washers from Mexico.¹⁸⁶ In addition, according to GTA data, the United States was the largest destination market for Mexican exports of washers by value throughout the POR, with exports to the United States accounting for 63.3 percent of Mexico’s total exports of washers in 2023.¹⁸⁷

Given the foregoing, including the significant and increasing volume and market share of subject imports during the original investigations and first reviews, the Mexican industry’s large capacity and exports, the fact that subject imports maintained a significant presence in the U.S. market during the POR, and the attractiveness of the U.S. market, we find that the volume of subject imports from Mexico would likely be significant, both in absolute terms and relative to consumption in the United States, if the order were revoked.¹⁸⁸

D. Likely Price Effects

1. The Original Investigations

The Commission found subject import underselling to be significant because subject imports undersold domestically produced washers in *** of *** quarterly comparisons, or *** percent of the time, at margins averaging *** percent.¹⁸⁹

¹⁸³ CR/PR at I-24 n.50, Table I-9.

¹⁸⁴ CR/PR at Table I-10.

¹⁸⁵ See CR/PR at Table I-9.

¹⁸⁶ Whirlpool’s NOI Response at 12-13.

¹⁸⁷ CR/PR at Table I-9.

¹⁸⁸ The record of this five-year review does not contain information concerning product shifting or inventories of subject merchandise. LRWs from Mexico are not subject to any known antidumping and countervailing duty measures in third country markets. CR/PR at I-26.

¹⁸⁹ Confidential Original Determinations at 60.

The Commission also found that pervasive subject import underselling depressed domestic like product prices to a significant degree.¹⁹⁰ It observed that domestic prices had declined on six of eleven pricing products, accounting for *** percent of reported sales volume.¹⁹¹ The Commission also found it significant that domestic prices declined on all four products covering HETL washers, notwithstanding the *** percent increase in apparent U.S. consumption of such washers.¹⁹² Even as to the four pricing products for which domestic prices increased, products that exclusively covered ***, the Commission found that ***.¹⁹³

The Commission further found that pervasive subject import underselling suppressed domestic like product price increases that otherwise would have occurred to a significant degree.¹⁹⁴ While it incurred increasing raw material costs, the domestic industry's ratio of cost of goods sold ("COGS") to net sales increased from *** percent in 2009 to *** percent in 2011, irrespective of demand trends.¹⁹⁵

The Commission found further support for its price suppression finding in an analysis of the HETL and HEFL washers segments, in which subject import competition was most intense.¹⁹⁶ Despite the *** percent increase in apparent U.S. consumption of HETL washers, the domestic industry's ratio of COGS to net sales with respect to HETL washers increased from *** percent in 2009 to *** percent in 2011, driven by a cost-price squeeze in the portion of the domestic industry that competed most directly with subject imports—*i.e.*, HETL washers with a capacity of 3.7 cubic feet or greater.¹⁹⁷

With respect to HEFL washers, the Commission found that the domestic industry's ratio of COGS to net sales increased from *** percent in 2009 to *** percent in 2011.¹⁹⁸ The Commission found it noteworthy that this ratio increased *** percentage points between 2009

¹⁹⁰ Original Determinations at 36.

¹⁹¹ Confidential Original Determinations at 61-62. The Commission rejected respondents' argument that the price declines largely reflected the influence of life cycle pricing, as domestically produced washers nearing the end of their life cycles were discounted. Original Determinations at 36 n.272. As the Commission explained, respondents' life cycle theory was contradicted by pricing data collected in the preliminary phase investigation that controlled for life cycle pricing, which was similar to the pricing data that did not control for life cycle pricing, and by other record evidence showing that producers would have little flexibility or reason to reduce a model's wholesale price on anything other than a temporary, promotional basis. *Id.*

¹⁹² Confidential Original Determinations at 62.

¹⁹³ Confidential Original Determinations at 62-63.

¹⁹⁴ Original Determinations at 37.

¹⁹⁵ Confidential Original Determinations at 63.

¹⁹⁶ Original Determinations at 38.

¹⁹⁷ Confidential Original Determinations at 64.

¹⁹⁸ Confidential Original Determinations at 64.

and 2010, to *** percent, notwithstanding a *** percent increase in apparent U.S. consumption of HEFL washers, as subject imports pervasively undersold the domestic like product and captured *** percentage points of market share from the domestic industry.¹⁹⁹ The Commission also found that the domestic industry's ratio of COGS to net sales was elevated in 2011 because low-priced subject import competition had ***, even as demand for HEFL washers in the same capacity range *** between 2009 and 2011.²⁰⁰

The Commission found additional evidence that low-priced subject imports adversely impacted domestic like product prices in the lost sales and revenue allegations confirmed by U.S. purchasers in the final phase of the investigations, totaling \$*** and \$***, respectively.²⁰¹ The Commission also noted that ***, resulting in lost revenue of \$*** over the lives of the respective contracts.²⁰² ***, the Commission found that price ***.²⁰³

2. The First Reviews

The Commission found that subject imports from Mexico were likely to undersell the domestic like product and to depress or suppress domestic like product prices to a significant degree after revocation of the order.²⁰⁴ Specifically, the Commission found that, if the order were revoked, Mexican producers—and Electrolux in particular—were likely to resume their underselling from the original investigation as a means of rapidly gaining market share, given the moderately high degree of substitutability between subject imports and the domestic like product and the importance of price to purchasing decisions.²⁰⁵ The Commission noted that Electrolux was well positioned to resume significant underselling after revocation because its CIM/belt-driven washers were excluded from the safeguard measure.²⁰⁶ Finally, the Commission found that low-priced subject imports from Mexico were likely to depress or suppress prices for the domestic like product by forcing domestic producers to either lower their prices and forego needed price increases or else lose retail flooring space and market share to subject imports.²⁰⁷

¹⁹⁹ Confidential Original Determinations at 64-65.

²⁰⁰ Confidential Original Determinations at 65.

²⁰¹ Confidential Original Determinations at 66.

²⁰² Confidential Original Determinations at 66-67.

²⁰³ Confidential Original Determinations at 66-67.

²⁰⁴ First Reviews, USITC Pub. 4882 at 52-54.

²⁰⁵ First Reviews, USITC Pub. 4882 at 52. The Commission noted that no pricing product data had been reported on sales of subject imports from Mexico during the period of review. *Id.*

²⁰⁶ First Reviews, USITC Pub. 4882 at 52.

²⁰⁷ First Reviews, USITC Pub. 4882 at 54.

3. The Current Review

As discussed in Section III.B.4 above, we have found that there is a moderately high degree of substitutability between subject imports and the domestic like product and that price is an important factor in purchasing decisions for washers, among other important factors.

The record in this five-year review does not contain new product-specific pricing information. Based on the available information, including the moderately high degree of substitutability between subject imports and the domestic like product and the importance of price in purchasing decisions, we find that if the order were revoked, significant volumes of subject imports would likely undersell the domestic like product to a significant degree, as during the original investigations. Absent the discipline of the order, the likely significant volume of low-priced subject imports would force the domestic industry to lower prices or forgo needed price increases, or else lose retail flooring space, sales, and market share to subject imports. Consequently, we find that subject imports would likely have significant price effects on the domestic like product if the order were revoked.

E. Likely Impact

1. The Original Investigations

The Commission found that the domestic industry's performance deteriorated between 2009 and 2011 according to most measures, including employment, U.S. shipments, market share, end-of-period inventory, and operating income, and that three U.S. washer facilities closed during the period.²⁰⁸ Although the domestic industry's capacity increased between 2009 and 2011, due to Whirlpool's decision to shift HEFL production to the United States and Bosch's and Electrolux's maintenance of domestic production facilities through 2011 before closing them, the industry's production and capacity utilization declined.²⁰⁹ While recognizing that the domestic industry's capital and research and development ("R&D") expenditures remained substantial during the period, the Commission observed that much of the increase in capital expenditures reflected investments by Whirlpool in HEFL washer production, which had generated substantial losses, and investments by GE in HETL and CTL production ***.²¹⁰

²⁰⁸ Confidential Original Determinations at 68-71.

²⁰⁹ Confidential Original Determinations at 68-69.

