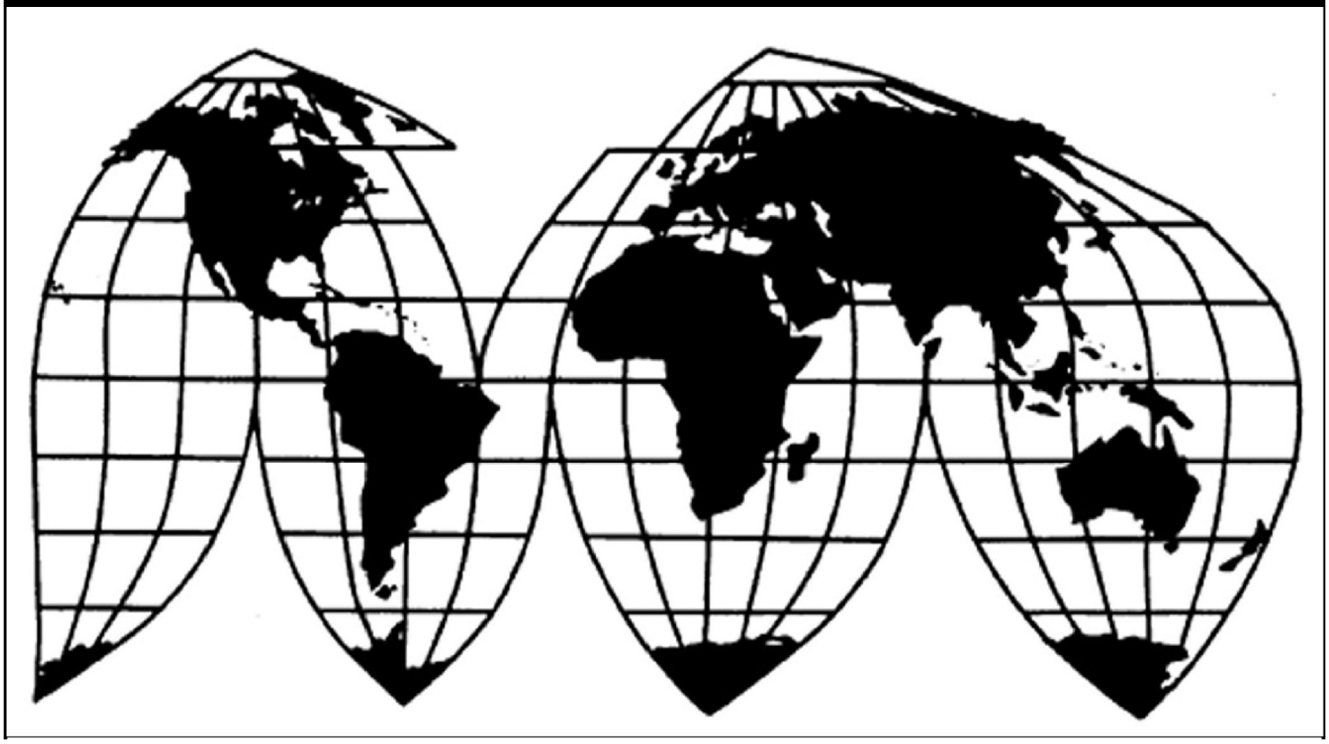
Slag Pots from China

Investigation Nos. 701-TA-753 and 731-TA-1731 (Preliminary)

Publication 5592 **February 2025**

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

COMMISSIONERS

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

Catherine DeFilippo

Director of Operations

Staff assigned

Jordan Harriman, Investigator
David Guberman, Industry Analyst
Pamela Davis, Economist
Jessica Lee, Accountant
Willa Wang, Statistician
Jason Miller, Attorney
Elizabeth Haines, 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

Slag Pots from China

Investigation Nos. 701-TA-753 and 731-TA-1731 (Preliminary)

Publication 5592

February 2025

CONTENTS

Page

CONTENTS

Page

CONTENTS

Page

CONTENTS

Page

Appendixes

Note.—Information that would reveal confidential operations of individual firms may not be published. Such information is identified by brackets ([ ]) in confidential reports and is deleted and replaced with asterisks (***) in public reports. Zeroes, null values, and undefined calculations are suppressed and shown as em dashes (—) in tables. If using a screen reader, we recommend increasing the verbosity setting.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-753 and 731-TA-1731 (Preliminary)

Slag Pots from China

DETERMINATIONS

On the basis of the record[1] developed in the subject investigations, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of slag pots from China, provided for in subheading 7309.00.00 of the Harmonized Tariff Schedule of the United States, that are alleged to be sold in the United States at less than fair value ("LTFV"), and imports of the subject merchandise from China that are alleged to be subsidized by the government of China.[2]

COMMENCEMENT OF FINAL PHASE INVESTIGATIONS

Pursuant to section 207.18 of the Commission's rules, the Commission also gives notice of the commencement of the final phase of its investigations. The Commission will issue a final phase notice of scheduling, which will be published in the *Federal Register* as provided in § 207.21 of the Commission's rules, upon notice from the U.S. Department of Commerce ("Commerce") of affirmative preliminary determinations in the investigations under §§ 703(b) or 733(b) of the Act, or, if the preliminary determinations are negative, upon notice of affirmative final determinations in those investigations under §§ 705(a) or 735(a) of the Act. Parties that filed entries of appearance in the preliminary phase of the investigations need not enter a separate appearance for the final phase of the investigations. Any other party may file an entry of appearance for the final phase of the investigations after publication of the final phase notice of scheduling. Industrial users, and, if the merchandise under investigation is sold at the retail level, representative consumer organizations have the right to appear as parties in Commission antidumping and countervailing duty investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives,

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

[2] 90 FR 8267 and 90 FR 8276 (January 28, 2025).

who are parties to the investigations. As provided in section 207.20 of the Commission's rules, the Director of the Office of Investigations will circulate draft questionnaires for the final phase of the investigations to parties to the investigations, placing copies on the Commission's Electronic Document Information System (EDIS, https://edis.usitc.gov), for comment.

BACKGROUND

On December 31, 2024, WHEMCO-Steel Castings, Inc., Pittsburgh, Pennsylvania, filed petitions with the Commission and Commerce, alleging that an industry in the United States is materially injured or threatened with material injury by reason of subsidized imports of slag pots from China and LTFV imports of slag pots from China. Accordingly, effective December 31, 2024, the Commission instituted countervailing duty investigation No. 701-TA-753 and antidumping duty investigation No. 731-TA-1731 (Preliminary).

Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of January 7, 2025 (90 FR 1195). The Commission conducted its conference on January 21, 2025. All persons who requested the opportunity were permitted to participate.

Views of the Commission

Based on the record in the preliminary phase of these investigations, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of slag pots from China that are allegedly sold in the United States at less than fair value and subsidized by the government of China.

I. The Legal Standard for Preliminary Determinations

The legal standard for preliminary antidumping and countervailing duty determinations requires the Commission to determine, based upon the information available at the time of the preliminary determinations, whether there is a reasonable indication that a domestic industry is materially injured or threatened with material injury, or that the establishment of an industry is materially retarded, by reason of the allegedly unfairly traded imports.[1] In applying this standard, the Commission weighs the evidence before it and determines whether "(1) the record as a whole contains clear and convincing evidence that there is no material injury or threat of such injury; and (2) no likelihood exists that contrary evidence will arise in a final investigation."[2]

II. Background

WHEMCO-Steel Castings, Inc. ("Whemco" or "Petitioner"), the sole domestic producer of slag pots, filed the petitions in these investigations on December 31, 2024.[3] Whemco appeared at the staff conference[4] accompanied by counsel and submitted a postconference brief.[5] No respondents participated in the preliminary phase of these investigations.

U.S. industry data are based on the questionnaire response of one domestic producer that accounted for all U.S. slag pot production in 2023.[6] U.S. import data are based on the questionnaire responses of four U.S. importers that accounted for *** percent of U.S. imports

[1] 19 U.S.C. §§ 1671b(a), 1673b(a) (2000); *see also American Lamb Co. v. United States*, 785 F.2d 994, 1001–04 (Fed. Cir. 1986); *Aristech Chem. Corp. v. United States*, 20 CIT 353, 354–55 (1996). No party argues that the establishment of an industry in the United States is materially retarded by the allegedly unfairly traded imports.

[2] *American Lamb Co.*, 785 F.2d at 1001; *see also Texas Crushed Stone Co. v. United States*, 35 F.3d 1535, 1543 (Fed. Cir. 1994).

[3] Confidential Staff Report, INV-XX-019 (Feb. 4, 2025) ("CR") at 1.1 and 1.3; *Slag Pots from China*, Inv. Nos. 701-TA-753 and 731-TA-1731 (Prelim.), USITC Pub. 5592 (Feb. 2025) ("PR") at 1.1 and 1.3. In the petitions, Whemco identified Centre Foundry and Machine Company ("Centre Foundry"), now defunct, as another domestic firm that possibly manufactured slag pots during the January 2021 – September 2024 period of investigation ("POI"). Petition, Volume I at 2. However, a Centre Foundry representative confirmed that, ***. CR/PR at 3.1, n.1.

[4] *See generally* Conference Transcript, EDIS Doc. 841692 ("Conf. Tr.").

[5] Petitioner's Postconference Brief, EDIS Doc. 841732 (Jan. 24, 2025) ("Petitioner's Postconf. Br.").

[6] CR/PR at 1.4 and Table 3.1.

from China in 2023.[7] The Commission received a useable response to its questionnaire from one foreign producer/exporter that accounted for *** percent of Chinese slag pot production in 2023.[8] [9]

III. Domestic Like Product

In determining whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports of the subject merchandise, the Commission first defines the "domestic like product" and the "industry."[10] Section 771(4)(A) of the Tariff Act of 1930, as amended ("the Tariff Act"), defines the relevant domestic industry as the "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."[11] In turn, 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."[12]

By statute, the Commission's "domestic like product" analysis begins with the "article subject to an investigation," *i.e.*, the subject merchandise as determined by the U.S. Department of Commerce ("Commerce").[13] Therefore, Commerce's determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is

[7] CR/PR at Table 4.1. The Commission issued importer questionnaires to 30 firms believed to be possible importers of slag pots, including the eight possible U.S. importers of subject merchandise identified by Petitioner. CR/PR at 4.1, and Table 4.1; Petition at Volume I, Exhibit I-6. The Commission received usable responses from four firms. CR/PR at 4.1. Three additional firms reported that they did not import subject merchandise, and another firm reported that it imported subject merchandise ***. CR/PR at 4.1 n.1. The scope indicates that slag pots are "specified" within Harmonized Tariff Schedule of the United States ("HTSUS") subheading 7309.00.0090, a basket category that contains an unknown quantity of out-of-scope products; however, ***. CR/PR at 4.1 n.2. Consequently, due to uncertainty regarding the total quantity of imports of subject merchandise, it is presently unknown what percentage of total imports of slag pots that the responding firms' reported imports accounted for during the POI. All slag pot imports during the POI were from China; there were no nonsubject imports during the POI. *Id*.

[8] CR/PR at Table 7.1. This foreign producer/exporter, Chaeng Great Wall Steel Casting Co., Ltd. ("Chaeng Great Wall"), ***. *See* note to Table 7.1.

[9] The Commission also received a response to its foreign producer/exporter questionnaire from UMECC Beijing Equipment Inc Ltd. ("UMECC"). *See* CR/PR at 7.3, n.4; UMECC's Questionnaire Response, EDIS Doc. 841188. However, UMECC's response ***. *Id*.

[10] 19 U.S.C. § 1677(4)(A).

[11] 19 U.S.C. § 1677(4)(A).

[12] 19 U.S.C. § 1677(10).

[13] 19 U.S.C. § 1677(10). The Commission must accept Commerce's determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value. *See*, *e.g.*, *USEC, Inc. v. United States*, 34 F. App'x 725, 730 (Fed. Cir. 2002) ("The ITC may not modify the class or kind of imported merchandise examined by Commerce."); *Algoma Steel Corp. v. United States,* 688 F. Supp. 639, 644 (Ct. Int'l Trade 1988), *aff'd*, 865 F.3d 240 (Fed. Cir.), *cert. denied*, 492 U.S. 919 (1989).

"necessarily the starting point of the Commission's like product analysis."[14] The Commission then defines the domestic like product in light of the imported articles Commerce has identified.[15] The decision regarding the appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of "like" or "most similar in characteristics and uses" on a case-by-case basis.[16] No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.[17] The Commission looks for clear dividing lines among possible like products and disregards minor variations.[18] The Commission may, where appropriate, include domestic articles in the domestic like product in addition to those described in the scope.[19]

A. Scope Definition

In its notices of initiation, Commerce defined the imported merchandise within the scope of the investigations as follows:

---

[14] *Cleo Inc. v. United States*, 501 F.3d 1291, 1298 (Fed. Cir. 2007); *see also Hitachi Metals, Ltd. v. United States*, 949 F.3d 710, 717 (Fed. Cir. 2020) (the statute requires the Commission to start with Commerce's subject merchandise in reaching its own like product determination).

[15] *Cleo*, 501 F.3d at 1298 n.1 ("Commerce's {scope} finding does not control the Commission's {like product} determination."); *Hosiden Corp. v. Advanced Display Mfrs.,* 85 F.3d 1561, 1568 (Fed. Cir. 1996) (the Commission may find a single like product corresponding to several different classes or kinds defined by Commerce); *Torrington Co. v. United States*, 747 F. Supp. 744, 748–52 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991) (affirming the Commission's determination defining six like products in investigations where Commerce found five classes or kinds).

[16] *See, e.g.*, *Cleo*, 501 F.3d at 1299; *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); *Torrington Co. v. United States*, 747 F. Supp. 744, 749 n.3 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991) ("every like product determination 'must be made on the particular record at issue' and the 'unique facts of each case'"). The Commission generally considers a number of factors including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. *See Nippon*, 19 CIT at 455 n.4; *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996).

[17] *See*, *e.g.*, S. Rep. No. 96-249 at 90–91 (1979).

[18] *See*, *e.g.*, *Nippon*, 19 CIT at 455; *Torrington*, 747 F. Supp. at 748–49*; see also* S. Rep. No. 96-249 at 90–91 (Congress has indicated that the like product standard should not be interpreted in "such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not 'like' each other, nor should the definition of 'like product' be interpreted in such a fashion as to prevent consideration of an industry adversely affected by the imports under consideration.").

[19] *See*, *e.g.*, *Pure Magnesium from China and Israel*, Inv. Nos. 701-TA-403 & 731-TA-895–896 (Final), USITC Pub. 3467 (Nov. 2001) at 8 n.34; *Torrington,* 747 F. Supp. at 748–49 (holding that the Commission is not legally required to limit the domestic like product to the product advocated by the petitioner, co-extensive with the scope).

The merchandise covered by the investigation is slag pots with a nominal capacity of 65 cubic feet to 1200 cubic feet regardless of shape, form, or finish.

Slag pots are load bearing devices typically formed as a curved shell or bowl-shaped container. Slag pots are metallurgical goods typically produced either using a casting process or a fabrication process (*e.g.*, welding) and may include a ceramic refractory coating, heat treatment or various finishes in order to handle high temperature slag. Slag pots may contain integral features or attachments including (1) legs (or a stand) and (2) pivotal mounting hooks or brackets. Legs (or a stand) are a fixed or detachable support structure which allows the slag pot to be securely positioned upright on a surface when not being lifted or transported and may also keep the slag pot off the ground and allow for air cooling. The pivotal mounting hooks and brackets are specialized attachment points (such as lifting lugs or trunnions) that allow the slag pot to be securely lifted and transported by a crane or lifting device, or that enable the slag pot to swing or rotate while remaining attached to the lifting mechanism. The merchandise covered by this investigation includes all aforementioned attachments of a fully assembled slag pot, regardless of whether shipped assembled or unassembled.

Slag pots are included within the scope whether finished or unfinished, whether imported individually or with other subject or non-subject merchandise, or whether assembled with attachments or unassembled. Finishing includes, but is not limited to, arc washing, welding, grinding, shot blasting, heat treatment, machining, and assembly of various parts.

The country of origin for slag pots whether fully assembled, unfinished or finished, is the country where the slag pot was cast or forged. Subject merchandise includes slag pots that have been further processed or further assembled in a third country. Further processing and further assembly include, but is not limited to, arc washing, welding, grinding, shot blasting, heat treatment, painting, coating, priming, machining, and assembly of attachments.

Slag pots subject to the investigation are specified within the Harmonized Tariff Schedule of the United States (HTSUS) under subheading 7309.00.0090. The slag pot attachments covered by the scope of this investigation may enter under HTSUS subheadings 7316.00.0000, 7325.10.0080, 7325.99.1000, 7325.99.5000, and 7326.19.0080. The HTSUS subheading is provided for convenience and customs purposes

only. The written description of the scope of the investigation is dispositive.[20]

During the production of liquid metals, impurities rise to the top in the form of "slag," a molten waste product. Slag pots are large bowl-shaped containers used to collect the slag and transport it to a remote site for disposal.[21]

Slag pots may contain attachments. Attached legs (or a stand) secure slag pots in an upright position when stationary. Pivotal mounting hooks and brackets secure slag pots to cranes or similar lifting mechanisms, allowing them to be moved and/or enabling them to swing or rotate while remaining attached to these mechanisms.[22]

Slag pots can be produced by casting or fabrication (*i.e.*, welding).[23] Although the scope of these investigations covers slag pots produced by either process,[24] Whemco uses only the casting process,[25] in which molten metal is poured into a slag-pot-shaped foundry mold. Once the casting has cooled into a solid, the mold is removed and the casting is machined into a finished slag pot.[26]

B. Petitioner's Arguments

Whemco argues that the Commission should define a single domestic like product coextensive with the scope of these investigations. It contends that all slag pots share the same essential physical characteristic, a bowl-like shape, and the same use, to hold and transport slag. All slag pots, Petitioner further maintains, are produced in the same facilities using similar production processes by the same employees; are sold in the same channels of distribution; are perceived as being within the same product category; are generally interchangeable; and are priced along a continuum.[27]

---

[20] *Slag Pots from the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 90 Fed. Reg. 8276, 8281 (Jan. 28, 2025); *Slag Pots from the People's Republic of China: Initiation of Countervailing Duty Investigation*, 90 Fed. Reg. 8267, 8271 (Jan. 28, 2025) (collectively, "*Notices of Initiation*"). The scope is the same in the antidumping and countervailing duty investigations.

[21] CR/PR at 1.6-1.7; Conf. Tr. at 8 and 12 (Moldovan).

[22] CR/PR at 1.7.

[23] CR/PR at 1.9.

[24] *See Notices of Initiation*.

[25] CR/PR at 1.9.

[26] CR/PR at 1.10-1.11.

[27] Petitioner's Postconf. Br. at 4-6.

C. Analysis

Based on the record in these preliminary phase investigations, and in the absence of any contrary argument, we define a single domestic like product consisting of slag pots, coextensive with Commerce's scope.[28]

Physical Characteristics and Uses. All slag pots within the scope share the same fundamental physical characteristic, a bowl-like design,[29] and the same use, the collection and transport of slag.[30]

Manufacturing Facilities, Production Processes, and Production Employees. All domestically produced slag pots are manufactured in the same facility by the same employees using the same production process. Specifically, they are all manufactured in Whemco's Midland, Pennsylvania facility,[31] by the same Whemco employees,[32] using a casting process.

