

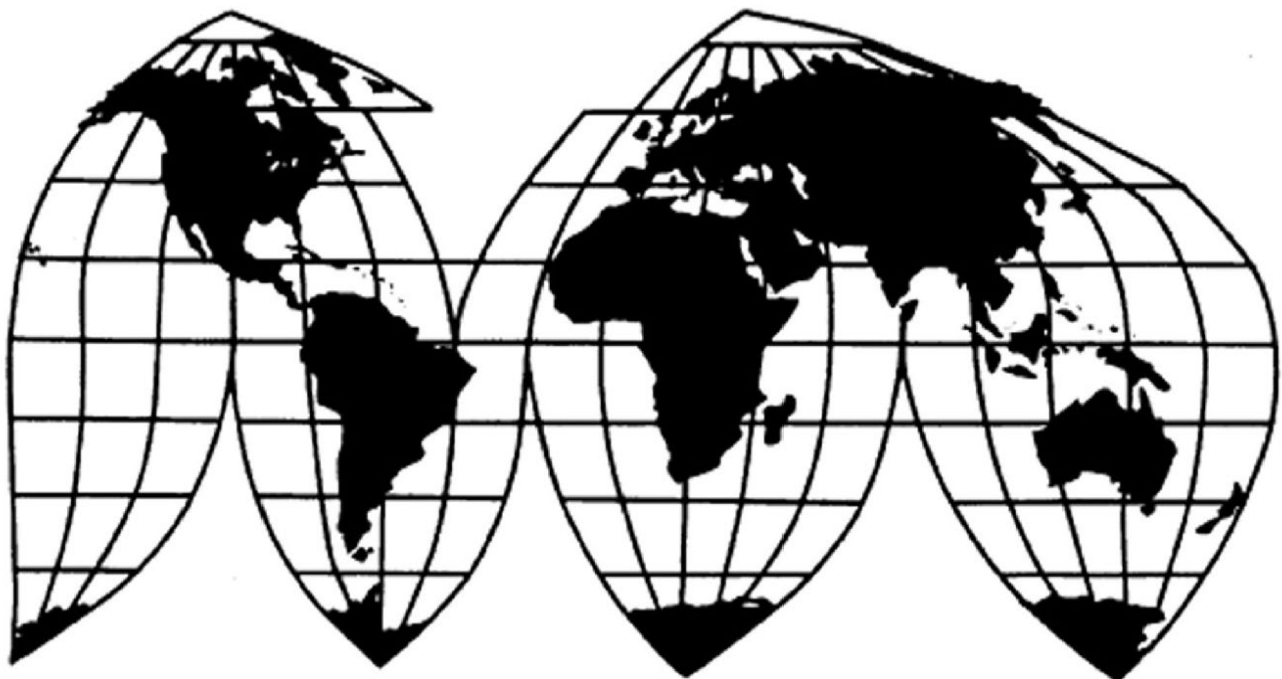
Temporary Steel Fencing from China

Investigation Nos. 701-TA-754 and 731-TA-1732 (Preliminary)

Publication 5597

March 2025

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual firms may not be published.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-754 and 731-TA-1732 (Preliminary)

Temporary Steel Fencing from China

DETERMINATIONS

On the basis of the record¹ 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 temporary steel fencing from China, provided for in subheading 7308.90.95 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 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 9311 and 90 FR 9315 (February 11, 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 January 15, 2025, ZND US Inc., Statesville, North Carolina, 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 and LTFV imports of temporary steel fencing from China. Accordingly, effective January 15, 2025, the Commission instituted countervailing duty investigation No. 701-TA-754 and antidumping duty investigation No. 731-TA-1732 (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 22, 2025 (90 FR 7702). The Commission conducted its conference on February 5, 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 temporary steel fencing 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

Parties to the Investigation. ZND US Inc. (“ZND” or “petitioner”), a domestic producer of temporary steel fencing, filed the petitions in these investigations on January 15, 2025. ZND appeared at the staff conference accompanied by counsel and submitted a postconference brief.

Two respondent entities participated in these investigations. SONCO Worldwide (“SONCO”), a U.S. importer of subject merchandise, appeared at the staff conference accompanied by counsel and submitted a postconference brief. Direct Scaffold Supply (“DSS”), a U.S. importer of subject merchandise, appeared at the staff conference accompanied by counsel and submitted a postconference brief.

Data Coverage. U.S. industry data are based on the questionnaire responses of seven U.S. producers, accounting for an estimated *** percent of U.S. production of temporary steel

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).

fencing in 2023.³ U.S. import data are based on questionnaire responses from 17 U.S. importers, accounting for an estimated 63.1 percent of subject imports, virtually all nonsubject imports, and 68.3 percent of total imports from all sources in 2023. The Commission received a response to its questionnaire from one producer of subject merchandise in China, whose reported exports to the United States accounted for an estimated *** percent of subject imports in 2023.⁴

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.”⁵ 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.”⁶ 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.”⁷

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”).⁸ Therefore, Commerce’s determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is “necessarily the starting point of the Commission’s like product analysis.”⁹ The Commission

³ Confidential Report, Office of Investigations Memoranda INV-XX-023 (February 24, 2025), INV-XX-024 (February 27, 2024), and INV-XX-025 (February 28, 2025) (“CR”) at 1.4; Public Report, *Temporary Steel Fencing from China*, Inv. Nos. 701-TA-754 and 731-TA-1732 (Preliminary), USITC Pub. 5597 (March 2025) (“PR”) at 1.4.

⁴ CR/PR at 7.3. The one responding firm from China *** of its share of production of temporary steel fencing in China in 2023. *Id.*

⁵ 19 U.S.C. § 1677(4)(A).

⁶ 19 U.S.C. § 1677(4)(A).

⁷ 19 U.S.C. § 1677(10).

⁸ 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 Fed. 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).

⁹ *Cleo Inc. v. United States*, 501 F.3d 1291, 1298 (Fed. Cir. 2007); *see also Hitachi Metals, Ltd. v.* (Continued...)

then defines the domestic like product in light of the imported articles Commerce has identified.¹⁰ 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.¹¹ No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.¹² The Commission looks for clear dividing lines among possible like products and disregards minor variations.¹³ The Commission may, where appropriate, include domestic articles in the domestic like product in addition to those described in the scope.¹⁴

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

United States, Case No. 19-1289, slip op. at 8-9 (Fed. Cir. Feb. 7, 2020) (the statute requires the Commission to start with Commerce’s subject merchandise in reaching its own like product determination).

¹⁰ *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).

¹¹ *See, e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *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).

¹² *See, e.g., S. Rep. No. 96-249 at 90-91 (1979).*

¹³ *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.”).

¹⁴ *See, e.g., Pure Magnesium from China and Israel*, Inv. Nos. 701-TA-403 and 731-TA-895-96 (Final), USITC Pub. 3467 at 8 n.34 (Nov. 2001); *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 subject to this investigation is temporary steel fencing. Temporary steel fencing consists of temporary steel fence panels and temporary steel fence stands. Temporary steel fence panels, when assembled with temporary steel fence stands or other types of stands outside of the scope, with each other, or with posts, create a free-standing fence. Temporary steel fence panels are covered by the scope regardless of whether they attach to a stand or the type of stand to which they connect.

Temporary steel fence panels have a welded frame of steel tubing and an interior consisting of chain link, steel wire mesh, or other steel materials that are not more than 10 millimeters in actual diameter or width. The steel tubing may surround all edges of the temporary steel fence panel or only be attached along two parallel sides of the panel. All temporary steel fence panels with at least two framed sides are covered by the scope, regardless of the number of edges framed with steel tubing.

Temporary steel fence panels are typically between 10 and 12 feet long and six to eight feet high, though all temporary steel fence panels are covered by the scope regardless of dimension or weight as long as a single panel is over six square feet in actual surface area and weighs more than four pounds. Temporary steel fence panels may be square, rectangular, or have rounded edges, and may or may not have gates, doors, wheels, or barbed wire or other features, though all temporary steel fence panels are covered by the scope regardless of shape and other features. Temporary steel fence panels may have one or more horizontal, vertical, or diagonal reinforcement tubes made of steel welded to the inside frame, though all temporary steel fence panels are covered by the scope regardless of the existence, number, or type of reinforcement tubes attached to the panel. Temporary steel fence panels may have extensions, pins, tubes, or holes at the bottom of the panel, but all temporary steel fence panels are covered regardless of the existence of such features.

Steel fence stands are shapes made of steel that stand flat on the ground and have one or two open tubes or solid pins into which temporary steel fence panels are inserted to stand erect. The steel fence stand may be made of welded

steel tubing or may be a flat steel plate with one or two tubes or pins welded onto the plate for connecting the panels.

Temporary steel fencing is covered by the scope regardless of coating, painting, or other finish. Both temporary steel fence panels and temporary steel fence stands are covered by the scope, whether imported assembled or unassembled, and whether imported together or separately.

Subject merchandise includes material matching the above description that has been finished, assembled, or packaged in a third country, including by coating, painting, assembling, attaching to, or packaging with another product, or any other finishing, assembly, or packaging operation that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the temporary steel fencing.

Temporary steel fencing is included in the scope of this investigation whether or not imported attached to, or in conjunction with, other parts and accessories such as posts, hooks, rings, brackets, couplers, clips, connectors, handles, brackets, or latches. If temporary steel fencing is imported attached to, or in conjunction with, such non-subject merchandise, only the temporary steel fencing is included in the scope.

Merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the subheading 7308.90.9590. Subject merchandise may also enter under subheadings 7326.90.8688 and 7323.99.9080 of the HTSUS. The HTSUS subheadings set forth above are provided for convenience and U.S. Customs purposes only. The written description of the scope is dispositive.¹⁵

Temporary steel fencing consists of temporary steel fence panels and temporary steel fence stands. Temporary steel fencing panels consist of a frame of hollow structural steel

¹⁵ *Temporary Steel Fencing From the People's Republic of China: Initiation of Countervailing Duty Investigation*, 90 Fed. Reg. 9311, 9314-9315 (Feb. 11, 2025). The scope of the antidumping duty investigation is identical. *Temporary Steel Fencing From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 90 Fed. Reg. 9315, 9319-9320 (Feb. 11, 2025).

tubing and a steel interior consisting of chain link, wire mesh, or other material.¹⁶ The panels are connected to tubes or pins on the temporary steel fence stands to create a free-standing fence. Temporary steel fencing is almost always galvanized and can be painted or powder coated as well.¹⁷ The applications for temporary steel fencing include, but are not limited to, fencing for construction sites, security perimeters, and events (*e.g.* music festivals and sports events), as well as animal kennels.¹⁸

A. Arguments of the Parties

Petitioner's Argument. Petitioner argues that the Commission should define a single domestic like product of temporary steel fencing that is coextensive with the scope. It contends that this single domestic like product should include all temporary steel fencing, regardless of whether the panel interiors are of chain link or of wire mesh, and regardless of whether the fencing is used to erect perimeters for construction sites and events or for enclosures for animals (*e.g.*, dog kennels). It further asserts that the Commission should not expand the domestic like product beyond the scope to include permanent steel fencing. Petitioner contends that the Commission should defer consideration of the like product challenges by SONCO to any final phase of the investigations, asserting that the current record does not contain sufficient information to justify any of SONCO's proposed separate or expanded domestic like products, and likewise does not provide a basis for the Commission to analyze material injury based on SONCO's proposed separate domestic like products.¹⁹

In-Scope Temporary Steel Fencing: Chain Link Panels vs. Wire Mesh Panels. Petitioner argues that each of the Commission's six domestic like product factors supports finding a single domestic like product regardless of whether the panel interiors of the temporary steel fencing are of chain link or of wire mesh. It contends that all temporary steel fencing has similar physical characteristics and uses and is produced from the same basic materials, hollow structural steel tubing and steel wire. Petitioner argues that there are no clear dividing lines between sizes and types of temporary steel fencing, with chain link and wire mesh panels available in similar dimensions and weights, and having exactly the same end use, to erect temporary enclosures or perimeters.²⁰

¹⁶ CR/PR at 1.7, 1.9. Chain link is woven from steel wire, whereas wire mesh is made by welding wire together through an automated resistance welding process. *Id.* at 1.11.

¹⁷ CR/PR at 1.7.

¹⁸ CR/PR at 1.9; Conference Tr. at 93-94 (Greer).

¹⁹ Petitioner's Postconference Brief at 2-3.

²⁰ Petitioner's Postconference Brief, Response to Staff Questions, at 13-14.

Petitioner further asserts that different types of temporary steel fencing, including chain link and wire mesh interior panels, share common production processes,²¹ and common channels of distribution, primarily to fence rental companies, but also to distributors and some end users.²² Petitioner argues that temporary steel fencing with chain link interiors and with wire mesh interiors are interchangeable, contending that they may be joined together in the same fence systems and attached to the same stands and couplers, and that purchasers requesting bids generally do not specify whether panel interiors should be made from chain link or wire mesh.²³ It contends that customers and producers view temporary steel fencing to be a single product category, and that distributors and rental companies advertise both types of panels side by side.²⁴ Petitioner argues that prices of temporary steel fencing vary according to size and other features, but there are no clear dividing lines according to price.²⁵

In-Scope Temporary Steel Fencing: Animal Kennels vs. Perimeter Fencing. Petitioner argues that the Commission should not find temporary steel panels used for animal kennels to be a separate domestic like product. It asserts that two domestic producers produce both panels for kennels and panels for perimeter fencing, and that public information from these firms indicates that the products are very similar in physical characteristics and manufacturing process.²⁶ It submits an affidavit from a firm that produces kennel panels, which states that the physical characteristics of kennel panels and other temporary steel fencing panels are the same and the manufacturing process is very similar.²⁷

In-Scope Temporary Steel Fencing vs. Out-of-Scope Permanent Steel Fencing. Petitioner argues that temporary steel fencing and permanent steel fencing (a term it does not define) are distinct products and that the domestic like product should not be expanded beyond the scope to include permanent steel fencing. It argues that permanent steel fencing and temporary steel fencing have different physical characteristics due to their different end uses, with permanent fencing consisting of wider steel bars than temporary fencing, while temporary steel fencing is designed to be of a smaller size and weight so that panels can be lifted during assembly and disassembly and then transported to another site. By contrast, petitioner states that

²¹ Petitioner's Postconference Brief, Response to Staff Questions, at 6-8, 14.

²² Petitioner's Postconference Brief, Response to Staff Questions, at 15.

²³ Petitioner's Postconference Brief, Response to Staff Questions, at 15-16.

²⁴ Petitioner's Postconference Brief, Response to Staff Questions, at 15-16.

²⁵ Petitioner's Postconference Brief, Response to Staff Questions, at 16.

²⁶ Petitioner's Postconference Brief, Response to Staff Questions, at 6-7, 16-17 and Exh. 24 (public materials from Stephens Pipe and Davis Gate). Neither of these two firms submitted a questionnaire response. CR/PR at 3.1 n.1.

²⁷ Petitioner's Postconference Brief, Response to Staff Questions, at 17 and Exh. 25 (affidavit of *** of *** at paragraphs 2, 6).

permanent fence panels are attached to fence posts that are driven into the ground, and permanent panels and posts are often bolted together.²⁸

Petitioner contends that, as far as it is aware, domestic producers of temporary steel fencing do not also produce permanent fencing in the same facilities and production processes with the same employees.²⁹ Petitioner argues that temporary and permanent steel fencing have distinct channels of distribution, with temporary steel fencing sold primarily to fence rental companies, which rent the temporary fence to end users, while permanent steel fencing is primarily sold to fence installation companies for permanent installation at residential or commercial sites.³⁰ Petitioner contends that the two are not interchangeable, because permanent fencing lacks the physical features that permit temporary fencing to be temporarily connected to stands or poles.³¹

Petitioner further argues that customers and producers perceive temporary fencing to provide a temporary solution that is relatively easy to transport, assemble, and disassemble, and permanent fencing a permanent solution sold based on aesthetics and durability.³² Petitioner contends that permanent steel fencing tends to be more expensive because of the fence design.³³

Respondents' Argument. SONCO argues that, in the event these investigations proceed to a final phase, the Commission should (1) define "animal kennels" as a separate like product, (2) define "welded wire mesh fencing" and "chain link fencing" as separate like products, and (3) expand the definitions of "welded wire mesh fencing" and "chain link fencing" to include both "temporary" and "permanent" fencing.³⁴ At the conference, SONCO's counsel stated that she did not think that the Commission would have sufficient data in this preliminary phase of these investigations to make determinations with respect to the separate domestic industries it was proposing.³⁵

In-Scope Temporary Steel Fencing: Chain Link Panels vs. Wire Mesh Panels. SONCO argues that the Commission should define chain link fencing and welded wire mesh fencing to be separate domestic like products. It contends that there are clear dividing lines between

²⁸ Petitioner's Postconference Brief, Response to Staff Questions, at 19-20.

²⁹ Petitioner's Postconference Brief, Response to Staff Questions, at 20.

³⁰ Petitioner's Postconference Brief, Response to Staff Questions, at 20-21.

³¹ Petitioner's Postconference Brief, Response to Staff Questions, at 21.

³² Petitioner's Postconference Brief, Response to Staff Questions, at 21.

³³ Petitioner's Postconference Brief, Response to Staff Questions, at 21.

³⁴ SONCO's Postconference Brief at 4-5. Respondent DSS does not address the definition of the domestic like product.

³⁵ Conference Tr. at 146 (Hartmann).

them with respect to the Commission's domestic like product factors, and that, at a minimum, there is attenuated competition between the two types of temporary fencing.³⁶ SONCO argues that their different interiors, woven galvanized steel wire (for chain link) versus galvanized steel wire welded together in a grid pattern (welded wire mesh), represent a significant difference in physical characteristics. SONCO asserts that chain link fencing is flexible and can withstand the impact of frequent handling, while the welds in welded wire mesh make it rigid and prone to breaking if frequently handled or moved. It further asserts that chain link fencing is simple to repair, while repairing welded wire mesh panels requires welding equipment and expensive labor.³⁷

SONCO argues that there are also differences in channels of distribution, in that U.S. producer questionnaire data indicate that *** of the U.S. shipments of several firms that produced only chain link fencing went to ***, while firms that produced welded wire mesh (such as ***) shipped a *** percentage to ***.³⁸ SONCO contends that customers view chain link fencing and wire mesh fencing to be separate products, with chain link the industry standard in the United States. It asserts that customers do not mix the two types of fencing on a jobsite, and typically purchase one or the other, but not both, because they cannot be stored or transported together without significant damage.³⁹

SONCO argues that there are differences in production processes between the two, in that chain link fencing is woven from steel wire using a chain link weaving machine, and then attached to the steel hollow frame with fencing, while ZND's wire mesh fencing is made using a fully automated process in which coils of steel wire are fed into a large machine that welds the wires together to form a mesh, which is then welded onto a frame.⁴⁰ With respect to price, SONCO contends that the Commission does not have the data to determine if there are significant price differences.⁴¹

In-Scope Temporary Steel Fencing: Animal Kennels vs. Perimeter Fencing. SONCO argues that the Commission should define animal kennels and panels for perimeter fencing to be separate domestic like products. It asserts that the U.S. producers' questionnaire responses show a clear delineation between the use of temporary fencing as a perimeter barrier to secure construction job sites and events, and the use of animal kennels as enclosures for animals. Moreover, SONCO contends that animal kennels differ from temporary fencing in consisting of

³⁶ SONCO's Postconference Brief, Response to Staff Questions, at 6, 10.

³⁷ SONCO's Postconference Brief, Response to Staff Questions, at 6-7, 11-13.

³⁸ SONCO's Postconference Brief, Response to Staff Questions, at 7-8.

³⁹ SONCO's Postconference Brief, Response to Staff Questions, at 8-9.

⁴⁰ SONCO's Postconference Brief, Response to Staff Questions, at 9-10; see CR/PR at 3.2 n.1.

⁴¹ SONCO's Postconference Brief, Response to Staff Questions, at 10.

a series of panels connected together that are not attached to posts or stands.⁴² SONCO's Chief Executive Officer, Mr. Greer, also testified that he and his colleagues in his firm have never seen a dog kennel used as a fence panel.⁴³

SONCO contends that there are clear dividing lines in channels of distribution, in that temporary fencing is primarily sold to fence rental companies, and also to distributors and end users, but less commonly to retailers, while animal kennels are primarily sold to retailers, as stated in the petitions.⁴⁴ It notes that *** U.S. producers of animal kennels reported that the vast majority of their U.S. shipments were to retailers, while *** reported any U.S. shipments to fence rental companies. By contrast, *** responding U.S. "fence-only" producers that did not produce animal kennels reported *** of their U.S. shipments going to fence rental companies.⁴⁵

SONCO argues that customers and producers do not view animal kennels and steel fencing as a single product category. It states that U.S. producers market temporary fencing as a "safety" and "security" product intended for perimeter barriers, while U.S. producers of animal kennels may market their products as "livestock equipment" and sell other agricultural products.⁴⁶ SONCO asserts that the information in the petitions shows a clear divide in manufacturing processes, with four U.S. producers producing only fencing and four producing only animal kennels.⁴⁷ With respect to price, SONCO argues that the U.S. producers that made only animal kennels reported substantially higher average unit values ("AUVs") than the U.S. producers that reported producing only temporary fencing.⁴⁸

In-Scope Temporary Steel Fencing vs. Out-of-Scope Permanent Steel Fencing. SONCO argues that if these investigations proceed to a final phase, the Commission should collect the information necessary to analyze whether the domestic like product should include both "permanent" and "temporary" fencing. It asserts that there are "no physical differences" between permanent and temporary fencing.⁴⁹

⁴² SONCO's Postconference Brief, Response to Staff Questions, at 2-4.

⁴³ Conference Tr. at 101 (Greer).

⁴⁴ SONCO's Postconference Brief, Response to Staff Questions, at 4, Petitions, Vol. 1, at 1-3.

⁴⁵ SONCO's Postconference Brief, Response to Staff Questions, at 4.

⁴⁶ SONCO's Postconference Brief, Response to Staff Questions, at 5 and Exh. 13.

⁴⁷ SONCO's Postconference Brief, Response to Staff Questions, at 5-6.

⁴⁸ SONCO's Postconference Brief, Response to Staff Questions, at 6.

⁴⁹ SONCO's Postconference Brief, Response to Staff Questions, at 10-11; see Conference Tr. at 63 (Van Kesteren).

B. Analysis

Based on the record, and for the purpose of the preliminary phase of these investigations, we define a single domestic like product that is coextensive with the scope, consisting of temporary steel fencing.

1. Whether in-scope steel wire mesh fencing should be a separate domestic like product from in-scope chain link fencing

Physical Characteristics and Uses. The record indicates that all temporary steel fencing is made of the same basic materials, hollow structural steel tubing and steel wire, and thus has similar physical characteristics, whether the wire is woven in a chain link interior or welded in a mesh interior.⁵⁰ Petitioner asserts that chain link and wire mesh panels are available in similar dimensions and weights, and have exactly the same end use, to erect temporary enclosures or perimeters.⁵¹ SONCO does not dispute this point, but argues that there are significant differences between the two, in that chain link fencing is flexible, to withstand the impact of frequent handling, while the welds in welded wire mesh make it more rigid and prone to breaking if frequently handled or moved. SONCO adds that chain link fencing is simpler and less expensive to repair.⁵²

Manufacturing Facilities, Production Processes and Employees. The record indicates that there are basic similarities in the manufacturing processes, in that all temporary steel fencing panels are produced by bending and welding hollow structural steel tube into a frame, and then lacing or welding a steel interior made from chain link or wire mesh into the frame. There are differences, in that chain link is produced using a weaving machine while wire mesh is produced in an automated resistance welding process.⁵³ While ZND produces its wire mesh panels by welding the interior wire mesh to the frame, it presented a photo showing that in another company's temporary fence, the wire mesh was connected to the frame by lacing rather than welding.⁵⁴

Channels of Distribution. U.S. producers' questionnaire data indicate differences in channels of distribution between U.S. producers of chain link panels and U.S. producers of wire mesh panels. *** U.S. producers (***), reported that *** percent of their U.S. shipments were

⁵⁰ CR/PR at 1.11; Conference Tr. at 38 (Walters).

⁵¹ Petitioner's Postconference Brief, Response to Staff Questions, at 13-14.

⁵² SONCO's Postconference Brief, Response to Staff Questions, at 6-7, 11-13; Conference Tr. at 97-99, 112, 150 (Greer).

⁵³ CR/PR at 1.11; Petitioner's Postconference Brief, Response to Staff Questions, at 7, 14.