²¹⁰ Confidential Original Determinations at 71-72.

The Commission found a causal nexus between subject imports from Mexico and the domestic industry's deteriorating condition during the 2009 to 2011 period.²¹¹ It found that the significant increase in subject import volume captured *** percentage points of market share from the domestic industry and that significant subject import underselling had depressed and suppressed domestic like product prices to a significant degree.²¹² Low-priced subject import competition had also resulted in a significant volume and value of lost sales for the domestic industry.²¹³

The Commission rejected respondents' argument that subject import competition was significantly attenuated because a large proportion of domestic industry production consisted of CTL washers, of which there were no subject imports.²¹⁴ As the Commission explained, the proportion of the domestic industry's U.S. shipments competing directly with subject imports increased as CTL washers declined as a share of the industry's shipments from *** percent in 2009 to *** percent in 2011, due to a shift in consumer preferences in favor of HE washers.²¹⁵ Rather than improving the domestic industry's performance, however, the industry's shift from CTL washers to HETL and HEFL washers was accompanied by a significant decline in the profitability in both segments due to subject import competition, which largely drove the industry's overall losses.²¹⁶

The Commission also found that subject imports had a significant adverse impact on the domestic industry's sales of CTL washers, notwithstanding the absence of subject imported CTL washers.²¹⁷ In making this finding, the Commission referenced its findings that the U.S. market encompassed a continuum of washer products with substantial cross-shopping between different segments and that discounts on larger, more fully featured washers, such as HETL and HEFL washers, adversely affected sales volumes and prices of smaller, less fully featured washers, such as CTL washers.²¹⁸ Based on these market dynamics, the Commission found that low-priced subject import competition reduced demand for CTL washers and forced domestic producers to reduce prices and forego price increases on CTL washers as lower prices on HETL and HEFL washers compressed CTL washer prices.²¹⁹

²¹¹ Original Determinations at 42.

²¹² Confidential Original Determinations at 72-73.

²¹³ Original Determinations at 42.

²¹⁴ Original Determinations at 42.

²¹⁵ Confidential Original Determinations at 73-74.

²¹⁶ Confidential Original Determinations at 74-75.

²¹⁷ Original Determinations at 44.

²¹⁸ Original Determinations at 44.

²¹⁹ Original Determinations at 44-45.

The Commission considered whether there were other factors that may have adversely impacted the domestic industry to ensure that injury from such factors was not attributed to subject imports.²²⁰ It found that macroeconomic trends could not explain the domestic industry's weak performance because such trends have limited influence over washer demand, apparent U.S. consumption was flat, and demand shifted to what should have been more profitable HETL and HEFL washers with a capacity of 3.7 cubic feet or greater, such as Whirlpool's Alpha HEFL washers.²²¹ It also found that nonsubject imports had a declining presence in the U.S. market during the POI, with most consisting of Whirlpool's imports of HEFL washers from Germany, which ceased in July 2012.²²²

2. The First Reviews

The Commission found that the domestic industry was vulnerable to the continuation or recurrence of material injury, based on the domestic industry's weak rate of capacity utilization and poor financial performance throughout the period of review.²²³ The Commission also noted, in finding the industry to be vulnerable, that projections indicated demand growth would slow in the reasonably foreseeable future.²²⁴ In all, the Commission found that subject imports from Mexico would likely have a significant adverse impact on the domestic industry after revocation.²²⁵ Specifically, the Commission found that revocation of the order on subject imports from Mexico would likely result in a significant increase in subject import volume that would likely undersell the domestic like product, thereby depressing and/or suppressing domestic like product prices to a significant degree.²²⁶ Likewise, in light of Electrolux's *** on the U.S. market and the exclusion of its subject imports of CIM/belt drive washers from the safeguard measure, the Commission found that Electrolux would likely resume its underselling strategy from the original investigations in order to fill its substantial excess capacity in Mexico with significantly increased exports to the United States.²²⁷ The Commission found that if the order were revoked, the likely volume of subject imports from Mexico, coupled with their

²²⁰ Original Determinations at 45, 77.

²²¹ Original Determinations at 45.

²²² Original Determinations at 45.

²²³ First Reviews, USITC Pub. 4882 at 54.

²²⁴ First Reviews, USITC Pub. 4882 at 54.

²²⁵ First Reviews, USITC Pub. 4882 at 54.

²²⁶ First Reviews, USITC Pub. 4882 at 54.

²²⁷ Confidential First Reviews at 88.

adverse price effects, would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time.²²⁸

The Commission rejected Samsung's argument that subject imports from Mexico could not have been injurious because Whirlpool argued for Mexico to be excluded from the safeguard measure and submitted a changed circumstances request to Commerce seeking revocation of the antidumping duty order on washers from Mexico with respect to CIM/belt drive front load washers.²²⁹ As the Commission explained, the record demonstrated that subject imports of CIM/belt drive front load washers from Mexico competed with domestically produced washers, regardless of Whirlpool's arguments in the safeguard investigation and its changed circumstances request.²³⁰

For purposes of non-attribution, the Commission considered the role of subject imports from South Korea and nonsubject imports, primarily from China, Thailand, and Vietnam, which had maintained a substantial share of apparent U.S. consumption during the period of review.²³¹ The Commission noted its finding that subject imports from South Korea were unlikely to have an adverse impact on the domestic industry, as LG increasingly limited such imports and localized the production of 90 percent of its sales of washers in the U.S. market.²³² Likewise, the Commission found that nonsubject imports from Thailand and Vietnam were unlikely to weaken the causal nexus because LG and Samsung were likely to increasingly replace such imports with production at their U.S. plants, with no incentive to undersell their domestically produced washers.²³³ Finally, the Commission found that nonsubject imports from China were unlikely to weaken the causal nexus because such imports by LG and Samsung had declined to a low level since imposition of the antidumping duty order on washers from China and *** was likely to manage the volume and prices of its imports of *** washers from China, ***, so as not to injure its domestic LRW production.²³⁴

²²⁸ First Reviews, USITC Pub. 4882 at 54.

²²⁹ First Reviews, USITC Pub. 4882 at 54.

²³⁰ First Reviews, USITC Pub. 4882 at 54-55. The Commission also noted that Whirlpool's changed circumstances request was motivated by ***. Confidential First Reviews at 88-89.

²³¹ First Reviews, USITC Pub. 4882 at 55.

²³² First Reviews, USITC Pub. 4882 at 55.

²³³ First Reviews, USITC Pub. 4882 at 55-56.

²³⁴ Confidential First Reviews at 92.

3. The Current Review²³⁵

The record contains limited information concerning the domestic industry's performance since the prior five-year review of the subject order.

The information available indicates that the domestic industry's performance was generally weaker in terms of trade indicators and stronger in terms of financial indicators in 2023, as compared to its performance in the last years of the periods examined in the prior proceedings.²³⁶ Domestic industry performance in 2023 is likely understated relative to that in the prior proceedings because domestic industry data coverage is much lower in this review, in which the only responding domestic producer accounted for *** percent of domestic production of LRWs in 2023, than in the original investigations and first reviews, when responding domestic producers accounted for virtually all domestic production of LRWs.²³⁷ The domestic industry's capacity (at *** units) and production (at *** units) were lower in 2023 than in prior proceedings, while its capacity utilization (at *** percent) was higher than in 2011 but lower than in 2017.²³⁸

The average unit value ("AUV") of the domestic industry's U.S. shipments was higher in 2023 (at \$*** per unit) than in the prior proceedings.²³⁹ Conversely, the quantity of the domestic industry's U.S. shipments of washers (at *** units) and share of apparent U.S. consumption (at *** percent) were both lower than in the first reviews and in the original investigations.²⁴⁰ Lastly, the value of the domestic industry's U.S. shipments in 2023 was lower (at \$***) than in the prior proceedings.²⁴¹

²³⁵ In its expedited second five-year review of the antidumping duty order on LRWs from Mexico, Commerce determined that revocation of the order would result in the continuation or recurrence of dumping, with margins of up to 72.41 percent. *Large Residential Washers from Mexico: Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order*, 89 Fed. Reg. 59892 (July 24, 2024).