Channels of Distribution. All domestically produced slag pots were sold *** throughout the POI.[33]

Interchangeability. The scope covers slag pots ranging from 65 to 1200 cubic feet in capacity.[34] The record indicates that the slag pots at the large and small ends of this range are

[28] CR/PR at 1.9. As previously discussed, while the scope covers both cast and fabricated slag pots, the latter are not produced domestically. In the absence of domestic production, fabricated slag pots are not capable of examination under the Commission's traditional domestic like product analysis, which entails comparison of products that are in fact produced domestically. *Hard Empty Capsules from Brazil, China, India, and Vietnam*, Inv. Nos. 701-TA-742-745 and 731-TA-1720-1723 (Preliminary), USITC Pub. 5572 (Dec. 2024) at 14. Instead, the Commission must define a domestic like product to include the domestically produced article "most similar" to the fabricated slag pots within the scope of the investigations. 19 U.S.C. § 1677(10). The domestically produced article most similar to fabricated slag pots would be in-scope cast slag pots, which possess characteristics and uses most similar to those of fabricated slag pots. *See* CR at 1.6 (all slag pots within the scope are bowl-shaped and used to collect and transport slag). Because the domestically produced article most similar to fabricated slag pots is cast slag pots, we analyze below whether all domestically produced cast slag pots corresponding to the scope constitute a single domestic like product and do not analyze whether fabricated slag pots, which are not produced domestically, may constitute a separate domestic like product.

[29] CR/PR at 1.6; Conf. Tr. at 8 (Moldovan) ("{In-scope slag pots} all have the same essential physical characteristic . . . The essential physical characteristic of the slag pot is the shape of the pot, which is shaped like a bowl.").

[30] CR/PR at 1.6; Conf. Tr. at 8 (Moldovan) ("{A}ll slag pots have the same . . . basic purpose. They're used to hold and transport slag.").

[31] Conf. Tr. at 24 (Shenk) ("{Whemco's} facility is located in Midland, Pennsylvania."). As previously discussed, Whemco is the sole domestic producer of slag pots. CR/PR at 1.3.

[32] Conf. Tr. at 8-9 (Moldovan) ("The pots {Whemco produces} use . . . the same employees.").

[33] CR/PR at 2.2.

[34] *See Notices of initiation*. Whemco produces or can produce slag pots of all sizes within this range. *See* Conf. Tr. at 65 (Kane) ("{W}e can supply all sizes . . . There's nothing we can't make large or small for our customers.").

generally not interchangeable with each other.[35] However, where the scope covers products along a broad continuum of sizes, a lack of interchangeability between products at either end of that continuum is unsurprising, and does not demonstrate the existence of a clear line dividing them. That is particularly the case where, as here, these large and small products share the same essential physical characteristic and end use.[36]

Producer and Customer Perceptions. Whemco argues that producers and customers perceive all in-scope slag pots as being within the same product category, which no party disputes.[37]

Price. The pricing data reflect substantial overlap in the prices for all three domestically produced pricing products.[38]

Conclusion. All slag pots within the scope share the same fundamental physical characteristic, a bowl-like design, and the same end use, the collection and transport of slag. All domestically produced slag pots are manufactured at the same facility by the same employees using the same process and are sold through the same channel of distribution. Slag pots are made in a continuum of sizes without any clear dividing lines among them. No party disputes Whemco's contention that all in-scope slag pots are perceived as being within the same product category. Finally, the pricing data indicate that domestically produced slag pots corresponding to the scope are similarly priced. In light of the above, and in the absence of any contrary argument, we define a single domestic like product consisting of slag pots, coextensive with the scope.

IV. Domestic Industry

The domestic industry is defined 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."[39] 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.

Petitioner argues that the Commission should define the domestic industry as including all U.S. producers of the domestic like product – namely, Petitioner, the only known domestic producer of slag pots.[40] There are no issues that implicate the related parties provision, as

---

[35] Conf. Tr. at 39 (Kane) (indicating that large slag pots are only purchased by large mills, which generally would not substitute them with small slag pots, and that small slag pots are only purchased by small mills, which generally would not substitute them with large slag pots); Conf. Tr. at 46 (Pickard) (acknowledging that a "67 cubic foot slag pot" may not be interchangeable with a "1,000 cubic foot slag pot.").

[36] *See Outboard Engines from Japan*, Inv. No. 731-TA-1069 (Preliminary), USITC Pub. 3673 (March 2004) at 8, n.40 ("A lack of interchangeability between products at either end of a continuum is not inconsistent with a finding of a single domestic like product.").

[37] Petitioner's Postconf. Br. at 5.

[38] CR at Tables 5.2-5.4.

[39] 19 U.S.C. § 1677(4)(A).

[40] Petitioner's Postconf. Br. at 6.

Petitioner *** subject merchandise during the POI and is not related to an importer or exporter of subject merchandise.[41] Therefore, consistent with our definition of the domestic like product, we define the domestic industry to include all domestic producers of slag pots, *i.e.*, Petitioner.

V. Negligible Imports

Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than three percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall be deemed negligible.[42]

During the most recent 12-month period preceding the filing of the petitions (December 2023 through November 2024), based on questionnaire response data, subject imports from China accounted for 100.0 percent of total imports.[43] Consequently, we find that imports of slag pots from China subject to the antidumping and countervailing duty investigations are not negligible.

VI. Reasonable Indication of Material Injury by Reason of Subject Imports

A. Legal Standard

In the preliminary phase of antidumping and countervailing duty investigations, the Commission determines whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.[44] In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.[45] The statute defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant."[46] In assessing whether there is a reasonable indication that the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.[47] No single factor

[41] CR/PR at Table 3.2; Whemco's U.S. Producer Questionnaire Response, EDIS Doc. 841162, at I-6-1-7 and II-15.

[42] 19 U.S.C. §§ 1671b(a), 1673b(a), 1677(24)(A)(i), 1677(24)(B); *see also* 15 C.F.R. § 2013.1 (developing countries for purposes of 19 U.S.C. § 1677(36)).

[43] CR/PR at Table 4.5.

[44] 19 U.S.C. §§ 1671b(a), 1673b(a).

[45] 19 U.S.C. § 1677(7)(B). The Commission "may consider such other economic factors as are relevant to the determination" but shall "identify each {such} factor … and explain in full its relevance to the determination." 19 U.S.C. § 1677(7)(B).

[46] 19 U.S.C. § 1677(7)(A).

[47] 19 U.S.C. § 1677(7)(C)(iii).

is dispositive, and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[48]

Although the statute requires the Commission to determine whether there is a reasonable indication that the domestic industry is "materially injured or threatened with material injury by reason of" unfairly traded imports,[49] it does not define the phrase "by reason of," indicating that this aspect of the injury analysis is left to the Commission's reasonable exercise of its discretion.[50] In identifying a causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic industry. This evaluation under the "by reason of" standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.[51]

In many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry. Such economic factors might include nonsubject imports; changes in technology, demand, or consumer tastes; competition among domestic producers; or management decisions by domestic producers. The legislative history explains that the Commission must examine factors other than subject imports to ensure that it is not attributing injury from other factors to the subject imports, thereby inflating an otherwise tangential cause of injury into one that satisfies the statutory material injury threshold.[52] In performing its examination, however, the Commission need not isolate

---

[48] 19 U.S.C. § 1677(7)(C)(iii).

[49] 19 U.S.C. §§ 1671b(a), 1673b(a).

[50] *Angus Chemical Co. v. United States*, 140 F.3d 1478, 1484–85 (Fed. Cir. 1998) ("{T}he statute does not 'compel the commissioners' to employ {a particular methodology}."), *aff'g* 944 F. Supp. 943, 951 (Ct. Int'l Trade 1996).

[51] The Federal Circuit, in addressing the causation standard of the statute, observed that "{a}s long as its effects are not merely incidental, tangential, or trivial, the foreign product sold at less than fair value meets the causation requirement." *Nippon Steel Corp. v. USITC*, 345 F.3d 1379, 1384 (Fed. Cir. 2003). This was further ratified in *Mittal Steel Point Lisas Ltd. v. United States*, 542 F.3d 867, 873 (Fed. Cir. 2008), where the Federal Circuit, quoting *Gerald Metals, Inc. v. United States*, 132 F.3d 716, 722 (Fed. Cir. 1997), stated that "this court requires evidence in the record 'to show that the harm occurred "by reason of" the LTFV imports, not by reason of a minimal or tangential contribution to material harm caused by LTFV goods.'" *See also Nippon Steel Corp. v. United States*, 458 F.3d 1345, 1357 (Fed. Cir. 2006); *Taiwan Semiconductor Industry Ass'n v. USITC*, 266 F.3d 1339, 1345 (Fed. Cir. 2001).

[52] Statement of Administrative Action (SAA) to the Uruguay Round Agreements Act (URAA), H.R. Rep. No. 103-316, vol. I at 851–52 (1994) ("{T}he Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports."); S. Rep. No. 96-249 at 75 (1979) (the Commission "will consider information which indicates that harm is caused by factors other than less-than-fair-value imports."); H.R. Rep. No. 96-317 at 47 (1979) ("in examining the overall injury being experienced by a domestic industry, the ITC will take into account evidence presented to it which demonstrates that the harm attributed by the petitioner to the subsidized or dumped imports is attributable to such other factors"; those factors include "the volume and prices of nonsubsidized imports or imports sold at fair value, contraction in demand or changes in patterns of consumption, (Continued…)

the injury caused by other factors from injury caused by unfairly traded imports.[53] Nor does the "by reason of" standard require that unfairly traded imports be the "principal" cause of injury or contemplate that injury from unfairly traded imports be weighed against other factors, such as nonsubject imports, which may be contributing to overall injury to an industry.[54] It is clear that the existence of injury caused by other factors does not compel a negative determination.[55]

Assessment of whether material injury to the domestic industry is "by reason of" subject imports "does not require the Commission to address the causation issue in any particular way" as long as "the injury to the domestic industry can reasonably be attributed to the subject imports."[56] The Commission ensures that it has "evidence in the record" to "show that the harm occurred 'by reason of' the LTFV imports," and that it is "not attributing injury from other

---

trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and productivity of the domestic industry"); *accord Mittal Steel*, 542 F.3d at 877.

[53] SAA at 851–52 ("{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports."); *Taiwan Semiconductor Industry Ass'n*, 266 F.3d at 1345 ("{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports ... Rather, the Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports." (emphasis in original)); *Asociacion de Productores de Salmon y Trucha de Chile AG v. United States*, 180 F. Supp. 2d 1360, 1375 (Ct. Int'l Trade 2002) ("{T}he Commission is not required to isolate the effects of subject imports from other factors contributing to injury" or make "bright-line distinctions" between the effects of subject imports and other causes.); *see also Softwood Lumber from Canada*, Inv. Nos. 701-TA-414 & 731-TA-928 (Remand), USITC Pub. 3658 at 100–01 (Dec. 2003) (Commission recognized that "{i}f an alleged other factor is found not to have or threaten to have injurious effects to the domestic industry, *i.e*., it is not an 'other causal factor,' then there is nothing to further examine regarding attribution to injury" (citing *Gerald Metals*, 132 F.3d at 722 (the statute "does not suggest that an importer of LTFV goods can escape countervailing duties by finding some tangential or minor cause unrelated to the LTFV goods that contributed to the harmful effects on domestic market prices.")).

[54] S. Rep. No. 96-249 at 74–75; H.R. Rep. No. 96-317 at 47.

[55] *See Nippon Steel Corp*., 345 F.3d at 1381 ("{A}n affirmative material-injury determination under the statute requires no more than a substantial-factor showing. That is, the 'dumping' need not be the sole or principal cause of injury.").

[56] *Mittal Steel*, 542 F.3d at 876, 878; *see also id.* at 873 ("While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured 'by reason of' subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology." (citing *U.S. Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996); S. Rep. No. 96-249 at 75)). In its decision in *Swiff-Train v. United States*, 793 F.3d 1355 (Fed. Cir. 2015), the Federal Circuit affirmed the Commission's causation analysis as comporting with the Court's guidance in *Mittal*.

sources to the subject imports."[57] The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed "rigid adherence to a specific formula."[58]

The question of whether the material injury threshold for subject imports is satisfied notwithstanding any injury from other factors is factual, subject to review under the substantial evidence standard.[59] Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.[60]

B. Conditions of Competition and the Business Cycle

The following conditions of competition inform our analysis of whether there is a reasonable indication of material injury by reason of subject imports.

1. Demand Conditions

Slag is a byproduct of the metalmaking process. Thus, U.S. demand for slag pots generally depends on U.S. demand for metals.[61] Whemco states that demand was generally stable, with only minor fluctuations during the POI.[62] Responding U.S. importers reported that it *** or *** during the period.[63]

Apparent U.S. consumption of slag pots increased from *** pounds in 2021 to *** pounds in 2022, then declined to *** pounds in 2023, a level *** percent higher than in 2021.[64] It was *** percent lower in January–September 2024 ("interim 2024"), at *** pounds, than in January–September 2023 ("interim 2023"), at *** pounds.[65]

---

[57] *Mittal Steel*, 542 F.3d at 873, 877–79 (quoting *Gerald Metals*, 132 F.3d at 722). One relevant "other factor" may involve the presence of significant volumes of price-competitive nonsubject imports in the U.S. market, particularly when a commodity product is at issue. In appropriate cases, the Commission collects information regarding nonsubject imports and producers in nonsubject countries in order to conduct its analysis.

[58] *Nucor Corp. v. United States*, 414 F.3d 1331, 1336, 1341 (Fed. Cir. 2005); *see also Mittal Steel*, 542 F.3d at 879 ("*Bratsk* did not read into the antidumping statute a Procrustean formula for determining whether a domestic injury was 'by reason' of subject imports.").

[59] We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

[60] *Mittal Steel*, 542 F.3d at 873; *Nippon Steel Corp*., 458 F.3d at 1350 (citing *U.S. Steel Group*, 96 F.3d at 1357); S. Rep. No. 96-249 at 75 ("The determination of the ITC with respect to causation is ... complex and difficult, and is a matter for the judgment of the ITC.").

[61] CR/PR at 2.4.

[62] Petitioner's Postconf. Br. at 8.

[63] CR/PR at Table 2.3.

[64] CR/PR at Tables 4.6 and C.1. U.S. shipment data are reported in pounds rather than units, which controls for the fact that slag pots are made in a wide range of sizes. For U.S. shipment data by unit, *see* CR/PR at Appendix D, which shows similar trends for the full years of the POI. Total U.S. shipments of slag pots, by unit, increased from *** units in 2021 to *** units in 2022, then declined to *** units in 2023; total U.S. shipments of slag pots, by unit, were slightly higher in interim 2024 at *** units then in interim 2023 at *** units. *Calculated from* Tables D.1, D.2.

[65] CR/PR at Tables 4.6 and C.1.

2. Supply Conditions

The domestic industry was the *** source of supply to the U.S. market throughout the POI, although it lost market share to subject imports during that time. Its share of apparent U.S. consumption decreased by *** percentage points from 2021 to 2023, from *** percent in 2021 to *** percent in 2022 and *** percent in 2023. Its market share was *** percentage points greater in interim 2024, at *** percent, than in interim 2023, at *** percent.[66] Whemco is the sole domestic producer.[67] Whemco *** any supply constraints during the POI,[68] and maintained appreciable excess capacity throughout the period.[69]

Subject imports accounted for the remainder of the supply to the U.S. market throughout the period.[70] Their share of apparent U.S. consumption increased by *** percentage points from 2021 to 2023, from *** percent in 2021 to *** percent in 2022 and *** percent in 2023. Their market share was *** percentage points lower in interim 2024, at *** percent, than in interim 2023, at *** percent.[71] Responding U.S. importers reported *** supply constraints.[72]

3. Substitutability and Other Conditions

We find that there is a moderate-to-high degree of substitutability between subject imports and the domestic like product.[73] Whemco reported that subject imports and the domestic like product are *** interchangeable, and responding U.S. importers reported them to be either *** or *** interchangeable.[74] Moreover, while the domestic industry produces only cast slag pots, the record indicates that subject imports also predominately comprise cast slag pots.[75]

---

[66] CR/PR at Tables 4.6 & C.1.

[67] CR/PR at 1.9.

[68] CR/PR at 2.4.

[69] CR/PR at Tables 3.4 and C.1. Whemco's excess capacity was *** percent of its practical production capacity in each full year and interim period of the POI. *Id*. Whemco has argued that reliance on a practical production capacity figure underestimates its ability to supply the U.S. market. *See* Petitioner's Postconf. Br. at 8. Whemco's excess capacity ranged between *** and *** percent of its installed overall production capacity during the POI. CR/PR at Table 3.4.

[70] As previously discussed, there were no nonsubject imports of slag pots during the POI. CR/PR at Tables 4.6 & C.1.

[71] CR/PR at Tables 4.6 & C.1.

[72] CR/PR at 2.4.

[73] CR/PR at 2.5.

[74] CR/PR at Table 2.5.

[75] Cast slag pots accounted for *** percent of subject imports in 2021, *** percent in 2022, and *** percent in 2023. Fabricated slag pots accounted for *** percent of subject imports in 2021, *** percent in 2022, and *** percent in 2023. Cast slag pots accounted for *** percent of subject imports in both interim periods. CR/PR at Table 4.4. We note that the current record includes marketing materials asserting that fabricated slag pots are stronger, easier to repair, and longer lasting than cast slag pots. *See* CR/PR at 1.9. Additionally, U.S. importer *** reported that fabricated slag pots are (Continued…)

We also find that price is an important factor in slag pot purchasing decisions. More purchasers ranked price as among the top three factors they consider in their purchasing decisions than any other factor.[76] Moreover, Whemco and one of the two responding U.S. importers reported that factors other than price are never significant in purchasing decisions.[77]

Raw material costs accounted for the second largest share of the domestic industry's cost of goods sold ("COGS") throughout the POI, after other factory costs.[78] The major raw materials for slag pots are scrap metal, including steel scrap metal.[79] Steel scrap metal prices fluctuated upwards from January 2021 to their POI-peak in March 2022, then declined to their POI-nadir in November 2022, and then fluctuated upwards through the September 2024 end of the POI to a level *** percent lower than in January 2021.[80]

As it produces slag pots to order, Whemco ***.[81] Similarly, *** U.S. importer reported inventories.[82] The subject industry reported end-of-period inventories in China ranging from *** to *** pounds during the full years of the POI.[83]

Whemco reported selling *** of its slag parts on the spot market, while the responding U.S. importer *** reported selling *** of its slag pots under short term contracts.[84] Whemco reported lead times averaging *** days, while the responding U.S. importer *** reported lead times averaging *** days.[85] Several firms imported directly from subject producers for internal consumption during the POI.[86]

Slag pot imports originating in China are subject to additional *ad valorem* duties of 25 percent under Section 301 of the Trade Act of 1974 ("Section 301"), which became effective May 10, 2019.[87] Whemco reported that Section 301 duties *** demand, supply, or raw material costs, while one of four U.S. importers reported that they ***.[88] Effective February 4, 2025, after the end of the POI, slag pot imports originating in China became subject to an additional 10 percent *ad valorem* duty under the International Emergency Economic Powers Act

---

generally superior to cast slag pots. CR/PR at 2.7. In any final phase of these investigations, we intend to further examine the substitutability of domestically produced cast slag pots and subject imported fabricated slag pots.

[76] CR/PR at Table 2.4.

[77] CR/PR at Table 2.6. The other responding importer reported nonprice factors to be always significant. *Id*.

[78] CR/PR at Table 6.1.

[79] CR/PR at 5.1. The scrap metal used in slag pots includes: ***. *Id*.

[80] CR/PR at Figure 5.1 and Table 5.1.

[81] CR/PR at 2.3.

[82] CR/PR at 7.10.

[83] CR/PR at Table 7.6.