⁵⁴ Petitioner's Postconference Brief, Response to Staff Questions, at 7 and Exh. 12.

of chain link panels and that *** percent of their U.S. shipments went to fence rental companies.⁵⁵ The *** U.S. producers that reported that *** their U.S. shipments were of wire mesh panels had differing channels of distribution. The *** of the U.S. shipments of ***, the *** U.S. producer, went to distributors, with some shipments to retailers.⁵⁶ A *** of the U.S. shipments of ***, the *** U.S. producer in 2023, went to fence rental companies, with a *** share going to distributors, and additional shipments going to retailers and end users.⁵⁷ A majority of the U.S. shipments of *** went to retailers, while a *** share went to end users.⁵⁸ *** percent of the U.S. shipments of *** went to retailers.⁵⁹

Interchangeability. Petitioner presented photographs showing chain link panels and wire mesh panels side by side as part of the same fencing system in projects in the United States.⁶⁰ It also provided a number of examples of purchasers' requests for bids and an affidavit by a representative of a *** to indicate that purchasers requesting bids generally do not specify whether panel interiors should be made from chain link or wire mesh.⁶¹ However, SONCO's CEO testified that customers do not mix the two types of fencing on a jobsite, and typically purchase one or the other, but not both, because the two types would have to be kept in separate inventories, and cannot be stored or transported together without significant damage.⁶²

Producer and Customer Perceptions. The evidence with respect to producer and customer perceptions is mixed. Evidence presented by petitioner indicates that there are distributors and rental companies that advertise both types of panels side by side, and that some purchasers do not differentiate between types of panels.⁶³ However, SONCO's CEO testified that customers view chain link fencing and wire mesh fencing to be separate products,

⁵⁵ U.S. Questionnaire Response of *** at 2-9, 2-11 (EDIS Document No. ***); Revised U.S. Questionnaire Response of *** at 2-9, 2-11 (EDIS Document No. ***); Revised U.S. Questionnaire Response of *** at 2-9, 2-11 (EDIS Document No. ***). Specifically, these firms are ***. CR/PR at 3.10 n.5.

⁵⁶ U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***).

⁵⁷ U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***); see Conference Tr. at 25 (Walters).

⁵⁸ Revised U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***).

⁵⁹ U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***).

⁶⁰ Petitioner's Postconference Brief, Response to Staff Questions, at 15 and Ex. 21; see Conference Tr. at 16 (Van Kesteren), 161 (Drake).

⁶¹ Petitioner's Postconference Brief, Response to Staff Questions, at 15 and Ex. 15 (affidavit of *** of *** at paragraphs 1, 3).

⁶² Conference Tr. at 97-98, 112, 125-126 (Greer); SONCO's Postconference Brief, Response to Staff Questions, at 8-9.

⁶³ Petitioner's Postconference Brief, Response to Staff Questions, at 15-16 and Ex. 22.

with chain link as the industry standard in the United States. In addition, he testified that SONCO's customers that tried ZND's welded wire mesh product found it unsatisfactory compared to chain link fencing and stopped buying it.⁶⁴

Price. At this stage, the record contains limited evidence on prices for chain link as opposed to wire mesh temporary fencing. Petitioner presented an exhibit showing advertisements for various fence panels, which show varying fencing configurations at varying prices, but do not allow a meaningful number of like-for-like comparisons between chain link and wire mesh products.⁶⁵

Conclusion. The record indicates that chain link and wire mesh temporary fence are made from the same raw materials, share the same basic physical characteristics, and have the same end uses. Although the record does not indicate that they are made on the same equipment, they share the same basic manufacturing process, with the exception that chain link requires using a weaving machine and wire mesh an automated resistance welding process. As discussed above, the record is mixed with respect to the difference between wire mesh and chain link panels in channels of distribution. The evidence is mixed with respect to interchangeability and the perceptions of producers and customers. However, petitioner's evidence of wire mesh and chain link panels side by side on the same fence systems, and of them being marketed together by fence rental companies or distributors to purchasers, suggests some degree of interchangeability between the two types of fencing, and some degree of producer and customer perceptions that they are part of a single product. SONCO's arguments therefore do not provide a substantial basis on the current record to establish a clear dividing line between them for purposes of the Commission's domestic like product analysis. Accordingly, we do not define chain link temporary steel fencing and wire mesh temporary steel fencing as separate domestic like products.

2. Whether in-scope fencing for animal kennels should be a separate domestic like product from in-scope perimeter fencing

Of the seven responding U.S. producers, *** firms reported producing *** fencing for animal kennels, while *** firms reported producing *** panels for perimeter fencing.⁶⁶ The

⁶⁴ Conference Tr. at 92-93, 97-104 (Greer); SONCO's Postconference Brief, Response to Staff Questions, at 8-9.

⁶⁵ Petitioner's Postconference Brief, Response to Staff Questions, at 16 and Exh. 20.

⁶⁶ CR/PR at 3.2 n.3. The firms that produce *** fencing for animal kennels are ***. The firms that produce *** other temporary steel fencing are ***, and ***. Two U.S. firms, Davis Gate & Wire Manufacturing, Inc. ("Davis Gate") and Stephens Pipe & Steel ("Stephens Pipe") apparently produce both types of fencing, but neither firm submitted a questionnaire response. U.S. Questionnaire Response of *** at 1.2a and 4.12 (EDIS Document No. ***; Petitions, Exh. I-2 at paragraph 7.

record contains limited information on this issue, since ZND (which does not produce animal kennels) was the only domestic producer to appear at the conference or file a postconference brief, while respondent SONCO indicated a lack of familiarity with fencing for kennels.⁶⁷

Physical Characteristics and Uses. Public information with respect to Stephens Pipe and Davis Gate, which did not submit questionnaire responses, indicates that they sell fencing for perimeter barriers and dog kennel uses, and that the fencing for both uses is similar in physical characteristics.⁶⁸ In addition, an affidavit from another producer states that their physical characteristics are “the same.”⁶⁹ SONCO contends that information from a kennel producer’s website indicates that animal kennels have different characteristics, in that kennel panels are connected together, but not attached to posts or stands.⁷⁰ No party disputes that the use of animal kennels to contain animals differs from the use of other temporary fencing as a perimeter barrier to secure construction job sites and events. SONCO contends that the end uses reported by U.S. producers in their questionnaire responses show “a clear delineation” between the two, and that its employees have never seen dog kennels used as perimeter fencing.⁷¹

Manufacturing Facilities, Production Processes and Employees. An affidavit from one domestic producer states that the manufacturing process for kennel panels is “very similar” to that for panels for perimeter fencing. Petitioner presented screenshots from videos posted on the Stephens Pipe website showing the production process of a chain link panel used in that firm’s dog kennel product, and argues that it is similar to the process for production of panels for perimeter fencing.⁷² SONCO notes that the domestic industry’s questionnaire responses indicate that no responding firm produces both animal kennels and panels for perimeter fencing.⁷³

Channels of Distribution. The questionnaire data show that a *** of the U.S. shipments from firms that produce only panels for perimeter fencing go to fence rental companies, with a

⁶⁷ See Conference Tr. at 30-31 (Drake), 101 (Greer).

⁶⁸ Petitioner’s Postconference Brief at Exh. 24 (Stephens Pipe’s materials assert: “Our high quality fabricated panels are a fast and easy way to set up a temporary fence. Great for construction {sites}, crowd control, animal control, special events and more”).

⁶⁹ Petitioner’s Postconference Brief at Exh. 25 (affidavit of *** of *** at paragraph 6).

⁷⁰ SONCO’s Postconference Brief, Response to Staff Questions, at 2-3 and Exhs. 11-12.

⁷¹ SONCO’s Postconference Brief, Response to Staff Questions, at 3-4; Conference Tr. at 101 (Greer).

⁷² Petitioner’s Postconference Brief, Response to Staff Questions, at 6-7, 16-17 and Exhs. 10-11; Exh. 25 (affidavit of *** of *** at paragraph 6).

⁷³ SONCO’s Postconference Brief, Response to Staff Questions, at 5-6.

*** share of shipments going to distributors, and a *** share going to retailers.⁷⁴ By contrast, these data show that the firms that produce only animal kennels *** to fence rental companies, but rather ship *** shares to distributors and retailers.⁷⁵ Petitioner does not address channels of distribution.

Interchangeability. Neither party specifically addresses interchangeability. An affidavit from a firm that produces animal kennels states that it has a customer ***.⁷⁶ By contrast, SONCO's CEO testified that his firm has never seen a dog kennel used as a fence panel.⁷⁷

Producer and Customer Perceptions. The only evidence on producer and customer perceptions consists of SONCO's assertion that producers and customers do not view dog kennels and panels for perimeter fencing as a single product category, some producers' descriptions of their temporary fencing products as security or safety products for perimeter barriers and construction sites, and public materials from Behlen referring to its products, including animal kennels, as "livestock equipment" that it sells with other agricultural products.⁷⁸

Price. While the Commission's pricing product data do not provide a breakdown between shipments of animal kennels and shipments of temporary steel fencing, the Commission's questionnaire data show that the AUVs of U.S. shipments of responding domestic producers of animal kennels were substantially higher than those of responding producers of perimeter steel fencing. The AUVs for perimeter fencing producers ranged from \$*** per pound to \$*** per pound during 2021 to 2023; the AUV was \$*** per pound in interim 2024, compared with \$*** per pound in interim 2023. By contrast, the AUVs for kennel producers ranged from \$*** per pound to \$*** per pound during 2021 to 2023; the AUV was \$*** per pound in interim 2024, compared with \$*** per pound in interim 2023.⁷⁹

Conclusion. Petitioner has presented some limited information suggesting that the physical characteristics and manufacturing process for animal kennels and perimeter fencing

⁷⁴ U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***); Revised U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***); Revised U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***); U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***).

⁷⁵ U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***); Revised U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***); U.S. Questionnaire Response of *** at 2-9 (EDIS Document No. ***).

⁷⁶ Petitioner's Postconference Brief at Exh. 25 (affidavit of *** of *** at paragraph 6).

⁷⁷ Conference Tr. at 101 (Greer).

⁷⁸ SONCO's Postconference Brief, Response to Staff Questions, at 5 and Exh. 13 (public information from Behlen). It is possible that the animal kennels marketed as "livestock equipment" are not within the scope.

⁷⁹ CR/PR at Table D.2.

are similar, while respondent SONCO has presented information indicating possible or likely differences in end uses, channels of distribution, producer and customer perceptions, and price, issues that petitioner did not address. SONCO also contends that there are differences in physical characteristics. Although neither party specifically addresses interchangeability, they appear to disagree about whether animal kennel panels can be used as perimeter fencing.

Both petitioner and SONCO appear to agree that the Commission does not have adequate data in these preliminary investigations to make determinations based on separate domestic like products and domestic industries for animal kennels and perimeter fencing.⁸⁰ On balance, the evidence on the record in this preliminary phase of the investigations does not indicate the existence of a clear dividing line between these two types of fencing. Therefore, we do not define animal kennels to be a separate domestic like product from perimeter fencing.

3. Whether out-of-scope permanent steel fencing should be included within the domestic like product with in-scope temporary steel fencing

Petitioner provides an extensive argument that permanent fencing should not be included in the domestic like product, but largely without citations to additional information to support the argument, and without defining the “permanent” fencing it seeks to exclude.⁸¹ SONCO argues that the domestic like product should include both permanent and temporary steel fencing, but does not present any detailed argumentation based on the current record for the Commission to include out-of-scope permanent fencing within the like product in these preliminary phase investigations.⁸² It requests the Commission to collect information regarding permanent steel fencing in any final phase investigations.

Therefore, we find that no party has requested that permanent fencing be included in the domestic like product for purposes of the preliminary phase of these investigations, or provided evidence that permanent fencing is sufficiently similar to the subject merchandise to be considered part of the domestic like product.

Accordingly, we define a single domestic like product that is coextensive with the scope, consisting of temporary steel fencing.⁸³

⁸⁰ Petitioner’s Postconference Brief at 3; SONCO’s Postconference Brief at 4; Conference Tr. at 146 (Hartmann).

⁸¹ Petitioner’s Postconference Brief, Response to Staff Questions, at 17-22.

⁸² SONCO’s Postconference Brief, Response to Staff Questions, at 10-11.

⁸³ We remind the parties to indicate in their comments on the draft questionnaires in any final phase of the investigations whether they intend to raise a domestic like product argument, including the proposed definition of the domestic like product and the grounds for such an argument. 19 C.F.R. § 207.20(b).

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.”⁸⁴ 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 all U.S. producers of temporary steel fencing.⁸⁵ While SONCO generally argues that the Commission should define “multiple domestic industries” corresponding to the multiple domestic like products it proposes, in the absence of separate datasets for its proposed like products, it bases its material injury and threat of material injury arguments on the single domestic industry advocated by petitioner.⁸⁶

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to Section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.⁸⁷ Exclusion of such a producer is within the Commission’s discretion based upon the facts presented in each investigation.⁸⁸

⁸⁴ 19 U.S.C. § 1677(4)(A).

⁸⁵ Petitions, Vol. I, at I-6.

⁸⁶ SONCO’s Postconference Brief at 4-5. Respondent DSS does not address the definition of the domestic industry.

⁸⁷ See *Torrington Co. v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int’l Trade 1992), *aff’d without opinion*, 991 F.2d 809 (Fed. Cir. 1993); *Sandvik AB v. United States*, 721 F. Supp. 1322, 1331-32 (Ct. Int’l Trade 1989), *aff’d mem.*, 904 F.2d 46 (Fed. Cir. 1990); *Empire Plow Co. v. United States*, 675 F. Supp. 1348, 1352 (Ct. Int’l Trade 1987).

⁸⁸ The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude a related party include the following:

- (1) the percentage of domestic production attributable to the importing producer;
- (2) the reason the U.S. producer has decided to import the product subject to investigation (whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market);
- (3) whether inclusion or exclusion of the related party will skew the data for the rest of the industry;
- (4) the ratio of import shipments to U.S. production for the imported product; and
- (5) whether the primary interest of the importing producer lies in domestic production or importation. *Changzhou Trina Solar Energy Co. v. USITC*, 100 F. Supp.3d 1314, 1326-31 (Ct. Int’l. Trade 2015); see also *Torrington Co. v. United States*, 790 F. Supp. at 1168.

One domestic producer, ***, reported importing subject merchandise during the January 2021-September 2024 period of investigation (“POI”), and is therefore subject to the possible exclusion from the domestic industry under the related parties provision.⁸⁹ No party argues that any domestic producer should be excluded from the domestic industry pursuant to the related parties provision.

Analysis. We examine below whether appropriate circumstances to exclude *** from the domestic industry.

*** is *** and was the *** domestic producer in 2023, accounting for *** percent of reported domestic production.⁹⁰ *** imports of subject merchandise were *** pounds in 2021, *** pounds in 2022, *** pounds in 2023, and *** pounds in January-September (“interim”) 2024, compared with *** pounds in interim 2023.⁹¹ The firm’s domestic production was *** pounds in 2021, *** pounds in 2022, *** pounds in 2023, and *** pounds in interim 2024,

⁸⁹ CR/PR at 3.3, 3.15. One U.S. producer, ***, purchased subject merchandise during the POI. *Id.* at Table 3.16. A domestic producer that does not itself import subject merchandise or does not share a corporate affiliation with an importer may nonetheless be deemed a related party if it indirectly controls an exporter or importer of subject merchandise. 19 U.S.C. § 1677(4)(B). The Commission has found such control to exist, for example, when the domestic producer’s purchases were responsible for a predominant proportion of an importer’s subject imports and the importer’s subject imports were substantial. *See, e.g., Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from Argentina, Brazil, Germany, and Italy*, Inv. Nos. 701-TA-362 and 731-TA-707-710 (Review), USITC Pub. 3429 at 8-9 (June 2001).

*** purchases of subject merchandise totaled *** pounds in 2021, *** pounds in 2022, *** pounds in 2023, and *** pounds in interim 2024, compared with *** pounds in interim 2023. CR/PR at Table 3.16. The record is not clear as to which entities are the importers of record for the subject imports *** purchased, *id.* at 3.16 n.11, so there is insufficient information on the record to determine whether its purchases were such that *** qualifies for possible exclusion under the related parties provision.

Even if *** were to qualify as a related party, we would find that appropriate circumstances do not exist for its exclusion. *** was the *** domestic producer in 2023, accounting for *** percent of U.S. production. *Id.* at Table 3.1. *** purchases of subject merchandise were less than *** percent of its domestic production in 2021 through 2023, but its purchases of subject merchandise (***) pounds) in interim 2024 were greater than its domestic production (***) pounds). Compare *id.* at Table 3.7 with Table 3.16. *** stated that its reason for purchasing subject imports was that “***.” *Id.* at 3.16. However, in interim 2024, when ***’s subject imports reached its highest ratio relative to domestic production, *** operating income to net sales ratio was *** than the domestic industry average, at *** percent compared to *** percent for the domestic industry overall. *Id.* at Table 6.5. Moreover, no party has argued that *** should be excluded from the domestic industry.

Accordingly, the record does not indicate that ***’s domestic production operations benefitted from its purchases of subject imports to such an extent that its inclusion in the domestic industry would skew industry data or mask injury.

⁹⁰ CR/PR at 3.3, Table 3.1.

⁹¹ CR/PR at Table 3.14.

compared with *** pounds in interim 2023. The ratio of the firm's imports of subject merchandise to its domestic production was *** percent in 2021, *** percent in 2022, *** percent in 2023, and *** percent in interim 2024, compared with *** percent in interim 2023.⁹² *** reported its reasons for importing as ***.⁹³

*** operating-income-to-net-sales ratio was *** percent in 2021, *** percent in 2022, *** percent in 2023, and *** percent in interim 2024, compared with *** percent in interim 2023, which was *** than the domestic industry's overall operating ratio *** calendar years and interim periods during the POI.⁹⁴ *** made substantial capital investments during the POI: \$*** in 2021; \$*** in 2022; \$*** in 2023, and \$*** in interim 2024, compared with \$*** in interim 2023.⁹⁵

Since *** is ***, and made *** capital investments during the POI, with the ratio of its subject imports to its domestic production being relatively low, particularly towards the end of the POI, we find that its primary interest is in domestic production and not in importation of subject merchandise. There is also no information on the record that *** domestic production operations benefitted from the imports of subject merchandise to such an extent that its inclusion in the domestic industry would skew industry data or mask injury. Moreover, no party has argued that it should be excluded from the domestic industry. Therefore, we find that appropriate circumstances do not exist to exclude *** from the domestic industry.

Accordingly, we define a single domestic industry consisting of all domestic producers of temporary steel fencing.

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 3 percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall be deemed negligible.⁹⁶ In the case of countervailing duty investigations involving a developing country (as designated by the

⁹² CR/PR at Table 3.14.

⁹³ CR/PR at Table 3.15.

⁹⁴ CR/PR at Table 6.5.

⁹⁵ CR/PR at Table 6.7.

⁹⁶ 19 U.S.C. §§ 1671b(a), 1673b(a), 1677(24)(A)(i), 1677(24)(B).

United States Trade Representative), the statute indicates that the negligibility limit is 4 percent rather than 3 percent.⁹⁷

Based on the Commission’s questionnaire data, during the most recent 12-month period for which data are available preceding the January 15, 2025, filing of the petitions, January 2024 through December 2024, subject imports from China accounted for *** percent of total imports in both the Commission’s antidumping and countervailing duty investigations.⁹⁸ Because subject imports from China exceed the 3.0 percent negligibility threshold, we find that imports 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.⁹⁹ 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.¹⁰⁰ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”¹⁰¹ 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.¹⁰² 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.”¹⁰³

⁹⁷ 19 U.S.C. § 1677(24)(B). China is not designated by USTR as a developing country for purposes of the 4 percent negligibility limit. See *Designations of Developing Countries and Least Developed Countries Under the Countervailing Duty Law*, 85 Fed. Reg. 7613, 7615 (USTR Feb. 10, 2020).

⁹⁸ CR/PR at Table 4.10.

⁹⁹ 19 U.S.C. §§ 1671b(a), 1673b(a).

¹⁰⁰ 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).

¹⁰¹ 19 U.S.C. § 1677(7)(A).

¹⁰² 19 U.S.C. § 1677(7)(C)(iii).

¹⁰³ 19 U.S.C. § 1677(7)(C)(iii).

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,¹⁰⁴ 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.¹⁰⁵ 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.¹⁰⁶

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.¹⁰⁷ In performing its examination, however, the Commission need not isolate

¹⁰⁴ 19 U.S.C. §§ 1671b(a), 1673b(a).

¹⁰⁵ *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).

¹⁰⁶ 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).

¹⁰⁷ The Uruguay Round Agreements Act Statement of Administrative Action, H. Doc. 103-316 (1994) (“SAA”) states at 851-52 (“{T}he Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.”); S. Rep. 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. 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 (Continued...)

the injury caused by other factors from injury caused by unfairly traded imports.¹⁰⁸ 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.¹⁰⁹ It is clear that the existence of injury caused by other factors does not compel a negative determination.¹¹⁰

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.”¹¹¹ 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

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, 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.

¹⁰⁸ 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 and 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.”).

¹⁰⁹ S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47.

¹¹⁰ See *Nippon Steel Corp.*, 345 F.3d at 1381 (“an 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.”).

¹¹¹ *Mittal Steel*, 542 F.3d at 876 & 78; 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 *United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 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 comports with the Court’s guidance in *Mittal*.

sources to the subject imports.”¹¹² The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed “rigid adherence to a specific formula.”¹¹³

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.¹¹⁴ Congress has delegated this factual finding to the Commission because of the agency’s institutional expertise in resolving injury issues.¹¹⁵

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.

¹¹² *Mittal Steel*, 542 F.3d at 873 (quoting from *Gerald Metals*, 132 F.3d at 722), 877-79. We note that 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.

¹¹³ *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.”).

¹¹⁴ We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

¹¹⁵ *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. 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.”).

1. Captive Production¹¹⁶

Some vertically integrated U.S. producers reported captive use by their fence rental operations of temporary steel fencing that they had produced.¹¹⁷ Of the seven responding U.S. producers, *** firms reported *** commercial U.S. shipments, while *** firms reported *** transfers to related firms. These *** firms are ***. The Commission instructed these firms ***.¹¹⁸

a. Parties' Arguments

Petitioner's Argument. Petitioner argues that the threshold criteria of the captive production provision – that domestic producers internally transfer significant production of the domestic like product for the production of a downstream article and make significant sales of the domestic like product in the merchant market – does not apply. It asserts that the temporary steel fencing that producers transfer to their fence rental operations is not processed into a “distinct” downstream product, but is simply rented without further manufacture to end users and not sold on the merchant market.¹¹⁹ However, petitioner reserves the right to comment on whether these internal transfers are pertinent conditions of competition.¹²⁰

Respondents' Argument. SONCO asserts that the captive production provision does not apply because the firms reporting *** internal transfers of temporary steel fencing do not use

¹¹⁶ The captive production provision, 19 U.S.C. § 1677(7)(C)(iv), as amended by the Trade Preferences Extension Act of 2015, provides:

(iv) CAPTIVE PRODUCTION – If domestic producers internally transfer significant production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, and the Commission finds that-

(I) the domestic like product produced that is internally transferred for processing into that downstream article does not enter the merchant market for the domestic like product, and

(II) the domestic like product is the predominant material input in the production of that downstream article.

The SAA indicates that where a domestic like product is transferred internally for the production of another article coming within the definition of the domestic like product, such transfers do not constitute internal transfers for the production of a “downstream article” for purposes of the captive production provision. SAA at 853.

¹¹⁷ CR/PR at 3.14.

¹¹⁸ CR/PR at 3.10 and n.5.

¹¹⁹ Petitioner's Postconference Brief, Response to Staff Questions, at 22-23.

¹²⁰ Petitioner's Postconference Brief, Response to Staff Questions, at 23.

that temporary steel fencing for processing into a downstream product that does not enter the merchant market for the domestic like product; rather the temporary steel fencing they produce is rented to customers and not sold in the merchant market.¹²¹

b. Analysis

Threshold Criteria. The threshold criteria test whether domestic producers internally transfer production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market.

The record indicates that domestic producers both internally transferred substantial production of the domestic like product and sold significant production of the domestic like product in the merchant market. Transfers to related firms ranged from *** percent to *** percent of total shipments of the domestic like product during 2021 to 2023, while commercial U.S. shipments ranged from *** percent to *** percent.¹²²

However, the captive production provision applies only when the reported internal transfers of the domestic like product were for the “production of a downstream article.” The SAA states that the captive production provision was added to “address situations in which vertically-integrated U.S. producers sell a significant volume of their production of the domestic like product to U.S. customers (*i.e.*, the merchant market) and internally transfer a significant volume of their production of that same like product for further internal processing into a distinct downstream article (*i.e.*, captive production).¹²³ The SAA goes on to state that “a downstream article is an article *distinct* from the domestic like product but is made from that product,”¹²⁴ and that the provision applies where the domestic like product is “internally

¹²¹ SONCO’s Postconference Brief at 9-10.

¹²² CR/PR at Table 3.10. Commercial U.S. shipments accounted for *** percent of total U.S. shipments by the domestic industry in interim 2024, compared with *** percent in interim 2023, while internal transfers accounted for *** percent of total U.S. shipments by the domestic industry in interim 2024, compared with *** percent interim 2023. *Id.*

¹²³ SAA at 852.