²³⁶ CR/PR at Table I-5.

²³⁷ CR/PR at I-17.

²³⁸ CR/PR at Table I-5. The domestic industry's capacity was *** units in 2011, and *** units in 2017. *Id.* The industry's production was *** units in 2011, and *** units in 2017. *Id.* The industry's capacity utilization was *** percent in 2011, and *** percent in 2017. *Id.*

²³⁹ CR/PR at Table I-5. U.S. producers' U.S. shipment AUV was \$*** per unit in 2011, and \$*** per unit in 2017. *Id.*

²⁴⁰ CR/PR at Table I-7. The domestic industry's U.S. shipments were *** units in 2011, and *** units in 2017. *Id.* The industry's share of apparent U.S. consumption was *** percent in 2011, and *** percent in 2017. *Id.*

²⁴¹ CR/PR at Table I-7. The value of the domestic industry's U.S. shipments was \$*** in 2011, and \$*** in 2017. *Id.*

The domestic industry's net sales value (at \$***) was lower in 2023 than in the prior proceedings.²⁴² However, the industry's operating income (at \$***) and operating income to net sales ratio (at *** percent) were higher in 2023 than in the prior proceedings.²⁴³ This limited information is insufficient for us to make a finding as to whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the order, particularly given that the domestic industry data coverage is much lower in this review than in the original investigations and first reviews.

Based on the information available on the record, we find that revocation of the order would likely result in a significant volume of subject imports that likely would undersell the domestic like product to a significant degree. Given the moderately high degree of substitutability between the domestic like product and subject imports 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 depress or suppress prices for the domestic like product to a significant degree. The likely significant volume of low-priced subject imports and their adverse price effects would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry, which, in turn, would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. We thus conclude that, if the order were revoked, subject imports from Mexico 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. Nonsubject imports have increased their presence in the U.S. market since the original investigations and last reviews, accounting for *** percent of apparent U.S. consumption in 2023 as compared to *** percent in 2017, and *** percent in

²⁴² CR/PR at Table I-5. The domestic industry's net sales value was \$*** in 2011, and \$*** in 2017. *Id.*

²⁴³ CR/PR at Table I-5. The domestic industry's operating income was *** in 2011, and *** in 2017. *Id.* The operating income to net sales ratio of the industry's U.S. producers was *** percent in 2011, and *** percent in 2017. *Id.*

2011.²⁴⁴ The record provides no indication, however, that the presence of nonsubject imports would prevent subject imports from Mexico from significantly increasing their presence in the U.S. market after revocation. In light of the moderately high degree of substitutability between subject imports and the domestic like product and the importance of price to purchasers, it is likely that the increase in low-priced subject imports would come at least in part at the expense of the domestic industry, as well as from nonsubject imports, and/or depress or suppress prices for the domestic like product. 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 adverse impact on the domestic industry.

We recognize that apparent U.S. consumption of washers was *** percent lower in 2023 than in 2017, the last year examined in the first five-year reviews.²⁴⁵ However, as noted in section III.B.1 above, the seemingly lower level of apparent U.S. consumption in 2023 as compared to 2017 is largely a function of the lower data coverage of the domestic industry in this review compared to the first reviews. Whirlpool reported that demand for washers has fluctuated upward since imposition of the order in 2013, and purchaser *** reported ***.²⁴⁶ AHAM data, submitted by Whirlpool, indicates that washer shipments have increased irregularly by 11.0 percent since the first reviews.²⁴⁷ *** reported anticipating ***.²⁴⁸ Even if demand were to weaken, given the moderately high degree of substitutability between subject imports and the domestic like product and the importance of price to purchasers, the significant volume of low-priced subject imports that is likely after revocation would exacerbate any effects of slowing demand on the domestic industry, by further reducing the industry's sales and placing additional downward pressure on domestic prices. Given these

²⁴⁴ CR/PR at Table I-7. The volume of nonsubject imports was 2.76 million units in 2023, as compared to *** units in 2017, and *** units in 2011. *Id.* Accordingly, the volume of nonsubject imports increased ***, *i.e.*, *** percent since the original investigations. Nonsubject import market share in 2023 is likely overstated relative to that in the prior proceedings because domestic industry data coverage is much lower in this review, in which the only responding domestic producer accounted for *** percent of domestic production of LRWs in 2023, than in the original investigations and first reviews, when responding domestic producers accounted for virtually all domestic production of LRWs. *Id.* at I-17.

²⁴⁵ CR/PR at Table I-7.

²⁴⁶ Whirlpool's NOI Response at 12; CR/PR at D-3.

²⁴⁷ Whirlpool's Supplemental Response at 3.

²⁴⁸ CR/PR at D-3.

considerations, we find that the likely effects attributable to subject imports are distinguishable from any likely effects of demand if the order were revoked.

IV. Conclusion

For all the foregoing reasons, we determine that revocation of the antidumping duty order on LRWs from Mexico 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 this review

Background

On April 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 a review to determine whether revocation of the antidumping duty order on large residential washers (“LRWs”) from Mexico would be likely to lead to 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

LRWs: Information relating to the background and schedule of this proceeding

Effective date	Action
April 1, 2024	Notice of initiation by Commerce (89 FR 22373, April 1, 2024)
April 1, 2024	Notice of institution by Commission (89 FR 22455, April 1, 2024)
July 5, 2024	Commission’s vote on adequacy
July 24, 2024	Commerce’s results of its expedited review (89 FR 59892, July 24, 2024)
October 4, 2024	Commission’s determination and views

¹ 19 U.S.C. 1675(c).

² 89 FR 22455, April 1, 2024. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of a five-year review of the subject antidumping duty order. 89 FR 22373, April 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 investigation and subsequent full first review are presented in app. C.

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

Responses to the Commission’s notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject review. It was filed on behalf of Whirlpool Corporation (“Whirlpool”), a U.S. producer of domestic like product (referred herein as the “domestic interested party”).⁵

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
LRWs: 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 2023 share of total U.S. production of the domestic like product as defined by the Commission in the original investigations and first reviews. Domestic interested party’s response to the notice of institution, May 1, 2024, attachment 1.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or full review from the domestic interested party. It requests that the Commission conduct an expedited review of the antidumping duty order on LRWs.⁶

⁵ In its response to the notice of institution, Whirlpool also provided certain operational data on behalf of its *** affiliate Whirlpool Mexico S.A. de C.V. (“Whirlpool Mexico”), a producer of LRWs in Mexico that accounted for an estimated *** percent of LRWs production in Mexico in 2023. Whirlpool noted, however, that it is not an importer of subject merchandise nor is its affiliate, Whirlpool Mexico, an exporter of LRWs to the United States. Whirlpool Mexico ceased LRWs exports to the United States in 2012 and has since dedicated its Mexican washer production to serving the Mexican market and certain non-U.S. export markets. Domestic interested party’s response to the notice of institution, May 1, 2024, pp. 10-11 and attachment 1; domestic interested party’s supplemental response to the notice of institution, May 29, 2024, p. 2.

⁶ Domestic interested party’s comments on adequacy, June 7, 2024, pp. 2-5.

The original investigations

The original investigations resulted from petitions filed on December 30, 2011 with Commerce and the Commission by Whirlpool Corporation, Benton Harbor, Michigan.⁷ On December 26, 2012, Commerce determined that imports of LRWs from South Korea were being sold at less than fair value (“LTFV”) and subsidized by the Government of South Korea⁸ and on December 27, 2012 it determined that imports of LRWs from Mexico were being sold at LTFV.⁹ The Commission determined on February 8, 2013 that the domestic industry was materially injured by reason of LTFV imports of LRWs from Mexico and South Korea and by subsidized imports of LRWs from South Korea.¹⁰ On February 15, 2013, Commerce issued its antidumping and countervailing duty orders with final weighted-average dumping margins ranging from 36.52 to 72.41 percent for Mexico and 9.29 to 82.41 percent for South Korea, and net subsidy rates ranging from 1.85 to 72.30 percent for South Korea.¹¹

The first five-year reviews

On April 9, 2018, the Commission determined that it would conduct full reviews of the antidumping and countervailing duty orders on LRWs from Mexico and South Korea.¹² On May 2, 2018, Commerce determined that revocation of the countervailing duty order on LRWs from South Korea would be likely to lead to continuation or recurrence of subsidization.¹³ On May 10, 2018, Commerce determined that revocation of the antidumping duty order on LRWs from Mexico would be likely to lead to continuation or recurrence of dumping.¹⁴ On October 18, 2018, Commerce determined that revocation of the antidumping duty order on LRWs from South Korea would be likely to lead to continuation or recurrence of dumping.¹⁵ On April 24, 2019, the Commission determined that revocation of the antidumping and countervailing duty

⁷ Certain Large Residential Washers from Korea and Mexico, Inv. Nos. 701-TA-488 and 731-TA-1199-1200 (Final), USITC Publication 4378, February 2013 (“Original publication”), p. I-1.