[84] CR/PR at 5.3.

[85] CR/PR at 2.7. At the staff conference, a Whemco representative asserted that "the lead times are longer from China." *See* Conf. Tr. at 57 (Kane). In any final phase of these investigations, we intend to further examine the lead times for the domestic industry and subject imports.

[86] CR/PR at 5.4-5.5.

[87] CR/PR at 1.6.

[88] CR/PR at 2.1.

and other authorities.[89]

C. Volume of Subject Imports

Section 771(7)(C)(i) of the Tariff Act provides that the "Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant."[90]

Subject import volume increased by *** percent from 2021 to 2023, increasing from *** pounds in 2021 to *** pounds in 2022 and *** pounds in 2023; subject import volume was *** percent lower in interim 2024, at *** pounds, than in interim 2023, at *** pounds.[91]

Subject import volume as a share of apparent U.S. consumption increased by *** percentage points from 2021 to 2023, from *** percent in 2021 to *** percent in 2022 and *** percent in 2023. Subject import volume as a share of consumption was *** percentage points lower in interim 2024, at *** percent, than in interim 2023, at *** percent.[92]

Based on the foregoing, we find that the volume and the increase in volume of subject imports were significant in absolute terms and relative to apparent U.S. consumption during the POI.

D. Price Effects of the Subject Imports

Section 771(7)(C)(ii) of the Tariff Act provides that, in evaluating the price effects of subject imports, the Commission shall consider whether –

> (I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and
>
> (II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.[93]

As discussed in section V.B.3. above, we find that there is a moderate-to-high degree of substitutability between subject imports and the domestic like product and that price is an important factor in purchasing decisions.

The Commission collected quarterly pricing data for the total quantity and f.o.b. value of three products shipped by the U.S. producer and importers to unrelated customers.[94] Whemco

---

[89] CR/PR at 1.6.

[90] 19 U.S.C. § 1677(7)(C)(i).

[91] CR/PR at Tables 4.2 & C.1.

[92] CR/PR at Tables 4.6 & C.1.

[93] 19 U.S.C. § 1677(7)(C)(ii).

[94] CR/PR at 5.4. The three pricing products are:

Product 1.-- 635 Ft^3 Slag Pot.

Product 2.-- 900 Ft^3 Slag Pot.

Product 3.-- 600 Ft^3 Slag Pot.

and one U.S. importer provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[95] Pricing data reported by these firms accounted for approximately *** percent of the U.S. producer's commercial U.S. shipments, and *** percent of U.S. shipments of imports from China in 2023 (including the importers' internal consumption).[96]

Subject imports undersold the domestic like product in all three available quarterly comparisons at margins of underselling ranging from *** to *** percent and averaging *** percent, involving *** pounds of slag pots.[97]

The Commission also collected import purchase cost data from firms that imported these products for their own use.[98] Three importers reported usable import purchase cost data for pricing products 1, 2, and 3 on a landed duty-paid ("LDP") basis.[99] Purchase cost data reported by these firms accounted for *** percent of U.S. imports from China in 2023 (including the importers' internal consumption).[100] LDP costs for subject imports were lower than prices for the domestic like product in all four quarterly comparisons, at price-cost differentials ranging from *** to *** percent and averaging *** percent, for a total of *** pounds of subject imports.[101]

We recognize that import purchase cost data may not reflect the total cost of importing and therefore requested that importers provide additional information regarding the costs and benefits of directly importing slag pots.[102] No responding importers reported additional costs, as defined in the Commission's questionnaires, beyond LDP costs.[103] Accordingly, the price-cost differentials between domestic prices and import purchase costs exceeded any properly reported additional costs associated with directly importing subject merchandise.

Several firms also reported savings associated with directly importing slag pots instead of purchasing them from an importer or the U.S. producer. One firm reported that the cost of importing slag pots is lower than the price of purchasing them from an importer or the U.S. producer, and another, ***, reported that it saves *** percent by importing slag pots rather than purchasing them from an importer or the U.S. producer.[104]

---

[95] CR/PR at 5.4.

[96] CR/PR at 5.4. We note that the staff report erroneously identifies the denominator for subject import pricing product coverage as "imports from China in 2023." *Id*.

[97] CR/PR at Table 5.6.

[98] CR/PR at 5.3.

[99] CR/PR at 5.4.

[100] *Derived from* CR/PR at Tables 5.2, 5.3, 5.4, and C-1 and U.S. importer questionnaires. We note that the staff report erroneously identifies the coverage of the purchase cost data as "*** percent of imports from China in 2023." CR/PR at 5.4.

[101] CR/PR at Table 5.8.

[102] CR/PR at 5.8.

[103] While two of three responding importers (*** and ***) reported that they had incurred additional costs beyond LDP costs, they identified these costs as duties on goods originating from China and origin freight, or overseas freight costs from factory to the port, which are already included in LDP costs. CR/PR at 5.5. Therefore, these costs were not properly reported as additional costs beyond LDP costs.

[104] CR/PR at 5.5.

We have also considered lost sales information. Three of four responding purchasers reported that they purchased subject imports in lieu of the domestic like product during the POI, and all three reported that these imports were priced lower than the domestic like product. One of the three reported that price was a primary reason for purchasing *** pounds of subject slag pots in lieu of the domestic like product.[105]

Consistent with the preceding evidence, Petitioner has provided contemporaneous email correspondence indicating that subject imports from China were lower priced than domestically produced slag pots during the POI.[106]

Given the moderate-to-high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions, the pricing and purchase cost data, the lost sales information, and the contemporaneous documentation indicating that subject imports were lower-priced than the domestic like product, we find that subject import underselling was significant during the POI. The underselling caused a shift in market share from the domestic industry to subject imports from 2021 to 2023, with subject imports gaining *** percentage points of market share at the expense of the domestic industry over that period.[107]

We have also considered price trends during the POI. The prices for all three domestically produced pricing products increased during the POI.[108] The prices for subject imported pricing products 1 and 2 likewise increased during the period,[109] and U.S. importers reported no quarterly pricing data for subject imported pricing product 3.[110] The average unit

[105] CR/PR Tables 5.10.

[106] *See* Petitioner's Postconf. Br. at Exhibit 3 (***).

[107] CR/PR at Table C.1.

[108] CR/PR at Tables 5.2-5.4. Whemco's prices for pricing product 1 were *** percent greater in the second quarter of 2023 (the last quarter in which data are available) than in the third quarter of 2021 (the first quarter in which data are available). Data for domestically produced pricing product 1 were only available for *** quarters. *Derived from* CR/PR at Table 5.2 and Figure 5.2.

Whemco's prices for pricing product 2 fluctuated upwards from the second quarter of 2021 (the first quarter in which data are available) through the third quarter of 2024 to a price *** percent greater than in the second quarter of 2021. *Derived from* CR/PR at Table 5.3 and Figure 5.3.

Whemco's prices for pricing product 3 fluctuated upwards from the first quarter of 2021 through the third quarter of 2024 to a price *** percent greater than in the first quarter of 2021. *Derived from* CR/PR at Tables 5.4 and Figure 5.4.

[109] Prices for subject imported pricing product 1 were *** percent greater in the third quarter of 2023 (the last quarter in which data are available) than in the first quarter of 2021. Data for subject imported pricing product 1 were only available for *** quarters. *Derived from* CR/PR at Table 5.2 and Figure 5.2.

Prices for subject imported pricing product 2 were *** greater in the fourth quarter of 2023 (the last quarter in which data are available) than in the second quarter of 2021 (the first quarter in which data are available). Data for subject imported pricing product two were only available for *** quarters *Derived from* CR/PR at Table 5.3 and Figure 5.3.

[110] CR/PR at Table 5.4.

value ("AUV") of Whemco's U.S. shipments increased from 2021 to 2023, but was lower in interim 2024 than in interim 2023.[111]

With respect to the fact that Whemco's AUV was lower in interim 2024 than in interim 2023, we cannot conclude that subject imports did not depress Whemco's prices to a significant degree in interim 2024. We note that Whemco's reduction in AUV in interim 2024 occurred after it had lost *** percentage points of market share to subject imports over the full years of the POI, and coincided with its recapture of *** percentage points of share from these imports.[112] This suggests that Whemco may have reduced its prices in interim 2024 to stem and reverse its loss of market share to low-priced subject imports.[113]

We have also considered whether subject imports prevented price increases that otherwise would have occurred to a significant degree. The domestic industry's ratio of COGS to net sales decreased from *** percent in 2021 to *** percent in 2022 and *** percent in 2023, a level *** percentage points lower than in 2021; it was *** percentage points higher in interim 2024, at *** percent, than in interim 2023, at *** percent.[114] The domestic industry's unit COGS increased from $*** in 2021 to $*** in 2022 and to $*** in 2023, for an overall increase of *** percent; they were $*** in interim 2024, down from $*** in interim 2023, a decrease of *** percent.[115] The AUV of the domestic industry's net sales increased from $*** in 2021 to $*** in 2022 and $*** in 2023, for an overall increase of *** percent; it was $*** in interim 2024, down from $*** in interim 2023, or a decrease of *** percent.[116]

In sum, we find that subject imports significantly undersold the domestic like product, causing the domestic industry to lose sales and market share to these imports between 2021 and 2023. Consequently, we find that cumulated subject imports had significant price effects.

E. Impact of the Subject Imports[117]

Section 771(7)(C)(iii) of the Tariff Act provides that the Commission, in examining the impact of the subject imports on the domestic industry, "shall evaluate all relevant economic factors which have a bearing on the state of the industry." These factors include output, sales,

---

[111] Whemco's U.S. shipment AUV increased from $*** in 2021 to $*** in 2022 and $*** in 2023; they were lower in interim 2024, at $***, than in interim 2023, at $***. CR/PR at Table C.1. We recognize that differences in AUV comparisons may reflect differences in product mix or changes in product mix over time.

[112] CR/PR at Table C.1. We note that, coincident with this reduction in AUV in interim 2024, the domestic industry's market share reached its POI high point, at *** percent. *Id*.

[113] We recognize, however, that Whemco's interim 2024 reduction in AUV also coincided with a *** percent reduction in apparent U.S. consumption. CR/PR at Table C.1. In any final phase of these investigations, we intend to further examine the causes of any domestic industry price decreases.

[114] CR/PR at Table C.1.

[115] CR/PR at Table 6.1 & 6.2. Unit costs are calculated in dollars per pound. *Id*. The domestic industry's unit raw material costs increased from $*** in 2021 to $*** in 2022 and then decreased to $*** in 2023; they were $*** in interim 2024, up from $*** in interim 2023. *Id*.

[116] CR/PR at Tables 6.1 and C.1.

[117] Commerce initiated an antidumping duty investigation for subject imports from China based on an estimated dumping margin of 294.43 percent. *See* 90 Fed. Reg. 8276, 8279; CR at 1.4.

inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debt, research and development ("R&D"), and factors affecting domestic prices. No single factor is dispositive, and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[118]

From 2021 to 2023, the domestic industry's production declined to a lesser degree than its reductions in practical capacity, resulting in a slight increase in its practical capacity utilization rate during that time; across the interim periods, the domestic industry's practical capacity remained the same but its production was lower in interim 2024 than in interim 2023, resulting in a lower practical capacity utilization rate in interim 2024. The industry's practical capacity decreased overall by *** percent from 2021 to 2023, first increasing from *** pounds in 2021 to *** pounds in 2022, then decreasing to *** pounds in 2023; it was the same in interim 2024 as in interim 2023, at *** pounds.[119] The domestic industry's production decreased overall by *** percent from 2021 to 2023, first increasing from *** pounds in 2021 to *** units in 2022, then decreasing to *** pounds in 2023; it was *** percent lower in interim 2024, at *** pounds, than in interim 2023, at *** pounds.[120] The industry's practical capacity utilization rate increased overall by *** percentage points from 2021 to 2023, first increasing from *** percent in 2021 to *** percent in 2022, then decreasing to *** percent in 2023; it was *** percentage points lower in interim 2024, at *** percent, than in interim 2023, at *** percent.[121]

While apparent U.S. consumption increased from 2021 to 2023, the domestic industry's U.S. shipments declined irregularly during that time as the domestic industry lost market share to subject imports. Although apparent U.S. consumption was lower in interim 2024 than in interim 2023, the domestic industry's U.S. shipments were higher as it was able to recapture some market share from subject imports. The industry's U.S. shipments decreased overall by *** percent from 2021 to 2023, first increasing from *** pounds in 2021 to *** pounds in 2022, then decreasing to *** pounds in 2023; they were *** percent higher in interim 2024, at *** pounds, than in interim 2023, at *** pounds.[122] The domestic industry's share of apparent U.S. consumption decreased by *** percentage points from 2021 to 2023, from *** percent in 2021 to *** percent in 2022 and *** percent in 2023; its share was *** percentage points higher in interim 2024, at *** percent, than in interim 2023, at *** percent.[123]

[118] 19 U.S.C. § 1677(7)(C)(iii).
[119] CR/PR at Tables 3.4 & C.1.
[120] CR/PR at Tables 3.4 & C.1.
[121] CR/PR at Tables 3.4 & C.1.
[122] CR/PR at Tables 3.7 & C.1.
[123] CR/PR at Tables 4.7 & C.1. Whemco reported ***. *Id*. at 3.6.

The domestic industry's employment indicia generally increased from 2021 to 2023 but were lower in interim 2024 than in interim 2023, including its employment,[124] hours worked,[125] and wages paid.[126] Productivity, as measured in pounds per hour, decreased overall by *** percent from 2021 to 2023, first increasing from *** in 2021 to *** in 2022, then decreasing to *** in 2023; it was *** percent higher in interim 2024, at ***, than in interim 2023, at ***.[127]

The domestic industry's financial performance generally improved over the POI but remained weak with negative operating income and margins throughout the POI. The domestic industry's improved financial performance generally reflects an improvement in its COGS to net sales ratio over the POI as it was able to increase its net sales values to a greater degree than rising costs. Its net sales revenue increased overall by *** percent from 2021 to 2023, first increasing from $*** in 2021 to $*** in 2022, then decreasing to $*** in 2023; its net sales revenue was *** percent lower in interim 2024, at $***, than in interim 2023, at $***.[128] The industry's gross profits increased overall by *** percent from 2021 to 2023, first increasing from $*** in 2021 to $*** in 2022, then decreasing to $*** in 2023; its gross profits were *** percent lower in interim 2024, at $***, than in interim 2023, at $***.[129] Despite positive gross profits that increased over the POI, the domestic industry's operating income remained negative though to a lesser degree from the beginning to the end of the POI. Both the domestic industry's operating loss and net loss decreased from $*** in 2021 to $*** in 2022 and $*** in 2023; its operating and net losses were less in interim 2024, at $***, than in interim 2023, at $***.[130] As a ratio to net sales, both the domestic industry's operating loss and net loss improved overall by *** percentage points from 2021 to 2023, first decreasing from *** percent in 2021 to *** percent in 2022, then increasing to *** percent in 2023; the industry's operating and net loss margins were *** percentage points lower in interim 2024, at *** percent, than in interim 2023, at *** percent.[131] The domestic industry's return on assets improved from *** percent in 2021 to *** percent in 2022, then decreased to *** percent in 2023.[132]

The industry reported *** capital expenditures in either 2021 or 2022, and $*** of

---

[124] Employment increased by *** percent from 2021 to 2023, from *** production and related workers ("PRWs") in 2021 to *** PRWs in 2022 and *** PRWs in 2023; it was *** percent lower in interim 2024, at *** PRWs, than in interim 2023, at *** PRWs. CR/PR at Tables 3.8 & C.1.

[125] Total hours worked increased by *** percent from 2021 to 2023, from *** hours in 2021 to *** hours in both 2022 and 2023. They were *** percent lower in interim 2024, at *** hours, than in interim 2023, at *** hours. CR/PR at Tables 3.8 & C.1.

[126] Wages paid increased by *** percent from 2021 to 2023, from $*** in 2021 to $*** in 2022 and $*** in 2023. They were *** percent lower in interim 2024, at $***, than in interim 2023, at $***. CR/PR at Tables 3.8 & C.1.

[127] CR/PR at Tables 3.8 & C.1.

[128] CR/PR at Tables 6.1 & C.1.

[129] CR/PR at Tables 6.1 & C.1.

[130] CR/PR at Tables 6.1 & C.1. Whemco reported identical operating and net income information.

[131] CR/PR at Table 6.1 & C.1. Whemco's operating and net margins were identical throughout the period.

[132] CR/PR at Table 6.5.

capital expenditures in 2023. Its capital expenditures were *** percent lower in interim 2024, at $***, than in interim 2023, at $***.[133] The domestic industry reported *** R&D expenses during the POI.[134] Finally, the domestic industry reported negative effects on investment, growth, and development due to subject imports.[135]

Based on the record in the preliminary phase of these investigations, we find that the significant and increasing volume of subject imports undersold the domestic like product to a significant degree, causing a shift in market share from the domestic industry to subject imports from 2021 to 2023. As noted, the domestic industry lost *** percentage points of market share to subject imports from 2021 to 2023. As the domestic industry's market share declined during this time, the industry's production, capacity utilization, and U.S. shipments were lower than they otherwise would have been, particularly in light of the *** percent increase in apparent U.S. consumption. Further, while the domestic industry's profit margins increased from 2021 to 2023 as it was able to raise net sales values to a greater degree than costs, due to the loss of market share to subject imports, the domestic industry had lower profits and operating margins than otherwise would be expected in part because it was forced to spread its fixed costs, including SG&A expenses, over a smaller volume. In addition, we cannot conclude that subject imports did not depress domestic producer prices to a significant degree in the interim period and therefore we cannot conclude that subject imports did not negatively impact the domestic industry's financial performance in interim 2024. Consequently, we find that cumulated subject imports had a significant impact on the domestic industry.[136]

We have also considered whether there are other factors that may have had an adverse impact on the domestic industry during the POI to ensure that we are not attributing injury from such other factors to subject imports. There were no nonsubject imports during the POI.[137] While apparent U.S. consumption was *** percent lower in interim 2024 than in interim 2023, this cannot explain the injury resulting from the domestic industry's loss of *** percentage points of market share to subject imports, which occurred earlier in the POI and as demand increased.

In sum, based on the record of the preliminary phase of these investigations, we find that subject imports had a significant impact on the domestic industry. Consequently, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of subject imports.

---

[133] CR/PR at Tables 6.5 & C.1.

[134] CR/PR at Tables 6.5 & 6.6.

[135] CR/PR at Table 6.8.

[136] Whemco contends that it began the POI in an injured condition due to subject imports. Petitioner's Postconf. Br. at 12. Although the industry continued to operate at a loss, its gross profits improved and its operating losses declined throughout the POI, despite the significant increase in subject import volume and market share. CR/PR at Table C.1. We intend to further explore Whemco's contention in any final phase of these investigations to better understand the factors impacting its financial performance during the POI. Regardless, whether other factors contributed to or were responsible for the domestic industry's performance at the start of the POI, that would not negate that the domestic injury's output, employment, revenue, profits and operating margins would have been higher but for the loss of market share to subject imports during the POI.

[137] CR/PR at Table C.1.

VII. Conclusion

For the reasons stated above, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of slag pots from China that are allegedly sold in the United States at less than fair value and subsidized by the government of China.