¹²⁴ SAA at 852 (emphasis added). Quoting this language from the SAA, the U.S. Court of Appeals for the Federal Circuit stated that “the captive production provision does not apply where both domestic like product and the purported downstream article both fall within the domestic like product scope.” *Full Member Subgroup of the American Institute of Steel Construction v. United States*, 81 F.4th 1242, 1255 (Fed. Cir. 2023). The Federal Circuit upheld the Commission’s conclusion that the captive production provision did not apply in its investigations of *Fabricated Structural Steel* because the threshold condition was not satisfied. *See Fabricated Structural Steel from Canada, China, and Mexico*, 701-TA-616-617 and 731-TA-1432-1434 (Final), USITC Pub. 5031 at 42-43 nn. 180, 188 (March 2020).

transferred for further processing into a *separate* downstream article,”¹²⁵ and is “processed into a *higher-valued* downstream article by the same producer.”¹²⁶

In these investigations, there is no information on the record indicating that the production of temporary steel fencing that is internally transferred by these *** domestic producers is further processed into a downstream product that is “distinct” or “separate” from, or “higher valued” than, the domestic like product. Rather, the available information indicates that the vertically integrated firms first produce temporary steel fencing, and rather than sell the domestic like product in the merchant market, they generally “transfer” the temporary steel fencing to the inventory of the firm’s fence rental operations or to a related firm, which then rents out the same temporary steel fencing to the firm’s rental customers, without further processing it into a distinct, higher value “downstream article.”¹²⁷ Accordingly, we find that the threshold condition of the captive production provision is not satisfied, and that the captive provision accordingly does not apply to these investigations. Nevertheless, we recognize that a substantial portion of total U.S. shipments by the domestic industry is internally transferred to related firms (or within the same firm), consider this to be an important condition of competition, and intend to consider further in any final phase of these investigations how that impacts conditions of competition in the U.S. market.

2. Demand Conditions

U.S. demand for temporary steel fencing depends on the demand for its end use applications. Reported end uses include fencing perimeter control for construction sites, security perimeters and events, as well as dog kennels and coops.¹²⁸

U.S. producers sell temporary rental fencing to fence rental companies, distributors, retailers, and end users (which include construction companies, venues and arenas, and special vents companies). After fence rental companies purchase temporary steel fencing, they rent it

¹²⁵ SAA at 852-853 (emphasis added).

¹²⁶ SAA at 852 (emphasis added).

¹²⁷ CR/PR at 3.14; Conference Tr. at 100 (Greer); Petitioner’s Postconference Brief, Response to Staff Questions, at 22-23; SONCO’s Postconference Brief at 9-10. It would also be possible to conceive of the use of internally transferred steel fencing as an input into the supply of fence rental services by the producer or affiliated rental operation. The Federal Circuit has held that contracts for the supply of services that do not involve transfer of title to any underlying goods – as would appear to be the case with respect to rentals of temporary fencing – are not covered by the U.S. antidumping statute. *Eurodif, S.A. v. United States*, 411 F.3d 1355, 1364 (Fed. Cir. 2005). The same logic would hold with respect to the countervailing duty statutes.

¹²⁸ CR/PR at 2.7

to end users for a finite period of time, after which the fencing is returned to the rental companies' fleet to be rented out again.¹²⁹

U.S. demand for temporary steel fencing generally follows the construction and event business cycles, with higher demand occurring during the spring and summer months and lower demand during the fall and winter months.¹³⁰ Both petitioner and respondent SONCO agree that U.S. demand increased in 2021 and 2022 as the United States emerged from the COVID-19 pandemic, construction activity increased, and festivals and other events resumed.¹³¹

Responding U.S. producers and importers had mixed responses regarding U.S. demand during the POI. Three U.S. producers and four importers reported an increase (steady or fluctuating) in domestic demand for temporary steel fencing during the POI, and three U.S. producers and four importers reported a decrease (steady or fluctuating) in domestic demand.¹³²

Apparent U.S. consumption increased by 3.4 percent between 2021 and 2023, increasing from 87.9 million pounds in 2021 to 109.3 million pounds in 2022, and then falling to 90.9 million pounds in 2023; it was higher by 17.4 percent in interim 2024, at 85.5 million pounds, compared with 72.8 million pounds in interim 2023.¹³³

3. Supply Conditions

During the period of investigation, subject imports accounted for the largest share of the U.S. market, followed by the domestic industry, and then nonsubject imports.

The Commission received usable questionnaire responses from seven U.S. producers. *** accounted for the largest share of U.S. production in 2023, at *** percent, followed by ***, at *** percent, and ***, at *** percent.¹³⁴

Petitioner ZND purchased a factory in Statesville, North Carolina in 2020, began producing temporary steel fencing there in 2021, and then added equipment at the facility to produce tube stands in 2022. ZND purchased a factory in California in 2021, and began

¹²⁹ CR/PR at 2.1. According to respondent SONCO, there are several large national fence rental companies, and hundreds of smaller fence rental companies across the country. Conference Tr. at 94 (Greer).

¹³⁰ CR/PR at Table 2.7 to 2.8.

¹³¹ Petitioner's Postconference Brief at 4; SONCO's Postconference Brief at 6.

¹³² CR/PR at Table 2.4.

¹³³ CR/PR at Tables 4.11, C.1.

¹³⁴ CR/PR at 3.2, Table 3.1. The Commission did not receive usable questionnaire responses from three known U.S. producers of temporary steel fencing identified in the petitions: Davis Gate & Wire Mfg., Powder River, and Stephens Pipe & Steel. Petitions, Vol. I, Exh. I-2, at paragraph 7; CR/PR at 3.1 n.1.

producing temporary steel fencing there in 2022.¹³⁵ Behlen closed its Omaha, Nebraska facility in 2024 to consolidate operations and maximize use of equipment in another facility, ***.¹³⁶ *** reported shutting down ***.¹³⁷

Of the seven responding U.S. producers, *** firms reported *** commercial shipments (***), and *** firms reported *** transfers to related firms (***).¹³⁸ In 2023, *** percent of the domestic industry's U.S. shipments were commercial sales and *** percent were internal transfers.¹³⁹

According to the petitions, three of the responding U.S. producers (Behlen, Priefert, and Tarter) produce only panels for animal kennels, and several responding firms (American Fence, National Construction, ZND) produce only panels for perimeter fencing, while Viking ***.¹⁴⁰ In 2023, kennel producers accounted for *** percent of total domestic production of temporary steel fencing, while producers of other temporary steel fencing (*i.e.*, perimeter fencing) accounted for *** percent.¹⁴¹

U.S. producers ZND and *** reported U.S. shipments *** of panels with wire mesh interiors, while *** reported U.S. shipments *** of panels with chain link interiors, and *** reported U.S. shipments of *** chain link panels and wire mesh panels, but *** quantities of wire mesh panels.¹⁴² In 2023, *** percent of U.S. shipments of temporary steel fencing panels

¹³⁵ Conference Tr. at 18 (Van Kesteren); CR/PR at Table 3.3.

¹³⁶ CR/PR at Tables 3.3, 3.4.

¹³⁷ CR/PR at Table 3.4.

¹³⁸ CR/PR at 3.10.

¹³⁹ CR/PR at Table 3.10. We note that *** U.S. shipments of panels with chain link interiors were reported as internal transfers to related firms. See U.S. Questionnaire Response of *** at 2-8 (EDIS Document No. ***), Revised U.S. Questionnaire Response of *** at 2-8 (EDIS Document No. ***); Revised U.S. Questionnaire Response of *** at 2-8 (EDIS Document No. ***)

¹⁴⁰ Petitions, Exh. I-2 at paragraph 7; CR/PR at 3.2 n.3. According to the petitions, two other U.S. firms, Stephens Pipe and Davis Gate, each produce both perimeter fencing and animal kennels, while a third U.S. firm, Powder River, produces animal kennels but not perimeter fencing. Petitions, Exh. I-2 at paragraph 7. However, none of these three firms submitted usable U.S. producer questionnaire responses. CR/PR at 3.1 n.1.

¹⁴¹ CR/PR at Table D.1. With respect to U.S. shipments by quantity, kennel producers accounted for *** percent of total U.S. producers' U.S. shipments of temporary steel fencing in 2023 and producers of other temporary steel fencing accounted for *** percent. CR/PR at Table D.2. With respect to U.S. shipments by value, kennel producers accounted for *** percent of total U.S. producers' U.S. shipments of temporary steel fencing in 2023 and producers of other temporary steel fencing accounted for *** percent. *Id.*

¹⁴² Conference Tr. at 35 (Van Kesteren). See U.S. Questionnaire Response of American Fence at 2-11 (EDIS Document No. 842290), U.S. Questionnaire Response of Behlen at 2-11 (EDIS Document No. 841821), Revised U.S. Questionnaire Response of National Construction at 2-11 (EDIS Document No. (Continued...))

by domestic producers had wire mesh interiors, while *** percent of U.S. shipments had chain link interiors.¹⁴³

The domestic industry's practical capacity more than doubled during the POI, largely attributable to ZND's investments in its new plants in North Carolina and California.¹⁴⁴ The domestic industry's practical capacity increased by *** percent from 2021 to 2023, rising from *** pounds in 2021 to *** pounds in 2022, and *** pounds in 2023; practical capacity was *** percent lower in interim 2024, at *** pounds, compared with *** pounds in interim 2023.¹⁴⁵

The domestic industry's capacity utilization declined by *** percentage points from 2021 to 2023, falling from *** percent in 2021 to *** percent in 2022 and *** percent in 2023; capacity utilization was *** percentage points higher in interim 2024, at *** percent, compared with *** percent in interim 2023.¹⁴⁶

The domestic industry's market share declined by *** percentage points from 2021 to 2023, increasing from *** percent in 2021 to *** percent in 2022, and then falling to *** percent in 2023; its market share was *** percentage points lower in interim 2024, at *** percent, compared with *** percent in interim 2023.¹⁴⁷

The market share of subject imports increased by 9.4 percentage points from 2021 to 2023, increasing from 49.5 percent in 2021 to 54.5 percent in 2022 and 58.9 percent in 2023; subject import market share was 2.3 percentage points lower in interim 2024, at 59.6 percent, compared with 61.9 percent in interim 2023.¹⁴⁸ One U.S. importer, ***, accounted for *** percent of subject imports in 2023.¹⁴⁹ Some U.S. firms import directly from China for their own rental use rather than purchasing from an importer or a U.S. producer.¹⁵⁰

843525); Revised U.S. Questionnaire Response of Priefert at 2-11 (EDIS Document No. 843526); U.S. Questionnaire Response of Tarter at 2-11 (EDIS Document No. 842812); Revised U.S. Questionnaire Response of Viking at 2-11 (EDIS Document No. 842562); U.S. Questionnaire Response of ZND at 2-11 (EDIS Document No. 842128).

¹⁴³ CR/PR at Table 3.12.

¹⁴⁴ CR/PR at 2.5, 3.5-3.6, Table 3.7; Conference Tr. at 18 (Van Kesteren). By 2023, ZND's practical capacity accounted for more than *** percent of the domestic industry's practical capacity. Derived from CR/PR at Table 3.7.

¹⁴⁵ CR/PR at Tables 3.5, C.1. U.S. producers identified a number of practical capacity constraints, including production bottlenecks, labor force issues, availability of raw materials, and storage capacity constraints. CR/PR at Table 3.6.

¹⁴⁶ CR/PR at Tables 3.5, C.1.

¹⁴⁷ CR/PR at Tables 4.11, C.1

¹⁴⁸ CR/PR at Tables 4.11, C.1.

¹⁴⁹ CR/PR at Table 4.1.

¹⁵⁰ CR/PR at 5.15 n.9.

The market share of nonsubject imports decreased by *** percentage points from 2021 to 2023, falling from *** percent in 2021 to *** percent in 2022 and then rising to *** percent in 2023; nonsubject market share was *** percentage points higher in interim 2024, at *** percent, compared with *** percent in interim 2023.¹⁵¹ The available information indicates that the largest source of nonsubject imports during the POI was Vietnam.¹⁵²

Most responding U.S. producers and importers reported that they did not experience supply constraints during the POI. However, two U.S. producers (***) reported constraints occurring in 2021 because of supply chain issues resulting from the COVID-19 pandemic. Five U.S. importers reported supply constraints during the POI, four experiencing constraints in 2021 and 2022, and one in 2023, with the constraints reported including a shortage of shipping containers, shipping backlogs, and high ocean freight costs.¹⁵³

4. Substitutability and Other Conditions

We find that there is a moderate-to-high degree of substitutability between subject imports and the domestic like product.¹⁵⁴

Most responding U.S. producers (four of five) reported that subject imports can always or frequently be used interchangeably with the domestic like product.¹⁵⁵ Responding importers' responses regarding the interchangeability of subject imports and the domestic like product were mixed, with six importers reported that they can always or frequently be used interchangeably, and six importers reported that they can only sometimes or never be used interchangeably.¹⁵⁶

Most responding U.S. producers (four of five) reported that factors other than price are sometimes or never significant in comparisons of the domestic like product and subject imports with respect to sales of temporary steel fencing, while most responding importers (eight of 13) reported that factors other than price are always or frequently significant in such comparisons.¹⁵⁷

Some importers reported that the difference between chain link and wire mesh panels was an important nonprice difference between subject imports and some domestic product. Importers reported that some contractors do not want to mix these two types of fencing on

¹⁵¹ CR/PR at Tables 4.11, C.1.

¹⁵² CR/PR at 2.6.

¹⁵³ CR/PR at 2.6.

¹⁵⁴ CR/PR at 2.10.

¹⁵⁵ CR/PR at Table 2.8.

¹⁵⁶ CR/PR at Table 2.8.

¹⁵⁷ CR/PR at Table 2.9.

projects, and that compatibility with existing rental fleets and fencing systems is thus a significant nonprice factor for some purchasers.¹⁵⁸ Petitioner contends that chain link and wire mesh panels can be used interchangeably and used together within the same project, while respondent SONCO asserts that fence rental customers do not want a mix of wire mesh and chain link panels on their project sites, and that U.S. fence rental companies prefer chain link panels as the industry standard.¹⁵⁹ As discussed above, responding U.S. producers reported that *** percent of their U.S. shipments in 2023 were wire mesh panels and *** percent were chain link panels.¹⁶⁰ U.S. importers reported that *** percent of their U.S. shipments of subject imports had wire mesh interiors, *** percent of U.S. shipments had chain link interiors, and *** percent had interiors of other types.¹⁶¹

We find that price is an important factor in purchasing decisions for temporary steel fencing, along with other factors. Purchasers responding to lost sales lost revenue allegations were asked to identify the main purchasing factors that their firms considered in their purchasing decisions for temporary steel fencing. The most often cited top factors considered by firms in their purchasing decisions were compatibility or functionality, compliance with safety and other standards, price/cost, and quality.¹⁶²

The domestic like product is primarily sold from inventory, while subject imports are primarily produced to order. U.S. producers reported that *** percent of their U.S. commercial shipments were sold from inventories in 2023, with lead times averaging 14 days, while *** percent were produced to order, with lead times averaging 16 days. Importers reported that 70.0 percent of their U.S. commercial shipments were produced to order in 2023, with lead times averaging 117 days, 22.0 percent were sold from U.S. inventories, and 8.0 percent were sold from foreign inventories, with wide-ranging lead times.¹⁶³

Both subject imports and the domestic like product were sold primarily on the spot market in 2023. U.S. producers reported that *** percent of their U.S. commercial shipments were spot sales, while U.S. importers reported that *** percent of their U.S. commercial

¹⁵⁸ CR/PR at 2.10, 2.13, 2.14.

¹⁵⁹ CR/PR at 2.13, Conference Tr. at 97-104, 112, 125-126 (Greer); Petitioner's Postconference Brief, Response to Staff Questions, at 15.

¹⁶⁰ CR/PR at Table 3.12.

¹⁶¹ CR/PR at Table 4.5. U.S. importer ***, which accounted for *** percent of subject imports in 2023, reported its U.S. shipments of panels as having an "other interior," which it described as ***. CR/PR at 4.7, Table 4.1.

¹⁶² CR/PR at Table 2.7.

¹⁶³ CR/PR at 2.11 to 2.12.

shipments were spot sales, *** percent were through annual contracts, *** percent were through long-term contracts, and *** percent were through short-term contracts.¹⁶⁴

Most responding U.S. producers (three of four) and importers (11 of 15) reported that they typically arrange transportation to their customers. Most U.S. producers reported that their inland U.S. transportation costs ranged from *** percent to *** percent, while most importers reported costs ranging from *** percent to *** percent.¹⁶⁵

Raw material costs accounted for the by far largest share of the domestic industry's total cost of goods sold ("COGS") throughout the POI, ranging from *** percent to *** percent of COGS.¹⁶⁶ The major raw materials used to produce panels include steel pipe and tubing for the outer frame and steel wire for the interior, while stands are also produced from steel tubing.¹⁶⁷ Reported prices for steel pipe and tube increased by 77.9 percent from January 2021 to June 2022, then decreased by 29.2 percent over the remainder of the POI. Reported prices for steel wire followed a similar pattern, increasing by 61.8 percent from January 2021 to August 2022, then decreasing by 18.8 percent over the remainder of the POI.¹⁶⁸

Effective August 23, 2018, temporary steel fencing originating in China is subject to an additional 25 percent *ad valorem* duty under section 301 of the Trade Act of 1974. Effective February 4, 2025, temporary steel fencing originating in China is subject to an additional 10 percent *ad valorem* duty under the International Emergency Economic Powers Act.¹⁶⁹

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."¹⁷⁰

¹⁶⁴ CR/PR at Table 5.4; Conference Tr. at 25 (Walters).

¹⁶⁵ CR/PR at 5.4. SONCO contends that the cost of shipping chain link panels by flatbed truck across the country could be very high, adding that there are only a few U.S. producers of chain link panels, while there are hundreds of fence rental companies across the country. Conference Tr. at 94, 100 (Greer); SONCO's Postconference Brief at 9. SONCO further contends that chain link panels and wire mesh panels cannot be transported together on a truck without causing damage. Conference Tr. at 125-126 (Greer); SONCO's Postconference Brief, Response to Staff Questions, at 8.

¹⁶⁶ CR/PR at 6.17. The domestic industry's raw material costs as a percentage of its total COGS were *** percent in 2021, *** percent in 2022, and *** percent in 2023; they were higher in interim 2024, at *** percent, compared with *** percent in interim 2023. *Id.* at Table 6.1.

¹⁶⁷ CR/PR at 5.1, 6.17, Table 6.6.

¹⁶⁸ CR/PR at 5.1.

¹⁶⁹ CR/PR at 1.6 to 1.7.

¹⁷⁰ 19 U.S.C. § 1677(7)(C)(i).

The volume of subject imports increased by 34.7 percent from 2021 to 2023, rising from 41.7 million pounds in 2021 to 61.7 million pounds in 2022, and then falling to 56.1 million pounds in 2023; subject imports were 14.7 percent higher in interim 2024, at 51.6 million pounds, compared with 45.0 million pounds in interim 2023.¹⁷¹

The market share of subject imports increased by 9.4 percentage points from 2021 to 2023, rising from 49.5 percent in 2021 to 54.5 percent in 2022 and 58.9 percent in 2023; subject import market share was 2.3 percentage points lower in interim 2024, at 59.6 percent, compared with 61.9 percent in interim 2023.¹⁷² Subject imports gained market share primarily at the expense of the domestic industry, which lost *** percentage points of market share to subject imports between 2021 and 2023.¹⁷³

Subject imports as a ratio to domestic production increased from *** percent in 2021 to *** percent in 2022 to *** percent in 2023; the ratio was higher in interim 2024, at *** percent, compared with *** percent in interim 2023.¹⁷⁴

We find that the volume of subject imports and the increase in that volume are significant in absolute terms and relative to production and consumption in the United States.

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.¹⁷⁵

¹⁷¹ CR/PR at 4.2, Table 4.2. SONCO suggests that imports from importer *** should be excluded from the Commission’s volume analysis, on the basis that this firm imports ***. SONCO’s Postconference Brief at 17-18. However, SONCO does not dispute that these imports are within the scope of these investigations, and the Commission has defined a single domestic like product that is coextensive with the scope, so there is no basis for excluding this firm’s imports.

¹⁷² CR/PR at Tables 4.11, C.1.

¹⁷³ CR/PR at Tables 4.11, C.1. Subject imports’ market share was 2.3 percentage points lower in interim 2024 than in interim 2023, but the domestic industry’s market share did not increase. *Id.*

¹⁷⁴ CR/PR at Table 4.2.

¹⁷⁵ 19 U.S.C. § 1677(7)(C)(ii).

As discussed in section VI.B.4 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 for temporary steel fencing, along with other factors.

The Commission collected quarterly quantity and f.o.b. pricing data on sales of four temporary steel fencing products shipped to unrelated U.S. customers during the POI.¹⁷⁶ Three U.S. producers and five importers provided usable pricing data for sales of the requested products, although not all firms reported pricing data for all products for all quarters.¹⁷⁷ The reported pricing data accounted for approximately *** percent of U.S. producers' U.S. shipments of temporary steel fencing by value in 2023, and *** percent of U.S. shipments of subject imports from China.^{178 179}

¹⁷⁶ CR/PR at 5.5. The four pricing products are:

Product 1.—Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, sold to fence rental companies.

Product 2.—Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, sold to distributors.

Product 3.—Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, sold to fence rental companies.

Product 4.—Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, sold to distributors. *Id.* at 5.5 to 5.6.

¹⁷⁷ CR/PR at 5.7.

¹⁷⁸ CR/PR at 5.7. We note that, as previously discussed, several U.S. producers of chain link panels (***) reported ***, and thus reported ***.

¹⁷⁹ SONCO argues that product mix issues render the Commission's pricing data not probative for our underselling analysis. SONCO faults the pricing products for not distinguishing between chain link and wire mesh panels, providing a "broad" panel length range of ten to 12 feet, and not accounting for various other product differences. SONCO's Postconference Brief at 22-23. While we acknowledge the record in the preliminary phase of these investigation is limited and contains somewhat mixed data on the interchangeability of panels with chain link versus mesh interiors, we find that the pricing data provide a sufficient basis for our underselling analysis in the preliminary phase of these investigations. The record indicates at least some degree of interchangeability between chain link and wire mesh panels, and that the Commission's collection of data for panels on a linear foot basis is consistent with how purchasers usually quote jobs. Conference Tr. at 15, 21 (Van Kesteren), 25, 42, 51, 55 (Walters); Petitioner's Postconference Brief at Exh. 23 (ZND purchase inquiries). In any final phase of these investigations, we request that the parties in their comments on the draft questionnaires suggest the best way for the Commission to collect comparable pricing data for the domestic like product and subject imports, taking into account the relevant conditions of competition in this industry.

In addition, the Commission requested that firms that imported two specified products from China for rental use provide import purchase cost data.¹⁸⁰ The Commission received purchase cost data with respect to these two products from one importer, but we find that these data are not comparable to other data we have received, and accordingly do not rely on them.¹⁸¹

With respect to pricing products 1 and 2 (temporary steel fence panels), subject imports undersold the domestic like product in all 27 quarterly comparisons, with underselling margins ranging from *** percent to *** percent, and averaging *** percent.¹⁸² There were *** linear feet of subject imports in these 27 quarters, accounting for 100.0 percent of reported subject import sales volume in the Commission's pricing data for products 1 and 2.¹⁸³

With respect to pricing products 3 and 4 (tube stands), subject imports undersold the domestic like product in 11 of 12 quarterly comparisons, with underselling margins ranging from *** percent to *** percent, and averaging *** percent. Subject imports oversold the domestic like product in the one remaining quarterly comparison, with an overselling margin of *** percent.¹⁸⁴ There were *** units of subject imports in the quarters with underselling, accounting for *** percent of reported subject import sales volume in the Commission's pricing data for products 3 and 4, and *** units of subject merchandise in the quarter with overselling, accounting for *** percent of reported subject import sales volume in the Commission's pricing data for products 3 and 4.¹⁸⁵

We have also considered information from purchasers regarding alleged lost sales. Responding purchasers reported purchasing \$*** of temporary steel fencing during the POI; apparent U.S. consumption by value during the POI totaled \$557.6 million.¹⁸⁶ Of five responding purchasers, three reported that, since 2021, they had purchased subject imports instead of U.S.-produced product. All three purchasers reported that subject import prices

¹⁸⁰ CR/PR at 5.6. These two products are:

Product 5.—Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, imported by your firm for rental use.

Product 6.—Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, imported by your firm for rental use. *Id.*

¹⁸¹ CR/PR at 5.15 and n.9.

¹⁸² CR/PR at Table 5.11.

¹⁸³ CR/PR at Table 5.11.

¹⁸⁴ CR/PR at Table 5.12.

¹⁸⁵ Derived from CR/PR at Table 5.12.