⁸ 77 FR 75975 and 75988, December 26, 2012.

⁹ 77 FR 76288, December 27, 2012.

¹⁰ 78 FR 10636, February 14, 2013.

¹¹ 78 FR 11148 and 11154, February 15, 2013.

¹² 83 FR 18347, April 26, 2018; Certain Large Residential Washers from Korea and Mexico, Inv. Nos. 701-TA-488 and 731-TA-1199-1200 (Review), USITC Publication 4882, April 2019 (“First review publication”), p. I-1.

¹³ 83 FR 19222, May 2, 2018.

¹⁴ 83 FR 21764, May 10, 2018.

¹⁵ 83 FR 52803, October 18, 2018.

orders on LRWs from South Korea would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time, and that revocation of the antidumping duty order on LRWs from Mexico would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁶ Following negative determinations from the Commission in the five-year reviews, effective February 15, 2018, Commerce revoked the antidumping and countervailing duty orders on imports of LRWs from South Korea.¹⁷ Following an affirmative determination in the five-year review by Commerce and the Commission, effective May 6, 2019, Commerce issued a continuation of the antidumping duty order on imports of LRWs from Mexico.¹⁸

Previous and related investigations

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

Table I-3
LRWs: Previous and related Commission proceedings and current status

Date	Number	Country	ITC original determination	Current status
2011	701-TA-488	South Korea	Affirmative	Order revoked after first review, effective 2/15/2018.
2011	731-TA-1199	South Korea	Affirmative	Order revoked after first review, effective 2/15/2018.
2015	731-TA-1306	China	Affirmative	Order continued after first review, effective 8/30/2022.
2017	TA-201-076	Global	---	President imposed safeguard measures in the form of tariffs and quotas. Safeguard measures expired effective 2/7/2023.

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.

Note: For additional information regarding Inv. No. TA-201-076, please see the "U.S. tariff treatment" section of this report.

¹⁶ 84 FR 18319, April 30, 2019.

¹⁷ 84 FR 19763, May 6, 2019.

¹⁸ 84 FR 19763, May 6, 2019.

Commerce's five-year review

Commerce announced that it would conduct an expedited review with respect to the order on imports of LRWs from Mexico with the intent of issuing the final results of this review based on the facts available not later than July 30, 2024.¹⁹ Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <https://access.trade.gov/public/FRNoticesListLayout.aspx> and subsequently on the Commission's Electronic Document Information System ("EDIS"). Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty order on imports of LRWs from Mexico are noted in the sections titled "The original investigation" and "U.S. imports," if applicable.

¹⁹ Letter from Jill E. Pollack, Senior Director, Office VII, Office of AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, U.S. International Trade Commission, May 22, 2024.

The product

Commerce's scope

Commerce has defined the scope as follows:

The products covered by the orders are all large residential washers and certain subassemblies thereof. For purposes of the orders, the term "large residential washers" denotes all automatic clothes washing machines, regardless of the orientation of the rotational axis, except as noted below, with a cabinet width (measured from its widest point) of at least 24.5 inches (62.23 cm) and no more than 32.0 inches (81.28 cm).

Also covered are certain subassemblies used in large residential washers, namely: (1) all assembled cabinets designed for use in large residential washers which incorporate, at a minimum: (a) At least three of the six cabinet surfaces; and (b) a bracket; (2) all assembled tubs²⁰ designed for use in large residential washers which incorporate, at a minimum: (a) a tub; and (b) a seal; (3) all assembled baskets²¹ designed for use in large residential washers which incorporate, at a minimum: (a) a side wrapper;²² (b) a base; and (c) a drive hub;²³ and (4) any combination of the foregoing subassemblies.

Excluded from the scope are stacked washer-dryers and commercial washers. The term "stacked washer-dryers" denotes distinct washing and drying machines that are built on a unitary frame and share a common console that controls both the washer and the dryer. The term "commercial washer" denotes an automatic clothes washing machine designed for the "pay per use" market meeting either of the following two definitions:

²⁰ A "tub" is the part of the washer designed to hold water.

²¹ A "basket" (sometimes referred to as a "drum") is the part of the washer designed to hold clothing or other fabrics.

²² A "side wrapper" is the cylindrical part of the basket that actually holds the clothing or other fabrics.

²³ A "drive hub" is the hub at the center of the base that bears the load from the motor.

(1) (a) It contains payment system electronics;²⁴ (b) it is configured with an externally mounted steel frame at least six inches high that is designed to house a coin/token operated payment system (whether or not the actual coin/ token operated payment system is installed at the time of importation); (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners;²⁵ or

(2) (a) it contains payment system electronics; (b) the payment system electronics are enabled (whether or not the payment acceptance device has been installed at the time of importation) such that, in normal operation,²⁶ the unit cannot begin a wash cycle without first receiving a signal from a bona fide payment acceptance device such as an electronic credit card reader; (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners.

Also excluded from the scope are automatic clothes washing machines with a vertical rotational axis and a rated capacity of less than 3.70 cubic feet, as certified to the U.S. Department of Energy pursuant to 10 CFR 429.12 and 10 CFR 429.20, and in accordance with the test procedures established in 10 CFR part 430.²⁷

²⁴ “Payment system electronics” denotes a circuit board designed to receive signals from a payment acceptance device and to display payment amount, selected settings, and cycle status. Such electronics also capture cycles and payment history and provide for transmission to a reader.

²⁵ A “security fastener” is a screw with a nonstandard head that requires a non-standard driver. Examples include those with a pin in the center of the head as a “center pin reject” feature to prevent standard Allen wrenches or Torx drivers from working.

²⁶ “Normal operation” refers to the operating mode(s) available to end users (i.e., not a mode designed for testing or repair by a technician).

²⁷ 84 FR 19763, May 6, 2019.

U.S. tariff treatment

LRWs are currently provided for in the Harmonized Tariff Schedule of the United States (“HTS”) subheading 8450.20.00 and imported under HTS statistical reporting numbers 8450.20.0040 and 8450.20.0080.²⁸ The general rate of duty for subheading 8450.20.00 is 1 percent ad valorem. Particular LRWs are provided for in HTS subheading 8450.11.00, which has a general duty rate of 1.4 percent ad valorem. Parts and subassemblies of LRWs are currently provided for in HTS subheading 8450.90, in subheading 8450.90.20 (tubs and tub assemblies) and subheading 8460.90.60 (other parts). The general rate of duty for subheadings 8450.90.20 and 8450.90.60 is 2.6 percent ad valorem. Originating goods of Mexico are eligible for duty-free entry under all of these subheadings pursuant to the United States-Mexico-Canada Agreement, as set forth in HTS general note 11. During the current review period, LRWs and parts and subassemblies of LRWs were subject to a safeguard measure that went into effect on February 7, 2018, and after one extension, terminated on February 7, 2023.²⁹ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

²⁸ HTS subheading 8450.20.00 describes the article as: “Household- or laundry-type washing machines, including machines which both wash and dry; parts thereof: Machines, each of a dry linen capacity exceeding 10 kg.” Harmonized Tariff Schedule of the United States (2024).