Part 1: Introduction

Background

These investigations result from petitions filed with the U.S. Department of Commerce ("Commerce") and the U.S. International Trade Commission ("USITC" or "Commission") by WHEMCO-Steel Castings, Inc. ("Whemco"), Pittsburgh, Pennsylvania on December 31, 2024, alleging that an industry in the United States is materially injured and threatened with material injury by reason of subsidized and less-than-fair-value ("LTFV") imports of slag pots [1] from China. Table 1.1 presents information relating to the background of these investigations.[2] [3]

Table 1.1 Slag pots: Information relating to the background and schedule of this proceeding

Effective date	Action
December 31, 2024	Petitions filed with Commerce and the Commission; institution of the Commission investigations (90 FR 1195, January 7, 2025)
January 21, 2025	Commission's conference
January 21, 2025	Commerce's notice of initiation (90 FR 8276 (AD), 90 FR 8267 (CVD), January 28, 2025)
February 13, 2025	Commission's vote
February 14, 2025	Commission's determinations
February 24, 2025	Commission's views

Statutory criteria

Section 771(7)(B) of the Tariff Act of 1930 (the "Act") (19 U.S.C. § 1677(7)(B)) provides that in making its determinations of injury to an industry in the United States, the Commission--

> *shall consider (I) the volume of imports of the subject merchandise, (II) the effect of imports of that merchandise on prices in the United States for domestic like products, and (III) the impact of imports of such merchandise on domestic producers of domestic like products, but only in the context of production operations within the United States; and. . . may consider such other economic factors as are relevant to the determination regarding whether there is material injury by reason of imports.*

[1] See the section entitled "The subject merchandise" in Part 1 of this report for a complete description of the merchandise subject in this proceeding.

[2] Pertinent Federal Register notices are referenced in appendix A and may be found at the Commission's website (www.usitc.gov).

[3] A list of witnesses appearing at the conference is presented in appendix B of this report.

Section 771(7)(C) of the Act (19 U.S.C. § 1677(7)(C)) further provides that--[4]

> *In evaluating the volume of imports of merchandise, the Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States is significant.. . .In evaluating the effect of imports of such merchandise on prices, the Commission shall consider whether. . .(I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and (II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.. . . In examining the impact required to be considered under subparagraph (B)(i)(III), the Commission shall evaluate (within the context of the business cycle and conditions of competition that are distinctive to the affected industry) all relevant economic factors which have a bearing on the state of the industry in the United States, including, but not limited to. . . (I) actual and potential decline in output, sales, market share, gross profits, operating profits, net profits, ability to service debt, productivity, return on investments, return on assets, and utilization of capacity, (II) factors affecting domestic prices, (III) actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, (IV) actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and (V) in {an antidumping investigation}, the magnitude of the margin of dumping.*
>
> *In addition, Section 771(7)(J) of the Act (19 U.S.C. § 1677(7)(J)) provides that—*[5]
>
> *(J) EFFECT OF PROFITABILITY.—The Commission may not determine that there is no material injury or threat of material injury to an industry in the United States merely because that industry is profitable or because the performance of that industry has recently improved.*

Organization of report

Part 1 of this report presents information on the subject merchandise, alleged subsidy rates/dumping margins, and domestic like product. Part 2 of this report presents information on conditions of competition and other relevant economic factors. Part 3 presents information

[4] Amended by PL 114-27 (as signed, June 29, 2015), Trade Preferences Extension Act of 2015.
[5] Amended by PL 114-27 (as signed, June 29, 2015), Trade Preferences Extension Act of 2015.

on the condition of the U.S. industry, including data on capacity, production, shipments, inventories, and employment. Parts 4 and 5 present the volume of subject imports and pricing of domestic and imported products, respectively. Part 6 presents information on the financial experience of U.S. producers. Part 7 presents the statutory requirements and information obtained for use in the Commission's consideration of the question of threat of material injury as well as information regarding nonsubject countries.

Market summary

Slag pots are large bowl-shaped containers used to collect high-temperature molten slag from the production of certain liquid metals, such as steel.[6] The petitioner, Whemco, is the only remaining U.S. producer of slag pots.[7] A leading producer of slag pots outside the United States is Chaeng Great Wall Castings Co. Ltd. ("Chaeng"). The leading U.S. importers of slag pots from China are MECC-USA LLC ("MECC-USA") and TMS International, LLC ("TMS"). Slag pots are reportedly not imported from any nonsubject sources.[8] U.S. purchasers of slag pots are firms that operate in the steel and copper industries; leading purchasers include ***.

Apparent U.S. consumption of slag pots totaled approximately *** pounds ($***) in 2023. Whemco's U.S. shipments of slag pots totaled *** pounds ($***) in 2023, and accounted for *** precent of apparent U.S. consumption by quantity and *** percent by value. U.S. imports from subject sources totaled *** pounds ($***) in 2023 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. There were no U.S. imports from nonsubject sources.

Summary data and data sources

A summary of data collected in these investigations is presented in appendix C, table C.1. The Commission's questionnaires collected data for the years 2021 to 2023 and interim periods January to September of 2023 ("interim 2023") and January to September of 2024 ("interim 2024"). Except as noted, U.S. industry data are based on the questionnaire response of Whemco. U.S. imports are based on questionnaire data.

[6] Petition, p. 4.
[7] Petitioner's postconference brief, p. 6.
[8] Petitioner's postconference brief, p. 7.

Previous and related investigations

Slag pots have not been the subject of any prior countervailing or antidumping duty investigations in the United States.

Nature and extent of alleged subsidies and sales at LTFV

Alleged subsidies

On January 28, 2025, Commerce published a notice in the Federal Register of the initiation of its countervailing duty investigation on slag pots from China.[9]

Alleged sales at LTFV

On January 28, 2025, Commerce published a notice in the Federal Register of the initiation of its antidumping duty investigation on slag pots from China.[10] Commerce has initiated antidumping duty investigations based on estimated dumping margins of 294.43 percent.

The subject merchandise

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:[11]

> *The merchandise covered by the investigation is slag pots with a nominal capacity of 65 cubic feet to 1200 cubic feet regardless of shape, form, or finish.*
>
> *Slag pots are load bearing devices typically formed as a curved shell or bowl-shaped container. Slag pots are metallurgical goods typically produced either using a casting process or a fabrication process (e.g., welding) and may include a ceramic refractory coating, heat treatment or various finishes in order to handle high temperature slag. Slag pots may contain integral features or attachments including (1) legs (or a stand) and (2) pivotal mounting hooks or brackets. Legs (or a stand) are a fixed or detachable support structure which allows the slag pot to be securely*

[9] For further information on the alleged subsidy programs see Commerce's notice of initiation and related CVD Initiation Checklist. 90 FR 8267, January 28, 2025.

[10] 90 FR 8276, January 28, 2025.

[11] 90 FR 8267, 90 FR 8276, January 28, 2025.

positioned upright on a surface when not being lifted or transported and may also keep the slag pot off the ground and allow for air cooling. The pivotal mounting hooks and brackets are specialized attachment points (such as lifting lugs or trunnions) that allow the slag pot to be securely lifted and transported by a crane or lifting device, or that enable the slag pot to swing or rotate while remaining attached to the lifting mechanism. The merchandise covered by this investigation includes all aforementioned attachments of a fully assembled slag pot, regardless of whether shipped assembled or unassembled.

Slag pots are included within the scope whether finished or unfinished, whether imported individually or with other subject or non-subject merchandise, or whether assembled with attachments or unassembled. Finishing includes, but is not limited to, arc washing, welding, grinding, shot blasting, heat treatment, machining, and assembly of various parts.

The country of origin for slag pots whether fully assembled, unfinished or finished, is the country where the slag pot was cast or forged. Subject merchandise includes slag pots that have been further processed or further assembled in a third country. Further processing and further assembly include, but is not limited to, arc washing, welding, grinding, shot blasting, heat treatment, painting, coating, priming, machining, and assembly of attachments.

Tariff treatment

General

Based upon the scope set forth by Commerce, information available to the Commission indicates that the merchandise subject to these investigations is imported under Harmonized Tariff Schedule of the United States ("HTSUS" or "HTS") statistical reporting number 7309.00.0090.[12] The general rate of duty is "Free" for HTS subheading 7309.00.00.[13] Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

[12] HTS statistical reporting number 7309.00.0090 (Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 liters, whether or not lined or heat insulated, but not fitted with mechanical or thermal equipment: Other than tanks) is a category that includes slag pots and out-of-scope products. If imported separately, slag pot attachments are imported under HTS statistical reporting numbers 7316.00.0000, 7325.10.0080, 7325.99.1000, 7325.99.5000, and 7326.19.0080.

[13] USITC, HTSUS (2025) Basic Edition, Publication 5575, January 2025, p. 73.25.

Section 232

Slag pots are not subject to additional duties or trade actions under section 232 of the Trade Expansion Act of 1962, as amended, that became effective March 23, 2018.[14]

Section 301

Effective September 24, 2018, slag pots originating in China were subject to an additional 10 percent ad valorem duty under section 301 of the Trade Act of 1974.[15] Effective May 10, 2019, the section 301 duty for slag pots was increased to an additional 25 percent ad valorem duty.[16]

Other

Effective February 4, 2025, slag pots originating in China were subject to an additional 10 percent ad valorem duty under the International Emergency Economic Powers Act, the National Emergencies Act, section 604 of the Trade Act of 1974, as amended, and section 301 of title 3, United States Code.[17]

The product

Description and applications[18]

Slag pots are large bowl-shaped containers, typically made from cast iron or steel, that are used to collect and transport high-temperature molten slag from the production of certain liquid metals.[19] Slag pots are smaller at the bottom and then become wider at the top of the pot. The size of slag pots can vary and is based on the needs of the customers, which are

[14] Adjusting Imports of Steel into the United States, Presidential Proclamation 9705, March 8, 2018, 83 FR 11625, March 15, 2018.

[15] 83 FR 47974, September 21, 2018.

[16] The date of the duty increase was delayed to June 15, 2019, for products exported from China before May 10, 2019. 84 FR 20459, May 9, 2019; 84 FR 26930, June 10, 2019; See also HTS heading 9903.88.03 and U.S. notes 20(e) and 31(f) to subchapter 3 of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2025) Basic Edition, Publication 5575, January 2025, pp. 99.3.28 to 99.3.52, and 99.3.320.

[17] 90 FR 9038, February 5, 2025. See also HTS heading 9903.01.20 and U.S. note 2(s) to subchapter 3 of chapter 99 and related tariff provisions for this duty treatment. USITC HTS (2025) Revision 1, Publication 5587, February 2025, p. 99.3.1 and 99.3.278.

[18] Petition, Volume 1, p.4.

[19] The domestic producer's slag pots are made from low alloy steel. Conference transcript, p. 64 (Kane).

typically steel mills or metal producers.[20] The slag pots covered by these investigations have a nominal capacity of 65 cubic feet to 1,200 cubic feet regardless of shape, form, or finish. Slag pots can weigh from 10,000 to 150,000 pounds, depending on size.[21]

In steelmaking facilities, the slag pots capture slag.[22] Slag is high-temperature molten metal scrap that comes from melting metals, such as steel, in a furnace, and is basically waste product that contains the impurities of the materials that are being melted.[23] The high temperature slag cools when it comes in contact with the slag pot vessel wall to form a glassy layer that insulates against further heat transfer until the molten slag can be transported to a remote disposal site. Slag pots must be able to withstand elevated temperatures due to prolonged exposure to hot molten slag. Slag pots are also used in some mining operations and facilities that produce nonferrous metals (e.g. copper).[24] The same types of slag pots are used in steel and other metal operations.

Slag pots may contain integral features or attachments, including legs (or a stand) and pivotal mounting hooks or brackets. Legs (or a stand) are a fixed or detachable support structure which allows the slag pot to be securely positioned upright on a surface when not being lifted or transported and may also keep the slag pot off the ground and allow for air cooling. The pivotal mounting hooks and brackets are specialized attachment points (such as lifting lugs or trunnions) that allow the slag pot to be securely lifted and transported by a crane or other lifting device, or that enable the slag pot to swing or rotate while remaining attached to the lifting mechanism (Figs. 1.1 and 1.2).

[20] Conference transcript, p. 39 (Kane).

[21] Conference transcript, p. 10 (Moldovan).

[22] Slag from iron and steel production contains impurities such as lime, silicates, and aluminates, that are removed from molten metal during the production process. Slag can be sold to customers for use in the cement, railroad, and construction industries. U.S. Environmental Protection Agency, "Regulatory Impact Analysis for the Final National Emission Standards for Hazardous Air Pollutants: Integrated Iron and Steel Manufacturing Facilities Technology Review," March 2024, pp. I.4, 2.9.

[23] Conference transcript, p. 8 (Moldovan).

[24] Conference transcript, p. 38 (Kane).

Figure 1.1. Slag pots: Finished cast slag pots

Source: Petitioner's Conference Testimony and Presentation, p. 27, January 17, 2025.

Figure 1.2. Slag pots: Welded slag pot

Source: Sinotechdrill International, https://www.drillrigmachine.com/china-customized_welded_slag_smelting_pot_3_16_cubic_meters_with_high_strength-10932455.html, accessed January 22, 2025.

Manufacturing processes[25]

The majority of slag pots are produced using a casting process that may include a ceramic refractory coating, heat treatment, and various finishes in order to handle high temperature slag. The domestic producer only makes slag pots using the casting process; however, Chinese producers reportedly use either the casting method or a fabrication (i.e., welded) process to create slag pots.[26] The petitioner contends that slag pots, whether cast or welded, are used for the same applications.[27] Cast slag pots are typically made through a multi-step process described below that includes metal melting and casting, processing and machining, and finishing.[28] This casting process is the same and uses the same equipment, regardless of the size of the pots.[29]

Contract Review and Molding

The first steps involve reviewing the order from the customer, checking the contract, and preparing the wood pattern from which a mold of sand is made for the casting process (Fig 1.3).[30] Slag pot designs can differ since each customer has specific requirements that are based on their production facilities.[31] Slag pots are made to be compatible with the specific type of

[25] Petition, Volume 1, pp.4 to 5.

[26] Most Chinese producers use the casting process. During the staff conference, counsel for the Petitioner stated that they believe the percentage of fabricated or welded slag pots as a percentage of total subject imports was relatively small. Response to Second Supplemental Questions Regarding Volume I of Petitions, General Issues Supplement, Question 1; Conference transcript, pp. 33(Pickard) and 52 (Kane).

[27] Conference transcript, p. 46 (Pickard), p. 47 (Kane).

[28] Welded slag pots are primarily composed of multiple pieces of low alloy steel plate, including a body, bottom, support assemblies, and supporting plates, which are pressed and welded together to form the slag pot. Chinese producer MCC Baosteel Technology Services Co Ltd. holds a patent for certain types of welded slag pots. In marketing material, a Chinese supplier describes welded slag pots as having advantages compared to cast slag pots such as strength, no cracking, reliability, ease of repair, low maintenance costs, and a long service life. Sinotechdrill International, "Customized Welded Slag Smelting Pot 3-16 Cubic Meters With High Strength," https://www.drillrigmachine.com/china-customized_welded_slag_smelting_pot_3_16_cubic_meters_with_high_strength-10932455.html, accessed January 22, 2025; Sinotechdrill International, "40cr Forging Geological Instruments Elliptical Welded Slag Pot 35.6ton Weight," https://www.drillrigmachine.com/sale-10932480-40cr-forging-geological-instruments-elliptical-welded-slag-pot-35-6ton-weight.html, accessed January 22, 2025; Google Patents, "Welded slag pot with variable approximately-elliptical cross section and manufacturing method thereof," https://patents.google.com/patent/CN105112581A/en, accessed January 21, 2025.

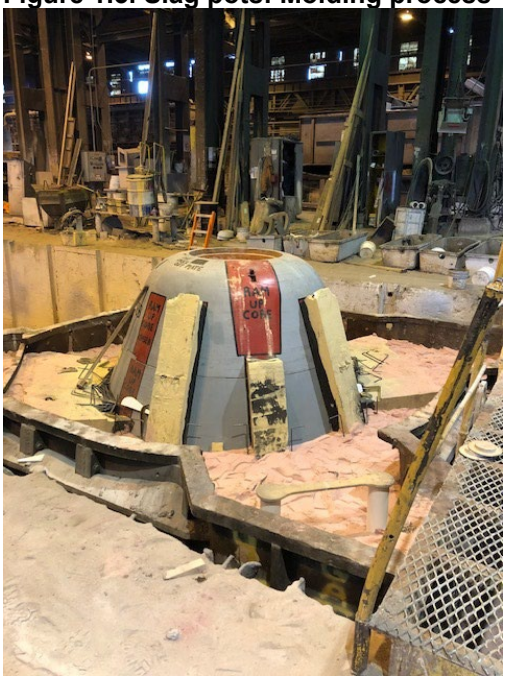
[29] Conference transcript, p. 8 (Moldovan).

[30] Conference transcript, p. 10 (Moldovan).

[31] Conference transcript, p. 11 (Moldovan); p. 47 (Kane).

carrier equipment that the customer uses to lift and transport the slag pot at its facility.[32] These steps are completed before melting and casting begins.

Figure 1.3. Slag pots: Molding process



Source: Petitioner's Conference Testimony and Presentation, p. 29, January 17, 2025.

Melting and Casting

Slag pots production typically utilizes carbon and alloy steel inputs, using a standard foundry steelmaking process.[33] A combination of steel, carbon quality ferrous scrap, alloy quality ferrous scrap, or ferrous iron units are melted in an electric arc furnace (EAF) that typically utilizes graphite electrodes that heat the furnace contents to a temperature of 2,800 degrees Fahrenheit or higher.[34] During this process, certain alloying agents are added to ensure proper chemistry levels which are required to meet product specifications for strength and formability.[35] The molten metal is then poured into a foundry mold, typically in the form of

[32] Conference transcript, p. 47 (Kane).

[33] A steel foundry is a manufacturing facility where metals (e.g., scrap, iron, and steel) are heated until they turn into liquid. The liquid metal is then poured into a mold and cooled to form a solid product. Domestic producer Whemco uses plate and structural scrap for slag pot production. Conference transcript, p. 63 (Moldovan); Harrison Steel Castings Company, "What's a Steel Foundry?," https://www.hscast.com/steel-foundry/, retrieved January 22, 2025.

[34] Domestic producer Whemco and some Chinese slag pot producers such as Xinxieng Great Wall Casting Co., Ltd. use EAFs for production. Petition, Volume III, ex. 59.

[35] The domestic producer mentioned the addition of ferrosilicon, ferromanganese, and some proprietary alloys or elements during this process. Conference transcript p. 63 (Kane).

silica sand that has been compacted to produce a cavity of the rough shape of the casting (Fig. 1.4). Once the casting has been poured into the mold and has cooled into a solid, the sand is removed and blasted away, yielding a cast shape. This shape is freed of any excess cast steel that is present but not part of the desired shape and is then prepared for machining into a finished slag pot.

Figure 1.4. Slag pots: Casting

Source: CCE Cast-Con Engineering, "Smart Solutions In Hot Operations," p. 12, https://nationalslag.org/wp-content/uploads/2022/09/Dan-Petricini-Smart-Solutions-in-Hot-Operations.pdf, accessed January 24, 2025.

Machining and Finishing operations

The cast steel shape is converted to a finished slag pot through finishing (machining) operations. Machine tools, drills, and saws grind and reduce the shape to the correct dimensions. The product may also be subjected to additional finishing operations, such as shot blasting and sanding. Further, slag pots are commonly subjected to heat treatment processes (Fig. 1.5).[36] Additionally, depending on the good being produced, certain attachments or components (such as legs or mounting hooks) may be further welded or physically mated into or onto the casting as dictated by the form of the casting.[37]

[36] The domestic producer uses heat treatment on all of it slag pots. Conference transcript, p. 71 (Moldovan).