¹⁸⁶ CR at 5.18, Tables 4.12, C.1.

were lower than those of U.S.-produced product, and two of these purchasers reported that price was a primary reason for the decision to purchase subject imports rather than U.S.-produced product.¹⁸⁷ One purchaser reported that the value of the lower-priced subject imports it purchased rather than the domestic like product due to price was \$***, while the other purchaser reported that the value was ***.¹⁸⁸

Based on the foregoing, including the moderate-to-high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions for temporary steel fencing, and the pervasive subject import underselling, we find that subject imports significantly undersold the domestic like product during the POI. The underselling led to a shift in market share from the domestic industry to subject imports between 2021 and 2023. As previously discussed in section VI.C above, subject imports gained 9.4 percentage points of market share between 2021 and 2023, primarily at the expense of the domestic industry, which lost *** percentage points of market share to subject imports over the period.¹⁸⁹

We have also considered price trends during the POI. In general, U.S. producers' prices increased over the POI, but there were price declines for products 1 and 2 during the second half of the POI. U.S. producers' prices for product 1 increased overall by *** percent over the POI, ***.¹⁹⁰ U.S. producers' prices for product 2 increased overall by *** percent over the POI, ***.¹⁹¹ U.S. producers' reported shipments of product 3 ***.¹⁹² U.S. producers' reported shipments of product 4 ***.¹⁹³

Subject import prices for product 1 increased overall by *** percent over the POI, ***.¹⁹⁴ Subject imports of product 2 ***.¹⁹⁵ Subject import prices for product 3 increased overall by *** percent over the POI, ***.¹⁹⁶ Subject import prices for product 4 increased overall by *** percent over the POI, ***.¹⁹⁷

The domestic industry's COGS to net sales ratio declined by *** percentage points between 2021 and 2023, rising from *** percent in 2021 to *** percent in 2022, and then

¹⁸⁷ CR/PR at 5.20.

¹⁸⁸ CR/PR at 5.20, Table 5.17.

¹⁸⁹ CR/PR at Tables 4.11, C.1.

¹⁹⁰ CR/PR at Tables 5.5, 5.9.

¹⁹¹ CR/PR at Tables 5.6, 5.9.

¹⁹² CR/PR at Tables 5.7, 5.10.

¹⁹³ CR/PR at Tables 5.8, 5.10.

¹⁹⁴ CR/PR at Tables 5.5, 5.9.

¹⁹⁵ CR/PR at Tables 5.6, 5.9.

¹⁹⁶ CR/PR at Table 5.7, 5.10.

¹⁹⁷ CR/PR at Table 5.8, 5.10

falling to *** percent in 2023; it was *** percentage points lower in interim 2024, at *** percent, compared with *** percent in interim 2023.¹⁹⁸

The domestic industry's unit COGS increased from \$*** per pound in 2021 to \$*** in 2022, and then fell to \$*** per pound in 2023; it was lower in interim 2024, at \$*** per pound, compared with \$*** per pound in interim 2023.¹⁹⁹ U.S. producers' net sales unit value increased between 2021 and 2023, from \$*** per pound in 2021 to \$*** in 2022 and \$*** in 2023; it was lower in interim 2024, at \$***, compared with \$*** in interim 2023.²⁰⁰ On a percentage basis, the domestic industry's unit COGS increased by *** percent between 2021 and 2023, while its net sales unit value increased by *** percent.²⁰¹ Thus, the increase in the domestic industry's net sales unit value between 2021 and 2023 was higher than the increase in its unit COGS, on both a per-pound and percentage basis.

In sum, for purposes of these preliminary investigations, we find that subject imports undersold the domestic like product to a significant degree, and as a result gained market share at the expense of the domestic industry. Thus, we find that subject imports had significant price effects.

E. Impact of the Subject Imports²⁰²

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, 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, 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."²⁰³

The domestic industry's capacity more than doubled between 2021 and 2023, but it experienced declines in production, capacity utilization, employment, U.S. shipments, market

¹⁹⁸ CR/PR at Tables 6.1, C.1.

¹⁹⁹ CR/PR at Table 6.1.

²⁰⁰ CR/PR at Table 6.1.

²⁰¹ CR/PR at Table 6.2

²⁰² In its notice initiating the antidumping duty investigation on temporary steel fencing from China, Commerce reported estimated dumping margins ranging from 501.26 percent to 738.98 percent for subject imports from China. *Temporary Steel Fencing From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 90 Fed. Reg. 9315, 9318 (Feb. 11, 2025).

²⁰³ 19 U.S.C. § 1677(7)(C)(iii). This provision was amended by the Trade Preferences Extension Act of 2015, Pub. L. 114-27.

share, as well as an increase in end-of-period inventories. The industry also experienced declines in its financial indicators, leading to a net loss in 2023. The industry's performance was generally somewhat better in interim 2024 than in interim 2023, but its market share continued to decline.

The domestic industry's capacity increased during the POI, but its production and capacity utilization declined sharply. Practical capacity increased by *** percent from 2021 to 2023, rising from *** pounds in 2021 to *** pounds in 2022, and *** pounds in 2023; practical capacity was *** percent lower in interim 2024, at *** pounds, compared with *** pounds in interim 2023.²⁰⁴ Production declined by *** percent from 2021 to 2023, increasing from *** pounds in 2021 to *** pounds in 2022, and then falling to *** in 2023; production was *** percent higher in interim 2024, at *** pounds, compared with *** pounds in interim 2023.²⁰⁵ Capacity utilization declined by *** percentage points from 2021 to 2023, falling from *** percent in 2021 to *** percent in 2022 and *** percent in 2023; capacity utilization was *** percentage points higher in interim 2024, at *** percent, compared with *** percent in interim 2023.²⁰⁶

The domestic industry's employment indicators declined between 2021 and 2023. The number of production and related workers ("PRWs") declined by *** percent from 2021 to 2023, falling from *** PRWs in 2021 to *** PRWs in 2022 and *** PRWs in 2023; the number of PRWs was *** percent lower in interim 2024, at *** PRWs, compared with *** PRWs in interim 2023.²⁰⁷ Hours worked decreased by *** percent from 2021 to 2023, falling from *** hours in 2021 to *** hours in 2022 and 2023; hours worked were *** hours in interim 2024, compared with *** hours in interim 2023.²⁰⁸ Wages paid declined by *** percent from 2021 to 2023, falling from \$*** in 2021 to \$*** in 2022, and then rising to \$*** in 2023; wages paid were *** percent higher in interim 2024, at \$***, compared with \$*** in interim 2023.²⁰⁹ Productivity declined by *** percent from 2021 to 2023, rising from *** pounds per hour in 2021 to *** pounds per hour in 2022, and then falling to *** pounds per hour in 2023; productivity was *** percent higher in interim 2024, at *** pounds per hour, compared with *** pounds per hour in interim 2023.²¹⁰

²⁰⁴ CR/PR at Tables 3.5, C.1.

²⁰⁵ CR/PR at Tables 3.5, C.1.

²⁰⁶ CR/PR at Tables 3.5, C.1.

²⁰⁷ CR/PR at Tables 3.17, C.1.

²⁰⁸ CR/PR at Tables 3.17, C.1.

²⁰⁹ CR/PR at Tables 3.17, C.1.

²¹⁰ CR/PR at Tables 3.17, C.1.

The domestic industry's end-of-period inventories increased by *** percent from 2021 to 2023, increasing from *** pounds in 2021 to *** pounds in 2022 and *** pounds in 2023; end of period inventories were *** percent lower in interim 2024, at *** pounds, compared with *** pounds in interim 2023.²¹¹

The domestic industry's U.S. shipments fell by *** percent from 2021 to 2023, rising from *** pounds in 2021 to *** pounds in 2022 and then falling to *** pounds in 2023; U.S. shipments were *** percent higher in interim 2024, at *** pounds, compared with *** pounds in interim 2023.²¹² The domestic industry's market share declined by *** percentage points from 2021 to 2023, increasing from *** percent in 2021 to *** percent in 2022, and then falling to *** percent in 2023; its market share was *** percentage points lower in interim 2024, at *** percent, compared with *** percent in interim 2023.²¹³

The domestic industry's financial indicators generally declined between 2021 and 2023. Net sales value declined by *** percent from 2021 to 2023, rising from \$*** in 2021 to \$*** in 2022, and then falling to \$*** in 2023; net sales value was *** percent higher in interim 2024, at \$***, compared with \$*** in interim 2023.²¹⁴ Gross profits were flat between 2021 and 2023, rising from \$*** in 2021 to \$*** in 2022, and then falling to \$*** in 2023; gross profit was *** percent higher in interim 2024, at \$***, compared with \$*** in interim 2023.²¹⁵ Operating income declined by *** percent from 2021 to 2023, falling from \$*** in 2021 to \$*** in 2022, and then \$*** in 2023; operating income was *** percent higher in interim 2024, at \$*** in interim 2024, compared with \$*** in interim 2023.²¹⁶ The industry's ratio of operating income to net sales declined by *** percentage points, falling from *** percent in 2021 to *** percent in 2022 and *** percent in 2023; operating income as a ratio to net sales was *** percentage points higher in interim 2024, at *** percent, compared with *** percent in interim 2023.²¹⁷ Net income declined from \$*** in 2021 to \$*** in 2022 and \$*** in 2023; net income was higher in interim 2024, at \$***, compared with \$*** in interim 2023.²¹⁸ The industry's ratio of net income to net sales declined from *** percent in 2021 to *** percent in 2022 and *** percent in 2023; net income to net sales was higher in interim 2024, at ***

²¹¹ CR/PR at Tables 3.13, C.1.

²¹² CR/PR at Tables 3.10, C.1.

²¹³ CR/PR at Tables 4.11, C.1.

²¹⁴ CR/PR at Tables 6.1, C.1.

²¹⁵ CR/PR at Tables 6.1, C.1.

²¹⁶ CR/PR at Tables 6.1, C.1.

²¹⁷ CR/PR at Tables 6.1, C.1.

²¹⁸ CR/PR at Tables 6.1, C.1.

percent, compared with *** percent in interim 2023.²¹⁹ Net assets declined by *** percent from 2021 to 2023, rising from \$*** in 2021 to \$*** in 2022, and then falling to \$*** in 2023.²²⁰ Return on assets declined from *** percent in 2021 to *** percent in 2022 and *** percent in 2023.²²¹

The domestic industry's capital expenditures increased by *** percent from 2021 to 2023, falling from \$*** in 2021 to \$*** in 2022, and then rising to \$*** in 2023; capital expenditures were *** percent higher in interim 2024, at \$*** in interim 2024, compared with \$*** in interim 2023.²²² The industry's research and development expenses were \$*** in 2021 and 2022, and \$*** in 2023; they were \$*** in both interim 2023 and interim 2024.²²³

Based on the record in the preliminary phase of these investigations, we find that the significant volume of subject imports, which increased by 34.7 percent between 2021 and 2023, significantly undersold the domestic like product and took *** percentage points of market share from the domestic industry.²²⁴ As a result, the domestic industry suffered substantial declines in its production, capacity utilization, employment indicators, and U.S. shipments, as well as a large increase in its end-of-period inventories. Given the decline in the domestic industry's output and shipments as a result of losing market share to low-priced subject imports, the industry's revenues and financial performance were lower than they otherwise would have been, with the industry's operating income falling by *** percent over 2021 to 2023, including a *** percent decline from 2022 to 2023.²²⁵ The domestic industry suffered a *** in 2023.²²⁶ Despite the *** percent increase in apparent U.S. consumption between 2021 to 2023, the domestic industry did not increase its production, employment, U.S. shipments, or revenues, but instead saw declines in all of these indicators, and its gross profits were flat.²²⁷ While a number of the domestic industry's indicators were higher in interim 2024 than in interim 2023, the domestic industry's market share continued to decline, while subject import market share remained elevated well above its level at the beginning of the POI.²²⁸

We are unpersuaded by SONCO's argument that the domestic industry was in fact "strong" and "profitable" throughout the POI, with positive operating margins, and thus was

²¹⁹ CR/PR at Tables 6.1, C.1.

²²⁰ CR/PR at Tables 6.11, C.1.

²²¹ CR/PR at Table 6.12.

²²² CR/PR at Tables 6.7, C.1.

²²³ CR/PR at Tables 6.9, C.1.

²²⁴ CR/PR at 4.2, Tables 4.2, C.1.

²²⁵ CR/PR at Table C.1.

²²⁶ CR/PR at Table C.1.

²²⁷ CR/PR at Table C.1.

²²⁸ CR/PR at Table 4.11, C.1.

not injured by subject imports.²²⁹ SONCO ignores the sharp decline in almost all of the domestic industry's other financial and other performance indicators between 2021 and 2023, the *** it suffered in 2023, and the industry's *** percentage point market share loss to subject imports between 2021 and 2023. Moreover, the statute makes clear that there is no requirement that the domestic industry be unprofitable to be materially injured.²³⁰

We disagree with SONCO's argument that the Commission should disregard petitioner ZND as an "outlier" based on the startup costs ZND incurred to ramp up two highly automated new plants to begin production of temporary steel fencing during the POI.²³¹ The Commission evaluates material injury on the basis of the domestic industry as a whole, not simply the performance of the petitioner or any individual firm, and we have explained above the record evidence shows material injury to the domestic industry as a whole. Moreover, the record indicates that other U.S. producers beside petitioner, including ***, have identified specific negative effects from subject imports on their investments, growth, and development during the POI.²³²

We are also unpersuaded by SONCO's argument that ZND's problems are not a result of low-priced subject imports, but rather ZND's "bad business strategy" in choosing to produce panels with wire mesh interiors rather than chain link interiors, as well as quality problems with ZND's panels that caused some customers to reject them.²³³ While SONCO asserts that chain link panels are the industry standard for fence rental companies and that ZND has been unsuccessful in selling to such companies, an affidavit from Mr. Walters of ZND states that ***.²³⁴ ZND also submits an affidavit from a distributor that purchases wire mesh panels from ZND, who attests to the increased acceptance of wire mesh panels in the U.S. market in recent years.²³⁵ As previously noted, responding U.S. producers reported that *** percent of their U.S. shipments in 2023 were wire mesh panels and *** percent were chain link panels, and U.S. importers reported substantial shipments of Chinese wire mesh panels as well.²³⁶ The record indicates that at least some customers often do not specify if the interior of the panels they are requesting should be wire mesh or chain link, though SONCO contends that customers do not

²²⁹ SONCO's Postconference Brief at 24-25.

²³⁰ 19 U.S.C. § 1677(7)(J).

²³¹ SONCO's Postconference Brief at 3-4, 25-26.

²³² CR/PR at Table 6.15.

²³³ SONCO's Postconference Brief at 2-4, 27-28 and Exh. 7 (complaint letters from SONCO customers that purchased ZND temporary fencing).

²³⁴ Petitioner's Postconference Brief at Exh. 17 (affidavit of Seth Walters of ZND at paragraphs 3, 7).

²³⁵ Petitioner's Postconference Brief at Exh. 15 (affidavit of *** of *** at paragraphs 2-3).

²³⁶ CR/PR at Tables 3.12, 4.5.

mix the two types in a jobsite and typically purchase one of the other.²³⁷ As noted, the record contains photographs showing chain link panels and wire mesh panels side by side as part of the same fencing system in projects in the United States.²³⁸ Thus, we do not find that ZND's decision to produce wire mesh panels explains the firm's problems during the POI. We cannot conclude based on the record in this preliminary phase that there is attenuated competition between producers of wire mesh panels and producers of chain link panels, but we intend to investigate these claims, and associated substitutability claims, further in any final phase.

Moreover, despite SONCO's criticism of the quality of ZND panels, SONCO in fact advertises ZND fencing as a "versatile and durable product" that has "enhanced durability" and "superior welding" that is "low maintenance."²³⁹ An affidavit from Mr. Walters of ZND states that SONCO never reported any complaints to ZND about the quality of its products prior to the staff conference in these investigations, and that SONCO representatives told him in late 2024 that SONCO ***. Mr. Walters states that, contrary to SONCO's contentions, ZND has not lost any sales volumes from customers that cited quality as a concern, but rather has lost sales volume from customers that cited ***.²⁴⁰

We have also considered whether there are other factors that may have had an impact on the domestic industry to ensure that we are not attributing injury from such other factors to subject imports. We are not persuaded by SONCO's contention that the decline in the domestic industry's performance was caused by the decline in U.S. demand in 2023, rather than subject imports.²⁴¹ While apparent U.S. consumption declined by *** percent between 2022 and 2023, this decline does not explain the pervasive underselling of the domestic like product by subject imports of both panels and stands in 2023, nor the *** percentage points of market share that subject imports took from domestic industry between 2022 and 2023.²⁴² Moreover, the record shows that the domestic industry suffered declines in key indicators between 2022 and 2023 that were substantially greater than we would expect in light of the magnitude of the decline in

²³⁷ Conference Tr. at 25, 42 (Walters); Petitioner's Postconference Brief at Exh. 23 (ZND purchase inquiries); Conference Tr. at 97, 112, 125-126 (Greer); SONCO's Postconference Brief, Response to Staff Questions, at 8.

²³⁸ Petitioner's Postconference Brief, Response to Staff Questions, at 15 and Exh. 21; see Conference Tr. at 16 (Van Kesteren), 161 (Drake).

²³⁹ Petitioner's Postconference Brief at Exh. 17, Attachment A (SONCO marketing materials).

²⁴⁰ Petitioner's Postconference Brief at Exh. 17 (affidavit of Seth Walters of ZND at paragraphs 4-7, 10-13).

²⁴¹ SONCO's Postconference Brief at 24.

²⁴² CR/PR at Tables 5.13, 5.14. Between 2022 and 2023, subject imports gained 4.4 percentage points of market share at the expense of the domestic industry, which lost *** percentage points. CR/PR at 4.11, C.1.

apparent U.S. consumption, including a *** percent decline in production, a *** percent decline in U.S. shipments, and a *** percent declines in revenues.²⁴³ Thus, the decline in demand in 2023 does not explain the injury suffered by the domestic industry that we have found to be caused by subject imports.

We have also considered the role of nonsubject imports in these investigations. U.S. shipments of nonsubject imports declined by *** percent between 2021 and 2023, while the market share of nonsubject imports declined by *** percentage points.²⁴⁴ Thus, nonsubject imports do not explain the domestic industry's loss of market share from 2021 to 2023 and the accompanying decline in its performance discussed above.²⁴⁵

In sum, based on the record in the preliminary phase of these investigations, we conclude that subject imports had a significant impact on the domestic industry.

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 subject imports of temporary steel fencing from China that are allegedly subsidized and sold in the United States at less than fair value.

²⁴³ CR/PR at Table C.1.

²⁴⁴ CR/PR at Table C.1.

²⁴⁵ While the U.S. shipments and market share of nonsubject imports were higher in interim 2024 than in interim 2023, the domestic industry's performance was generally better in interim 2024 than in interim 2023, as discussed above. CR/PR at Table C.1.

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 ZND US Inc. (“ZND”), Statesville, North Carolina, on January 15, 2025, 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 temporary steel fencing¹ from China. Table 1.1 presents information relating to the background of these investigations.^{2 3}

Table 1.1 Temporary steel fencing: Information relating to the background and schedule of this proceeding

Effective date	Action
January 15, 2025	Petitions filed with Commerce and the Commission; institution of the Commission investigations (90 FR 7702, January 22, 2025)
February 4, 2025	Commerce’s notice of initiation (90 FR 9311 and 90 FR 9315, February 11, 2025)
February 5, 2025	Commission’s conference
February 28, 2025	Commission’s vote
March 3, 2025	Commission’s determinations
March 10, 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

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.

determination regarding whether there is material injury by reason of imports.

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.

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.

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 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

Temporary steel fencing is generally used as fencing for construction sites, security perimeters, and events, as well as animal kennels. The leading U.S. producers of temporary steel fencing are ***. Staff are not aware of the leading Chinese producers of temporary steel fencing.⁶ The leading U.S. importers of temporary steel fencing from China are ***. Leading importers of product from nonsubject countries (primarily Vietnam) include ***. U.S. purchasers of temporary steel fencing include temporary fencing rental companies which account for most of the demand for temporary fencing according to testimony provided by SONCO Worldwide Inc. ("Sonco");⁷ leading purchasers include ***, a distributor, and ***, a rental company.

Apparent U.S. consumption of temporary steel fencing totaled approximately 90.9 million pounds (\$133.0 million) in 2023. Currently, ten firms are known to produce temporary steel fencing in the United States. U.S. producers' U.S. shipments of temporary steel fencing totaled *** pounds (\$***) in 2023, and accounted for *** percent of apparent U.S.

⁶ The Commission received one foreign producer questionnaire from Shijiazhuang S D Company ("SD Company"). Commerce issued quantity and value questionnaires to the following companies it believes are producers of temporary steel fencing in China: Shijiazhuang Sd Company Ltd, Shaoxig Zhangzhan Trading Co, Hebei Minmetals Co, Pacific Fence and Barricades Limited, Sichuan Gold-Link Industry, Suzhou Dihang Defense Facilities Co, Sourcing Solution Co Ltd, Foshan Greatness Trade Co Ltd, Tianjin Linkwel International Trading Co., Ltd, and Shantou Jiayu Trading Co. Ltd. Issuance of Quantity and Value Questionnaire and Placing Company Addresses on the Record Memorandum, Commerce, February 6, 2025.

⁷ Sonco's postconference brief, p. 5.

consumption by quantity and *** percent by value. U.S. imports from subject sources totaled 53.5 million pounds (\$73.5 million) in 2023 and accounted for 58.9 percent of apparent U.S. consumption by quantity and 55.3 percent by value. U.S. imports from nonsubject sources totaled *** pounds (\$***) in 2023 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value.

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 questionnaire responses of seven firms that accounted for *** percent of U.S. production of temporary steel fencing during 2023. U.S. imports are based on questionnaire responses of 17 firms that accounted for an estimated 63.1 percent of imports from China, virtually all imports from nonsubject sources, and 68.3 percent of imports from all sources in 2023.

Previous and related investigations

Temporary steel fencing has not been the subject of prior countervailing or antidumping duty investigations in the United States.

Nature and extent of alleged subsidies and sales at LTFV

Alleged subsidies

On February 11, 2025, Commerce published a notice in the Federal Register of the initiation of its countervailing duty investigation on temporary steel fencing from China.⁸

Alleged sales at LTFV

On February 11, 2025, Commerce published a notice in the Federal Register of the initiation of its antidumping duty investigation on temporary steel fencing from China.⁹ Commerce has initiated antidumping duty investigations based on estimated dumping margins of 501.26 to 738.98 percent for temporary steel fencing from China.

⁸ For further information on the alleged subsidy programs see Commerce’s notice of initiation and related CVD Initiation Checklist. 90 FR 9311, February 11, 2025.

⁹ 90 FR 9315, February 11, 2025.

The subject merchandise

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:¹⁰

Temporary steel fencing consists of temporary steel fence panels and temporary steel fence stands. Temporary steel fence panels, when assembled with temporary steel fence stands or other types of stands outside of the scope, with each other, or with posts, create a free-standing fence. Temporary steel fence panels are covered by the scope regardless of whether they attach to a stand or the type of stand to which they connect.

Temporary steel fence panels have a welded frame of steel tubing and an interior consisting of chain link, steel wire mesh, or other steel materials that are not more than 10 millimeters in actual diameter or width. The steel tubing may surround all edges of the temporary steel fence panel or only be attached along two parallel sides of the panel. All temporary steel fence panels with at least two framed sides are covered by the scope, regardless of the number of edges framed with steel tubing.

Temporary steel fence panels are typically between 10 and 12 feet long and six to eight feet high, though all temporary steel fence panels are covered by the scope regardless of dimension or weight as long as a single panel is over six square feet in actual surface area and weighs more than four pounds. Temporary steel fence panels may be square, rectangular, or have rounded edges, and may or may not have gates, doors, wheels, or barbed wire or other features, though all temporary steel fence panels are covered by the scope regardless of shape and other features. Temporary steel fence panels may have one or more horizontal, vertical, or diagonal reinforcement tubes made of steel welded to the inside frame, though all temporary steel fence panels are covered by the scope regardless of the existence, number, or type of reinforcement tubes attached to the panel. Temporary steel fence panels may have extensions, pins, tubes, or holes at the bottom of the panel, but all temporary steel fence panels are covered regardless of the existence of such features.

Steel fence stands are shapes made of steel that stand flat on the ground and have one or two open tubes or solid pins into which temporary steel fence panels are inserted to stand erect. The steel fence stand may be made of welded steel tubing or may be a flat steel plate with one or two tubes or pins welded onto the plate for connecting the panels.

Temporary steel fencing is covered by the scope regardless of coating, painting, or other finish. Both temporary steel fence panels and

¹⁰ 90 FR 9315, February 11, 2025.

temporary steel fence stands are covered by the scope, whether imported assembled or unassembled, and whether imported together or separately.

Subject merchandise includes material matching the above description that has been finished, assembled, or packaged in a third country, including by coating, painting, assembling, attaching to, or packaging with another product, or any other finishing, assembly, or packaging operation that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the temporary steel fencing.

Temporary steel fencing is included in the scope of this investigation whether or not imported attached to, or in conjunction with, other parts and accessories such as posts, hooks, rings, brackets, couplers, clips, connectors, handles, brackets, or latches. If temporary steel fencing is imported attached to, or in conjunction with, such non-subject merchandise, only the temporary steel fencing is included in the scope.