²⁹ Under the safeguard measure, imports of LRWs in excess of 1.2 million units annually were to be subject to an additional tariff of 50 percent in the first year, 45 percent in the second year, and 40 percent in the third year, with an in-quota tariff of 20 percent in the first year, 18 percent in the second year, and 16 percent in the third year. With respect to covered parts, imports in excess of 50,000 units were to be subject to an additional tariff of 50 percent in the first year, imports in excess of 70,000 units were to be subject to a tariff of 45 percent in the second year, and imports in excess of 90,000 units were to be subject to a tariff of 40 percent in the third year, while no additional duty would apply to goods within the in-quota quantity. Subsequently, following the Commission’s monitoring report on the safeguard measure, the President issued Presidential Proclamation 9979 on January 23, 2020, modifying the tariff rate quota (“TRQ”) for LRWs for the third quota year by allocating, on a quarterly basis, within-quota quantities of 300,000 washers per quarter, beginning February 7, 2020. Following the Commission’s extension report on the safeguard measure, the President continued the TRQs for two additional years but with lower tariffs in each year. Subsequently, imports of LRWs in excess of 1.2 million units annually were to be subject to an additional tariff of 35 percent in the fourth year and 30 percent in the fifth year. With respect to covered parts, imports in excess of 110,000 units were to be subject to an additional tariff of 35 percent in the fourth year and imports in excess of 130,000 units were to be subject to an additional tariff of 30 percent in the fifth year. Large Residential Washers: Evaluation of the Effectiveness of Import Relief, Investigation No. TA-201-076 (Evaluation), USITC Publication 5453, August 2023, pp. I-31-I-32.

Description and uses³⁰

LRWs are home appliances that remove soil from fabric, using water and detergent as the principal cleaning agents. All units feature wash, rinse, and spin cycles; have a cabinet width of at least 24.5 inches (62.23 cm) and no more than 32.0 inches (81.28 cm); and feature a rotational axis that is either vertical or horizontal. Excluded from the scope are automatic clothes washing machines with a vertical rotational axis and a rated capacity of less than 3.70 cubic feet. All LRWs feature a metal drum or basket into which laundry is loaded, a plastic tub that holds water, a motor, a pump, and a user interface and control unit to set wash cycles. Single-family households are the principal consumers of LRWs.

Configurations of LRWs in the U.S. market

In the U.S. market, LRWs are currently typically produced and sold in two configurations, either with a vertical axis, generally referred to as “top load” LRWs, or with a horizontal axis, generally referred to as “front load” LRWs. The primary distinctions between these configurations of LRWs are based on the location of the loading door, the orientation of the axis, and the cleaning mechanics. Both configurations can be equipped with various features, for instance, water heaters, different washing cycles, steam cleaning capabilities, and cabinet finishing. A general description of these LRW configurations follows.

Top load LRWs

A top load LRW features a top loading door for loading clothes and contains a basket that spins on a vertical axis (see figure I-1). Top load LRWs come equipped with a broad array of product features and are sold at a wide range of price points. The cleaning mechanics of a top load LRW consist of laundry being loaded into a basket that spins on a vertical axis. To further facilitate a cleaning motion, an agitator or impeller is placed in the center of the basket (see figure I-2). The difference between these two cleaning technologies is explained further below.

³⁰ Unless otherwise noted, this information is based on first review publication, pp. I-24-I-31.

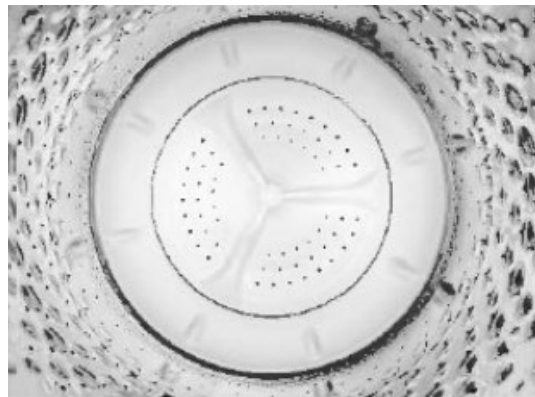
Figure I-1
LRWs: Top load washers



Source: First review publication, p. I-25, figure I-2.

Note: The washer on the left is more likely to contain an “agitator” as its means of moving clothes, water, and detergent around the basket whereas the washer on the right is more likely to contain an “impeller.”

Figure I-2
LRWs: An example of an agitator and an impeller



Source: First review publication, p. I-26, figure I-3.

Note: An agitator (left). An impeller (right).

Agitator

An agitator is a center post that projects from the bottom of the wash basket and is equipped with fins or vanes that create a washing action by rotating back and forth. When a top load LRW with an agitator is set to clean a load of clothes, it first fills its tub with water and then creates the back and forth washing motion through the use of its agitator. The force of the agitator and its motion tend to treat fabrics more harshly than LRWs with impellers, because the agitator often twists and tangles clothes. LRWs with agitators tend to use more water and result in more energy being used to clean and dry a load than LRWs with impellers. Specifically, the agitator needs more water to operate effectively and generally spins clothes more slowly during the spin cycle, requiring longer use of a dryer and thus resulting in higher overall energy consumption. Because of the higher water and electricity consumption used by LRWs with an agitator, they are less likely to meet energy standards for “high-efficiency” or meet the Energy Star standard, although some agitator-based LRWs have qualified for Energy Star certification. LRWs with an agitator generally occupy the “value” segment of the market at lower price points. In anticipation of the more stringent energy efficiency standards that took effect on March 7, 2015 (discussed in more detail and in table I-4 below), Whirlpool redesigned its agitator-based top load LRWs to utilize shallow fill technology and HE agitators (or “agi-pellers”), which combine aspects of agitators and impellers.

Impeller

An impeller is a somewhat flat, rotating hub which does not contain a center post. It creates washing motion by rotating and creating currents in the water. Due to the lack of a center post, impellers occupy less space in the basket; consequently, top load LRWs with impellers generally have higher capacities than agitator-based LRWs.

During the cleaning cycle of a top load LRW with an impeller, the tub fills only partly with water. Because so little water is used in the tub, a special detergent designated “HE” must be used. The HE detergent is formulated to create fewer suds, thereby minimizing the water necessary to rinse. Top load LRWs with an impeller also spin at higher speeds than top load LRWs with an agitator, thereby extracting more water before clothes go into the dryer, and thus reducing overall energy consumption. Because of the lower water and electricity consumption, many LRWs with an impeller qualified as “high efficiency” and were Energy Star

certified under the energy efficiency standards prior to March 7, 2015. These LRWs have continued to be more likely to meet progressively stringent energy efficiency standards.³¹

Front Load LRWs

Front load LRWs feature a front-loading door for loading clothes and a drum that spins on a horizontal axis (see figure I-3). Front load LRWs are typically positioned at the premium end of the LRW market in terms of price and performance. They often come equipped with a broad variety of product features. The drums of front load LRWs fill only partly with water and clean clothes through a process of lifting them to the top of the tub and dropping them into the water by a “baffle” and using the centrifugal force of the spinning drum. Front load LRWs generally consume the least amount of water during the wash cycle and feature the fastest spinning speeds of all types of LRWs. Very fast spin cycles mean better moisture extraction compared even with top load LRWs with an impeller, thereby reducing drying time and overall energy consumption. Because of the lower water and electricity consumption, all front load LRWs have qualified as “high efficiency” and have been Energy Star certified under each of the energy efficiency standards discussed below. Generally, front load LRWs work most effectively with low-foaming, HE detergent. Most front load LRW load capacities are roughly equivalent to top load LRWs with an impeller but tend to have higher load capacities than top load LRWs with an agitator. Although front load LRWs were known to develop mold and odors, causing some consumers to prefer top load washing machines, such problems have now been largely addressed by the industry.

³¹ Many, but not all, models meet these standards.

Figure I-3
LRWs: Front load washer



Source: First review publication, p. I-28, figure I-4.

Product features

Product features have become increasingly prevalent in the LRW marketplace and are seen by many manufacturers as a means of maintaining competitiveness. These features can include energy efficiency, capacity, appearance (color, cabinet finishing, decorative elements, etc.), and new innovations such as noise reduction and steam cleaning.³²

³² For more information on LRW features, see first review publication, pp. I-28-I-31.