[37] The majority of slag pots, whether produced in the United States or China, are produced using the steel casting production method and as a result attachments are integrated to the slag pot (during the casting process). However, some Chinese producers use a fabrication (i.e., welding) process to create slag pots. For these fabricated slag pots, attachments can be welded to a slag pot, either in China, a third country or after the slag pot enters the United States. Response to Second Supplemental Questions Regarding Volume 1 of Petitions, General Issues Supplement, Question 1.

Figure 1.5. Slag pots: Heat treatment

Source: Source: Petitioner's Conference Testimony and Presentation, p. 31, January 17, 2025.

Slag pots are then tested to ensure that they meet the requirements of the customer's specifications. Each approved slag pot is typically marked with a product code and product identifier to ensure traceability to the producer and to the producer's customers. Finished slag pots are then frequently shipped on an oversized truck to the customers facility.[38]

Domestic like product issues

No issues with respect to domestic like product have been raised in these investigations. The petitioner proposes that the Commission find a single domestic like product, coextensive with the scope.[39]

[38] The domestic producer sends all of its slag pots to customers via truck although rail had been used in the past. Conference transcript, p. 77 (Moldovan).

[39] Petition, p. 4.

Part 2: Conditions of competition in the U.S. market

U.S. market characteristics

Slag pots are load-bearing devices typically formed as a curved shell designed to collect molten or solid slag generated during metallurgical or chemical processes. Slag pots are metallurgical goods typically produced either using a casting process or a fabrication process and may include a ceramic refractory coating, heat treatment or various finishes in order to handle high temperature slag. Slag pots are typically designed as lifting equipment and may include attachments to enable the transport of slag pots. Attachments may include 1) a connected stand, 2) pivotal mounting hooks or brackets, and 3) other attachments.[1]

U.S. producer Whemco indicated that the slag pots market *** subject to distinctive conditions of competition, while *** importers indicated that the market was subject to distinctive conditions of competition.

There is one U.S. producer of slag pots, petitioner Whemco, and four importers of slag pots from China. Apparent U.S. consumption of slag pots increased during January 2021 to December 2023. Overall, apparent U.S. consumption in 2023 was *** percent higher than in 2021.

Impact of section 301 tariffs and 232 tariffs

U.S. producers and importers were asked to report the impact of section 301 tariffs and 232 tariffs on overall demand, supply, prices, or raw material costs. The U.S. producer reported that section 301 tariffs *** had an impact on overall demand, supply, prices, or raw materials costs for slag pots, while three of four importers reported that they did not know. U.S. importer *** reported that the section 301 tariffs resulted in U.S. producer Whemco increasing its prices, while importer ***, reported that the market price went up for customers, but did not materially affect much else. The U.S. producer and two of four importers reported that they ***.

[1] Petition, p. I-3.

Channels of distribution

Both U.S. producer Whemco and importers of slag pots from China sell directly to steel companies and slag handlers.[2] The U.S. producer and importers sold ***.

Geographic distribution

The U.S. producer reported selling slag pots to ***, while *** (table 2.1). For U.S. producer Whemco, *** percent of sales were between 101 and 1,000 miles of its production facility, *** percent were within 100 miles, and *** percent were over 1,000 miles. ***.

Table 2.1 Slag pots: Count of U.S. producers' and U.S. importers' geographic markets

Region	U.S. producers	China
Northeast	***	***
Midwest	***	***
Southeast	***	***
Central Southwest	***	***
Mountains	***	***
Pacific Coast	***	***
Other	***	***
All regions (except Other)	***	***
Reporting firms	1	1

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

Note: Other U.S. markets include AK, HI, PR, and VI.

Supply and demand considerations

U.S. supply

Table 2.2 provides a summary of the supply factors regarding slag pots from U.S. producers and China.

[2] Conference transcript, pp. 14 to 15 (Kane).

Table 2.2 Slag pots: Supply factors that affect the ability to increase shipments to the U.S. market, by country

Quantity in 1,000 pounds; ratios and shares in percent; Count in number of firms reporting.

Factor	Measure	United States	China
Capacity 2021	Quantity	***	***
Capacity 2023	Quantity	***	***
Capacity utilization 2021	Ratio	***	***
Capacity utilization 2023	Ratio	***	***
Inventories to total shipments 2021	Ratio	***	***
Inventories to total shipments 2023	Ratio	***	***
Home market shipments 2023	Share	***	***
Non-US export market shipments 2023	Share	***	***
Ability to shift production	Count	***	***

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

Note: Responding U.S. producers accounted for all of U.S. production of slag pots in 2023. Responding foreign producer/exporter firms accounted for more than half of U.S. imports of slag pots from China during 2023. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from each subject country, please refer to Part 1, “Summary Data and Data Sources.” Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “—“. Counts equal the number of firms reporting "yes".

Domestic production

Based on available information, the U.S. producer of slag pots has the ability to respond to changes in demand with large changes in the quantity of shipments of U.S.-produced slag pots to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and ability to shift production to or from alternate products. Petitioner Whemco asserts that it could double its current production of slag pots within approximately 4 months by offering overtime pay and hiring new workers.[3] As slag pots are produced to order, producers do not hold inventories.[4]

Capacity decreased by *** percent between 2021 and 2023, while production decreased by *** percent, leading to a *** percentage point increase in capacity utilization. *** is a major export market for slag pots; export shipments represented *** percent of total shipments in 2023. Other products that the U.S. producer reportedly can produce on the same equipment as slag pots are ***. According to the U.S. producer, the factors affecting its ability to shift production include ***.

[3] Conference transcript, pp. 18 and 22 (Kane) and p. 42 (Moldovan).

[4] Conference transcript, p. 47 (Kane).

Subject imports from China

Based on available information, producers of slag pots from China have the ability to respond to changes in demand with large changes in the quantity of shipments of slag pots to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and at least some ability to shift production to or from alternate products. In 2023, the responding foreign producer of slag pots from China reported *** of its slag pots exports were to the United States, and *** percent of its exports were to other markets, suggesting a large ability to switch exports to the United States.

Capacity increased by *** percent while production increased by *** percent, leading to a capacity utilization decrease of *** percent. Other products that responding foreign producers reportedly can produce on the same equipment as slag pots are rolling mill stands, bearing housing, ship tillers, ball millheads, kiln tires, girth gear support, and rocker arms for vertical roller mills. Factors affecting foreign producers' ability to shift production include market needs.

Imports from nonsubject sources

There were *** nonsubject imports of slag pots during 2021 to September 2024.

Supply constraints

U.S. producer Whemco and *** responding importers reported that they *** experienced supply constraints since January 1, 2021.

U.S. demand

Demand in the slag pots industry generally follows demand in the steel industry, as slag is a byproduct of the steel production process.[5] Based on available information, the overall demand for slag pots is likely to experience small changes in response to changes in price. The main contributing factor is the lack of substitute products.

End uses and cost share

Slag pots account for the entire share of the cost of the end-use products in which they are used. Reported end uses were the hold and transport of slag from smelting operations, and the collection, transport, and process of steel making.

[5] Conference transcript, p. 28 (Pickard).

Business cycles

U.S. producer Whemco indicated that the market *** subject to business cycles, while *** responding importers indicated that the market was not subject to business cycles. Specifically, the U.S. producer reported that the U.S. slag pot market is highly correlated with U.S. steel production, since slag is a byproduct of melting steel.

Demand trends

Most firms reported either no change or a decrease in U.S. demand for slag pots since January 1, 2021 (table 2.3).

Table 2.3 Slag pots: Count of firms' responses regarding overall domestic and foreign demand, by firm type

Count in number of firms reporting

Market	Firm type	Steadily Increase	Fluctuate Up	No change	Fluctuate Down	Steadily Decrease
Domestic demand	U.S. producers	***	***	***	***	***
Domestic demand	Importers	***	***	***	***	***
Foreign demand	U.S. producers	***	***	***	***	***
Foreign demand	Importers	***	***	***	***	***

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

Substitute products

The sole U.S. producer and all four importers reported that there were *** for slag pots.

Substitutability issues

This section assesses the degree to which U.S.-produced slag pots and imports of slag pots from subject countries can be substituted for one another by examining the importance of certain purchasing factors and the comparability of slag pots from domestic and imported sources based on those factors. Based on available data, staff believes that there is a moderate to high degree of substitutability between domestically produced slag pots and slag pots imported from subject sources.[6] Factors contributing to this level of substitutability include

[6] The degree of substitution between domestic and imported slag pots depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced slag pots to the slag pots imported from subject countries (or vice versa) when prices change. The degree of substitution may include such factors as quality differences (e.g., grade standards, defect rates, etc.), and differences in sales conditions (e.g., lead times between order and delivery dates, reliability of supply, product services, etc.).

similar quality, availability, and lead times for slag pots that are produced-to-order, a little preference for particular country of origin or producers, similarities between domestically produced slag pots and slag pots imported from subject countries across multiple purchase factors, and interchangeability between domestic and subject sources. Factors reducing substitutability include certain types of slag pots only being available only from China, purchaser preferences for slag pots from China over other sources, and significant factors other than price that firms consider, such as service and maintenance of purchased slag pots.

Factors affecting purchasing decisions

Most important purchase factors

Purchasers responding to lost sales lost revenue allegations[7] were asked to identify the main purchasing factors their firm considered in their purchasing decisions for slag pots.

The most often cited top factors firms consider in their purchasing decisions for slag pots were: price/cost (three firms) and quality (two firms), as shown in table 2.4. Existing supplier, price/cost, and technical support were the most frequently cited first-most important factors (cited by one firm each). Durability/physical properties, lead times, and quality were the most frequently reported second-most important factor (one firm each); and price/cost was the most frequently reported third-most important factor (two firms).

Table 2.4 Slag pots: Count of ranking of factors used in purchasing decisions as reported by purchasers, by factor

Count in number of firms reporting

Factor	First	Second	Third	Total
Price / Cost	1	0	2	3
Quality	1	0	0	1
Existing supplier	1	0	0	1
Technical Support	0	1	1	2
Lead times	0	1	0	1
Durability/Physical properties	0	1	0	1
All other factors	0	0	0	NA

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

Note: Other factors include frequency and estimated cost of repairs to in-service slag pots, compliance with procurement and purchase order terms and conditions, suppliers' health, safety, and environmental compliance records, and after-purchase support and site visits and inspections performed by the vendor.

[7] This information is compiled from responses by purchasers identified by Petitioners to the lost sales lost revenue allegations. See Part 5 for additional information.

Lead times

Slag pots are produced to order.[8] U.S. producer Whemco reported that its lead times averaged *** days, while U.S. importer ***'s lead times averaged *** days.

Comparison of U.S.-produced and imported slag pots

In order to determine whether U.S.-produced slag pots can generally be used in the same applications as imports from China, the U.S. producer and importers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. U.S. producer Whemco and *** importers reported that domestically produced slag pots are *** interchangeable with slag pots from China (table 2.5).[9] U.S. importer *** reported that, ***.[10] Petitioner Whemco asserts that the technical service and maintenance visits it provides to look at a potential or existing customer's slag pot inventory and assess thermal and mechanical damage are not bundled with the sale of the slag pot itself and are not done under contract.[11]

Table 2.5 Slag pots: Count of U.S. producers and importers reporting the interchangeability between product produced in the United States and in other countries, by country pair

Count in number of firms reporting

Country pair	Firm type	Always	Frequently	Sometimes	Never
United States vs. China	U.S. producers	***	***	***	***
United States vs. Other	U.S. producers	***	***	***	***
China vs. Other	U.S. producers	***	***	***	***
United States vs. China	Importers	***	***	***	***
United States vs. Other	Importers	***	***	***	***
China vs. Other	Importers	***	***	***	***

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

In addition, the U.S. producer and importers were asked to assess how often differences other than price were significant in sales of slag pots from the United States and China. As seen in table 2.6, the U.S. producer, Whemco, reported that differences other than price were *** significant across all sources. Importer *** reported that they were ***

[8] Conference transcript, p. 47 (Kane).

[9] Conference transcript, pp. 15 to 16 (Kane).

[10] Counsel for the petitioner asserts that welded slag pots are a relatively small percentage of subject imports and are always interchangeable. Conference transcript, p. 33 (Pickard) and pp. 59-60 (Kane).

[11] Conference transcript, p. 55 to 57 (Kane and Schenk).

significant between slag pots produced in the United States and slag pots produced in China. It cites that performance quality (such as the number of heats a slag pot can withstand before failing or price breakdown for maintenance costs), reputation, certifications, lead costs, operation costs, repair costs, and total costs of ownership as differences other than price, and reports that Whemco has had issues with these in the past, allowing ***.

Table 2.6 Slag pots: Count of U.S. producers reporting the significance of differences other than price between product produced in the United States and in other countries, by country pair

Count in number of firms reporting

Country pair	Firm type	Always	Frequently	Sometimes	Never
United States vs. China	U.S. producers	***	***	***	***
United States vs. Other	U.S. producers	***	***	***	***
China vs. Other	U.S. producers	***	***	***	***
United States vs. China	Importers	***	***	***	***
United States vs. Other	Importers	***	***	***	***
China vs. Other	Importers	***	***	***	***

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

Part 3: U.S. producer's production, shipments, and employment

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the subsidies and dumping margins was presented in Part 1 of this report and information on the volume and pricing of imports of the subject merchandise is presented in Part 4 and Part 5. Information on the other factors specified is presented in this section and/or Part 6 and (except as noted) is based on the questionnaire responses of Whemco, the petitioner, which accounted for all U.S. production of slag pots during 2023.

U.S. producer

The Commission issued a U.S. producer questionnaire to two firms based on information contained in the petition. One firm provided usable data on its operations.[1] Table 3.1 lists the U.S. producer of slag pots, its production locations, positions on the petition, and shares of total production.

[1] The petition identified one firm, Centre Foundry, as another possible producer of slag pots, and noted that the company was no longer in business. ***. Email to USITC staff from ***, January 10, 2025.

Table 3.1 Slag pots: U.S. producer Whemco's positions on the petition, production locations, and shares of reported production, 2023

Firm	Position on petition	Production location(s)	Share of production
Whemco	Petitioner	Midland, PA	100.0

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

Table 3.2 presents information on Whemco's ownership, related and/or affiliated firms.

Table 3.2 Slag pots: U.S. producer Whemco's ownership, related and/or affiliated firms

Reporting firm	Relationship type and related firm	Details of relationship
Whemco	***	***

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

Table 3.3 presents events in the U.S. industry since January 1, 2021.

Table 3.3 Slag pots: Important industry events since 2021

Item	Firm	Event
Closure	Centre Foundry and Machine	September 2023 – According to multiple news reports, Centre Foundry closed its 100,000 square foot foundry in Wheeling, WV, laying off 36 employees. The foundry specialized in gray iron castings for specialty steel and alloy producers and had the capacity to produce 100 short tons per day of cast products, including slag pots. According to domestic producer Whemco, when they were still operating, Centre produced very small slag pots that were only used for a handful of applications.
Slag market sales	USGS	According to the USGS, 16 million metric tons of iron and steel slag was sold in the United States in 2023, the same amount that was sold in 2021 and 2022. The value of the slag was about $900 million. While blast furnace slag made up about half of the total volume, it accounted for the majority of the value of slag sold.

Sources: Centre Foundry, "Facilities and Capabilities," https://centrefoundry.com/facilities.html; Centre Foundry, "About," https://centrefoundry.com/about.htm; retrieved January 22, 2025; The Intelligencer. Wheeling News-Register, "Centre Foundry and Machine Plans to Close," September 7, 2023, https://www.theintelligencer.net/news/top-headlines/2023/09/centre-foundry-and-machine-plans-to-close/; Conference transcript, pp. 75 to 76 (Kane); U.S. Geological Survey, "Iron and Steel Slag," January 2024, https://pubs.usgs.gov/periodicals/mcs2024/mcs2024-iron-steel-slag.pdf.

Producers in the United States were asked to report any change in the character of their operations or organization relating to the production of slag pots since 2021. Whemco did not report any changes in operations since 2021.

U.S. production, capacity, and capacity utilization

Table 3.4 presents Whemco's installed and practical capacity and production on the same equipment. Installed overall capacity was constant at *** pounds from 2021 to 2023, and it was *** pounds in interims 2023 and 2024. Practical overall capacity decreased irregularly by *** percent from 2021 to 2023, and it was *** percent lower in interim 2024 than in interim 2023. Practical capacity to produce slag pots decreased irregularly by *** percent from 2021 to 2023, but was unchanged in interims 2023 and 2024.

Installed overall capacity utilization decreased irregularly by *** percentage points from 2021 to 2023, and it was *** percentage points lower in interim 2024 than in interim 2023. Practical overall capacity utilization was *** percent in all periods.[2] Practical capacity utilization to produce slag pots increased irregularly by *** percentage points from 2021 to 2023, and it was *** percentage points lower in interim 2024 than in interim 2023.[3]

Slag pot production decreased *** percent from 2021 to 2023, and was *** percent lower in interim 2024 than in interim 2023.

Table 3.4 Slag pots: U.S. producer Whemco's installed and practical capacity and production on the same equipment as in-scope production, by period

Capacity and production in 1,000 pounds; utilization in percent; interim is January to September

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical Slag pots	Capacity	***	***	***	***	***
Practical Slag pots	Production	***	***	***	***	***
Practical Slag pots	Utilization	***	***	***	***	***

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

Table 3.5 presents Whemco's reported narratives regarding practical capacity constraints.

[2] ***.

[3] Whemco asserts that it has "significant underutilized equipment in place", and that it can quickly increase production to meet increases in demand. The firm also indicated that it doesn't have any immediate or ongoing expansion plans. Conference transcript, pp. 28 and 37 (Pickard, Kane).

Table 3.5 Slag pots: U.S. producer Whemco's reported capacity constraints since January 1, 2021

Item	Firm name and narrative response on constraints to practical overall capacity
Other constraints	***

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

Figure 3.1 presents Whemco's reported capacity and production data for its slag pot operations.

Figure 3.1 Slag pots: U.S. Whemco's capacity, production, and capacity utilization, by period

* * * * * * *

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

Alternative products

As shown in table 3.6, between *** percent of the products produced during January 2021 to September 2024 was slag pots. Whemco also reported producing ***.

Table 3.6 Slag pots: U.S. producer Whemco's overall production on the same equipment as in-scope production, by period

Quantity in 1,000 pounds; ratio and share in percent; interim is January to September

Product type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Slag pots	Quantity	***	***	***	***	***
Other steelmaking pots	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
All out of scope products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Slag pots	Share	***	***	***	***	***
Other steelmaking pots	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
All out of scope products	Share	***	***	***	***	***
All products	Share	100.0	100.0	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—". ***

U.S. producer's U.S. shipments and exports

Table 3.7 presents Whemco's U.S. shipments, export shipments, and total shipments. Between *** percent of slag pot shipments during 2021 to 2023 were U.S. shipments. U.S. shipments decreased *** percent by quantity from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023. U.S. shipments. U.S. shipments increased *** percent by value from 2021 to 2023, and were *** percent higher in interim 2024 than in interim 2023. The average unit value of U.S. shipments increased by *** percent from 2021 to 2023, but were *** percent lower in interim 2024 than in interim 2023. Between *** percent of slag pot shipments during 2021 to 2023 were export shipments. Whemco reported exports to ***.

Table 3.7 Slag pots: U.S. producer Whemco's shipments, by destination and period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; shares in percent; interim is January to September

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
U.S. shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
U.S. shipments	Share of quantity	***	***	***	***	***
Export shipments	Share of quantity	***	***	***	***	***
Total shipments	Share of quantity	100.0	100.0	100.0	100.0	100.0
U.S. shipments	Share of value	***	***	***	***	***
Export shipments	Share of value	***	***	***	***	***
Total shipments	Share of value	100.0	100.0	100.0	100.0	100.0

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

U.S. producer's inventories

Whemco reported ***.