Tariff treatment

Temporary steel fencing is currently imported under Harmonized Tariff Schedule of the United States (“HTS”) statistical reporting number 7308.90.9590. This statistical reporting number also contains products outside the scope of this investigation. The general rate of duty is “free” for HTS subheading 7308.90.95.¹¹ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Effective August 23, 2018, temporary steel fencing originating in China and imported under HTS statistical reporting number 7308.90.9590 is subject to an additional 25 percent ad valorem duty under section 301 of the Trade Act of 1974.¹² Effective February 4, 2025,

¹¹ The merchandise subject to these reviews may also be imported under the following HTS statistical reporting numbers: 7323.99.9080 and 7326.90.8688. The general rate of duty is 3.4 percent for HTS subheading 7323.99.90 and 2.9 percent for 7326.90.86. USITC, HTS (2025) Revision 1, Publication 5587, February 2025, p. 73.25, 73.42, 73.44.

Temporary steel fencing is not subject to additional ad valorem import duties applied to steel articles under section 232 of the Trade Expansion Act of 1962, as amended.

¹² 83 FR 40823, August 16, 2018. See also HTS heading 9903.88.02 and U.S. notes 20(c) and 20(d) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. Effective September 24, 2018, temporary steel fencing originating in China and imported under HTS statistical reporting numbers 7323.99.9080 and 7326.90.8688 was subject to an additional 10 percent ad valorem duty under section 301 of the Trade Act of 1974. Effective May 10, 2019, the section 301 duty for temporary steel fencing imported under HTS statistical reporting numbers 7323.99.9080 and 7326.90.8688 was increased to 25 percent. 83 FR 47974, September 21, 2018; 84 FR 20459, May 9, 2019. See also HTS headings 9903.88.03 and 9903.88.04 and U.S. notes 20(e)–20(g) to subchapter III of chapter 99 and related tariff (continued...)

temporary steel fencing originating in China is subject to an additional 10 percent ad valorem duty under the International Emergency Economic Powers Act (“IEEPA”).¹³

The product

Description and applications

Temporary steel fencing consists of temporary steel fence panels and temporary steel fence stands. Temporary steel fencing panels are connected to tubes or pins on the temporary steel fence stands to create a free-standing fence.¹⁴ Tubes or pins extend from the horizontal bar of the panel and are connected to the tubes or pins on the stands.¹⁵ Pins are thinner than tubes so that the pins can be inserted into the tubes when attaching a panel to a stand.¹⁶ Temporary steel fencing is almost always galvanized and can be painted or powder coated as well.¹⁷

As stated in the scope, a temporary steel fencing panel can also be attached to a post although posts are not included in the scope of this investigation.¹⁸ While stands connect to panels by inserting pins into tubes, posts connect to panels using couplers, rings, or other systems. Although less common, the panels can also be attached to each other using a coupler or another attachment device to create a fencing system that does not use stands or posts.¹⁹ Figure 1.1 shows examples of temporary steel fencing with wire mesh (the picture on the left) and chain link interiors (the picture on the right). Figure 1.2 shows an example of a temporary steel fencing animal kennel.

provisions for this duty treatment. USITC, HTS (2025) Revision 1, Publication 5587, February 2025, pp. 99.3.26 to 99.3.54, 99.3.322.

¹³ 90 FR 9121, February 7, 2025. See also HTS headings 9903.01.20 and U.S. note 2(s) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2025) Revision 1, Publication 5587, February 2025, pp. 99.3.1, 99.3.278.

¹⁴ Petitioner’s Response to Commerce’s Second Supplemental Questions, Exhibit 1.4.Supp.2. Permanent steel fencing is not included in the scope of this investigation and is distinguished from temporary steel fencing in several ways. Among other characteristics, permanent steel fencing is designed for permanent use and longevity, attached to fence posts that are driven into the ground, and typically consists of interior materials that are greater than 10 millimeters in diameter. Petitions, p. 1.4.

¹⁵ Conference transcript, pp. 60 to 61, 63 (Drake).

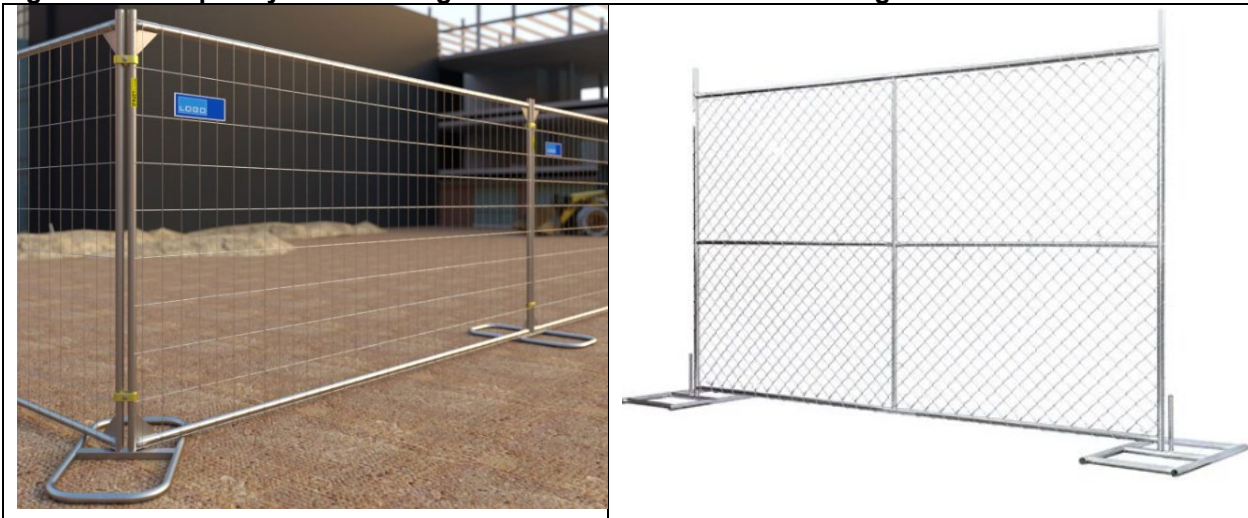
¹⁶ Conference transcript, p. 62 (Walters).

¹⁷ Conference transcript, pp. 85 to 86 (van Kesteren).

¹⁸ Conference transcript, pp. 63 (Drake).

¹⁹ Conference transcript, pp. 59 to 60 (Drake).

Figure 1.1: Temporary steel fencing: Wire mesh and chain link fencing



Sources: ZND US Inc, ST612.LW-Easy Carry, <https://www.znd.com/us/zndus-products/temporary-fencing/cbaf9872-f2ff-45be-a968-086e24d275a7/>, accessed February 7, 2025. SONCO Worldwide, 6' x 10' Versa ChainLink Temp Fence Panel, <https://www.soncocrowdcontrol.com/6-x-10-versa-chain-link-temporary-fence-panel>, accessed February 7, 2025.

Figure 1.2: Temporary steel fencing: Animal kennel



Source: Behlen Country, Ruff Guard Kennel, <https://www.behlencountry.com/products/ruff-guard-kennel>, accessed February 11, 2025.

The applications for temporary steel fencing include, but are not limited to, fencing for construction sites, security perimeters, and events, as well as animal kennels.²⁰ Demand for

²⁰ Petitions, p. I-9. Pedestrian/crowd control barriers generally would not be within the scope of this investigation because pedestrian/crown control barriers usually contain interior bars with a diameter or width greater than 10 millimeters. Petitioner's Response to Commerce's Supplemental Questions (public version), pp. 1.Supp.3 to 1.Supp.4.

temporary steel fencing in the construction and events segments of the market generally follows seasonal patterns and is higher when construction and outdoor events are most active.²¹

Temporary fencing is designed to be assembled and then unassembled so it can be moved from site to site and re-used.²² Temporary steel fencing panels and stands are not permanently attached, which increases the ease of moving or transporting the fencing.²³ The narrower diameter of the steel materials (usually steel wire) used in the interior of temporary steel fencing is designed to provide a perimeter or enclosure that prevents unwanted entry but permits visibility through a mesh or chain link panel with a relatively simple design.²⁴ Temporary steel fencing may contain a gate for a vehicle to pass through or a door for a pedestrian to walk through.²⁵

Temporary steel fencing panels consist of a frame of hollow structural steel tubing and a steel interior consisting of chain link, wire mesh, or other material.²⁶ The interior steel materials can be laced onto the frame or welded or tied to the frame.²⁷ Panels within the scope of this investigation are over six square feet in actual surface area, weigh more than four pounds, and have interior materials (chain link, wire mesh, or other material) that are not more than 10 millimeters in actual diameter or width.²⁸ Panels are used in combination to produce a perimeter of a certain distance. For example, a 120-foot perimeter might use twelve 10-foot panels or ten 12-foot panels.²⁹ Extension panels can be vertically stacked on another panel to increase the height of a temporary steel fence.³⁰ In addition, chain link, wire mesh, or other types of panels can be used in the same fencing system.³¹

Panel frames are often, but not uniformly, produced with structural steel tubing that is 1.375 inches in diameter, with lengths of tube extending beyond the frame to be fitted into the vertical tubes or pins of temporary steel fence stands.³² Temporary steel fencing panels may

²¹ Conference transcript, p. 53 to 54 (Walters).

²² Petitioner's Response to Commerce's Supplemental Questions, p. 1.Supp.4.

²³ Conference transcript, pp. 62 to 63 (van Kesteren).

²⁴ Petitioner's Response to Commerce's Supplemental Questions, p. 1.Supp.7.

²⁵ Conference transcript, p. 61 (Walters).

²⁶ Petitioner's Response to Commerce's Supplemental Questions (public version), p. 1.Supp.2.

²⁷ Conference transcript, p. 37 (Drake).

²⁸ Petitioner's Response to Commerce's Second Supplemental Questions, Exhibit 1.4.Supp.2.

²⁹ Conference transcript, pp. 50 to 51 (Drake).

³⁰ Conference transcript, p. 32 (Drake).

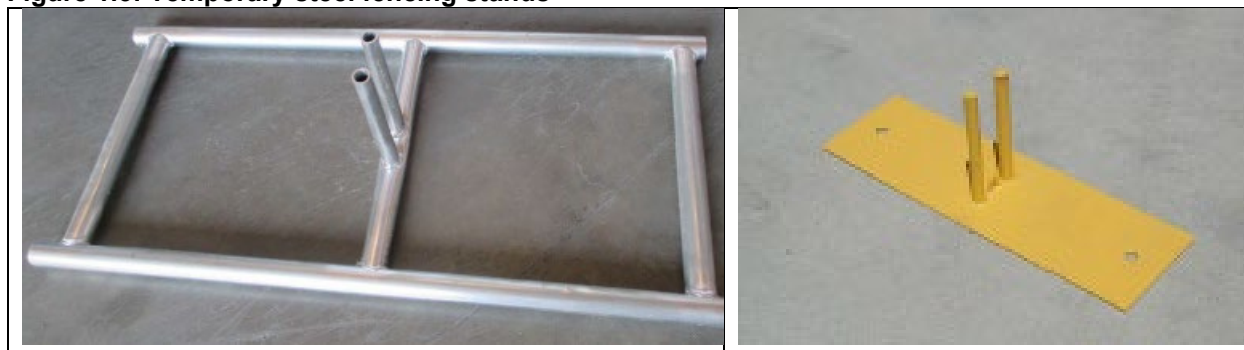
³¹ Conference transcript, p. 65 (Drake).

³² Petitioner's Response to Commerce's Supplemental Questions, p. 1.Supp.8.

have one or more horizontal, vertical, or diagonal reinforcement tubes welded to the inside of the frame.³³

Temporary steel fencing stands are shapes made of steel that stand flat on the ground and have one or two tubes or pins into which temporary steel fence panels are connected to stand erect. The stands may be made of welded steel tubing or may be a flat steel plate with one or two tubes or pins welded onto the plate for connecting the panels.³⁴ The stands with two tubes or pins serve to connect temporary fence panels together in a perimeter or enclosure, as the end of one panel is connected to one pin or tube of the stand, and the end of the next panel is connected to the second pin or tube of the same stand.³⁵ Figure 1.3 shows temporary steel fencing stands.

Figure 1.3: Temporary steel fencing stands



Source: Petitioner's Response to Commerce's Supplemental Questions (public version), Exhibit I-19 Supp.

Temporary steel fence stands are typically rectangular or oval with square or rounded edges. Stands made of steel tube typically have a tube welded across the base onto which the vertical tubes or pins are welded. Stands made of a flat steel plate have the vertical tubes or pins welded to the plate. Temporary steel fence stand bases are typically, but not uniformly, 28 to 37 inches long and 15 to 19 inches wide. The vertical tubes of temporary steel fence stands are of a diameter that permits them to receive the ends of temporary steel fence panels, and the vertical pins are of a diameter that permits them to insert into the end of temporary steel fence panels.³⁶

³³ Petitioner's Response to Commerce's Second Supplemental Questions, Exhibit 1.4.Supp.2.

³⁴ Petitioner's Response to Commerce's Second Supplemental Questions, Exhibit 1.4.Supp.2.

³⁵ Petitioner's Response to Commerce's Supplemental Questions (public version), p. 1.Supp.7.

³⁶ Petitioner's Response to Commerce's Supplemental Questions, p. 1.Supp.8.

Manufacturing processes

The manufacturing of temporary steel fencing begins with hollow structural steel tubes and steel wire.³⁷ These inputs are usually pre-galvanized, which means that the tubes and wire are galvanized before delivery to the production site. Temporary steel fencing can be galvanized after assembly; however, this results in a heavier product and creates supply chain challenges during production.³⁸

To produce temporary steel fencing panels, hollow structural tubes are received by the production facility, bent into shape, and welded together using resistance welding to produce the frame. The tubes are cut to length before arriving at the production facility.³⁹ In resistance welding, a current is passed through two pieces of metal, the metal resists that current and therefore heats up, and the metal is melted together.⁴⁰ The steel wire is laced together to produce chain link or welded together to produce wire mesh to produce the interior of the temporary steel fencing panel.⁴¹ Chain link is produced using a weaving machine⁴² while wire mesh is produced in an automated resistance welding process.⁴³ The interior steel materials are then laced onto the frame or welded or tied to the frame.⁴⁴

Tube stands are produced by bending and welding steel tube into a base, and then welding pins or tubes onto the base.⁴⁵ For flat steel plate stands, vertical tubes or pins are welded to the plate.⁴⁶

There is no requirement that the steel used in temporary steel fencing be of any specific grade nor meet any specific ASTM standards. After assembly, temporary steel fencing may be hot dip galvanized, painted, and/or powder coated.⁴⁷

³⁷ Petitioner's Response to Commerce's Supplemental Questions, p. 1.Supp.2.

³⁸ Conference transcript, p. 66 (Walters, van Kesteren).

³⁹ Conference transcript, p. 68 (Walters).

⁴⁰ Conference transcript, p. 68 (Walters).

⁴¹ Petitions, pp. 1.2 to 1.3.

⁴² Conference transcript, p. 67 (Walters).

⁴³ Conference transcript, p. 68 (Walters).

⁴⁴ Conference transcript, p. 37 (Drake).

⁴⁵ Petitions, p. 1.2.

⁴⁶ Petitioner's Response to Commerce's Supplemental Questions (public version), p. 1.Supp.8.

⁴⁷ Petitioner's Response to Commerce's Supplemental Questions (public version), p. 1.Supp.2.

Domestic like product issues

The petitioner proposes a single domestic like product that is coextensive with the scope.⁴⁸ Respondent Sonco proposes that, in the event these investigations proceed to a final phase, the Commission should (1) define “animal kennels” as a separate like product, (2) define “welded wire mesh fencing” and “chain link fencing” as separate like products, and (3) expand the definitions of “welded wire mesh fencing” and “chain link fencing” to include both “temporary” and “permanent” fencing.⁴⁹

⁴⁸ Petitioner’s postconference brief, p. 2.

⁴⁹ Respondent Sonco’s postconference brief, p. 4.

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

U.S. market characteristics

Temporary steel fencing consists of temporary fence panels and temporary fence stands that are connected to each other to make perimeters for construction sites and events.¹ According to Respondent Sonco, an estimated 80 percent of all temporary steel fencing in the U.S. market is sold to rental companies that rent to the end user for a finite period after which the product is returned to the fleet and re-used.² The remaining part of the market comprises distributors, retailers, and end users including construction companies, venues and arenas, and special events companies.³

Temporary steel fencing comprises different types of fencing including chain link and mesh interiors.⁴ Some firms reported a change in product mix since January 2021: U.S. producer *** reported that it added a *** and importer *** reported that ZND introduced welded wire mesh fence panels based on a European specification that differs from specifications commonly used in the United States.

Two of 6 U.S. producers and 5 of 15 importers indicated that the market was subject to distinctive conditions of competition. Specifically, U.S. producers reported that the market for temporary steel fencing is competitive with low barriers to entry and that imports are “strong competitors.” Importer *** reported that temporary steel fencing is a “relatively homogenous” product that competes on quality and that products have not changed but shipping costs have. Importer *** stated that roughly 80 percent of U.S. demand for temporary steel fencing is for rental companies and as such, the lifecycle of a fence panel is critically important and the type of fence panel (welded wire or chain link) cannot be held together easily in inventories, or on job sites.

Apparent U.S. consumption of temporary steel fencing fluctuated during January 2021 to September 2024. Overall, apparent U.S. consumption in 2023 was 3.4 percent higher than in 2021 and was 17.4 percent higher in January-September 2024 than in January-September 2023.

¹ Conference transcript, p. 6 (Drake).

² Conference transcript, p. 94 (Drake, Greer).

³ Respondent Sonco postconference brief, p. 6.

⁴ Conference transcript, p. 6 (Drake).

Impact of section 301 tariffs and 232 tariffs

One U.S. producer and five importers reported that section 301 tariffs had an impact on the temporary steel fencing market in the United States⁵ and two U.S. producers and two importers reported that section 232 measures had an impact on the U.S. market.⁶ The impact of both section 301 tariffs and section 232 measures included increased raw material costs, increased import prices, and decreased import volumes.

Channels of distribution

U.S. producers shipped almost half of their U.S. shipments to fence rental companies, with most of the remaining share going to distributors. Almost 10 percent of U.S. shipments went to retailers, with a small portion of U.S. shipments going to end users, as shown in table 2.1. Importers shipped primarily to end users, with a significant share of shipments towards retailers. Less than 10 percent of importers' shipments were to distributors or fence rental companies.

⁵ Two U.S. producers and three importers reported that section 301 tariffs did not have an impact; four producers and seven importers reported that they did not know.

⁶ One U.S. producer and five importers reported that section 232 measures did not have an impact; four producers and eight importers reported that they did not know.

Table 2.1 Temporary steel fencing: Share of U.S. shipments by source, channel of distribution, and period

Shares in percent; interim is January to September

Source	Channel	2021	2022	2023	Interim 2023	Interim 2024
United States	Distributors	***	***	***	***	***
United States	Fence rental companies	***	***	***	***	***
United States	Retailers	***	***	***	***	***
United States	End users	***	***	***	***	***
China	Distributors	***	***	***	***	***
China	Fence rental companies	***	***	***	***	***
China	Retailers	***	***	***	***	***
China	End users	***	***	***	***	***
Nonsubject	Distributors	***	***	***	***	***
Nonsubject	Fence rental companies	***	***	***	***	***
Nonsubject	Retailers	***	***	***	***	***
Nonsubject	End users	***	***	***	***	***
All imports	Distributors	***	***	***	***	***
All imports	Fence rental companies	***	***	***	***	***
All imports	Retailers	***	***	***	***	***
All imports	End users	***	***	***	***	***

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 "—".

Geographic distribution

U.S. producers and importers reported selling temporary steel fencing to all regions in the contiguous United States (table 2.2). For U.S. producers, *** percent of sales were within 100 miles of their production facility, *** percent were between 101 and 1,000 miles, and *** percent were over 1,000 miles. Importers sold *** percent within 100 miles of their U.S. point of shipment, *** percent between 101 and 1,000 miles, and *** percent over 1,000 miles. Respondent Sonco stated that there are “only a handful” of U.S. producers that produce chain link fencing and that for those producers concentrated in the eastern part of the United States (Kentucky), inland transportation costs may be prohibitive to service customers in Texas or on the West Coast.⁷

⁷ Conference transcript, p. 100 (Greer); Respondent postconference brief, p. 9.

Table 2.2 Temporary steel fencing: Count of U.S. producers' and U.S. importers' geographic markets

Count in number of firms reporting

Region	U.S. producers	China
Northeast	4	9
Midwest	4	10
Southeast	4	10
Central Southwest	4	11
Mountains	4	11
Pacific Coast	4	11
Other	3	8
All regions (except Other)	4	8
Reporting firms	4	15

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 2.3 provides a summary of the supply factors regarding temporary steel fencing from U.S. producers and from subject countries.

Table 2.3 Temporary steel fencing: Supply factors that affect the ability to increase shipments to the U.S. market, by country

Quantity in 1,000 pounds; ratio and share 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 *** percent of U.S. production of temporary steel fencing in 2023. Responding foreign producer/exporter firms accounted for *** percent of U.S. imports of temporary steel fencing 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 I, "Summary Data and Data Sources."

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 "—".

Domestic production

Based on available information, U.S. producers of temporary steel fencing have the ability to respond to changes in demand with large changes in the quantity of shipments of U.S.-produced temporary steel fencing to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity or inventories, ability to shift some shipments from inventories, and the ability to shift production to or from alternate products. Factors mitigating responsiveness of supply include an inability to shift shipments from alternate markets.

Overall, U.S. producers' practical production capacity more than doubled. This increase is largely attributable to ZND's investment in two new plants, one that began production in North Carolina in 2021 and the other that began production in California in 2022, increasing its production capacity by more than ***.⁸ U.S. producers reported almost nonexistent exports to other countries. Other products that producers reportedly can produce on the same equipment as temporary steel fencing include tubular gates and panels, hog fence panels, galvanized steel tube and pipe and galvanized wire chain link for residential or commercial permanent chain link fence installations, wire-filled gages, horse stalls, corrals, feeders, and other farm-related fencing products. Factors affecting U.S. producers' ability to shift production include equipment changeovers that take four to eight hours to switch over. U.S. producer *** reported that forecasted demand for the quarter is the typical driver of any production shifts and that the constraint to switch is "downtime and costs to alter the configuration of all machinery," including wire weaving machines and mill components required for shaping, welding, and cutting the galvanized steel tube and pipe into the proper gauge and diameter.

Subject imports from China

The Commission received one Chinese producer questionnaire. Based on this questionnaire response, and on additional available information, producers of temporary steel fencing from China have the ability to respond to changes in demand with large changes in the quantity of shipments of the product to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the large number and size of Chinese producers,⁹ the

⁸ Conference transcript, p. 6 (Drake) and U.S. producer questionnaire response.

⁹ Petitioner stated that subject producers are export-oriented and have a large production capacity; many subject producers are located in a county and province which have policies that promote wire mesh industries (including temporary steel fencing) to export. Petitioner postconference brief, p. 22.

ability to shift production to or from alternate products, and the ability of Chinese producers to shift shipments from alternate markets.

The one responding foreign reported that its production capacity *** between 2021 and 2023, but its capacity utilization rate remained unchanged. Other products that the responding Chinese producer reportedly can produce on the same equipment as temporary steel fencing include **. The producer reported that the **.

Imports from nonsubject sources

Based on questionnaire data, nonsubject imports accounted for *** percent of total U.S. imports in 2023. Because there is no dedicated HTS code for temporary steel fencing, Petitioner relied on bill of lading data showing Vietnam is a large source of temporary steel fencing.¹⁰

Supply constraints

Most responding U.S. producers and importers reported that they had not experienced supply constraints since 2021. However, 2 of 7 U.S. producers and 5 of 15 importers reported that they had. The two U.S. producers (***) reported that these constraints occurred during 2021 because of supply chain issues resulting from the COVID-19 pandemic, and for one of those producers, those delays lasted for six to eight weeks. Of the importers that reported supply constraints, four reported experiencing these constraints in 2021 and 2022, and one reported experiencing supply constraints in 2023. These importers cited a shortage of shipping containers, shipping backlogs, and high ocean freight costs as reasons for their supply constraints.

Respondent Sonco stated that demand was stronger in 2021 and 2022 and that three major rental companies began offering temporary steel fence rentals and that the increase in demand and disruptions in global supply and freight led to some supply constraints in 2022.¹¹

U.S. demand

Based on available information, the overall demand for temporary steel fencing is likely to experience small changes in response to changes in price. The main contributing factors are the limited range of substitute products.

¹⁰ Conference transcript, p. 33 (Drake).

¹¹ Respondent Sonco postconference brief, pp. 6-7.