Manufacturing process³³

Development of product platforms

Generally, the manufacture of LRWs begins with the design and production of a LRW “platform.” A platform is the basic frame from which multiple models are built with a variety of features. During the first reviews, all producers of LRWs, Whirlpool, GE, LG, and Samsung, reported using “platforms” to develop product models. Samsung and LG view platforms as encompassing a broad engineering design that may be developed around a research and design project. A platform would have certain parameters for items such as drive systems, size, and design structure. Thus, models produced within a platform may have a particular width, such as 28 inches, but with different features.

Similarly, during the first reviews, Whirlpool and GE reported that a platform is expected to last for an extended period of time, such as 10 to 20 years, or longer. A platform may be upgraded during its lifecycle, once every 2 to 3 years, and even 5 years. Samsung also reported, and LG agreed, that a platform likely will have a lifecycle of 5 to 30 years but may be upgraded every 2 to 5 years.

LRW manufacturers may have several platforms in operation at a given time. For example, Whirlpool has two to four platforms for its top load LRWs and one to two platforms for its front load LRWs. New platforms will overlap with the lifecycle of older platforms.

Development of product models and “stock keeping units” (“SKUs”)

A “model” is an LRW defined by various features or functionality. In the original investigations, Whirlpool, GE, LG, and Samsung agreed that a particular LRW model will typically have a lifecycle of 1-3 years.

Whirlpool, GE, LG, and Samsung also noted that terms “model” and “SKU” are generally synonymous. Whirlpool noted, however, that a model might have more than one SKU because that model is produced in more than one location or in different colors.

³³ Unless otherwise noted, this information is based on the first review publication, pp. I-31-I-35.

Production process

The LRW production process has three main stages: fabrication, subassembly, and assembly (figure I-4). The fabrication stage involves pressing and molding metal and plastic to form component pieces. The subassembly stage involves assembling or manufacturing pumps, transmission, and tub parts, and painting these parts. The assembly stage involves mounting the pump, transmission, and other subassembly components to form the finished unit. Finally, the finished LRW is packaged and labeled for shipping.³⁴

However, within this general process, manufacturing can differ according to levels of automation, the number of prefabricated components, and the scale of operations at a facility.³⁵

³⁴ Made How, “Washing Machine,” www.madehow.com/Volume-1/Washing-Machine.html, retrieved June 5, 2024.

³⁵ Whirlpool, Samsung, and LG USA have facilities located in Clyde, Ohio; Newberry, South Carolina; and Clarksville, Tennessee, respectively. For more details about the production processes of U.S. producers, see first review publication, pp. I-32-I-35.

Figure I-4
LRWs: Production processes for LRWs

Operations in the plant

- Materials receiving
- Cabinet forming
- Fabrication support: blanking, stamping, and forging of metal; and machining of metal bar stock
- Plastics forming



LRW modules

- Cabinetry
- Drive system
- Wash system
- Control system
- Exterior features
- Interior features
- Literature
- Labels
- Packaging



Assembly line



Finished LRW ready for shipping

Source: First review publication, p. I-33, figure I-5.

The industry in the United States

U.S. producers

During the final phase of the original investigation, the Commission received U.S. producer questionnaires from six U.S. producers accounting for virtually all U.S. production of LRWs during the period of investigation.³⁶ During the first five-year review, the Commission received U.S. producer questionnaires from five U.S. producers of washers that are believed to have accounted for virtually all domestic production of LRWs in 2017.³⁷

In response to the Commission's notice of institution in this current review, the domestic interested party provided a list of six known and currently operating U.S. producers of washers.³⁸ The sole responding firm providing U.S. industry data in response to the Commission's notice of institution in this review estimated that it accounted for approximately *** percent of production of washers in the United States during 2023.³⁹

Recent developments

Table I-4 presents events in the U.S. industry since the Commission's last five-year reviews.⁴⁰

³⁶ Original publication, pp. 3, I-3, and III-1.

³⁷ First review publication, pp. I-17 and III-1.

³⁸ Domestic interested party's response to the notice of institution, May 1, 2024, p. 10 and attachment 1.

³⁹ Domestic interested party's response to the notice of institution, May 1, 2024, attachment 1.

⁴⁰ For recent developments, if any, in tariff treatment, please see "U.S. tariff treatment" section.

Table I-4**LRWs: Recent developments in the U.S. industry**

Item	Firm	Event
Plant opening	Samsung	January 12, 2018 – Began producing LRWs and other appliances at a \$380 million facility in Newberry, SC.
Expansion	Whirlpool	January 23, 2018 – Added 200 employees to Clyde, OH plant.
Expansion	Samsung	March 19, 2018 – Expanded facility to over 600-thousand square-feet and opened second production line in Newberry, SC.
Plant opening	Samsung	January 23, 2019 – Added a 200-thousand square-foot facility for injection molding work in Newberry, SC.
Plant opening	LG	Spring 2019 – Opened first U.S. plant – a \$360 million facility for the production of washing machines and other appliances – in Clarkesville, TN.
Expansion	LG	April 14, 2019 – Announced \$20.5 million investment to expand operations and hire 344 more employees in Clarkesville, TN.
Expansion	GE Appliances	April 14, 2019 – Expanded employment by 255 to 1,300 positions and increased capacity with \$115 million investment in Louisville, KY.
Expansion	Samsung	August 2019 – Completed 280-thousand square-foot expansion of on-site warehouse in Newberry, SC to manage outbound shipments.
Expansion	LG	August 2020 – Increased Clarkesville, TN production, reaching one million washing machines.
Expansion	LG	April 2021 – Announced additional investment of \$20.5 million to expand annual capacity to one million front and top load washers in Clarkesville, TN.
Expansion	GE Appliances	April 2024 – Introduced a line of top load washing machines under the GE and Hotpoint brands that significantly increase the effectiveness of cold water washing.

Source: Upstate Business Journal, “Samsung Launches,”

<https://upstatebusinessjournal.com/manufacturing/samsung-launches-commercial-production-380-million-newberry-county-plant/>; Freemont News Messenger, “New Import Tariffs Bring 200 Jobs, January 23, 2018 <https://www.thenews-messenger.com/story/money/companies/locally-in-business/2018/01/23/new-import-tariffs-bring-200-jobs-clyde-whirlpool/1056903001/>; AP website, “Samsung Launches,” March 19, 2018, <https://apnews.com/general-news-e77dd90013e043ce93b68fd1d96733a1>; GE Appliances website, “GE Decatur,” April 14, 2019, <https://pressroom.geappliances.com/news/ge-appliances-decatur-plant-is-assembly-magazines-plant-of-the-year>; GE website, “GE Annual Report,” https://www.annualreports.com/HostedData/AnnualReportArchive/g/NYSE_GE_2018.pdf; LG website, “LG Expands Tennessee Laundry,” <https://www.lg.com/us/press-release/lg-expands-tennessee-laundry-factory-operations-to-support-unprecedented-us-demand>, accessed May 11, 2024; LG website, “LG Expands,” April 13, 2021, <https://www.lg.com/us/PDF/press-release/LG-CLARKSVILLE-Expansion-4-13-21.pdf>; GE Appliances website, “GE Appliances Delivers,” April 4, 2024, <https://pressroom.geappliances.com/news/ge-appliancesTM-delivers-energy-savings-and-a-great-clean-with-its-new-cold-water-washing-machines>.

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year review.⁴¹ Table I-5 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations, the first full five-year reviews, and the current proceeding.

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

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

Item	Measure	2011	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 2011 and 2017, data are compiled using data submitted in the Commission's original investigations and first full five-year reviews, respectively. For the year 2023, data are compiled using data submitted by Whirlpool. Domestic interested party's response to the notice of institution, May 1, 2024, attachment 1.

Note: Information presented in this table encompasses washers as defined by the Commission in the original investigations and first reviews.

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

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

⁴¹ 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.⁴²

In its original determinations and its full first five-year review determinations, the Commission defined the domestic like product as both LRWs described by the scope and top load washers with a capacity of less than 3.7 cubic feet. In its original determinations and its full first five-year review determinations, the Commission defined the domestic industry as all domestic producers of washers.⁴³

⁴² Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

⁴³ 89 FR 22455, April 1, 2024.