U.S. producer's imports and purchases

Whemco reported ***.

U.S. employment, wages, and productivity

Table 3.8 shows Whemco's employment-related data. PRWs ranged between *** during January 2021 to September 2024. PRWs increased by *** percent from 2021 to 2023, but were *** percent lower in interim 2024 than in interim 2023. Hourly wages increased *** percent from 2021 to 2023, and were *** percent higher in interim 2024 than in interim 2023. Productivity decreased *** percentage points from 2021 to 2023, but was *** percentage points higher in interim 2024 than in interim 2023.

Table 3.8 Slag pots: U.S. producer Whemco's employment related information, by period

Item	2021	2022	2023	Interim 2023	Interim 2024
Production and related workers (PRWs) (number)	***	***	***	***	***
Total hours worked (1,000 hours)	***	***	***	***	***
Hours worked per PRW (hours)	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***
Productivity (pounds per hour)	***	***	***	***	***
Unit labor costs (dollars per pound)	***	***	***	***	***

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

Part 4: U.S. imports, apparent U.S. consumption, and market shares

U.S. importers

The Commission issued importer questionnaires to 30 firms believed to be importers of subject slag pots, as well as to all U.S. producers of slag pots.[1] Usable questionnaire responses were received from four companies.[2] Table 4.1 lists all responding U.S. importers of slag pots from China, their locations, and their shares of U.S. imports, in 2023.

Table 4.1 Slag pots: U.S. importers, their headquarters, and share of imports within a given source, 2023

Share in percent

Firm	Headquarters	China	Nonsubject sources	All import sources
FMI	Claypool, AZ	***	***	***
Kennecott Utah	South Jordan, UT	***	***	***
MECC-USA	West Chester, OH	***	***	***
TMS	Horsham, PA	***	***	***
All firms	Various	100.0	—	100.0

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

U.S. imports

Tables 4.2 and 4.3, and figure 4.1, present data for U.S. imports of slag pots from China. No importer reported imports from any other source and no imports of slag pots are believed to be entered from nonsubject sources generally.[3]

Imports of slag pots from China increased by *** percent by quantity from 2021 to 2023 but were *** percent lower in interim 2024 than in interim 2023. Imports of slag pots

[1] The Commission issued questionnaires to those firms identified in the petitions; staff research; and proprietary, Census-edited Customs' import records.

*** reported that they do not import slag pots from China. ***.

[2] While the scope indicates that slag pots are "specified" within HTSUS subheading 7309.00.0090, this number covers a range of products and it is unknown what percentage of products entered under that HTS statistical reporting number meet the definition of in-scope slag pots (see Conference transcript, pp. 30 to 31 (Pickard)). ***.

[3] Conference transcript, pp. 32 to 33 (Kane).

from China increased *** percent by value from 2021 to 2023 but were *** percent lower in interim 2024 than in interim 2023. The average unit value of imports of slag pots from China increased *** percent by value from 2021 to 2023 but were *** percent lower in interim 2024 than in interim 2023. As a ratio to U.S. production, imports of slag pots from China increased *** percentage points from 2021 to 2023, but were *** percent lower in interim 2024 than in interim 2023.

Table 4.2 Slag pots: U.S. imports by source and period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; interim is January to September

Source	Measure	2021	2022	2023	Interim 2023	Interim 2024
China	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
China	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
China	Unit value	***	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***	***
All import sources	Unit value	***	***	***	***	***
China	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0
China	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0
China	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***

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

Note: Share of quantity is the share of U.S. imports by quantity; share of value is the share of U.S. imports by value; ratio are U.S. imports to production.

Note: Shares and ratios shown as “0.0” percent represent non-zero values less than “0.05” percent (if positive) and greater than “(0.05)” percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as “—“.

Table 4.3 Slag pots: Changes in U.S. imports, by source and period

Changes (Δ) in percent (%) or percentage point (ppt)

Source	Measure	2021 to 2023	2021 to 2022	2022 to 2023	Interim 2023 to 2024
China	%Δ Quantity	▲***	▲***	▲***	▼***
Nonsubject sources	%Δ Quantity	***	***	***	***
All import sources	%Δ Quantity	▲***	▲***	▲***	▼***
China	%Δ Value	▲***	▲***	▲***	▼***
Nonsubject sources	%Δ Value	***	***	***	***
All import sources	%Δ Value	▲***	▲***	▲***	▼***
China	%Δ Unit value	▲***	▲***	▼***	▼***
Nonsubject sources	%Δ Unit value	***	***	***	***
All import sources	%Δ Unit value	▲***	▲***	▼***	▼***
China	ppt Δ Ratio	▲***	▲***	▲***	▼***
Nonsubject sources	ppt Δ Ratio	***	***	***	***
All import sources	ppt Δ Ratio	▲***	▲***	▲***	▼***

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

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

Figure 4.1 Slag pots: U.S. import quantities and average unit values, by source and period

* * * * * * *

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

Table 4.4 presents data for U.S. imports of slag pots from China by product type and period. Most shipments of imported slag pots in any period were of cast steel (*** percent), with the remainder comprised of fabricated steel slag pots. No firm reported shipments of iron slag pots or "other" slag pots.[4]

[4] MECC-USA notes that ***.

Table 4.4 Slag pots: U.S. importers' U.S. shipments of imports from China, by product type and period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; shares in percent; interim is January to September

Product type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Cast steel	Quantity	***	***	***	***	***
Fabricated steel	Quantity	***	***	***	***	***
All product types	Quantity	***	***	***	***	***
Cast steel	Value	***	***	***	***	***
Fabricated steel	Value	***	***	***	***	***
All product types	Value	***	***	***	***	***
Cast steel	Unit value	***	***	***	***	***
Fabricated steel	Unit value	***	***	***	***	***
All product types	Unit value	***	***	***	***	***
Cast steel	Share of quantity	***	***	***	***	***
Fabricated steel	Share of quantity	***	***	***	***	***
All product types	Share of quantity	100.0	100.0	100.0	100.0	100.0
Cast steel	Share of value	***	***	***	***	***
Fabricated steel	Share of value	***	***	***	***	***
All product types	Share of value	100.0	100.0	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.[5] Negligible imports are generally defined in the Act, as amended, as imports from a country of merchandise corresponding to a domestic like product where such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petition or the initiation of the investigation. However, if there are imports of such merchandise from a number of countries subject to investigations initiated on the same day that individually account for less than 3 percent of the total volume of the subject merchandise, and if the imports from those countries collectively account for more than 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period, then imports from such countries are deemed not to be negligible.[6] Imports from China accounted for 100.0 percent of total imports of slag pots by quantity during 2023 (table 4.5).

[5] Sections 703(a)(1), 705(b)(1), 733(a)(1), and 735(b)(1) of the Act (19 U.S.C. §§ 1671b(a)(1), 1671d(b)(1), 1673b(a)(1), and 1673d(b)(1)).

[6] Section 771 (24) of the Act (19 U.S.C § 1677(24)).

Table 4.5 Slag pots: U.S. imports in the twelve-month period preceding the filing of the petition, December 2023 through November 2024

Quantity in 1,000 pounds; share in percent

Source of imports	Quantity	Share of quantity
China	***	100.0
Nonsubject sources	***	***
All import sources	***	100.0

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

Apparent U.S. consumption and market shares

Quantity

Table 4.6 and figure 4.2 present data on apparent U.S. consumption and U.S. market shares by quantity for slag pots. The share of apparent U.S. consumption held by Whemco decreased by *** percentage points from 2021 to 2023, but was *** percentage points higher in interim 2024 than in interim 2023. As there were no imports from nonsubject sources, the share of apparent U.S. consumption held by imports from China increased by a corresponding amount from 2021 to 2023, and was similarly lower in interim 2024 than in interim 2023.

Table 4.6 Slag pots: Apparent U.S. consumption and market shares based on quantity, by source and period

Quantity in 1,000 pounds; shares in percent; interim is January to September

Source	Measure	2021	2022	2023	Interim 2023	Interim 2024
U.S. producer	Quantity	***	***	***	***	***
China	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producer	Share	***	***	***	***	***
China	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

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

Figure 4.2 Slag pots: Apparent U.S. consumption based on quantity, by source and period

* * * * * * *

Source: Compiled from data submitted in response to Commission questionnaires

Value

Table 4.7 and figure 4.3 present data on apparent U.S. consumption and U.S. market shares by value for slag pots. The share of apparent U.S. consumption held by Whemco decreased by *** percentage points from 2021 to 2023, but was *** percentage points higher in interim 2024 than in interim 2023. As there were no imports from nonsubject sources, the share of apparent U.S. consumption held by imports from China increased by a corresponding amount from 2021 to 2023, and was similarly lower in interim 2024 than in interim 2023.

Table 4.7 Slag pots: Apparent U.S. consumption and market shares based on value, by source and period

Value in 1,000 dollars; shares in percent; interim is January to September

Source	Measure	2021	2022	2023	Interim 2023	Interim 2024
U.S. producer	Value	***	***	***	***	***
China	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
All sources	Value	***	***	***	***	***
U.S. producer	Share	***	***	***	***	***
China	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

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

Figure 4.3 Slag pots: Apparent U.S. consumption based on value, by source and period

* * * * * * *

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

Part 5: Pricing data

Factors affecting prices

Raw material costs

The majority of the metal scrap that goes into a slag pot heat is obtained from scrap buy-backs.[1] The most common scrap components used in slag pots are: ***. Raw material prices for steel scrap were higher in the first half of each year; they reached a peak in March 2022, before declining to a trough in November. Prices stabilized in 2024, reaching levels *** percent lower than in January 2021 for nearly half of 2024 (figure 5.1 and table 5.1).[2]

[1] Conference transcript, pp. 62-63 (Moldovan).

[2] According to an industry witness for Petitioner Whemco, it had attempted to impose a surcharge system to pass on increased costs for scrap market volatility ***, but it had conceded and supplied slag pots at a fixed price ***. Conference transcript, p. 51 (Kane) and Petitioner postconference brief, p. 15.

Figure 5.1: Raw material prices for steel scrap, January 2021 to December 2024

* * * * * * *

Source: ***, accessed January 24, 2025.

Note: Data series for steel scrap cut structural/plate 5ft max, consumer buying price, delivered mill Pittsburgh, $/gross ton, converted to an index with January 2021 set to 100.0 percent. Note also that the graphic's vertical axis is not set to zero as the point of an indexed analysis is to compare the evolution of a data series relative to the indexed period, not to zero.

Table 5.1: Raw material prices for steel scrap, January 2021 to December 2024

Month	2021	2022	2023	2024
January	100.0	***	***	***
February	***	***	***	***
March	***	***	***	***
April	***	***	***	***
May	***	***	***	***
June	***	***	***	***
July	***	***	***	***
August	***	***	***	***
September	***	***	***	***
October	***	***	***	***
November	***	***	***	***
December	***	***	***	***

Source: ***, accessed January 24, 2025.

Note: Data series for steel scrap cut structural/plate 5ft max, consumer buying price, delivered mill Pittsburgh, $/gross ton, converted to an index with January 2021 set to 100.0 percent.

Transportation costs to the U.S. market

Transportation costs for slag pots shipped from China to the United States averaged 5.2 percent during 2023. These estimates were derived from official import data and represent the transportation and other charges on imports.[3]

U.S. inland transportation costs

The U.S. producer and the responding U.S. importer reported that ***. The U.S. producer Whemco reported that its U.S. inland transportation cost was *** percent, while importer *** reported that its U.S. inland transportation cost was *** percent.[4]

Pricing practices

Pricing methods

According to an industry representative, the sales process for slag pots is initiated at the melt sites, and the customer monitors their slag pots and initiates a request for proposal when slag pots are needed. Purchasers do not stock slag pots and hold off purchasing as long as possible. A quote is then issued and transmitted to the purchasing department.[5]

U.S. producer Whemco and responding U.S. importer *** reported setting prices using ***. U.S. producer Whemco reported selling *** of its slag pots in the spot market, while responding U.S. importer *** reported selling *** of its slag pots pursuant to short-term contracts. It reported fixing its contracts to both price and quantity, not renegotiating price, and not indexing to raw materials.

[3] The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2023 and then dividing by the customs value based on the HTS statistical reporting number 7309.00.0090.

[4] U.S. importer *** provided an estimate for inland transportation cost, ***.

[5] Conference transcript, p. 16 (Moldovan).

Sales terms and discounts

U.S. producer Whemco typically quotes prices on ***, while U.S. importer *** reported that it typically quotes prices on a delivered basis.[6] U.S. producer Whemco and U.S. importer ***.

Price and purchase cost data

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following slag pots products shipped to unrelated U.S. customers during January 2021 to September 2024. Firms that imported these products from China for own use were requested to provide import purchase cost data.

Product 1.-- 635 Ft^3 Slag Pot

Product 2.-- 900 Ft^3 Slag Pot

Product 3.-- 600 Ft^3 Slag Pot

Price and import purchase cost data

The U.S. producer and one U.S. importer, ***, provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[7] Pricing data reported by these firms accounted for approximately *** percent of U.S. producers' U.S. shipments of slag pots and *** percent of imports from China in 2023.[8] Three importers reported useable import purchase cost data for products 1 to 3. Purchase cost data reported by these firms accounted for *** of imports from China in 2023.

Price data and landed duty-paid purchase costs data for imports from China for products 1 to 3 are presented in table 5.2 to 5.4 and figure 5.2 to 5.4. [9]

[6] U.S. importer *** reported that it ***.

[7] Per-unit pricing data are calculated from total quantity and total value data provided by U.S. producers and importers. The precision and variation of these figures may be affected by rounding, limited quantities, and producer or importer estimates.

[8] Pricing coverage is based on imports reported in questionnaires.

[9] LDP import value does not include any potential additional costs that a purchaser may incur by importing rather than purchasing from another importer or U.S. producer. Price-cost differences are based on LDP import values whereas margins of underselling/overselling are based on importer sales prices.

Importers reporting import purchase cost data were asked to provide additional information regarding the costs and benefits of importing slag pots themselves.

Two of three responding importers reported that they incurred additional costs beyond landed duty-paid costs by importing slag pots themselves rather than purchasing from a U.S. producer or U.S. importer. These two importers estimated the total additional cost incurred; estimates were 25 percent (***) and *** percent (***) compared to the landed duty-paid value. Firms were also asked to identify specific additional costs they incurred as a result of importing slag pots. Reported costs include duties on goods originating from China (25 percent) and origin freight, or overseas freight costs from factory to the port (*** percent).

Firms were also asked to describe how these additional costs incurred by importing slag pots themselves compares with additional costs incurred when purchasing from a U.S. producer or U.S. importer. U.S. importer *** reported that the additional costs described are only incurred when purchasing from a U.S. importer and not from a U.S. producer.

Two of three responding importers reported that they compare costs of importing to the cost of purchasing from a U.S. producer in determining whether to import slag pots, no importers compare costs to purchasing from a U.S. importer, and one importer does not compare costs of purchasing from either U.S. producers or importers.

Three importers identified benefits from importing slag pots themselves instead of purchasing from U.S. producers or importers, including supplier ability to meet design specifications; benefits of importing welded steel slag pots due to simpler maintenance and repair versus heat treatment repair for domestically produced cast slag pots; and cost savings offered by suppliers.

Firms were also asked whether the import cost (both excluding and including additional costs) of slag pots they imported are lower than the price of purchasing slag pots from a U.S. producer or importer. Two importers reported that they were not, while one importer reported that they were.

One importer, *** estimated that it saved *** percent of the purchase price by importing slag pots rather than purchasing from a U.S. importer or from a U.S. producer.[10]

[10] Importer *** reported that it based its estimates on previous company transactions.

Table 5.2 Slag pots: Weighted-average f.o.b. prices, unit LDP values, and quantities of domestic and imported product 1 and margins of underselling/(overselling), by source and quarter

Quantity in 1,000 pounds; Prices and unit LDP values in dollars per pound; Margins and differentials in percent.

Period	U.S. price	U.S. quantity	China price	China quantity	China margin	China unit LDP value	China cost quantity	China differential
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***
2024 Q1	***	***	***	***	***	***	***	***
2024 Q2	***	***	***	***	***	***	***	***
2024 Q3	***	***	***	***	***	***	***	***

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

Note: Product 1: 635 Ft^3 Slag Pot.

Figure 5.2 Slag pots: Weighted-average f.o.b. prices, unit LDP values, and quantities of domestic and imported product 1, by source and quarter

Price and purchase cost of product 1

* * * * * * *

Volume of product 1

* * * * * * *

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

Note: Product 1: 635 Ft^3 Slag Pot.

Table 5.3 Slag pots: Weighted-average f.o.b. prices, unit LDP values, and quantities of domestic and imported product 2 and margins of underselling/(overselling), by source and quarter

Quantity in 1,000 pounds; Prices and unit LDP values in dollars per pound; Margins and differentials in percent.

Period	U.S. price	U.S. quantity	China price	China quantity	China margin	China unit LDP value	China cost quantity	China differential
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***
2024 Q1	***	***	***	***	***	***	***	***
2024 Q2	***	***	***	***	***	***	***	***
2024 Q3	***	***	***	***	***	***	***	***

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

Note: Product 2: 900 Ft^3 Slag Pot.

Figure 5.3 Slag pots: Weighted-average f.o.b. prices, unit LDP values, and quantities of domestic and imported product 2, by source and quarter

Price and purchase costs of product 2

* * * * * * *

Volume of product 2

* * * * * * *

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

Note: Product 2: 900 Ft^3 Slag Pot.

Table 5.4 Slag pots: Weighted-average f.o.b. prices, unit LDP values, and quantities of domestic and imported product 3 and margins of underselling/(overselling), by source and quarter

Quantity in 1,000 pounds; Prices and unit LDP values in dollars per pound; Margins and differentials in percent.

Period	U.S. price	U.S. quantity	China price	China quantity	China margin	China unit LDP value	China cost quantity	China differential
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***
2024 Q1	***	***	***	***	***	***	***	***
2024 Q2	***	***	***	***	***	***	***	***
2024 Q3	***	***	***	***	***	***	***	***

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

Note: Product 3.-- 600 Ft^3 Slag Pot.

Figure 5.4 Slag pots: Weighted-average f.o.b. prices, unit LDP values, and quantities of domestic and imported product 3, by source and quarter

Price and purchase costs of product 3

* * * * * * *

Volume of product 3

* * * * * * *

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

Note: Product 3.-- 600 Ft^3 Slag Pot.

Price and purchase cost trends

In general, prices increased during January 2021 to September 2024. Table 5.5 summarizes the price trends, by country and by product. As shown in the table, domestic prices increased by *** percent for product 3 during January 2021 to September 2024.[11].

Table 5.5 Slag pots: Summary of price and cost data, by product and source, January 2021 to September 2024

Prices and unit LDP values in dollars per pound; Quantity in 1,000 pounds; Change in percent.

Product	Source	Number of quarters	Quantity	Low price	High price	First quarter price	Last quarter price	Change over period
Product 1	United States	3	***	***	***	***	***	***
Product 1	China - price	3	***	***	***	***	***	***
Product 1	China - cost	3	***	***	***	***	***	***
Product 2	United States	13	***	***	***	***	***	***
Product 2	China - price	3	***	***	***	***	***	***
Product 2	China - cost	3	***	***	***	***	***	***
Product 3	United States	8	***	***	***	***	***	***
Product 3	China - price	—	***	***	***	***	***	***
Product 3	China - cost	4	***	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Percent change is the change from the first quarter to the last quarter of the data collection period.