End uses and cost share

U.S. demand for temporary steel fencing depends on the demand for its end use applications. Reported end uses include fencing perimeter control for construction sites, event security, as well as dog kennels and coops, with temporary steel fencing comprising virtually the entire cost of the end use.¹² Respondent Sonco estimated that the cost of the fence rental for the end user is roughly one-third freight, one-third handling and installation of temporary steel fencing and one-third the cost of the temporary steel fencing itself.¹³

Flipping and Lifecycles

Respondents estimated that 80 percent of the U.S. market for temporary steel fencing is for fencing rental companies that use temporary steel fencing for multiple jobs and for which the lifetime of a panel is important.¹⁴ Petitioner stated that the lifetime of a panel depends on the number of turns (how often it is installed and dismantled) and on how it is treated by the operators, and that a panel will last about five years.¹⁵ Respondent Sonco, which has customers that are fence rental companies, stated that a panel can last between 3 to 10 years, and that the average length of a lease from its affiliated rental company was 8 months.¹⁶

Respondent Sonco stated that during the slow season, fence rental companies will “flip” their rental fleets, by repairing and retying the mesh to extend the life of the fleet and use them during the next season.¹⁷ Respondent Sonco estimated that the cost to flip and repair chain link fence inventories is just the labor cost of keeping employees during the winter months.¹⁸ Petitioner argued that some rental companies scrap chain link panels rather than repair them.¹⁹

Business cycles

Six of 7 U.S. producers and 8 of 15 importers indicated that the market was subject to business cycles. Specifically, temporary steel fencing demand follows the construction and event business cycles, with highest demand during the spring and summer months and lower

¹² Importer *** reported that 5 percent of costs for its rental fence branch are attributable to temporary steel fencing.

¹³ Conference transcript, pp. 94-95 (Greer); respondent Sonco postconference brief, p. 8.

¹⁴ Conference transcript, p. 94 (Greer).

¹⁵ Conference transcript, p. 59 (Van Kesteren); Petitioner postconference brief, Answers to Staff Questions, pp. 8-9.

¹⁶ Conference transcript, pp. 95, 111 (Greer).

¹⁷ Conference transcript, p. 99 (Greer).

¹⁸ Conference transcript, p. 134 (Greer).

¹⁹ Petitioner postconference brief, p. 18 and Exhibit 15.

demand during the fall and winter months.²⁰ Additionally, temporary steel fencing demand increases in the wake of disasters, such as the fires in southern California in early 2025, during recovery efforts.²¹ Some importers for retail applications (importer ***, and importer ***) reported that sales can spike at the end of the year.

Demand trends

Firms’ responses regarding demand trends for temporary steel fencing since January 1, 2021 were mixed (table 2.4).²² Three U.S. producers and four importers reported an increase (steady or fluctuating) in domestic demand for temporary steel fencing, and three U.S. producers and four importers reported a decrease (steady or fluctuating) in domestic demand. One U.S. producer and five importers reported that there had been no change in domestic demand for temporary steel fencing since 2021.

Table 2.4 Temporary steel fencing: Count of firms’ responses regarding overall domestic and foreign demand, by firm type

Market	Firm type	Steadily Increase	Fluctuate Up	No change	Fluctuate Down	Steadily Decrease
Domestic demand	U.S. producers	2	1	1	3	0
Domestic demand	Importers	3	1	5	2	2
Foreign demand	U.S. producers	0	0	1	2	0
Foreign demand	Importers	1	0	1	2	1

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

Petitioner stated that construction spending and concert and event activity have been increasing in the United States since 2020 and it expects that demand will continue to grow, such that ZND increased its capacity substantially between 2021 and 2022.²³ As shown in figure 2.1 (and related tables 2.5 and 2.6), overall economic growth and total construction spending increased by over 30 percent since January 2021.

²⁰ Conference transcript, p. 54 (Walters).

²¹ Staff phone call with purchaser ***, which was unable to provide a timely LSLR submission. EDIS 844054.

²² When analyzed on the basis of primary channel of distribution (distributors, fence rental companies, retailers, or end users), firms’ responses did not show a clear pattern.

²³ Conference transcript, p. 7 (Drake).

Figure 2.1 Demand drivers: Gross domestic product and total construction spending indices, by quarter



Source: U.S. Bureau of Economic Analysis, Gross Domestic Product (GDP), retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/GDP>, February 14, 2025 and U.S. Census Bureau, Total Construction Spending: Total Construction in the United States (TTLCONS), retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/TTLCONS>, February 14, 2025.

Table 2.5 Demand driver: Gross domestic product, by quarter

Indexed in percent, seasonally adjusted, Q1 2021=100

Quarter	2021	2022	2023	2024
Q1	100.0	111.3	119.9	126.3
Q2	103.1	113.9	121.2	128.1
Q3	105.6	116.0	123.4	129.7
Q4	109.4	118.0	124.9	131.1

Source: U.S. Bureau of Economic Analysis, Gross Domestic Product (GDP), retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/GDP>, February 14, 2025.

Table 2.6 Demand driver: Total construction spending, by quarter

Indexed, January 2021=100

Quarter	2021	2022	2023	2024
Q1	100.0	115.6	121.9	133.4
Q2	102.0	120.3	125.7	135.1
Q3	104.3	120.1	127.9	134.5
Q4	107.9	119.8	130.7	136.7

Source: Federal Reserve Economic Data, Federal Reserve Bank of St. Louis, Total Construction Spending: Total Construction in the United States, Millions of Dollars, Monthly, Seasonally Adjusted Annual Rate, <https://fred.stlouisfed.org>, February 3, 2025, Accessed February 14, 2025.

Substitute products

Substitutes for temporary steel fencing are limited. Most U.S. producers and importers reported that there are no substitutes for temporary steel fencing. Two (of 7) U.S. producers and two (of 14) responding importers reported that there were substitutes, including chain link roll fences and fencing gates. U.S. producer *** reported that substituting temporary steel fencing is typically driven by end user “pricing and other needs.”

Substitutability issues

This section assesses the degree to which U.S.-produced temporary steel fencing and imports of temporary steel fencing from subject countries can be substituted for one another by examining the importance of certain purchasing factors and the comparability of temporary steel fencing 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 temporary steel fencing and temporary steel fencing imported from subject sources.²⁴ Factors contributing to this level of substitutability include similar quality, and availability of temporary steel fencing sold from U.S. producers and importers and interchangeability between domestic and subject sources. Factors reducing substitutability include the type of temporary steel fencing (chain link versus melded wire mesh), compatibility with existing rental fleets and fencing systems, which many importers reported as a significant factor other than price, and compliance with safety and other standards.

²⁴ The degree of substitution between domestic and imported temporary steel fencing depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced temporary steel fencing to the temporary steel fencing 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.).

Factors affecting purchasing decisions

Most important purchase factors

Purchasers responding to lost sales lost revenue allegations²⁵ were asked to identify the main purchasing factors their firm considered in their purchasing decisions for temporary steel fencing and had a variety of responses. The most often cited top factors that firms consider in their purchasing decisions for temporary steel fencing were compatibility or functionality, compliance with safety and other standards, price, and quality, as shown in table 2.7. Other factors reported included price, quality, availability, and delivery time. Purchaser *** reported considering business strategy, such as whether it would be purchasing from a competitor.

Respondent Sonco stated that because most end users of temporary steel fencing tend to rent rather than buy, efficient storage and handling and just-in-time delivery are more important factors than price.²⁶

Table 2.7 Temporary steel fencing: Count of ranking of factors used in purchasing decisions as reported by purchasers, by factor

Factor	First	Second	Third	Total
Compatibility / functionality	0	2	1	3
Compliance with safety and other standards	1	1	0	2
Price / Cost	0	1	1	2
Quality	1	0	1	2
Availability / Supply	0	0	1	1
Delivery time	1	0	0	1
All other factors	2	1	1	NA

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

Note: Other factors include business strategies.

Lead times

U.S. producers reported that temporary steel fencing is primarily sold from inventory while importers reported that imported temporary steel fencing is primarily produced to order. U.S. producers reported that *** percent of their commercial shipments were sold from U.S. inventories in 2023, with lead times averaging 14 days. The remaining *** percent of their commercial shipments were produced-to-order, with lead times averaging 16 days. Importers reported that 70.0 percent of their commercial shipments were produced-to-order in 2023,

²⁵ This information is compiled from responses by purchasers identified by Petitioners to the lost sales lost revenue allegations. See Part 5 for additional information.

²⁶ Conference transcript, pp. 95-96 (Greer).

with lead times averaging 117 days. The remaining 22.0 percent and 8.0 percent of commercial shipments were sold from U.S. inventories and foreign inventories, respectively, with wide ranging lead times.

Welded wire mesh versus chain link

Temporary steel fence panels come in various forms, including chain link and welded wire mesh. Responding U.S. producers reported that *** percent of their U.S. shipments in 2023 were of welded wire mesh and the remaining *** percent of U.S. shipments were of chain link, while importers reported that *** percent of U.S. shipments were of welded wire mesh panels, *** percent of U.S. shipments were of chain link panels, and *** percent were of other types.²⁷ Respondents stated that the U.S. rental market is predominantly for chain link fencing and some of the largest fence rental companies are vertically integrated and produce their own chain link fencing.²⁸

Both chain link and welded wire mesh are attached to the frame in similar ways and are produced using the same raw materials.²⁹ Petitioner ZND only produces welded wire mesh and stated that welded wire mesh has a high rigidity, is strong, is more secure than chain link because it is difficult to climb over, and requires fewer repairs.³⁰ Respondents stated that chain link fencing is flexible by nature and can withstand impact and can survive frequent setups, breakdowns, and storage better than welded wire mesh.³¹ Chain link panels are easily repaired while wire mesh requires a welder, which is particularly important because fence rental companies repair fence panels themselves and often do not have the required skills or equipment for welding; ZND does not provide repair services, and Respondent Sonco stated fence rental companies will repair fence panels themselves.³²

Petitioner stated that chain link and wire mesh panels stack differently: chain link fences may snag on each other when stacked, which can reduce sliding around during shipment but may come loose or scratch workers when unloading, while wire mesh panels do not tend to get tangled with each other but may slide around during shipment.³³

²⁷ For additional information, see Part III and Part IV.

²⁸ Conference transcript, pp. 110 (Greer, Hartmann); Respondent Sonco postconference brief, p. 9.

²⁹ Conference transcript, p. 38 (Walters).

³⁰ Conference transcript, pp. 17-18, 40 (Van Kesteren).

³¹ Conference transcript, pp. 97-98 (Greer).

³² Conference transcript, pp. 40, 95, 97-98 (Van Kesteren, Greer); Respondent Sonco postconference brief, p. 11.

³³ Conference transcript, pp 39-40 (Drake).

Petitioner also stated that while customers may have a preference for one form over the other based on aesthetic preferences, these forms can be used interchangeably and even within the same project, and that purchasers generally do not specify whether the panel interiors need to be made from chain link or welded wire mesh when requesting bids.³⁴ Respondent Sonco responded that rental fence customers do not want a “mishmash” of different products on their sites, and some customers will specify chain link fence panels in their proposal requests.³⁵ Respondent stated that chain link fencing has historically been standard in the U.S. market, and as such fence rental companies prefer chain link because it matches their current inventories and they are accustomed to handling, storing, and repairing the product.³⁶ Petitioner stated that three of the four largest rental companies in the United States use mesh and ***.³⁷

Certifications and standards

Petitioner stated that there is one non-mandatory ASTM standard that delimits the size of temporary steel panels to six to eight feet high and no more than 14 feet long.³⁸ It stated that is not aware of any Consumer Product Safety Commission (CPSC) or Building Officials and Code Administrators (BOCA)/International Code Council (ICC) standards for temporary steel fencing.³⁹

Comparison of U.S.-produced and imported temporary steel fencing

In order to determine whether U.S.-produced temporary steel fencing can generally be used in the same applications as imports from China, U.S. producers and importers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in table 2.8, most U.S. producers reported that U.S.-produced temporary steel fencing can be always or frequently used interchangeably with imported product from China and from other countries. Importers’ responses regarding the interchangeability of U.S.-produced temporary steel fencing and product imported from China were mixed: six importers reported that the products can always or frequently be used interchangeably, and six importers reported that they can only sometimes or never be used interchangeably. U.S. producer ***

³⁴ Conference transcript, pp. 44, 50 (Walters, Drake); Petitioner postconference brief, pp. 5, 15, 25.

³⁵ Conference transcript, p. 97 (Greer); Respondent Sonco postconference brief, pp. 12-13.

³⁶ Conference transcript, pp. 97 (Greer).

³⁷ Conference transcript, p. 41 (Walters); Petitioner postconference brief, pp. 15-16 and Exhibit 17.

³⁸ Conference transcript, pp. 49, 80 (Drake).

³⁹ Petitioner postconference brief, p. 5.

*** reported that connectability can affect interchangeability and importer *** reported that some contractors do not want to mix differing styles of fencing and *** reported that chain link and wire mesh panels are not compatible in the same system. Two importers (***) reported that the wire mesh fencing produced by ZND does not meet CPSC or BOCA requirements, but imports from China do meet these standards.

Table 2.8 Temporary steel fencing: Count of U.S. producers and importers reporting the interchangeability between product produced in the United States and in other countries, by country pair and firm type

Count in number of firms reporting

Country pair	Firm Type	Always	Frequently	Sometimes	Never
United States vs. China	U.S. producers	2	2	1	0
United States vs. Other	U.S. producers	2	0	1	0
China vs. Other	U.S. producers	0	0	0	0
United States vs. China	Importers	5	1	2	4
United States vs. Other	Importers	3	0	0	1
China vs. Other	Importers	4	0	0	1

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

In addition, U.S. producers and importers were asked to assess how often differences other than price were significant in sales of temporary steel fencing from the United States, subject, or nonsubject countries. As seen in table 2.9, most U.S. producers reported that factors other than price are only sometimes significant when comparing U.S.-produced and Chinese temporary steel fencing, while most importers reported that factors other than price are always or frequently significant between U.S.-produced and Chinese product. Importers cited product differences between chain link and wire mesh fences and the adherence of Chinese temporary steel fencing to CPSC and BOCA requirements as important factors other than price.

Table 2.9 Temporary steel fencing: Count of firms reporting the significance of differences other than price between product produced in the United States and in other countries reported, by country pair and firm type

Count in number of firms reporting

Country pair	Firm Type	Always	Frequently	Sometimes	Never
United States vs. China	U.S. producers	0	1	3	1
United States vs. Other	U.S. producers	0	0	3	1
China vs. Other	U.S. producers	0	0	0	0
United States vs. China	Importers	5	3	3	2
United States vs. Other	Importers	1	1	2	1
China vs. Other	Importers	0	0	0	0

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

Part 3: U.S. producers' 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 seven firms that accounted for an estimated *** percent of U.S. production of temporary steel fencing during 2023.¹

¹ *** did not submit questionnaire responses during these preliminary investigations. *** estimates it produced *** pounds of temporary steel fencing in 2023. Email from ***, February 13, 2025. *** estimates it produced *** pounds of temporary steel fencing in 2023. ***, February 12, 2025. *** estimates it produced *** pounds of temporary steel fencing in 2024. Petitions, exh. 1.3. ***.

U.S. producers

The Commission issued a U.S. producer questionnaire to 11 firms based on information contained in the petitions and communications with firms. Seven firms provided usable data on their operations.² Table 3.1 lists U.S. producers of temporary steel fencing, their production locations, positions on the petitions, and shares of total production.³

Table 3.1 Temporary steel fencing: U.S. producers, their positions on the petitions, production locations, and shares of reported production, 2023

Firm	Position on petitions	Production location(s)	Share of production
American Fence	***	Phoenix, AZ Tucson, AZ Salt Lake City, UT Houston, TX Dallas, TX Orlando, FL	***
Behlen	***	Columbus, NE Baker City, OR McGregor, TX Omaha, NE	***
National	***	Sun Valley, CA Greenville, TX Charlotte, NC	***
Priefert	***	Mount Pleasant, Tx	***
Tarter	***	Dunnville, KY Dunnville, KY Corinne, UT	***
Viking	***	Austin, YX	***
ZND	Petitioner	Statesville, NC Madera, CA	***
All firms	Various	Various	100.0

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

² One firm ***, certified that it has not produced temporary steel fencing in the United States at any time since January 1, 2021.

³ ***. Petitions, exh. 1.2. Production, U.S. shipments, and select financial data are presented by producer type (kennel producers versus other temporary steel fencing producers) in appendix D. *** U.S. producers, ***. These *** firms account for an estimated *** percent of 2023 production.

Table 3.2 presents information on U.S. producers' ownership, related and/or affiliated firms.

Table 3.2 Temporary steel fencing: U.S. producers' ownership, related and/or affiliated firms

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

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

As indicated in table 3.2, *** U.S. producers are related to foreign producers of the subject merchandise and *** U.S. producers are related to U.S. importers of the subject merchandise. In addition, as discussed in greater detail below, one U.S. producer directly imports the subject merchandise and *** purchases the subject merchandise from U.S. importers.

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

Table 3.3 Temporary steel fencing: Important industry events since January 1, 2021

Item	Firm	Event
Plant closure	Behlen	June 2023: Behlen closed its Omaha, Nebraska facility. The company stated that the assets from the Behlen plant would be relocated to the company's Columbus plant.
Plant opening	ZND	2021: ZND started commercial production at its North Carolina facility. 2022: ZND started production at its California facility.

Source: Behlen, Restructuring and closure of Omaha plant, June 16, 2023, <https://www.behlenmfg.com/news/restructuring-and-closure-of-omaha-plant>. Petitions, p. 1.21.

Producers in the United States were asked to report any change in the character of their operations or organization relating to the production of temporary steel fencing since 2021. Five of seven producers indicated in their questionnaires that they had experienced such changes. Table 3.4 presents the changes identified by these producers.

Table 3.4 Temporary steel fencing: U.S. producers' reported changes in operations, since January 1, 2021

Item	Firm name and narrative response on changes in operations
Plant openings	***
Plant closings	***
Plant closings	***
Prolonged shutdowns	***
Production curtailments	***
Production curtailments	***
Expansions	***
Expansions	***
Acquisitions	***
Other	***

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

U.S. production, capacity, and capacity utilization

Table 3.5 presents U.S. producers' installed and practical capacity and production on the same equipment. Installed overall capacity, practical overall capacity, and practical temporary steel fencing capacity all increased from 2021 to 2023 by *** percent, *** percent, and *** percent, respectively. These increases were all driven by *** increase in capacity ***.⁴ Of the seven producers, *** had the highest installed overall capacity during the data collection period, followed by ***, which, together, accounted for over *** percent of installed overall capacity throughout the data collection period. Installed overall capacity, practical overall capacity, and practical temporary steel fencing capacity were all lower in interim 2024 than in interim 2023, by *** percent, *** percent, and *** percent, respectively.

Overall production decreased by *** percent from 2021 to 2023, but was *** percent higher in interim 2024 than in interim 2023. As capacity increased and production decreased from 2021 to 2023, installed overall capacity utilization decreased by *** percentage points and practical overall capacity utilization decreased by *** percentage points. However, installed overall and practical overall capacity utilization were higher in interim 2024 than in interim 2023, by *** and *** percentage points, respectively.

Table 3.5 Temporary steel fencing: U.S. producers' 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 Temporary steel fencing	Capacity	***	***	***	***	***
Practical Temporary steel fencing	Production	***	***	***	***	***
Practical Temporary steel fencing	Utilization	***	***	***	***	***

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

⁴ Petitions, p. 1.21.

Table 3.6 presents U.S. producers’ reported narratives regarding practical capacity constraints.

Table 3.6 Temporary steel fencing: U.S. producers’ reported capacity constraints since January 1, 2021

Item	Firm name and narrative response on constraints to practical overall capacity
Production bottlenecks	***
Production bottlenecks	***
Production bottlenecks	***
Existing labor force	***
Existing labor force	***
Existing labor force	***
Existing labor force	***
Existing labor force	***
Supply of material inputs	***
Storage capacity	***
Storage capacity	***
Other constraints	***
Other constraints	***

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

Table 3.7 and figure 3.1 present U.S. producers’ production, capacity, and capacity utilization. Practical temporary steel fencing capacity increased by *** percent during 2021 to 2023, but was *** percent lower in interim 2024 than in interim 2023. Like overall installed and practical capacities, the increase in practical temporary steel fencing capacity was driven by ***. *** had the largest temporary steel fencing capacity of the seven producers during the data collection period and *** its capacity accounted for over *** percent of U.S. temporary steel fencing capacity.

Temporary steel fencing production increased from 2021 to 2022 by *** percent, then decreased by *** percent from 2022 to 2023, for a total *** percent decrease from 2021 to 2023, but was *** percent higher in interim 2024 than in interim 2023. Four U.S. producers reported decreased production during 2021 to 2023 (***, two reported increased production (***) and one reported unchanged production (***)). As temporary steel fencing capacity increased and production decreased from 2021 to 2023, capacity utilization decreased by *** percentage points, but was *** percentage points higher in interim 2024 than in interim 2023.

*** and *** accounted for the largest shares of production during the data collection period. *** accounted for the largest share in ***, while *** accounted for the largest share in ***.

Table 3.7 Temporary steel fencing: U.S. producers’ output, by firm and period

Practical capacity

Capacity in 1,000 pounds; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 3.7 (Continued) Temporary steel fencing: U.S. producers’ output, by firm and period

Production

Production in 1,000 pounds; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 3.7 (Continued) Temporary steel fencing: U.S. producers' output, by firm and period**Capacity utilization**

Capacity utilization in percent; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Note: Capacity utilization ratio represents the ratio of the U.S. producer's production to its production capacity.

Table continued.

Table 3.7 (Continued) Temporary steel fencing: U.S. producers' output, by firm and period**Share of production**

Share in percent; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	100.0	100.0	100.0	100.0	100.0

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

Figure 3.1 Temporary steel fencing: U.S. producers' output, by period

* * * * *

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

Alternative products

As shown in table 3.8, *** to *** percent of the product produced on the same equipment as other products during the data collection period was temporary steel fencing. *** firms reported producing other products on the same equipment used to produce temporary steel fencing, including ***.

Table 3.8 Temporary steel fencing: U.S. producers' 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
Temporary steel fencing	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Temporary steel fencing	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.

U.S. producers' U.S. shipments and exports

Table 3.9 presents U.S. producers' U.S. shipments, export shipments, and total shipments. ***, reported *** amount of export shipments in ***. U.S. producers' total shipments increased from 2021 to 2022 by *** percent, then decreased from 2022 to 2023 by *** percent, for an overall *** percent decrease from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023.

Table 3.9 Temporary steel fencing: U.S. producers' 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.

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “—”.

Table 3.10 presents U.S. producers' U.S. shipments by type. *** reported *** commercial U.S. shipments, while *** reported *** transfers to related firms.⁵ Commercial U.S. shipments accounted for the majority of U.S. shipments (*** percent or more) during the data collection period.

Commercial U.S. shipments increased from 2021 to 2022 by *** percent in quantity and *** percent in value, then decreased by *** percent in quantity and *** percent in value from

⁵ ***.

2022 to 2023, for a total *** percent decrease in quantity and *** percent decrease in value from 2021 to 2023, but were *** percent higher in quantity and *** percent higher in value in interim 2024 than in interim 2023. Transfers to related firms increased from 2021 to 2022 by *** percent in quantity and *** percent in value, then decreased by *** percent in quantity and *** percent in value from 2022 to 2023, for a *** percent decrease in quantity and *** percent decrease in value from 2021 to 2023, and were *** percent lower in quantity and *** percent lower in value in interim 2024 than in interim 2023. Unit values for commercial U.S. shipments were higher than unit values for transfers to related firms. Unit values increased irregularly for both commercial U.S. shipments and transfers to related firms, but commercial U.S. shipment unit values were lower in interim 2024 than in interim 2023, while transfers to related firms unit values were higher.

Table 3.10 Temporary steel fencing: U.S. producers' U.S. shipments, by 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

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
Commercial U.S. shipments	Quantity	***	***	***	***	***
Internal consumption	Quantity	***	***	***	***	***
Transfers to related firms	Quantity	***	***	***	***	***
U.S. shipments	Quantity	***	***	***	***	***
Commercial U.S. shipments	Value	***	***	***	***	***
Internal consumption	Value	***	***	***	***	***
Transfers to related firms	Value	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
Commercial U.S. shipments	Unit value	***	***	***	***	***
Internal consumption	Unit value	***	***	***	***	***
Transfers to related firms	Unit value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***	***	***
Internal consumption	Share of quantity	***	***	***	***	***
Transfers to related firms	Share of quantity	***	***	***	***	***
U.S. shipments	Share of quantity	100.0	100.0	100.0	100.0	100.0
Commercial U.S. shipments	Share of value	***	***	***	***	***
Internal consumption	Share of value	***	***	***	***	***
Transfers to related firms	Share of value	***	***	***	***	***
U.S. shipments	Share of value	100.0	100.0	100.0	100.0	100.0

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “—”.

Table 3.11 presents U.S. producers' U.S. shipments by panels and stands. Panels accounted for the vast majority (over *** percent) of U.S. shipments during the data collection period. *** U.S. producers reported U.S. shipments of only panels and *** (***) reported U.S. shipments of panels and stands. U.S. shipments of panels increased by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, for an overall *** percent decrease from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023. U.S. shipments of stands, on the other hand, increased by *** percent from 2021 to 2023 and were *** percent higher in interim 2024 than in interim 2023.⁶ Unit values were between *** and *** percent higher for stands than panels during the data collection period.