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from nine firms that accounted for virtually all U.S. imports of LRWs from Mexico in 2011.⁴⁴ Import data presented in the original investigations were based on questionnaire responses.

During the first full five-year reviews, the Commission received U.S. importer questionnaires from six U.S. importers of LRWs that were believed to have accounted for virtually all U.S. imports of LRWs from Mexico during 2017.⁴⁵ Import data presented in the first reviews were based questionnaire responses.

Although the Commission did not receive responses from any respondent interested parties in this current review, in its response to the Commission's notice of institution, the domestic interested party listed one potential U.S. importer of LRWs.⁴⁶

⁴⁴ Original publication, pp. 3 and IV-1.

⁴⁵ First review publication, pp. I-17 and IV-1.

⁴⁶ Domestic interested party's response to the notice of institution, May 1, 2024, p. 11 and attachment 1.

U.S. imports

Table I-6 presents the quantity, value, and unit value of U.S. imports of LRWs from Mexico and all other sources during 2018-23.

Table I-6
LRWs: U.S. imports, by source and period

Quantity in units; value in 1,000 dollars; unit value in dollars per unit

U.S. imports from	Measure	2018	2019	2020	2021	2022	2023
Mexico	Quantity	320,647	261,108	239,324	233,814	245,721	290,945
Nonsubject sources	Quantity	1,986,421	1,746,233	1,942,542	2,739,570	1,730,473	2,757,171
All import sources	Quantity	2,307,068	2,007,341	2,181,866	2,973,384	1,976,194	3,048,116
Mexico	Value	157,695	128,475	117,482	119,582	142,721	183,265
Nonsubject sources	Value	740,668	655,573	721,585	1,055,929	754,745	1,177,619
All import sources	Value	898,362	784,047	839,067	1,175,511	897,465	1,360,884
Mexico	Unit value	492	492	491	511	581	630
Nonsubject sources	Unit value	373	375	371	385	436	427
All import sources	Unit value	389	391	385	395	454	446

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 8450.20.0040 and 8450.20.0080, accessed May 20, 2024. Domestic producers including Whirlpool and GE Appliances produce LRWs in Free Trade Zones (FTZs) located in the United States. This process involves the importation of certain foreign components (e.g., motors, electronics) prior to the assembly of a finished washer and withdrawal from the FTZ. Domestic interested party's supplemental response to the notice of institution, May 29, 2024, p. 4. To account for the FTZ processing, staff have relied on data from general import statistics in the table above, as opposed to consumption import statistics.

Apparent U.S. consumption and market shares

Table I-7 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares in the original investigation, the first full five-year review, and the current proceeding.

Table I-7**LRWs: Apparent U.S. consumption and market shares, by source and period**

Quantity in units; value in 1,000 dollars; shares in percent

Source	Measure	2011	2017	2023
U.S. producers	Quantity	***	***	***
Mexico	Quantity	***	***	290,945
South Korea	Quantity	***	***	NA
Nonsubject sources	Quantity	***	***	2,757,171
All import sources	Quantity	***	***	3,048,116
Apparent U.S. consumption	Quantity	***	***	***
U.S. producers	Value	***	***	***
Mexico	Value	***	***	183,265
South Korea	Value	***	***	NA
Nonsubject sources	Value	***	***	1,177,619
All import sources	Value	***	***	1,360,884
Apparent U.S. consumption	Value	***	***	***
U.S. producers	Share of quantity	***	***	***
Mexico	Share of quantity	***	***	***
South Korea	Share of quantity	***	***	NA
Nonsubject sources	Share of quantity	***	***	***
All import sources	Share of quantity	***	***	***
U.S. producers	Share of value	***	***	***
Mexico	Share of value	***	***	***
South Korea	Share of value	***	***	NA
Nonsubject sources	Share of value	***	***	***
All import sources	Share of value	***	***	***

Source: For the years 2011 and 2017, data are compiled using data submitted in the Commission's original investigations and first five-year reviews, respectively. 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 general import statistics under HTS statistical reporting numbers 8450.20.0040 and 8450.20.0080, accessed May 20, 2024.

Note: For 2011 and 2017, South Korea was a subject source. Effective February 15, 2018, Commerce revoked its antidumping and countervailing duty orders on LRWs from South Korea. For further information, see "The original investigations" and "The first five-year reviews" sections of this report. To maintain consistent historical records across proceedings, a row for South Korea is kept in the table above. For 2023, data for South Korea is presented as not applicable ("NA") as that data has been aggregated into the row for nonsubject source imports.

Note: For 2011 and 2017, apparent U.S. consumption was derived from U.S. shipments of imports, rather than U.S. imports.

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.

The industry in Mexico

Producers in Mexico

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from three firms, which were believed to have accounted for virtually all Mexican exports of LRWs to the United States in 2011.⁴⁷ During the first full five-year reviews, the Commission received foreign producer/exporter questionnaires from four firms, which accounted for all Mexican exports of LRWs to the United States in 2017.⁴⁸

Although the Commission did not receive responses from any respondent interested parties in this five-year review, the domestic interested party provided a list of six possible producers of LRWs in Mexico.⁴⁹ Moreover, the domestic interested party provided certain operational data for its affiliate Whirlpool Mexico, which accounted for an estimated *** percent of LRWs production in Mexico in 2023.⁵⁰ Table I-8 presents Mexican producers' production, capacity, and exports to the United States of LRWs during 2023, as well as data compiled in the original investigations and subsequent five-year reviews for 2011 and 2017.

⁴⁷ Original publication, pp. 3, I-4, and VII-5.

⁴⁸ First review publication, pp. IV-15-IV-16.

⁴⁹ Domestic interested party's response to the notice of institution, May 1, 2024, p. 11 and attachment 1.

⁵⁰ The domestic interested party noted that Whirlpool Mexico ceased LRWs exports to the United States in 2012 and has since dedicated its Mexican washer production to serving the Mexican market and certain non-U.S. export markets. Domestic interested party's response to the notice of institution, May 1, 2024, pp. 10-11 and attachment 1; domestic interested party's supplemental response to the notice of institution, May 29, 2024, p. 2.

Table I-8

LRWs: Mexican producers' reported production, capacity, and exports to the United States, by period

Quantity in units; value in 1,000 dollars; ratio in percent

Item	Measure	2011	2017	2023
Capacity	Quantity	***	***	***
Production	Quantity	***	***	***
Capacity utilization	Ratio	***	***	***
Exports to the United States	Quantity	***	***	***
Exports to the United States	Value	***	***	***

Source: For the year 2011, data are compiled using data in Investigation Nos. 701-TA-488 and 731-TA-1199-1200 (Final): Large Residential Washers from Korea and Mexico, Confidential Report, INV-LL-005, January 10, 2013, as revised in INV-LL-008, January 16, 2013 and INV-LL-009, January 22, 2013 ("Original confidential report"), p. VII-14. For the year 2017, data are compiled using data in Investigation Nos. 701-TA-488 and 731-TA-1199-1200 (Review): Large Residential Washers from Korea and Mexico, Confidential Report, INV-RR-008, March 15, 2019 ("First review confidential report"), pp. IV-50–IV-51. For the year 2023, data are compiled using data submitted by the domestic interested party. Domestic interested party's response to the notice of institution, May 1, 2024, attachment 1.

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Recent developments

There were no major developments in the Mexican industry since the continuation of the order identified by interested parties in the proceeding and no relevant information from outside sources was found.

Exports

Table I-9 presents export data for household- or laundry-type washing machines with a dry linen capacity exceeding 10 kilograms, a category that includes LRWs and out-of-scope products, from Mexico (by export destination in descending order of value for 2023). The United States was Mexico's top export market during 2023, accounting for 63.3 percent of such exports, followed by Guatemala (13.0 percent) and Panama (7.5 percent).