Price and purchase cost comparisons

Price comparisons

As shown in table 5.6, prices for product imported from China were below those for U.S.-produced product in all 3 instances (*** pounds); the average margin of underselling was *** percent. The majority of underselling in terms of quantity occurred in 2023 (table 5.7).[12]

[11] Import price and landed duty-paid cost changes were not available since no data were reported in the last quarter of the data collection period.

[12] ***.

Table 5.6 Slag pots: Instances of underselling and overselling and the range and average of margins, by product

Quantity in 1,000 lbs.; margin in percent

Product	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1	Underselling	—	***	***	***	***
Product 2	Underselling	3	***	***	***	***
Product 3	Underselling	—	***	***	***	***
All products	Underselling	3	***	***	***	***

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

Table 5.7 Slag pots: Instances of underselling and overselling and the range and average of margins, by year

Quantity in 1,000 lbs.; margin in percent

Year	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
2021	Underselling	1	***	***	***	***
2022	Underselling	1	***	***	***	***
2023	Underselling	1	***	***	***	***
January through September 2024	Underselling	—	***	***	***	***
All periods	Underselling	3	***	***	***	***

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

Price-cost comparisons

As shown in table 5.8, landed duty-paid costs for slag pots imported from China were below the sales price for U.S.-produced product in all 4 instances (*** pounds); price-cost differentials ranged from *** percent

Table 5.8 Slag pots: Instances of lower and higher import purchase costs and the range and average of price-cost differentials, by product

Quantity in 1,000 pounds; differentials in percent

Product	Type	Number of quarters	Quantity	Average price-cost differential	Min price-cost differential	Max price-cost differential
Product 1	Lower than U.S.	1	***	***	***	***
Product 2	Lower than U.S.	3	***	***	***	***
Product 3	Lower than U.S.	—	***	***	***	***
All products	Lower than U.S.	4	***	***	***	***

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

Table 5.9 Slag pots: Instances of lower and higher import purchase costs and the range and average of price-cost differentials, by year

Quantity in 1,000 pounds; differentials in percent

Year	Type	Number of quarters	Quantity	Average price-cost differential	Min price-cost differential	Max price-cost differential
2021	Lower than U.S.	1	***	***	***	***
2022	Lower than U.S.	1	***	***	***	***
2023	Lower than U.S.	1	***	***	***	***
January through September 2024	Lower than U.S.	1	***	***	***	***
Total, all periods	Lower than U.S.	4	***	***	***	***

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

Lost sales and lost revenue

The Commission requested that U.S. producers of slag pots report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of slag pots from China during January 2021 to September 2024. U.S. producer Whemco reported that it had to ***. In its lost sales and lost revenue allegations submission, Whemco identified *** firms with which it lost sales or revenue (***).[13] U.S. producer Whemco alleged ***.

Staff contacted five purchasers and received responses from five purchasers.[14] Responding purchasers reported purchasing and importing 16.9 million pounds of slag pots during January 2021 to September 2024.

Of the four responding purchasers, three reported that, since 2021, they had purchased imported slag pots from China instead of U.S.-produced product. All three of these purchasers reported that subject import prices were lower than U.S.-produced slag pots, and one of these purchasers, ***, reported that price was a primary reason for the decision to purchase slag pots from China rather than U.S.-produced product but also identified better value for the engineered solution from the competing firm as the non-price reason for purchasing imported rather than U.S.-produced product. *** estimated that the quantity of slag pots from China purchased instead of domestic product was *** million pounds (table 5.10).

Of the four responding purchasers, two reported that U.S. producers had not reduced prices in order to compete with lower-priced imports from China and two reported that they did not know.

[13] ***.

[14] ***.

Table 5.10 Slag pots: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in 1,000 pounds.

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	Yes--3; No--1	Yes--3; No--0	Yes--1; No--2	***	NA

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

Part 6: Financial experience of U.S. producers

Background[1]

Whemco, the only U.S. producer of slag pots, provided usable financial results on its slag pot operations and reported financial data for a fiscal year ending December 31. Whemco provided its financial data on the basis of GAAP and its ultimate parent company is ***, headquartered in the USA.[2]

[1] The following abbreviations are used in the tables and/or text of this section: generally accepted accounting principles ("GAAP"), fiscal year ("FY"), net sales ("NS"), cost of goods sold ("COGS"), selling, general, and administrative expenses ("SG&A expenses"), average unit values ("AUVs"), research and development expenses ("R&D expenses"), and return on assets ("ROA").

[2] Whemco's U.S. producer questionnaire response, question I-5

Operations on slag pots

Table 6.1 presents aggregated data on the U.S. producer's operations in relation to slag pots, while table 6.2 presents corresponding changes in AUVs.

Table 6.1 Slag pots: U.S. producer's results of operations, by item and period

Quantity in 1,000 pounds; value in 1,000 dollars; ratios in percent; interim is January to September

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
Total net sales	Quantity	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
COGS: Raw materials	Value	***	***	***	***	***
COGS: Direct labor	Value	***	***	***	***	***
COGS: Other factory	Value	***	***	***	***	***
COGS: Total	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expense / (income), net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
COGS: Raw materials	Ratio to NS	***	***	***	***	***
COGS: Direct labor	Ratio to NS	***	***	***	***	***
COGS: Other factory	Ratio to NS	***	***	***	***	***
COGS: Total	Ratio to NS	***	***	***	***	***
Gross profit	Ratio to NS	***	***	***	***	***
SG&A expense	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued.

Table 6.1 (Continued) Slag pots: U.S. producer's results of operations, by item and period

Shares in percent; unit values in dollars per pound; count in number of firms reporting; interim is January to September

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
COGS: Raw materials	Share	***	***	***	***	***
COGS: Direct labor	Share	***	***	***	***	***
COGS: Other factory	Share	***	***	***	***	***
COGS: Total	Share	***	***	***	***	***
Total net sales	Unit value	***	***	***	***	***
COGS: Raw materials	Unit value	***	***	***	***	***
COGS: Direct labor	Unit value	***	***	***	***	***
COGS: Other factory	Unit value	***	***	***	***	***
COGS: Total	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	1	1	1	1	1

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

Note: Shares represent the share of COGS. Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Table 6.2 Slag pots: Changes in AUVs between comparison periods

Changes in percent; interim is January to September

Item	2021–23	2021–22	2022–23	Interim 2023–24
Total net sales	▲***	▲***	▲***	▼***
COGS: Raw materials	▼***	▲***	▼***	▲***
COGS: Direct labor	▼***	▲***	▼***	▼***
COGS: Other factory	▲***	▲***	▲***	▼***
COGS: Total	▲***	▲***	▲***	▼***

Table continued.

Table 6.2 (Continued) Slag pots: Changes in AUVs between comparison periods

Changes in dollars per pound; interim is January to Septermber

Item	2021–23	2021–22	2022–23	Interim 2023–24
Total net sales	▲***	▲***	▲***	▼***
COGS: Raw materials	▼***	▲***	▼***	▲***
COGS: Direct labor	▼***	▲***	▼***	▼***
COGS: Other factory	▲***	▲***	▲***	▼***
COGS: Total	▲***	▲***	▲***	▼***
Gross profit or (loss)	▲***	▲***	▲***	▼***
SG&A expense	▲***	▲***	▲***	▼***
Operating income or (loss)	▲***	▲***	▼***	▲***
Net income or (loss)	▲***	▲***	▼***	▲***

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

Note: Percentages and unit values shown as “0.0” or “0.00” represent values greater than zero, but less than “0.05” or “0.005,” respectively. Zeroes, null values, and undefined calculations are suppressed and shown as “---”. Period changes preceded by a “▲” represent an increase, while period changes preceded by a “▼” represent a decrease.

Net sales

Commercial sales accounted for *** sales during the period of investigation. Because commercial sales are the *** sales category represented, a single sales line is presented in the relevant tables above.[3]

[3] *** Whemco’s U.S. producer questionnaire response, question III-9b. Email from ***.

As shown in table 6.1, total net sales quantity irregularly decreased from 2021 to 2023 and was lower in interim 2024 compared to interim 2023. Total net sales value irregularly increased from 2021 to 2023 and was lower in interim 2024 compared to interim 2023. [4] The net sales AUV increased from $*** per pound in 2021 to $*** per pound in 2023 and was lower in interim 2024 at $*** per pound compared to interim 2023 at $*** per pound.

Cost of goods sold and gross profit or loss

Raw material costs, direct labor and other factory costs accounted for ***, *** and *** percent of COGS, respectively, in 2023. Raw material costs, which represented the *** component of COGS, increased by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, and decreased overall by *** percent from 2021 to 2023. Raw material costs were higher in interim 2024 by *** percent compared to interim 2023. On a per pound basis, raw material cost AUVs decreased irregularly from $*** in 2021 to $*** in 2023 and were higher in interim 2024 compared to interim 2023. As a ratio to net sales, raw material costs decreased from *** percent in 2021 to *** percent in 2023 and were higher in interim 2024 at *** percent compared to interim 2023 at *** percent. Table 6.3 presents raw materials, by type.[5] Secondary iron or steel accounted for the largest share of raw material costs.

Table 6.3 Slag pots: U.S. producer's raw material costs in 2023

Value in 1,000 dollars; unit values in dollars per pound; share of value in percent

Item	Value	Unit value	Share of value
Secondary iron or steel (e.g., scrap)	***	***	***
Alloying agents and metals	***	***	***
All raw materials	***	***	100.0

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

[4] Whemco stated that ***. Whemco's U.S. producer questionnaire response, question III-18.

[5] ***. Whemco's U.S. producer questionnaire response, question III-6, Email from ***.

Direct labor costs, the *** component of COGS, increased by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023 and decreased overall by *** percent from 2021 to 2023. Direct labor costs were lower in interim 2024 by *** percent compared to interim 2023. On a per pound basis, direct labor cost AUVs decreased overall from $*** in 2021 to $*** in 2023 and were lower in interim 2024 at $*** compared to interim 2023 at $***. As a ratio to net sales, direct labor costs decreased from *** percent in 2021 to *** percent in 2023 and were higher in interim 2024 at *** percent compared to interim 2023 at *** percent.

Other factory costs, the *** component of COGS, increased by *** percent from 2021 to 2022, decreased by *** percent from 2022 to 2023 and increased overall by *** percent from 2021 to 2023.[6] [7] Other factory costs were lower in interim 2024 by *** percent compared to interim 2023. On a per pound basis, other factory costs increased overall from $*** in 2021 to $*** in 2023 and were lower in interim 2024 at $*** compared to interim 2023 at $***.[8] As a ratio to net sales, other factory costs irregularly increased from *** percent in 2021 to *** percent in 2023 and were higher in interim 2024 at *** percent compared to interim 2023 at *** percent.

Total COGS increased irregularly by *** percent from 2021 to 2023 and was lower in interim 2024 by *** percent compared to interim 2023. On a per pound basis, total COGS increased overall from $*** in 2021 to $*** in 2023 and was lower in interim 2024 at $*** compared to interim 2023 at $***. As a ratio to net sales, total COGS decreased overall from *** percent in 2021 to *** percent in 2023 and was higher in interim 2024 at *** percent compared to interim 2023 at *** percent.

[6] ***. Whemco's U.S. producer questionnaire response, question III-9b, question III-9f and email from ***.

[7] ***. Whemco's U.S. producer questionnaire response, question III-10 and email from ***.

[8] ***. Email from ***.

Gross profit increased overall from $*** in 2021 to $*** in 2023 and was lower in interim 2024 at $*** compared to interim 2023 at $***. The gross profit margin increased from *** percent in 2021 to *** percent in 2023 and was lower in interim 2024 at *** percent compared to interim 2023 at *** percent.

SG&A expenses and operating income or loss

SG&A expenses increased irregularly from 2021 to 2023 and were lower in interim 2024 compared to interim 2023. [9] [10] [11] As a ratio to net sales, SG&A expenses decreased from *** percent in 2021 to *** percent in 2022, then increased to *** percent in 2023, and was lower in interim 2024 at *** percent compared to interim 2023 at *** percent.

Operating income improved from a loss of $*** to a loss of $*** in 2022 and a loss of $*** in 2023. Operating income also improved in interim 2024 at a loss of $*** compared to interim 2023 at a loss of $***. The operating margin (operating income as a ratio to net sales) improved overall from *** percent in 2021 to *** percent in 2023. It also improved in interim 2024 at *** percent compared to interim 2023 at *** percent.

All other expenses and net income or loss

Whemco did not report interest expenses, other expenses, or other income related to slag pot production.[12] Because no other expenses or income were reported, the values and trends for net income were identical to the values and trends for operating income, as discussed above.

[9] ***. Whemco's U.S. producer questionnaire response, question III-9d.
[10] ***. Email from ***.
[11] ***. Whemco's U.S. producer questionnaire response, question III-10 and email from ***.
[12] ***. Email from ***.

Variance analysis

A variance analysis for the operations of the U.S. producer of slag pots is presented in table 6.4.[13] The information for this variance analysis is derived from table 6.1.

The variance analysis shows that the decrease in operating loss from 2021 to 2023 was primarily due to a favorable price variance that was greater than an unfavorable cost variance (indicating prices increased more than costs and expenses). The *** operating loss in interim 2024 compared to interim 2023 was primarily due to greater favorable cost variance compared to smaller unfavorable price variance (indicating costs and expenses declined more than prices).

[13] The Commission's variance analysis is calculated in three parts: Net sales variance, COGS variance, and SG&A expense variance. Each part consists of a price variance (in the case of the net sales variance) or a cost or expense variance (in the case of the COGS and SG&A expense variance), and a volume variance. The sales or cost/expense variances are calculated as the change in unit price or per-unit cost/expense, respectively, times the new volume, while the volume variance is calculated as the change in volume times the old unit price or per-unit cost/expense. Summarized at the bottom of the table, the operating income price variance is from sales; the operating income cost/expense variance is the sum of the cost components in the COGS and SG&A expense variances, and the operating income volume variance is the sum of the volume components of the net sales, COGS, and SG&A expense variances.

Table 6.4 Slag pots: Variance analysis on the operations of the U.S. producer between comparison periods

Value in 1,000 dollars; interim period is January to September

Item	2021-23	2021-22	2022-23	Interim 2023-24
Net sales price variance	***	***	***	***
Net sales volume variance	***	***	***	***
Net sales total variance	***	***	***	***
COGS cost variance	***	***	***	***
COGS volume variance	***	***	***	***
COGS total variance	***	***	***	***
Gross profit variance	***	***	***	***
SG&A cost variance	***	***	***	***
SG&A volume variance	***	***	***	***
SG&A total variance	***	***	***	***
Operating income price variance	***	***	***	***
Operating income cost variance	***	***	***	***
Operating income volume variance	***	***	***	***
Operating income total variance	***	***	***	***

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

Note: These data are derived from the data in table 6.1. Unfavorable variances (which are negative) are shown in parentheses, all others are favorable (positive).

Capital expenditures and research and development expenses, assets, and return on assets

Table 6.5 presents Whemco's capital expenditures, R&D expenses, assets, and return on assets. Table 6.6 presents the firm's narrative explanations of the nature, focus, and significance of the items. ***.[14]

Table 6.5 Slag pots: U.S. producer's capital expenditures, R&D expenses, total net assets, and ROA, by item and period

Value in 1,000 dollars; return on assets in percent; interim is January to September; NA indicates not applicable

Item	2021	2022	2023	Interim 2023	Interim 2024
Capital expenditures	***	***	***	***	***
R&D expenditures	***	***	***	***	***
Total assets	***	***	***	***	***
Operating return on assets	***	***	***	***	***

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

Table 6.6 Slag pots: U.S. producer's narrative descriptions of their capital expenditures, R&D expenses, and total net assets

Item	Narrative on item
Capital expenditures	***
R&D expenditures	***
Total net assets	***

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

[14] Whemco's U.S. producer questionnaire response, question III-13c.

Capital and investment

The Commission requested U.S. producer of slag pots to describe any actual or potential negative effects of imports of slag pots from China on their firm's growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table 6.7 presents the impact in each category and table 6.8 provides the U.S. producer's narrative responses.

Table 6.7 Slag pots: Count of actual and anticipated negative effects of imports from subject sources on investment, growth, and development since January 1, 2021, by effect

Number of firms reporting

Effect	Category	Count
Cancellation, postponement, or rejection of expansion projects	Investment	***
Denial or rejection of investment proposal	Investment	***
Reduction in the size of capital investments	Investment	***
Return on specific investments negatively impacted	Investment	***
Other investment effects	Investment	***
Any negative effects on investment	Investment	***
Rejection of bank loans	Growth	***
Lowering of credit rating	Growth	***
Problem related to the issue of stocks or bonds	Growth	***
Ability to service debt	Growth	***
Other growth and development effects	Growth	***
Any negative effects on growth and development	Growth	***
Anticipated negative effects of imports	Future	***

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

Table 6.8 Slag pots: U.S. producer's narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2021, by effect

Item	Narrative on impact of imports
***	***
***	***
***	***

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

Part 7: Threat considerations and information on nonsubject countries

Section 771(7)(F)(i) of the Act (19 U.S.C. § 1677(7)(F)(i)) provides that—

> *In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic factors*[1]*--*
>
> *(I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,*
>
> *(II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,*
>
> *(III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,*
>
> *(IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports,*
>
> *(V) inventories of the subject merchandise,*

[1] Section 771(7)(F)(ii) of the Act (19 U.S.C. § 1677(7)(F)(ii)) provides that "The Commission shall consider {these factors} . . . as a whole in making a determination of whether further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted under this title. The presence or absence of any factor which the Commission is required to consider . . . shall not necessarily give decisive guidance with respect to the determination. Such a determination may not be made on the basis of mere conjecture or supposition."

(VI) 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,

(VII) in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both),

(VIII) the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and

(IX) any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).[2]

Information on the nature of the subsidies was presented earlier in this report; information on the volume and pricing of imports of the subject merchandise is presented in Parts 4 and 5; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in Part 6. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows. Also presented in this section of the report is information obtained for consideration by the Commission on nonsubject countries.

[2] Section 771(7)(F)(iii) of the Act (19 U.S.C. § 1677(7)(F)(iii)) further provides that, in antidumping investigations, ". . . the Commission shall consider whether dumping in the markets of foreign countries (as evidenced by dumping findings or antidumping remedies in other WTO member markets against the same class or kind of merchandise manufactured or exported by the same party as under investigation) suggests a threat of material injury to the domestic industry."

The industry in China

The Commission issued foreign producers' or exporters' questionnaires to ten firms believed to produce and/or export slag pots from China.[3] A usable response to the Commission's questionnaire was received from one firm: Chaeng Great Wall Steel Casting Co., Ltd. ("Chaeng Great Wall").[4]

Table 7.1 presents the number of producers/exporters in China that responded to the Commission's questionnaire, their exports to the United States as a share of U.S. imports by China in 2023, and their estimated share of total production of slag pots in China during 2023.

Table 7.1 Slag pots: Number of responding producers/exporters, approximate share of production, and exports to the United States as a share of U.S. imports from China, 2023

Country	Number of responding firms	Approximate share of production (percent)	Exports as a share of U.S. imports from subject country (percent)
China	1	***	***

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

Note: "Approximate share of production" reflects the responding firms' estimates of their production as a share of total China production of slag pots in 2023. Since not all firms have perfect knowledge of the industry in their home market, different firms might use different denominators in estimating their firm's share of the total requested. Chaeng Great Wall ***.

Note: "Exports as a share of U.S. imports" reflects a comparison of export data reported by firms in response to the Commission's foreign producer/exporter questionnaire with import data submitted in response to Commission questionnaires.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

[3] These firms were identified through a review of information submitted in the petition and presented in third-party sources.