Table 3.11 Temporary steel fencing: U.S. producers' U.S. shipments, by product type and period

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

Product type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Panels	Quantity	***	***	***	***	***
Stands	Quantity	***	***	***	***	***
All product types	Quantity	***	***	***	***	***
Panels	Value	***	***	***	***	***
Stands	Value	***	***	***	***	***
All product types	Value	***	***	***	***	***
Panels	Unit value	***	***	***	***	***
Stands	Unit value	***	***	***	***	***
All product types	Unit value	***	***	***	***	***
Panels	Share of quantity	***	***	***	***	***
Stands	Share of quantity	***	***	***	***	***
All product types	Share of quantity	100.0	100.0	100.0	100.0	100.0
Panels	Share of value	***	***	***	***	***
Stands	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.

⁶ The increase in U.S. shipments of stands was driven by ***. *** U.S. producer questionnaire response, questions 1.2a, 2.2a, and 2.10.

Table 3.12 presents U.S. producers' U.S. shipments by panel interior types and coating in 2023. The majority (***) percent) of 2023 U.S. shipments of temporary steel fencing panels had a mesh interior and the majority (***) percent) of 2023 U.S. shipments of temporary steel fencing panels were uncoated. *** U.S. shipments of chain link panels were uncoated, while U.S. shipments of both coated and uncoated mesh interior panels were reported.

Table 3.12 Temporary steel fencing: U.S. producers' U.S. shipments, by panel interior and coating

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

Panel interior type	Measure	Uncoated	Coated	All coatings
Chain link interior	Quantity	***	***	***
Mesh interior	Quantity	***	***	***
Other interiors	Quantity	***	***	***
All panel interior types	Quantity	***	***	***
Chain link interior	Share across	***	***	100.0
Mesh interior	Share across	***	***	100.0
Other interiors	Share across	***	***	—
All panel interior types	Share across	***	***	100.0
Chain link interior	Share down	***	***	***
Mesh interior	Share down	***	***	***
Other interiors	Share down	***	***	***
All panel interior types	Share down	100.0	100.0	100.0
Chain link interior	Share across & down	***	***	***
Mesh interior	Share across & down	***	***	***
Other interiors	Share across & down	***	***	***
All panel interior types	Share across & down	***	***	100.0

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “—”.

Captive consumption

Section 771(7)(C)(iv) of the Act states that⁷

If domestic producers internally transfer significant production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, and the Commission finds that—

- (I) the domestic like product produced that is internally transferred for processing into that downstream article does not enter the merchant market for the domestic like product,*
- (II) the domestic like product is the predominant material input in the production of that downstream article, and*

⁷ Amended by PL 114-27 (as signed, June 29, 2015), Trade Preferences Extension Act of 2015.

(III) then the Commission, in determining market share and the factors affecting financial performance . . . , shall focus primarily on the merchant market for the domestic like product.

Transfers and sales

As reported in table 3.10 above, transfers to related firms⁸ accounted for between *** and *** percent of U.S. producers' U.S. shipments of temporary steel fencing.

First statutory criterion in captive consumption

The first requirement for application of the captive consumption provision is that the domestic like product that is internally transferred for processing into that downstream article not enter the merchant market for the domestic like product. U.S. producers reported captive use of temporary steel fencing for the operation of their temporary steel fencing rental operations. None of the U.S. producers, however, indicated diverting their temporary steel fencing being used as the asset base for their rental operations back into the merchant market for temporary steel fencing; however, the Commission's preliminary phase questionnaires did not directly ask this question. Conference testimony and briefs indicate that rental companies repair or dispose of used temporary steel fencing as opposed to selling it.⁹

Second statutory criterion in captive consumption

The second criterion of the captive consumption provision concerns whether the domestic like product is the predominant material input in the production of the downstream article that is captively produced. Temporary steel fencing is not an input into a further manufactured downstream article; rather it is the primary input into the temporary fencing service that rental companies provide.

⁸ Transfers to related firms represent ***.

⁹ ZND's postconference brief, pp. 18 to 19, 23, and exh. 15; Sonco's postconference brief, pp. 9 to 10; and conference transcript, p. 111 and p. 149 (Greer).

U.S. producers' inventories

Table 3.13 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. End-of-period inventories increased by *** percent from 2021 to 2023, but were *** percent lower in interim 2024 than in interim 2023.¹⁰ The inventory ratio to U.S. production increased by *** percentage points from 2021 to 2023, but was *** percentage points lower in interim 2024 than in interim 2023.

Table 3.13 temporary steel fencing: U.S. producers' inventories and their ratio to select items, by period

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

Item	2021	2022	2023	Interim 2023	Interim 2024
End-of-period inventory quantity	***	***	***	***	***
Inventory ratio to U.S. production	***	***	***	***	***
Inventory ratio to U.S. shipments	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***

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

U.S. producers' imports from subject sources

U.S. producer ***'s imports of temporary steel fencing are presented in table 3.14. *** subject imports to U.S. production ratio ranged from *** percent in interim 2023 to *** percent in 2022.

Table 3.14 Temporary steel fencing: *'s U.S. production, subject imports, and ratio of subject imports to production, by source and period**

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

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
U.S. production	Quantity	***	***	***	***	***
Imports from China	Quantity	***	***	***	***	***
Imports from China to U.S. production	Ratio	***	***	***	***	***

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

¹⁰ The increase in end-of-period inventories between 2021 and 2023 was due to increases reported by ***.

Table 3.15 presents ***'s reason for importing subject merchandise.

Table 3.15 Temporary steel fencing: U.S. producers' reasons for imports, by firm

Item	Narrative response on reasons for importing
***'s reason for importing	***

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

U.S. producers' purchases of imports from subject sources

U.S. producer ***'s purchases of imports from subject sources are presented in table 3.16. ***'s purchases of subject imports to overall U.S. imports from China ratio ranged from *** in 2022 and interim 2023 to *** percent in interim 2024.¹¹ ***'s reason for purchasing subject imports was because "***."¹²

Table 3.16 Temporary steel fencing: *'s purchases of imports from subject sources, by source, importer of record, and period**

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

Source	Measure	2021	2022	2023	Interim 2023	Interim 2024
***'s U.S. purchases of imports from China	Quantity	***	***	***	***	***
Overall U.S. imports from China	Quantity	***	***	***	***	***
***'s U.S. purchases of imports from China to overall U.S. imports from China	Ratio	***	***	***	***	***

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 "—".

¹¹ Staff are unsure which entities are the importers of record for *** purchases of subject imports. *** reported that *** were the importers of record for the subject imports it purchased, however, *** reported that it is the importer of record for imports in which ***. Finally, *** reported that ***. *** U.S. producer questionnaire, question 2.15, *** U.S. importer questionnaire, question 1.7, and ***.

¹² ***.

U.S. employment, wages, and productivity

Table 3.17 shows U.S. producers' employment-related data. The number of PRWs decreased by *** percent from 2021 to 2023 and was *** percent lower in interim 2024 than in interim 2023. Hours worked by PRWs decreased irregularly by *** percent from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023. Hours worked per PRW increased by *** hours per worker from 2021 to 2023 and was *** hours higher in interim 2024 than in interim 2023. Wages paid decreased irregularly by *** percent from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023. Average hourly wages increased by *** percent from 2021 to 2023 and were *** percent higher in interim 2024 than in interim 2023. Productivity decreased irregularly by *** pounds per hour from 2021 to 2023, but was *** pounds per hour higher in interim 2024 than in interim 2023. Unit labor costs increased irregularly by \$*** per pound from 2021 to 2023 and were \$*** per pound higher in interim 2024 than in interim 2023.

Table 3.17 Temporary steel fencing: U.S. producers' 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 167 firms believed to be importers of subject temporary steel fencing, as well as to all U.S. producers of temporary steel fencing.¹ Usable questionnaire responses were received from 17 companies, representing an estimated 63.1 percent of U.S. imports from China, virtually all U.S. imports from nonsubject sources, and 68.3 percent of U.S. imports from all sources in 2023.^{2 3} Table 4.1 lists all responding U.S. importers of temporary steel fencing from China and other sources, their locations, and their shares of U.S. imports, in 2023.

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

² Given that HTS code 7308.90.9590 is a "basket" category that contains out-of-scope merchandise, coverage estimates are based on the petitioner's estimates of U.S. imports of temporary steel fencing using bill of lading data. Petitions, exhibit 9. Imports from nonsubject sources reported in questionnaires accounted for *** percent of the petitioner's estimate.

³ One firm, ***'s questionnaire response was not usable because it was unable to resolve data issues in time for these preliminary investigations. Forty companies certified that they have not imported temporary steel fencing into the U.S. since January 1, 2021.

Table 4.1 Temporary steel fencing: U.S. importers, their headquarters, and share of total imports within each source, 2023

Share in percent

Firm	Headquarters	China	Nonsubject sources	All import sources
AmeriPacific	Santa Ana, CA	***	***	***
Direct	Houston, TX	***	***	***
Fence Brokers	Bryant, AR	***	***	***
G P Roadway	Honolulu, HI	***	***	***
Master Halco	Dallas, TX	***	***	***
Jewett	North Plains, OR	***	***	***
KP Distribution	Pomona, CA	***	***	***
Lowes	Mooresville, NC	***	***	***
ONT Partners	Long Island City, NY	***	***	***
Origin Point	Summerville, SC	***	***	***
Pacific Import	Pauma Valley, CA	***	***	***
Sonco	Capitol Heights, MD	***	***	***
Sunbelt	Fort Mill, SC	***	***	***
Tractor Supply	Brentwood, TN	***	***	***
Walmart	Bentonville, AR	***	***	***
ZND	Statesville, NC	***	***	***
All firms	Various	100.0	100.0	100.0

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “—”.

U.S. imports

Tables 4.2 and 4.3 and figure 4.1 present data for U.S. imports of temporary steel fencing from China and all other sources. Imports from China increased irregularly by 34.7 percent in quantity and 26.0 percent in value from 2021 to 2023 and were 14.7 percent higher in quantity and 9.4 percent higher in value in interim 2024 than in interim 2023, while imports from nonsubject sources decreased irregularly by *** percent in quantity and *** percent in value from 2021 to 2023 and were *** percent higher in quantity and *** percent higher in value in interim 2024 than in interim 2023.⁴

Imports from China had lower unit values than nonsubject imports for all time periods except interim 2024. Unit values decreased irregularly and were lower in interim 2024 than in interim 2023 for both subject and nonsubject imports.

⁴ The higher level of imports from nonsubject sources in interim 2024 than in interim 2023 was largely driven by U.S. importer ***.

Imports from China accounted for over *** percent of total imports throughout the data collection period and increased its share of total imports from 2021 to 2023 by *** percentage points in quantity and *** percentage points in value. However, imports from China’s share of total imports was *** percentage points lower in quantity and *** percentage points lower in value in interim 2024 than in interim 2023. The ratio of U.S. imports from China to U.S. production increased by *** percentage points from 2021 to 2023 and was *** percentage points higher in interim 2024 than in interim 2023. The ratio of U.S. imports from nonsubject sources to U.S. production also increased from 2021 to 2023, by *** percentage points, and was *** percentage points higher in interim 2024 than in interim 2023.

Table 4.2 Temporary steel fencing: U.S. imports by source and period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; share and ratio in percent; ratio represents the ratio to U.S. production; interim is January to September

Source	Measure	2021	2022	2023	Interim 2023	Interim 2024
China	Quantity	41,657	61,699	56,100	45,006	51,605
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
China	Value	51,934	88,327	65,455	54,982	60,132
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
China	Unit value	1.25	1.43	1.17	1.22	1.17
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.

Figure 4.1 Temporary steel fencing: U.S. import quantities and average unit values, by source and period

* * * * *

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

Table 4.3 Temporary steel fencing: 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	▲ 34.7	▲ 48.1	▼ (9.1)	▲ 14.7
Nonsubject sources	% Δ Quantity	▼ ***	▼ ***	▲ ***	▲ ***
All import sources	% Δ Quantity	▲ ***	▲ ***	▼ ***	▲ ***
China	% Δ Value	▲ 26.0	▲ 70.1	▼ (25.9)	▲ 9.4
Nonsubject sources	% Δ Value	▼ ***	▼ ***	▲ ***	▲ ***
All import sources	% Δ Value	▲ ***	▲ ***	▼ ***	▲ ***
China	% Δ Unit value	▼ (6.4)	▲ 14.8	▼ (18.5)	▼ (4.6)
Nonsubject sources	% Δ Unit value	▼ ***	▲ ***	▼ ***	▼ ***
All import sources	% Δ Unit value	▼ ***	▲ ***	▼ ***	▼ ***
China	ppt Δ Quantity	▲ ***	▲ ***	▼ ***	▼ ***
Nonsubject sources	ppt Δ Quantity	▼ ***	▼ ***	▲ ***	▲ ***
All import sources	ppt Δ Quantity	***	***	***	***
China	ppt Δ Value	▲ ***	▲ ***	▼ ***	▼ ***
Nonsubject sources	ppt Δ Value	▼ ***	▼ ***	▲ ***	▲ ***
All import sources	ppt Δ 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: 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.

Table 4.4 presents U.S. importers' U.S. shipments from China by panels and stands during the data collection period. Panels accounted for the vast majority (over *** percent) of U.S. import shipments from China throughout the data collection period. U.S. shipments from China of both panels and stands increased irregularly from 2021 to 2023 and were higher in interim 2024 than in interim 2023. Unit values of both panels and stands increased irregularly between 2021 and 2023 and were lower in interim 2024 than in interim 2023.

Table 4.4 Temporary steel fencing: U.S. importers' U.S. shipments from China, by product type and period

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

Product type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Panels	Quantity	***	***	***	***	***
Stands	Quantity	***	***	***	***	***
All product types	Quantity	43,463	59,615	53,506	45,075	50,958
Panels	Value	***	***	***	***	***
Stands	Value	***	***	***	***	***
All product types	Value	56,481	93,767	73,540	63,409	68,598
Panels	Unit value	***	***	***	***	***
Stands	Unit value	***	***	***	***	***
All product types	Unit value	1.30	1.57	1.37	1.41	1.35
Panels	Share of quantity	***	***	***	***	***
Stands	Share of quantity	***	***	***	***	***
All product types	Share of quantity	100.0	100.0	100.0	100.0	100.0
Panels	Share of value	***	***	***	***	***
Stands	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.

Table 4.5 presents U.S. importers' 2023 U.S. shipments from China by panel interior type and whether the panel coated. Nine U.S. importers reported U.S. shipments of chain link panels, three reported U.S. shipments of mesh interior panels, and two reported other interiors. While chain link panels were reported by the greatest number of importers, it only accounted for the second largest share by interior panel type following "other interiors" because ***, reported its U.S. shipments of panels as having an "other interior" described as **. Coated panels accounted for the majority (**% percent) of U.S. shipments of imports from China, as both mesh and other interior panels were all classified as being coated. Most U.S. shipments of chain link panels were reported as uncoated.

Table 4.5 Temporary steel fencing: U.S. importers' U.S. shipments from China, by panel interior types and coating in 2023

Quantity in 1,000 pounds

Panel interior types	Measure	Uncoated	Coated	All coatings
Chain link interior	Quantity	***	***	***
Mesh interior	Quantity	***	***	***
Other interiors	Quantity	***	***	***
All panel interior types	Quantity	***	***	***
Chain link interior	Share across	***	***	100.0
Mesh interior	Share across	***	***	100.0
Other interiors	Share across	***	***	100.0
All panel interior types	Share across	***	***	100.0
Chain link interior	Share down	***	***	***
Mesh interior	Share down	***	***	***
Other interiors	Share down	***	***	***
All panel interior types	Share down	100.0	100.0	100.0
Chain link interior	Share across & down	***	***	***
Mesh interior	Share across & down	***	***	***
Other interiors	Share across & down	***	***	***
All panel interior types	Share across & down	***	***	100.0

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

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

Table 4.6 presents U.S. importers' U.S. shipments from nonsubject sources by panels and stands during the data collection period. Panels accounted for the majority (***) percent or higher from 2021 to 2023) of U.S. import shipments from nonsubject sources throughout the data collection period. U.S. shipments of panel imports from nonsubject sources decreased irregularly from 2021 to 2023 and were higher in interim 2024 than in interim 2023, while U.S. shipments of stand imports from nonsubject sources increased irregularly from 2021 to 2023 and were lower in interim 2024 than in interim 2023. Unit values of panel shipments decreased irregularly from 2021 to 2023 and were lower in interim 2024 than in interim 2023, while unit values of stand shipments increased irregularly from 2021 to 2023 and were higher in interim 2024 than in interim 2023.

Table 4.6 Temporary steel fencing: U.S. importers' U.S. shipments from nonsubject sources, by product type and period

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

Product type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Panels	Quantity	***	***	***	***	***
Stands	Quantity	***	***	***	***	***
All product types	Quantity	***	***	***	***	***
Panels	Value	***	***	***	***	***
Stands	Value	***	***	***	***	***
All product types	Value	***	***	***	***	***
Panels	Unit value	***	***	***	***	***
Stands	Unit value	***	***	***	***	***
All product types	Unit value	***	***	***	***	***
Panels	Share of quantity	***	***	***	***	***
Stands	Share of quantity	***	***	***	***	***
All product types	Share of quantity	100.0	100.0	100.0	100.0	100.0
Panels	Share of value	***	***	***	***	***
Stands	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.

Table 4.7 presents U.S. importers' 2023 U.S. shipments from nonsubject sources by panel interior type and whether the panel was coated. "Other interiors" panels accounted for the largest share of U.S. shipments of nonsubject imports (***)⁵ followed by mesh interior (***) percent) and chain link (***) percent). Coated panels accounted for the majority (***) percent) of U.S. shipments of imports from nonsubject sources. All mesh interior and "other interiors" panels were coated, while all chain link interior panels were uncoated.

Table 4.7 Temporary steel fencing: U.S. importers' U.S. shipments from nonsubject sources, by panel interior types and coating in 2023

Quantity in 1,000 pounds

Panel characteristics	Measure	Uncoated	Coated	All coatings
Chain link interior	Quantity	***	***	***
Mesh interior	Quantity	***	***	***
Other interiors	Quantity	***	***	***
All panels	Quantity	***	***	***
Chain link interior	Share across	***	***	100.0
Mesh interior	Share across	***	***	100.0
Other interiors	Share across	***	***	100.0
All panels	Share across	***	***	100.0
Chain link interior	Share down	***	***	***
Mesh interior	Share down	***	***	***
Other interiors	Share down	***	***	***
All panels	Share down	100.0	100.0	100.0
Chain link interior	Share across & down	***	***	***
Mesh interior	Share across & down	***	***	***
Other interiors	Share across & down	***	***	***
All panels	Share across & down	***	***	***

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

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

⁵ *** U.S. shipments from nonsubject sources of "other interior" panels were reported by ***."

Table 4.8 presents U.S. importers' U.S. shipments from all sources by panels and stands during the data collection period.

Table 4.8 Temporary steel fencing: U.S. importers' U.S. shipments from all sources, by product type and period

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

Product type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Panels	Quantity	***	***	***	***	***
Stands	Quantity	***	***	***	***	***
All product types	Quantity	***	***	***	***	***
Panels	Value	***	***	***	***	***
Stands	Value	***	***	***	***	***
All product types	Value	***	***	***	***	***
Panels	Unit value	***	***	***	***	***
Stands	Unit value	***	***	***	***	***
All product types	Unit value	***	***	***	***	***
Panels	Share of quantity	***	***	***	***	***
Stands	Share of quantity	***	***	***	***	***
All product types	Share of quantity	100.0	100.0	100.0	100.0	100.0
Panels	Share of value	***	***	***	***	***
Stands	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.

Table 4.9 presents U.S. importers' 2023 U.S. shipments from all sources by panel interior type and whether the panel was coated.

Table 4.9 Temporary steel fencing: U.S. importers' U.S. shipments from all sources, by panel interior types and coating in 2023

Quantity in 1,000 pounds

Panel characteristics	Measure	Uncoated	Coated	All coatings
Panels: Chain link interior	Quantity	***	***	***
Panels: Mesh interior	Quantity	***	***	***
Panels: Other interiors	Quantity	***	***	***
Panels: All other interior types	Quantity	***	***	***
Panels: Chain link interior	Share across	***	***	100.0
Panels: Mesh interior	Share across	***	***	100.0
Panels: Other interiors	Share across	***	***	100.0
Panels: All other interior types	Share across	***	***	100.0
Panels: Chain link interior	Share down	***	***	***
Panels: Mesh interior	Share down	***	***	***
Panels: Other interiors	Share down	***	***	***
Panels: All other interior types	Share down	***	***	***
Panels: Chain link interior	Share across & down	***	***	***
Panels: Mesh interior	Share across & down	***	***	***
Panels: Other interiors	Share across & down	***	***	***
Panels: All other interior types	Share across & down	***	***	***

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

Note: 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.⁶ 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.⁷ Imports from China accounted for *** percent of total imports of temporary steel fencing by quantity during 2024.

Table 4.10 Temporary steel fencing: U.S. imports in the twelve-month period preceding the filing of the petitions, January 2024 through December 2024

Quantity in 1,000 pounds; share in percent

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

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

⁶ 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)).

⁷ Section 771 (24) of the Act (19 U.S.C § 1677(24)).

Apparent U.S. total market consumption and market shares

Quantity

Table 4.11 presents data on apparent U.S. total market consumption and U.S. market shares by quantity for temporary steel fencing. Apparent total market consumption by quantity increased by 24.4 percent from 2021 to 2022, then decreased by 16.9 percent from 2022 to 2023, for a total 3.4 percent increase from 2021 to 2023, and was 17.4 percent higher in interim 2024 than in interim 2023.

U.S. shipments by quantity from China increased irregularly from 2021 to 2023, while U.S. shipments from domestic producers and nonsubject sources decreased irregularly. U.S. shipments by quantity from each source were higher in interim 2024 than in interim 2023. U.S. producer's U.S. shipments increased by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, for an overall *** percent decrease from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023. U.S. shipments from China increased by 37.2 percent from 2021 to 2022, then decreased by 10.2 percent from 2022 to 2023, for a total 23.1 percent increase from 2021 to 2023, and were 13.1 percent higher in interim 2024 than in interim 2023. U.S. shipments from nonsubject sources decreased by *** percent from 2021 to 2022, then increased by *** percent from 2022 to 2023, for a total *** percent decrease from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023.⁸

U.S. producers' U.S. shipments and U.S. shipments from nonsubject sources lost total market share from 2021 to 2023, by *** and *** percentage points, respectively, while U.S. shipments from China gained 9.4 percentage points. The share of U.S. producers' U.S. shipments and the share of U.S. shipments from China were both lower in interim 2024 than in interim 2023, by *** percentage points and 2.3 percentage points, respectively. The share of U.S. shipments from nonsubject sources was *** percentage points higher in interim 2024 than in interim 2023.

⁸ The higher level of U.S. shipments from nonsubject sources in interim 2024 than in interim 2023 is driven by ***, which reported *** percent higher U.S. shipments from nonsubject sources in interim 2024 than in interim 2023. The other *** U.S. importers that reported U.S. shipments from nonsubject sources reported lower U.S. shipments in interim 2024 than in interim 2023.

Table 4.11 Temporary steel fencing: Apparent U.S. total market 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. producers	Quantity	***	***	***	***	***
China	Quantity	43,463	59,615	53,506	45,075	50,958
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	87,878	109,337	90,852	72,822	85,494
U.S. producers	Share	***	***	***	***	***
China	Share	49.5	54.5	58.9	61.9	59.6
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 Temporary steel fencing: Apparent U.S. total market consumption based on quantity, by source and period

* * * * *

Source: Compiled from data submitted in response to Commission questionnaires

Value

Table 4.12 presents data on apparent U.S. total market consumption and U.S. market shares by value for temporary steel fencing. Apparent total market consumption by value increased by 44.8 percent from 2021 to 2022, then decreased by 25.8 percent from 2022 to 2023, for a total 7.4 percent increase from 2021 to 2023, and was 11.8 percent higher in interim 2024 than in interim 2023.

U.S. shipments by value from China increased irregularly from 2021 to 2023, while U.S. shipments from domestic producers and nonsubject sources decreased. U.S. shipments by value from each source were higher in interim 2024 than in interim 2023. U.S. producers' U.S. shipments increased by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, for an overall *** percent decrease from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023. U.S. shipments from China increased by 66.0 percent from 2021 to 2022, then decreased by 21.6 percent from 2022 to 2023, for a total 30.2 percent increase from 2021 to 2023, and were 8.2 percent higher in interim 2024 than in interim 2023. U.S. shipments from nonsubject sources decreased by *** percent from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023.

U.S. producers' U.S. shipments and U.S. shipments from nonsubject sources lost total market share by value from 2021 to 2023, by *** and *** percentage points, respectively, while U.S. shipments from China gained 9.7 percentage points. The share of U.S. producers' U.S. shipments and the share of U.S. shipments from China were both lower in interim 2024 than in interim 2023, by *** percentage points and 1.9 percentage points, respectively. The share of U.S. shipments from nonsubject sources was *** percentage points higher in interim 2024 than in interim 2023.