Table I-9

**Household- or laundry-type washing machines with a dry linen capacity exceeding 10 kilograms:
Value of exports from Mexico, by destination and period**

Value in 1,000 dollars

Destination market	2018	2019	2020	2021	2022	2023
United States	158,969	109,544	85,937	103,959	101,231	117,292
Guatemala	8,369	4,760	7,880	14,685	17,047	24,135
Panama	7,319	3,155	3,201	4,764	9,692	13,837
Costa Rica	5,437	886	2,526	3,459	3,525	8,378
El Salvador	5,313	3,276	4,280	3,551	1,096	5,191
Colombia	28,617	17,122	10,897	19,940	23,536	4,744
Honduras	3,338	914	883	2,942	821	3,776
Ecuador	10,079	2,658	4,842	4,664	4,834	3,480
Dominican Republic	1,294	315	422	1,752	1,709	2,259
Canada	40,135	---	---	2,719	10,038	1,708
All other markets	43,304	15,763	14,313	19,450	10,445	529
All markets	312,174	158,393	135,180	181,885	183,976	185,328

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 8450.20, accessed April 12, 2024. These data may be overstated as HS subheading 8450.20 may contain products outside the scope of this review (e.g., commercial washers and stacked washer-dryers).

Note: Because of rounding, figures may not add to totals shown. Zeroes, null values, and undefined calculations are suppressed and shown as “---”.

Third-country trade actions

Based on available information, LRWs from Mexico have not been subject to other antidumping or countervailing duty investigations outside the United States.

The global market

Whirlpool, LG, and Samsung, as well as Electrolux, are global producers of LRWs. Their production locations include the United States, China, South Korea, Mexico, Thailand, Vietnam, Brazil, and Colombia.⁵¹ The domestic interested party reported that after the United States imposed orders on imports of LRWs, both Samsung and LG relocated LRW production several times – first to China, then to Vietnam and Thailand.⁵² Samsung and LG also established new LRW production in the United States during 2018.⁵³ Export destinations of the global producers include the United States, Canada, Mexico, Latin America, Australia, Saudi Arabia, Bahrain, Qatar, the United Arab Emirates, and Iraq. In addition to washers, these companies also produce other out-of-scope household appliances such as dryers, refrigerators, and cooking appliances.⁵⁴

The major producers of LRWs also compete in other countries against regional producers of residential washers. In Europe, such companies include Miele & Cie. KG (Germany), BSH Hausgeräte GmbH of the Bosch Group (Germany), and the Gorenje Group (Slovenia). Most European residential washer production has relocated from Western Europe to Eastern Europe (principally to Poland, Slovakia, and Serbia). In Japan, Panasonic is a major producer of residential washers, but has shifted production to Southeast Asia. In Turkey, Arçelik A.Ş. is a major producer of residential washers for the Middle East region.⁵⁵

Table I-10 presents global export data for household- or laundry-type washing machines with a dry linen capacity exceeding 10 kilograms, a category that includes LRWs and out-of-scope products (by source in descending order of value for 2023). China was the leading global exporter during 2023, accounting for 33.0 percent of such exports, followed by Vietnam (15.4 percent) and Thailand (15.2 percent).

⁵¹ Large Residential Washers from China, Inv. No. 731-TA-1306 (Review), USITC Publication 5343, August 2022, p. I-30.

⁵² Domestic interested party's response to the notice of institution, May 1, 2024, p. 12.

⁵³ Domestic interested party's supplemental response to the notice of institution, May 29, 2024, p. 3.

⁵⁴ Large Residential Washers from China, Inv. No. 731-TA-1306 (Review), USITC Publication 5343, August 2022, p. I-30.

⁵⁵ Ibid.

Table I-10

**Household- or laundry-type washing machines with a dry linen capacity exceeding 10 kilograms:
Value of global exports, by country and period**

Value in 1,000 dollars

Exporting country	2018	2019	2020	2021	2022	2023
China	596,270	738,167	979,559	1,374,112	1,332,800	1,562,965
Vietnam	484,700	542,733	603,238	595,700	536,636	731,097
Thailand	392,758	424,356	401,045	427,231	377,900	719,195
South Korea	380,016	342,237	310,953	669,374	534,114	478,474
United States	328,221	343,863	295,443	291,822	326,106	298,766
Mexico	312,174	158,393	135,180	181,885	183,976	185,328
Poland	11,964	45,993	29,689	45,193	84,398	164,555
Sweden	84,259	71,300	62,791	67,950	90,728	101,742
Czechia	107,873	96,221	70,799	84,253	82,741	81,162
Germany	77,996	76,218	60,349	60,879	69,760	78,875
All other exporters	254,216	287,682	239,831	279,103	298,707	334,757
All exporters	3,030,447	3,127,163	3,188,878	4,077,503	3,917,865	4,736,916

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 8450.20, accessed April 12, 2024, and June 3, 2024. These data may be overstated as HS subheading 8450.20 may contain products outside the scope of this review (e.g., commercial washers and stacked washer-dryers).

Note: Quantity data are not presented as there is no consistent unit used across reporting countries. Some report in units or pieces, while others report in weight measures.

Note: Vietnam's exports for 2023 are constructed using mirror data from its trading partners.

Note: Because of rounding, figures may not add to totals 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 22373, April 1, 2024	<i>Initiation of Five-Year (Sunset) Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2024-04-01/pdf/2024-06793.pdf
89 FR 22455, April 1, 2024	<i>Large Residential Washers From Mexico; Institution of a Five-Year Review</i>	https://www.govinfo.gov/content/pkg/FR-2024-04-01/pdf/2024-06741.pdf

APPENDIX B
COMPANY-SPECIFIC DATA

* * * * *

APPENDIX C

SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

Contents

Page

Table C-6: LRWs (including TLs less than 3.7 cubic feet): Summary data concerning the U.S. market, 2009-11, January-June 2011, and January-June 2012 (i.e., data from the original investigations)	C-3
Table C-1: LRWs: Summary data concerning the U.S. market, 2012-17, January to September 2017, and January to September 2018 (i.e., data from the first full five-year reviews).....	C-5

Table C-1

LRWs: Summary data concerning the U.S. market, 2009-11, January-June 2011, and January-June 2012

* * * * *

Table C-2

Front-load LRWs: Summary data concerning the U.S. market, 2009-11, January-June 2011, and January-June 2012

* * * * *

Table C-3

Top-load LRWs: Summary data concerning the U.S. market, 2009-11, January-June 2011, and January-June 2012

* * * * *

Table C-4

Conventional top-load residential washers (less than 3.7 cubic feet in capacity): Summary data concerning the U.S. market, 2009-11, January-June 2011, and January-June 2012

* * * * *

Table C-5

High-efficiency top-load residential washers (less than 3.7 cubic feet in capacity): Summary data concerning the U.S. market, 2009-11, January-June 2011, and January-June 2012

* * * * *

Table C-6

LRWs (including TLs less than 3.7 cubic feet): Summary data concerning the U.S. market, 2009-11, January-June 2011, and January-June 2012

* * * * *

Table C-7

LRWs (including TLs less than 3.7 cubic feet): Summary data concerning the U.S. market (excluding Electrolux from domestic industry), 2009-11, January-June 2011, and January-June 2012

* * * * *

Table C-8

All LRWs except for conventional top-load residential washers less than 3.7 cubic feet: Summary data concerning the U.S. market (excluding Electrolux from domestic industry), 2009-11, January-June 2011, and January-June 2012

* * * * *

Table C-9

HE Top load LRWs (including TLs less than 3.7 cubic feet): Summary data concerning the U.S. market (excluding Electrolux from domestic industry), 2009-11, January-June 2011, and January-June 2012

* * * * *

Table C-1

LRWs: Summary data concerning the U.S. market, 2012-17, January to September 2017, and January to September 2018

* * * * *

Table C-2

LRWs: Summary data concerning the U.S. market, excluding U.S. producer Samsung, 2012-17, January to September 2017, and January to September 2018

* * * * *

*

*

*

*

*

*

*

*

*

*

*

*

*

*

* * * * *

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 the domestic interested party, and it provided contact information for the following four firms as top purchasers of LRWs: ***. Purchaser questionnaires were sent to these four firms and one firm (***) provided a response, which is presented below.

1. Have there been any significant changes in the supply and demand conditions for finished large residential washers that have occurred in the United States or in the market for large residential washers in Mexico since January 1, 2019?

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

2. Do you anticipate any significant changes in the supply and demand conditions for large residential washers in the United States or in the market for large residential washers in Mexico within a reasonably foreseeable time?

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