[4] The Commission received an additional response to its foreign producer/exporter questionnaire containing limited information from UMECC Beijing Equipment Inc Ltd. This firm is the ***. Foreign industry data presented in this Part are based primarily on Chaeng Great Wall's questionnaire response.

Table 7.2 presents information on the slag pots operations of the responding producer and exporter in China.

Table 7.2 Slag pots: Summary data for producers in China in 2023

Quantity in 1,000 pounds; share in percent

Producer	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Chaeng Great Wall	***	***	***	***	***	***
All individual producers	***	***	***	***	***	***

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

Table 7.3 presents events in the subject countries' industries since January 1, 2021, as identified from public sources.

Table 7.3 Slag pots: Important industry events in the subject countries since January 1, 2021

Item	Country	Event
Sales	China	February 2023: Chaeng Great-Wall Steel Casting reported that it had successfully delivered many orders for steel castings in January 2023, including cast slag pots, rolling mill housings, and other products, that were exported. Chaeng reported a 20 percent increase in output of cast products, including slag pots, at its foundry (Mengzhuang Town, Huixian City, Henan Province) in 2022 and anticipated having record high sales in 2023. Chaeng has exported slag pots to customers all over the world, including the United States, since 2008.

Sources: Chaeng Great-Wall Steel Casting, "Many pieces of steel castings were delivered successfully," February 24, 2023, http://www.greatwallcasting.com/newsroom/delivery-steel-castings.html; http://www.greatwallcasting.com/product/metallurgy-forging/slag-pot.html

Changes in operations

Producers in China were asked to report any change in the character of their operations or organization relating to the production of slag pots since 2021. Chaeng Great Wall did not identify any changes in operations.

Installed and practical overall capacity

Table 7.4 presents data on foreign producers' installed capacity, practical overall capacity, and practical slag pots capacity and production on the same equipment. Installed overall capacity was constant at *** pounds from 2021 to 2023, and it was *** pounds in interims 2023 and 2024. Practical overall capacity increased by *** percent from 2021 to 2023, but it was *** percent lower in interim 2024 than in interim 2023. Practical capacity to produce slag pots increased by *** percent from 2021 to 2023, but was *** percent lower in interim 2024 than in interim 2023.

Installed overall capacity utilization increased by *** percentage points from 2021 to 2023, but it was *** percentage points lower in interim 2024 than in interim 2023. Practical overall capacity utilization was *** percent or slightly higher in all periods. Practical capacity utilization to produce slag pots decreased irregularly by *** percentage points from 2021 to 2023, and it was *** percentage points lower in interim 2024 than in interim 2023.

Table 7.4 Slag pots: Producer's installed and practical capacity and production on the same equipment as in-scope production, by period

Quantity in 1,000 pounds

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
Installed overall	Capacity	***	***	***	***	***
Installed overall	Production	***	***	***	***	***
Installed overall	Utilization	***	***	***	***	***
Practical overall	Capacity	***	***	***	***	***
Practical overall	Production	***	***	***	***	***
Practical overall	Utilization	***	***	***	***	***
Practical Slag pots	Capacity	***	***	***	***	***
Practical Slag pots	Production	***	***	***	***	***
Practical Slag pots	Utilization	***	***	***	***	***

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

Constraints on capacity

Table 7.5 presents foreign producers' reported capacity constraints since January 1, 2021.

Table 7.5 Slag pots: Producer's reported constraints to practical overall capacity since January 1, 2021, by constraint and firm

Type of constraint	Firm name and narrative response on constraints to practical overall capacity
Production bottlenecks	***
Existing labor force	***

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

Operations on slag pots

Table 7.6 presents information on the slag pots operations of the responding producers and exporters in China.

Slag pot production increased *** percent from 2021 to 2023, but was *** percent lower in interim 2024 than in interim 2023. Production was projected to remain steady at *** pounds in 2024 and 2025. Chaeng Great Wall's exports to the United States increased by *** percent from 2021 to 2023, but were *** percent lower in interim 2024 than in interim 2023. Exports to the United States were projected to remain steady at *** pounds in 2024 and 2025. Exports to the United States comprised between *** percent of Chaeng Great Wall's total export shipments in all periods, and were projected to comprise *** percent in 2024 and 2025. Chaeng Great Wall reported *** to its home market in any period.

Table 7.6 Slag pots: Data on industry in China, by period

Quantity in 1,000 pounds; ratio and share in percent

Item	2021	2022	2023	Interim 2023	Interim 2024	Projection 2024	Projection 2025
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Table continued.

Table 7.6 Continued Slag pots: Data on industry in China, by period

Quantity in 1,000 pounds; ratio and share in percent

Item	2021	2022	2023	Interim 2023	Interim 2024	Projection 2024	Projection 2025
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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

Alternative products

Table 7.7 presents information on production of other products on the same equipment and machinery used to produce slag pots. Between *** percent of Chaeng Great Wall's production in any period was of slag pots. Chaeng Great Wall also reported producing "***".

Table 7.7 Slag pots: Producer's overall production on the same equipment as in-scope production, by period

Quantity in 1,000 pounds; ratio and share in percent

Product type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Slag pots	Quantity	***	***	***	***	***
Other steelmaking pots	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Slag pots	Share	***	***	***	***	***
Other steelmaking pots	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
All products	Share	100.0	100.0	100.0	100.0	100.0

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

Exports

Table 7.8 presents Global Trade Atlas ("GTA") data for exports of reservoirs, tanks, casks, vats, and other containers, a category that includes slag pots and out-of-scope products, from China to the United States and to all destination markets (in descending order of quantity for 2023). China's exports to the United States increased, irregularly, by 50.7 percent from 2021 to 2023, while exports to all other destinations decreased by 13.4 percent. The largest export destinations for China, by quantity, in 2023 were Indonesia, South Korea, and Japan.

Table 7.8 Reservoirs, tanks, casks, vats, and other containers: Exports from China, by destination market and period

Quantity in 1,000 pounds; Value in 1,000 dollars

Destination market	Measure	2021	2022	2023
United States	Quantity	6,614	11,041	9,966
Indonesia	Quantity	125,326	209,413	134,822
South Korea	Quantity	52,320	43,063	33,563
Japan	Quantity	26,074	24,349	26,302
Taiwan	Quantity	24,358	23,682	25,628
Thailand	Quantity	37,536	47,862	23,206
India	Quantity	2,514	10,490	14,801
Iraq	Quantity	2,876	6,729	14,631
Russia	Quantity	3,346	5,380	13,680
Malaysia	Quantity	10,717	32,081	13,059
Australia	Quantity	9,794	14,384	11,673
Singapore	Quantity	5,655	13,874	10,084
All other destination markets	Quantity	169,144	172,159	191,812
All destination markets	Quantity	476,274	614,507	523,227
United States	Value	19,359	26,945	27,675
Indonesia	Value	148,880	259,010	225,623
South Korea	Value	56,272	41,040	43,427
Japan	Value	50,042	45,289	43,706
Taiwan	Value	71,034	74,480	53,363
Thailand	Value	37,901	73,868	44,277
India	Value	4,088	9,299	43,185
Iraq	Value	4,093	11,089	22,974
Russia	Value	7,481	10,149	21,824
Malaysia	Value	12,369	58,138	24,013
Australia	Value	11,205	18,796	16,629
Singapore	Value	18,121	40,764	16,662
All other destination markets	Value	225,322	312,061	338,043
All destination markets	Value	666,166	980,926	921,403

Table continued.

Table 7.8 Continued Reservoirs, tanks, casks, vats, and other containers: Exports from China, by destination market and period

Quantity in 1,000 pounds; Value in 1,000 dollars

Destination market	Measure	2021	2022	2023
United States	Unit value	2.93	2.44	2.78
Indonesia	Unit value	1.19	1.24	1.67
South Korea	Unit value	1.08	0.95	1.29
Japan	Unit value	1.92	1.86	1.66
Taiwan	Unit value	2.92	3.14	2.08
Thailand	Unit value	1.01	1.54	1.91
India	Unit value	1.63	0.89	2.92
Iraq	Unit value	1.42	1.65	1.57
Russia	Unit value	2.24	1.89	1.60
Malaysia	Unit value	1.15	1.81	1.84
Australia	Unit value	1.14	1.31	1.42
Singapore	Unit value	3.20	2.94	1.65
All other destination markets	Unit value	1.33	1.81	1.76
All destination markets	Unit value	1.40	1.60	1.76
United States	Share of quantity	1.4	1.8	1.9
Indonesia	Share of quantity	26.3	34.1	25.8
South Korea	Share of quantity	11.0	7.0	6.4
Japan	Share of quantity	5.5	4.0	5.0
Taiwan	Share of quantity	5.1	3.9	4.9
Thailand	Share of quantity	7.9	7.8	4.4
India	Share of quantity	0.5	1.7	2.8
Iraq	Share of quantity	0.6	1.1	2.8
Russia	Share of quantity	0.7	0.9	2.6
Malaysia	Share of quantity	2.3	5.2	2.5
Australia	Share of quantity	2.1	2.3	2.2
Singapore	Share of quantity	1.2	2.3	1.9
All other destination markets	Share of quantity	35.5	28.0	36.7
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official export statistics under HS subheading 7309.00 as reported by China Customs in the Global Trade Atlas Suite database, accessed January 13, 2025. These data may be overstated as HS subheading 7309.00 may contain products outside the scope of these investigations.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—". United States is shown at the top followed by all remaining top exporting countries in descending order of 2023 data.

U.S. inventories of imported merchandise

*** reported inventories of slag pots in any period.[5]

[5] ***.

U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of slag pots from China after September 30, 2024. Their reported data are presented in table 7.9. Importers reported *** pounds of arranged imports over the next four quarters, with the *** arriving in the first quarter of 2025.

Table 7.9 Slag pots: U.S. importers' arranged imports, by source and period

Quantity in 1,000 pounds

Source	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Total
China	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

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

Third-country trade actions

Based on available information, slag pots from China have not been subject to antidumping or countervailing duty investigations outside the United States.[6]

Information on nonsubject countries

According to GTA data (Table 7.10), the leading global exporters of reservoirs, tanks, casks, vats, and other containers, a category that contains slag pots and out of scope products, by destination market and period, by value, during 2023 were China (17.6 percent of the total), Italy (7.9 percent), Poland (6.9 percent), Germany (6.9 percent), and South Korea (6.2 percent) (table 7.9).[7] During 2021 to 2023, the share of reservoirs, tanks, casks, vats, and other containers exported from subject country China increased by 2.3 percentage points from 15.3 percent to 17.6 percent. Total exports of reservoirs, tanks, casks, vats, and other containers increased by 20 percent from 2021 to 2023.

[6] World Trade Organization, Trade remedies data portal, accessed January 24, 2025, at https://trade-remedies.wto.org/en.

[7] HS subheading 7309.00 contains a range of products, including slag pots; however, the petitioner contends that all in-scope slag pots that enter the United States are from China, and they are not aware of any nonsubject sources of slag pots. Conference transcript, pp. 32 to 33, 73 (Kane).

Table 7.10 Reservoirs, tanks, casks, vats, and other containers: Global exports, by reporting country and by period

Value in 1,000 dollars; Share in percent

Exporting country	Measure	2021	2022	2023
United States	Value	290,732	294,153	358,611
China	Value	666,166	980,926	921,403
Italy	Value	317,149	361,106	414,898
Poland	Value	319,479	377,357	362,749
Germany	Value	354,897	352,528	362,276
South Korea	Value	211,709	309,190	326,033
Spain	Value	201,686	238,617	276,072
Canada	Value	139,904	169,855	190,744
United Kingdom	Value	129,153	145,031	136,762
France	Value	99,421	111,803	119,770
Mexico	Value	66,833	100,216	119,714
Czech Republic	Value	103,015	128,950	113,336
All other exporters	Value	1,458,152	1,440,493	1,524,463
All reporting exporters	Value	4,358,297	5,010,225	5,226,831
United States	Share	6.7	5.9	6.9
China	Share	15.3	19.6	17.6
Italy	Share	7.3	7.2	7.9
Poland	Share	7.3	7.5	6.9
Germany	Share	8.1	7.0	6.9
South Korea	Share	4.9	6.2	6.2
Spain	Share	4.6	4.8	5.3
Canada	Share	3.2	3.4	3.6
United Kingdom	Share	3.0	2.9	2.6
France	Share	2.3	2.2	2.3
Mexico	Share	1.5	2.0	2.3
Czech Republic	Share	2.4	2.6	2.2
All other exporters	Share	33.5	28.8	29.2
All reporting exporters	Share	100.0	100.0	100.0

Source: Official export statistics under HS subheading 7309.00 as reported by various national statistical authorities in the Global Trade Atlas Suite database, accessed January 13, 2025. These data may be overstated as HS subheading 7309.00 may contain products outside the scope of these investigations.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “—“. United States is shown at the top followed by the countries under investigation, all remaining top exporting countries in descending order of 2023 data.

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
90 FR 1195, January 7, 2025	Slag Pots from China; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations	https://www.govinfo.gov/content/pkg/FR-2025-01-07/pdf/2025-00067.pdf
90 FR 8267, January 28, 2025	Slag Pots From the People's Republic of China: Initiation of Countervailing Duty Investigation	https://www.govinfo.gov/content/pkg/FR-2025-01-28/pdf/2025-01794.pdf
90 FR 8276, January 28, 2025	Slag Pots From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation	https://www.govinfo.gov/content/pkg/FR-2025-01-28/pdf/2025-01793.pdf

APPENDIX B

LIST OF STAFF CONFERENCE WITNESSES

CALENDAR OF PUBLIC PRELIMINARY CONFERENCE

Those listed below appeared as witnesses at the United States International Trade Commission's preliminary conference:

Subject: Slag Pots from China

Inv. Nos.: 701-TA-753 and 731-TA-1731 (Preliminary)

Date and Time: January 21, 2025 – 9:30 a.m.

Sessions were held in connection with these preliminary phase investigations in the Main Hearing Room (Room 101), 500 E Street, SW., Washington, D.C.

OPENING REMARKS:

In Support of Imposition (**Daniel B. Pickard**, Buchanan Ingersoll & Rooney, PC)

In Support of the Imposition of the Antidumping and Countervailing Duty Orders:

Buchanan Ingersoll & Rooney, PC
Washington, DC
on behalf of

WHEMCO-Steel Castings, Inc. ("WHEMCO")

Tracey Schenk, Chief Financial Officer, WHEMCO

Thomas Kane, Vice President, Sales & Technical Service, WHEMCO

Frank Moldovan, General Manager, WHEMCO

Daniel B. Pickard)
) – OF COUNSEL
Grace E. Welborn)

CLOSING REMARKS:

In Support of Imposition (**Daniel B. Pickard**, Buchanan Ingersoll & Rooney, PC)

APPENDIX C

SUMMARY DATA

Table C.1
Slag pots: Summary data concerning the U.S. market, by item and period

Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted; Interim period is January through September

	Reported data					Period change comparisons			
	Calendar year			Interim		Calendar year			Interim
Item	2021	2022	2023	2023	2024	2021–23	2022–23	2022–23	2023–24
U.S. consumption quantity:									
Amount	***	***	***	***	***	▲***	▲***	▼***	▼***
Producers' share (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
China	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. consumption value:									
Amount	***	***	***	***	***	▲***	▲***	▲***	▼***
Producers' share (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
China	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources	***	***	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. importers' U.S. shipments of imports from:									
China:									
Quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Value	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value	***	***	***	***	***	▲***	▲***	▼***	▲***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Nonsubject sources:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All import sources:									
Quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Value	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value	***	***	***	***	***	▲***	▲***	▼***	▲***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
U.S. producers':									
Practical capacity quantity	***	***	***	***	***	▼***	▲***	▼***	***
Production quantity	***	***	***	***	***	▼***	▲***	▼***	▼***
Capacity utilization (fn1)	***	***	***	***	***	▲***	▲***	▼***	▼***
U.S. shipments:									
Quantity	***	***	***	***	***	▼***	▲***	▼***	▲***
Value	***	***	***	***	***	▲***	▲***	▼***	▲***
Unit value	***	***	***	***	***	▲***	▲***	▲***	▼***
Export shipments:									
Quantity	***	***	***	***	***	▲***	▲***	▼***	▼***
Value	***	***	***	***	***	▲***	▲***	▼***	▼***
Unit value	***	***	***	***	***	▲***	▲***	▲***	▼***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (fn1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	▲***	▲***	▲***	▼***
Hours worked (1,000s)	***	***	***	***	***	▲***	▲***	***	▼***
Wages paid ($1,000)	***	***	***	***	***	▲***	▲***	▲***	▼***
Hourly wages (dollars per hour)	***	***	***	***	***	▲***	▲***	▲***	▲***
Productivity (pounds per hour)	***	***	***	***	***	▼***	▲***	▼***	▲***
Unit labor costs	***	***	***	***	***	▲***	▼***	▲***	▼***

Table continued.

Table C.1 Continued

Slag pots: Summary data concerning the U.S. market, by item and period

Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted; Interim period is January through September

	Reported data					Period change comparisons			
	Calendar year			Interim		Calendar year			Interim
Item	2021	2022	2023	2023	2024	2021–23	2022–23	2022–23	2023–24
U.S. producers': Continued									
Net sales:									
Quantity	***	***	***	***	***	▼***	▲***	▼***	▼***
Value	***	***	***	***	***	▲***	▲***	▼***	▼***
Unit value	***	***	***	***	***	▲***	▲***	▲***	▼***
Cost of goods sold (COGS)	***	***	***	***	***	▲***	▲***	▼***	▼***
Gross profit or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▼***	▼***
SG&A expenses	***	***	***	***	***	▲***	▲***	▼***	▼***
Operating income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▲***	▲***
Net income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit COGS	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit SG&A expenses	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit operating income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▼***	▲***
Unit net income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▼***	▲***
COGS/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▲***	▲***	▼***	▲***
Net income or (loss)/sales (fn1)	***	***	***	***	***	▲***	▲***	▼***	▲***
Capital expenditures	***	***	***	***	***	▲***	***	▲***	▼***
Research and development expenses	***	***	***	***	***	***	***	***	***
Total assets	***	***	***	***	***	▲***	▲***	▼***	***

Source: Compiled from data submitted in response to Commission questionnaires. 508-compliant tables for these data are contained in parts 3, 4, 6, and 7 of this report.

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

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

APPENDIX D

DETAILED U.S. SHIPMENTS DATA BY UNIT

Table D.1 Slag pots: Detailed U.S. producer Whemco's U.S. shipments, by period

Interim period is January through September

Measure	2021	2022	2023	Interim 2023	Interim 2024
Quantity (1,000 pounds)	***	***	***	***	***
Quantity (units)	***	***	***	***	***
Value (1,000 dollars)	***	***	***	***	***
Unit value (dollars per pound)	***	***	***	***	***
Unit value (dollars per unit)	***	***	***	***	***
Ratio (pounds per unit)	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

Table D.2 Slag pots: Detailed U.S. importers' U.S. shipments of imports from China, by period and source

Interim period is January through September

Measure	2021	2022	2023	Interim 2023	Interim 2024
Quantity (1,000 pounds)	***	***	***	***	***
Quantity (units)	***	***	***	***	***
Value (1,000 dollars)	***	***	***	***	***
Unit value (dollars per pound)	***	***	***	***	***
Unit value (dollars per unit)	***	***	***	***	***
Ratio (pounds per unit)	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

Note: As no imports from nonsubject sources were reported, the data in this table refers only to shipments of imports from China.