Table 4.12 Temporary steel fencing: Apparent U.S. total market 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. producers	Value	***	***	***	***	***
China	Value	56,481	93,767	73,540	63,409	68,598
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
All sources	Value	123,804	179,245	132,961	108,696	121,549
U.S. producers	Share	***	***	***	***	***
China	Share	45.6	52.3	55.3	58.3	56.4
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: Apparent U.S. total market consumption based on value, by source and period

* * * * *

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

Apparent U.S. merchant market consumption and market shares

Quantity

Table 4.13 presents data on apparent U.S. merchant market consumption and U.S. market shares by quantity for temporary steel fencing. Apparent merchant market consumption by quantity increased by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, for a total *** percent increase from 2021 to 2023, and was *** percent higher in interim 2024 than in interim 2023.

U.S. producers' commercial U.S. shipments increased in quantity by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, for an overall *** percent decrease from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023. U.S. shipments from China increased in quantity by 37.2 percent from 2021 to 2022, then decreased in quantity by 10.2 percent from 2022 to 2023, for an overall 23.1 percent increase from 2021 to 2023 and were 13.1 percent higher in interim 2024 than in interim 2023. U.S. shipments from nonsubject sources decreased in quantity by *** percent from 2021 to 2022, then increased by *** percent from 2022 to 2023, for a *** percent decrease from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023.

U.S. producers' U.S. shipments and U.S. shipments from nonsubject sources lost merchant market share from 2021 to 2023, by *** and *** percentage points, respectively, while U.S. shipments from China gained *** percentage points. The shares of U.S. producers' U.S. shipments and of U.S. shipments from China were both lower in interim 2024 than in interim 2023, by *** percentage points and *** percentage points, respectively. The share of U.S. shipments from nonsubject sources was *** percentage points higher in interim 2024 than in interim 2023.

Table 4.13 Temporary steel fencing: Apparent U.S. merchant market 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. producers	Quantity	***	***	***	***	***
China	Quantity	43,463	59,615	53,506	45,075	50,958
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	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 4.4 Temporary steel fencing: Apparent U.S. merchant market consumption based on quantity, by source and period

* * * * *

Source: Compiled from data submitted in response to Commission questionnaires

Value

Table 4.14 presents data on apparent U.S. merchant market consumption and U.S. market shares by value for temporary steel fencing. Apparent merchant market consumption by value increased by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, for a total *** percent increase from 2021 to 2023, and was *** percent higher in interim 2024 than in interim 2023.

U.S. producers' commercial U.S. shipments increased in value by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, for an overall *** percent decrease from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023. U.S. shipments from China increased in value by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, for a total *** percent increase from 2021 to 2023, and were *** percent higher in interim 2024 than in interim 2023. U.S. shipments from nonsubject sources decreased in value by *** percent from 2021 to 2023, but were *** percent higher in interim 2024 than in interim 2023.

U.S. producers' U.S. shipments and U.S. shipments from nonsubject sources lost merchant market share from 2021 to 2023, by *** and *** percentage points, respectively, while U.S. shipments from China gained *** percentage points. The shares of U.S. producers' U.S. shipments and of U.S. shipments from China were both lower in interim 2024 than in interim 2023, by *** percentage points and *** percentage points, respectively. The share of U.S. shipments from nonsubject sources was *** percentage points higher in interim 2024 than in interim 2023.

Table 4.14 Temporary steel fencing: Apparent U.S. merchant market 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. producers	Value	***	***	***	***	***
China	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
All sources	Value	***	***	***	***	***
U.S. producers	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 4.5 Temporary steel fencing: Apparent U.S. merchant market 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

Temporary steel fencing consists of temporary steel fence panels and stands. The major raw materials used to produce panels include steel pipe and tubing for the outer frame and steel wire for the interior.¹ Stands are also produced from steel tubing. Petitioner ZND sources its steel tubing from a variety of suppliers, including vertically integrated firms that produce their own chain link panels with the steel tubing.² Chain link and welded wire mesh fencing panels are produced using the same raw materials.³

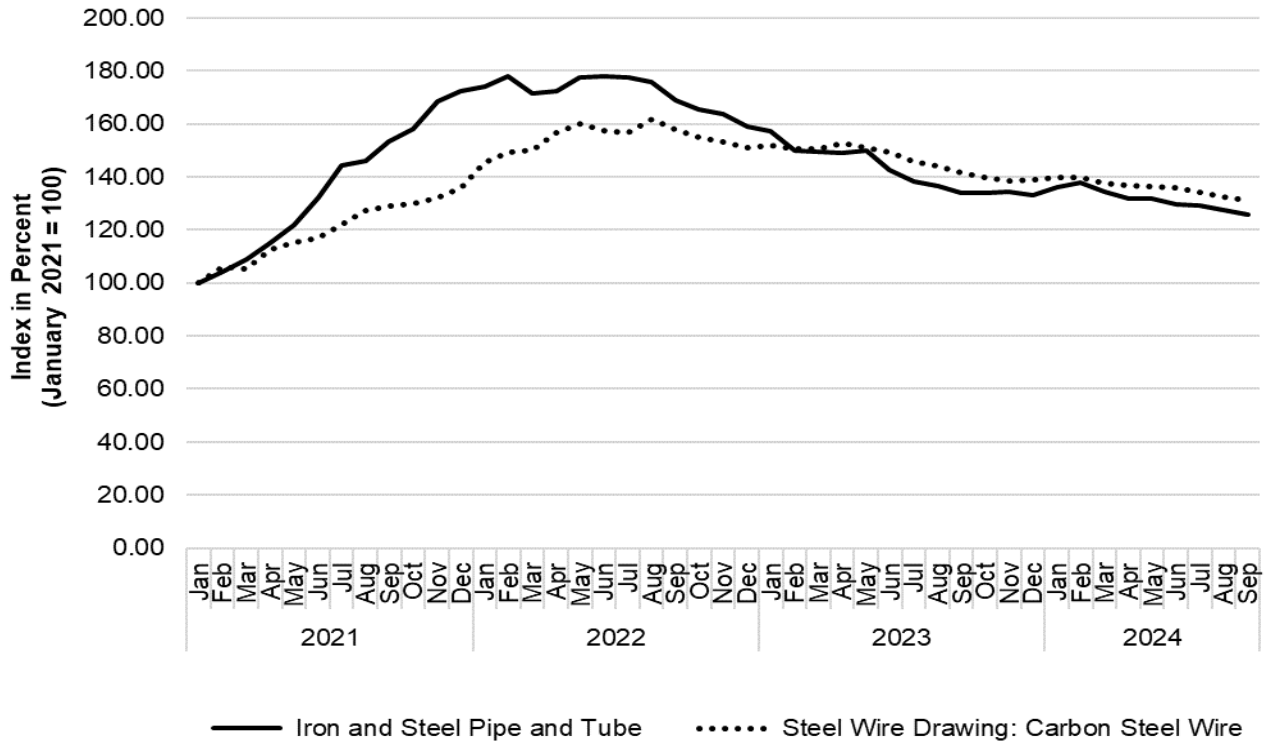
Figure 5.1 (and tables 5.1 and 5.2) show indexed raw material prices over the period of investigation. Reported prices for steel pipe and tube increased by 77.9 percent from January 2021 to June 2022, before decreasing by 29.2 percent over the remainder of the period of investigation. Reported prices for steel wire followed a similar pattern, increasing by 61.8 percent from January 2021 to August 2022, before decreasing by 18.8 percent over the remainder of the period of investigation.

¹ Conference transcript, p. 23 (Walters).

² Conference transcript, p. 23 (Walters).

³ Conference transcript, p. 38 (Walters).

Figure 5.1 Raw materials: Iron and steel pipe and tube and carbon steel wire, January 2021 to September 2024



Source: U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Metals and Metal Products: Steel Pipe and Tube (WPU101706) and Metals and Metal Products: Steel Wire (WPU101705) retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU101706> and <https://fred.stlouisfed.org/series/WPU101705>, February 13, 2025.

Table 5.1 Raw materials: Iron and Steel Pipe and tube Index, January 2021 to September 2024

Index in percent, not seasonally adjusted, January 2021 = 100

Month	2021	2022	2023	2024
January	100.0	174.1	157.2	136.1
February	104.3	177.8	149.8	137.8
March	108.8	171.7	149.6	134.2
April	114.8	172.3	148.9	131.9
May	121.9	177.6	149.8	131.8
June	132.1	177.9	142.5	129.5
July	144.2	177.4	138.4	129.3
August	146.0	175.7	136.5	127.6
September	153.3	168.9	134.1	125.9
October	157.9	165.4	134.0	NA
November	168.6	163.8	134.2	NA
December	172.4	158.8	133.2	NA

Source: U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Metals and Metal Products: Steel Pipe and Tube (WPU101706), retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU101706>, February 13, 2025.

Table 5.2 Raw materials: Steel wire drawing: Carbon steel wire index, January 2021 to September 2024

Index in percent, not seasonally adjusted, January 2021 = 100

Month	2021	2022	2023	2024
January	100.0	145.3	151.7	139.7
February	105.9	149.4	150.5	139.8
March	105.1	150.2	150.7	137.8
April	112.4	156.4	152.8	136.9
May	115.2	160.0	150.9	136.3
June	116.7	157.4	149.3	135.8
July	122.3	156.5	145.7	134.3
August	127.3	161.8	144.2	132.5
September	129.1	158.1	141.5	131.0
October	129.6	154.9	139.8	NA
November	132.1	153.3	138.4	NA
December	136.1	151.0	138.9	NA

Source: U.S. Bureau of Labor Statistics, Producer Price Index by Commodity: Metals and Metal Products: Steel Wire (WPU101705), retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/WPU101705>, February 13, 2025.

Transportation costs to the U.S. market

Transportation costs for temporary steel fencing shipped from China to the United States averaged 8.1 percent of the landed duty paid value during 2023. These estimates were

derived from official import data and represent the transportation and other charges on imports.⁴

U.S. inland transportation costs

Three of the 4 responding U.S. producers and 11 of the 15 importers reported that they typically arrange transportation to their customers. Most U.S. producers reported that their U.S. inland transportation costs ranged from *** percent to *** percent while most importers reported costs of *** percent to *** percent.

Pricing practices

Pricing methods

U.S. producers and importers reported setting prices using transaction-by-transaction negotiations, contracts, and price lists (table 5.3). U.S. importers also reported volume-based price setting, branch-specific pricing by product groups, and price setting as a result of competitor and elasticity research.

Table 5.3 Temporary steel fencing: Count of U.S. producers' and importers' reported price setting methods

Method	U.S. producers	Importers
Transaction-by-transaction	3	7
Contract	1	5
Set price list	4	5
Other	0	4
Responding firms	4	14

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

Note: The sum of responses down may not add up to the total number of responding firms as each firm was instructed to check all applicable price setting methods employed.

U.S. producers reported selling *** through spot sales and U.S. importers reported selling the vast majority of their temporary steel fencing in the spot market and annual contracts (table 5.4). For both annual and long-term contracts, the majority of responding U.S. importers reported that the typical contract did not allow for price renegotiations but allowed for fixed prices only. All responding U.S. importers reported that their contracts do not typically index to raw materials.

⁴ 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 7308.90.9590.

Table 5.4 Temporary steel fencing: U.S. producers' and importers' shares of commercial U.S. shipments by type of sale, 2023

Share in percent

Type of sale	U.S. producers	Subject importers
Long-term contracts	***	***
Annual contracts	***	***
Short-term contracts	***	***
Spot sales	***	***
Total	100.0	100.0

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

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

Sales terms and discounts

U.S. producers typically quote prices on a delivered basis while U.S. importers were about evenly split in whether they quote their prices on a delivered or F.O.B. basis. Four of the seven responding U.S. producers reported offering discounts. Among U.S. producers that offered discounts, three reported offering quantity discounts, one reported annual total volume discounts, and three reported offering other discounts, such as seasonal show discounts, customer-specific discounts, and rebates. Most responding U.S. importers (10 of 14) reported offering no discount policies. Among the importers that do offer discount policies, three reported offering quantity discounts and one reported customer-specific discounts.

Respondent Sonco stated that lowering prices or offering price discounts do not automatically yield larger sales volumes because there is a high carrying cost for the customers of holding and managing inventories.⁵

Price and purchase cost data

The Commission requested U.S. producers and importers provide quarterly data for the total quantity and f.o.b. value of the following temporary steel fencing products shipped to unrelated U.S. customers during January 2021 to September 2024.

Product 1.—Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet

⁵ Respondent Sonco postconference brief, p. 8.

long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, sold to fence rental companies.⁶

Product 2.—Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, sold to distributors.

Product 3.—Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, sold to fence rental companies.

Product 4.—Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, sold to distributors.

Firms that imported the following products from China for rental use were requested to provide import purchase cost data (for product equivalents of pricing product 1 and pricing product 3).

Product 5.—Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, imported by your firm for rental use.

Product 6.—Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, imported by your firm for rental use.

⁶ “Fence rental companies” is defined as any company that rents the fencing it owns to end users, whether or not bundled with other services, including but not limited to rental companies, site service providers, and fence contractors.

Price data

Three U.S. producers and five importers 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 temporary steel fencing by value and *** percent of imports from China.⁸ Price data for products 1-4 are presented in tables 5.5 to 5.8 and figures 5.2 to 5.5.

Table 5.5 Temporary steel fencing: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by source and quarter

Price in dollars per linear foot, quantity in linear feet, margin in percent.

Period	U.S. price	U.S. quantity	China price	China quantity	China margin
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: Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, sold to fence rental companies.

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, which represent more than *** of total imports.

Figure 5.2 Temporary steel fencing: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, by source and quarter

Price of product 1

* * * * *

Volume of product 1

* * * * *

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

Note: Product 1: Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, sold to fence rental companies.

Table 5.6 Temporary steel fencing: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by source and quarter

Price in dollars per linear foot, quantity in linear feet, margin in percent.

Period	U.S. price	U.S. quantity	China price	China quantity	China margin
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: Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, sold to distributors.

Figure 5.3 Temporary steel fencing: Weighted-average f.o.b. prices and quantities of domestic and imported product 2, by source and quarter

Price of product 2

* * * * *

Volume of product 2

* * * * *

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

Note: Product 2: Temporary steel fence panel, galvanized, not powder coated, welded wire mesh or chain link interior, nominal size of six feet tall by ten to twelve feet long, with dimensional tolerances of plus or minus six inches, actual weight between 4 to 5 pounds per linear foot, sold to distributors.

Table 5.7 Temporary steel fencing: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by source and quarter

Price in dollars per unit, quantity in units, margin in percent.

Period	U.S. price	U.S. quantity	China price	China quantity	China margin
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: Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, sold to fence rental companies.

Figure 5.4 Temporary steel fencing: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, by source and quarter

Price of product 3

* * * * *

Volume of product 3

* * * * *

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

Note: Product 3: Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, sold to fence rental companies.

Table 5.8 Temporary steel fencing: Weighted-average f.o.b. prices and quantities of domestic and imported product 4 and margins of underselling/(overselling), by source and quarter

Price in dollars per unit, quantity in units, margin in percent.

Period	U.S. price	U.S. quantity	China price	China quantity	China margin
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 4: Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, sold to distributors.

Figure 5.5 Temporary steel fencing: Weighted-average f.o.b. prices and quantities of domestic and imported product 4, by source and quarter

Price of product 4

* * * * *

Volume of product 4

* * * * *

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

Note: Product 1: Temporary steel fence tube stand, galvanized, not powder coated, with two upright tubes and a base with an actual size of 28 to 37 inches long and 15 to 19 inches wide, sold to distributors.

Import purchase cost data

One importer (***) reported import purchase cost data for pricing products 5 and 6. However, staff have not included these data in the analysis due to comparability concerns.⁹

Price trends

In general, prices increased during January 2021 to September 2024. Tables 5.9 and 5.10 summarize the price trends, by country and by product. As shown in the tables, domestic price increases ranged from *** to *** percent during January 2021 to September 2024 while import price increases ranged from *** to *** percent.

Table 5.9 Temporary steel fencing: Summary of price for panels, by product and source

Prices in dollars per linear foot; Quantity in linear feet; Change in percent

Product	Source	Number of quarters	Quantity	Low price	High price	First quarter price	Last quarter price	Percent change in price
Product 1	United States	15	***	***	***	***	***	***
Product 1	China price	15	***	***	***	***	***	***
Product 2	United States	15	***	***	***	***	***	***
Product 2	China price	12	***	***	***	***	***	***

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 (which spanned from January 2021 through September 2024).

⁹ Importer *** reported import purchase cost data for ***. Purchase cost data reported by this firm accounted for less than one percent of imports from China.

The importer reported that ***. It identified benefits from importing temporary steel fencing itself instead of purchasing from U.S. producers or importers, including ***.

Table 5.10 Temporary steel fencing: Summary of price data for stands, by product and source

Prices in dollars per unit; Quantity in units; Change in percent

Product	Source	Number of quarters	Quantity	Low price	High price	First quarter price	Last quarter price	Percent change in price
Product 3	United States	6	***	***	***	***	***	***
Product 3	China price	15	***	***	***	***	***	***
Product 4	United States	6	***	***	***	***	***	***
Product 4	China price	15	***	***	***	***	***	***

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 (which spanned from January 2021 through September 2024).

Price comparisons

As shown in tables 5.11 to 5.14, prices for panels imported from China were below those for U.S.-produced panels in all 27 instances (** linear feet); margins of underselling ranged from ** percent to ** percent. Prices for stands imported from China were below those for U.S.-produced stands in 11 of 12 instances (** units); margins of underselling ranged from ** percent to ** percent. In the remaining instance (** units), prices for stands from China were ** percent above prices for the domestic product.

Table 5.11 Temporary steel fencing: Instances of underselling and overselling and the range and average of margins, by product

Quantity in linear feet; margin in percent

Product	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1	Underselling	15	***	***	***	***
Product 2	Underselling	12	***	***	***	***
Total	Underselling	27	***	***	***	***
Product 1	Overselling	—	***	***	***	***
Product 2	Overselling	—	***	***	***	***
Total	Overselling	—	***	***	***	***

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 5.12 Temporary steel fencing: Instances of underselling and overselling and the range and average of margins, by product

Quantity in units; margin in percent

Product	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 3	Underselling	6	***	***	***	***
Product 4	Underselling	5	***	***	***	***
Total	Underselling	11	***	***	***	***
Product 3	Overselling	—	***	***	***	***
Product 4	Overselling	1	***	***	***	***
Total	Overselling	1	***	***	***	***

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 5.13 Temporary steel fencing: Instances of underselling and overselling and the range and average of margins for pricing products specific to panels

Quantity in linear feet; margin in percent

Year	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
2021	Underselling	5	***	***	***	***
2022	Underselling	8	***	***	***	***
2023	Underselling	8	***	***	***	***
January - September 2024	Underselling	6	***	***	***	***
Total, all years	Underselling	27	***	***	***	***
2021	Overselling	—	***	***	***	***
2022	Overselling	—	***	***	***	***
2023	Overselling	—	***	***	***	***
January - September 2024	Overselling	—	***	***	***	***
Total, all years	Overselling	—	***	***	***	***

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 5.14 Temporary steel fencing: Instances of underselling and overselling and the range and average of margins for pricing products specific to stands

Quantity in units; margin in percent

Year	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
2021	Underselling	—	***	***	***	***
2022	Underselling	—	***	***	***	***
2023	Underselling	5	***	***	***	***
January - September 2024	Underselling	6	***	***	***	***
Total, all years	Underselling	11	***	***	***	***
2021	Overselling	—	***	***	***	***
2022	Overselling	—	***	***	***	***
2023	Overselling	1	***	***	***	***
January - September 2024	Overselling	—	***	***	***	***
Total, all years	Overselling	1	***	***	***	***

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 temporary steel fencing report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of temporary steel fencing from China during January 2021 to September 2024. Of the seven responding U.S. producers, three reported that they had to reduce prices, one reported that it had to roll back announced price increases, and two firms reported that they had lost sales. One U.S. producer submitted lost sales and lost revenue allegations. The responding U.S. producer identified 19 firms with which it lost sales or revenue (11 consisting lost sales allegations and 8 consisting of both types of allegations). All the allegations were with respect to China.

Staff contacted 18 purchasers and received responses from 5 purchasers. Responding purchasers reported purchasing *** dollars of temporary steel fencing during January 2021 to September 2024 (table 5.15).

During 2023, responding purchasers purchased 30.3 percent from U.S. producers, 38.7 percent from China, and 30.9 percent from nonsubject countries. Purchasers were asked about changes in their purchasing patterns from different sources since 2021 (table 5.16). One of five purchasers reported increased purchases from U.S. producers and one reported decreased purchases. Explanations provided by the one purchaser which reported increasing purchases of

domestic product included pandemic related availability issues, while the explanations provided by the purchaser which reported decreasing purchases of domestic product were related to improved ocean freight conditions after the pandemic. Four purchasers reported increased purchases from China. Explanations provided by purchasers for increased purchases from China varied, with some reasons given including the loosening of pandemic restrictions, domestic product regulatory standards increasing, increased demand, and ocean freight costs stabilizing after the pandemic.

Table 5.15 Temporary steel fencing: Purchasers' reported purchases and imports, by firm and source

Value in 1,000 dollars, share in percent

Purchaser	Domestic value	Subject value	All other value	Change in domestic share	Change in subject country share
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	***	***	***	***	***

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

Note: All other includes all other sources and unknown sources. Change is the percentage point change in the share of the firm's total purchases of domestic and/or subject country imports between first and last years.

Table 5.16 Temporary steel fencing: Count of changes in purchase patterns from U.S., subject, and nonsubject countries

Count in number of firms reporting

Source of purchases	Steadily Increase	Fluctuate Up	No change	Fluctuate Down	Steadily Decrease	Did not purchase
United States	0	1	0	1	0	2
China	1	3	0	0	0	0
All other sources	0	0	0	1	1	2
Sources unknown	0	0	0	1	0	2

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

Of the five responding purchasers, three reported that, since 2021, they had purchased imported temporary steel fencing from China instead of U.S.-produced product. All three purchasers reported that subject import prices were lower than U.S.-produced product, and two of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than U.S.-produced product. One of the purchasers estimated the value of temporary steel fencing from China purchased instead of domestic product; values ranged from 0 to 50,000 dollars (table 5.17). Purchasers identified not wanting to buy product from competitors as non-price reasons for purchasing imported rather than U.S.-produced product.

Of the five responding purchasers, two reported that U.S. producers had not reduced prices in order to compete with lower-priced imports from China; three reported that they did not know (table 5.18).

Table 5.17 Temporary steel fencing: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Value in 1,000 dollars

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

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

Table 5.18 Temporary steel fencing: Purchasers' responses to U.S. producer price reductions, by firm

Purchaser	Reported producers lowered prices	Estimated percent of U.S. price reduction	Explanation
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
All firms	Yes—0; No—2	***	NA

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

Part 6: Financial experience of U.S. producers

Background¹

Seven U.S. producers provided usable financial results on their temporary steel fencing operations: American Fence, Behlen, National, Priefert, Tarter, Viking, and ZND. Revenue consisted of commercial sales and transfers to related firms, which accounted for *** percent and *** percent of net sales quantity in 2023, respectively. Four firms, ***, reported commercial sales only and three firms, ***, reported their rental business as transfers to related firms only.² All firms but *** reported financial data for a fiscal year ending December 31. All firms but *** provided their financial data on the basis of GAAP.³

Figure 6.1 presents each responding firm's share of the total reported net sales quantity in 2023.

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 U.S. producers' questionnaire responses of ***, question II-13 and email from ***, February 18, 2025.

³ *** reported its financial results on the basis of a fiscal year that ends on ***. *** reported their financial results on a *** basis.

Figure 6.1 Temporary steel fencing: U.S. producers' share of net sales quantity in 2023, by firm

* * * * *

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

Operations on temporary steel fencing

Table 6.1 presents aggregated data on U.S. producers' operations for the total market (commercial sales and transfers) in relation to temporary steel fencing, while table 6.2 presents corresponding changes in AUVs. Table 6.3 presents aggregated data on U.S. producers' operations specific to the merchant market (commercial sales) in relation to temporary steel fencing, while table 6.4 presents corresponding changes in AUVs. Table 6.5 presents selected company-specific financial data for the total market.

Table 6.1 Temporary steel fencing: U.S. producers' results of operations, by item and period

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

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
Commercial sales	Quantity	***	***	***	***	***
Internal consumption	Quantity	***	***	***	***	***
Transfers to related firms	Quantity	***	***	***	***	***
Total net sales	Quantity	***	***	***	***	***
Commercial sales	Value	***	***	***	***	***
Internal consumption	Value	***	***	***	***	***
Transfers to related firms	Value	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
COGS: Raw materials	Value	***	***	***	***	***
COGS: Direct labor	Value	***	***	***	***	***
COGS: Other factory	Value	***	***	***	***	***
COGS: Less: Scrap revenue	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: Less: Scrap revenue	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) Temporary steel fencing: U.S. producers' 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	100.0	100.0	100.0	100.0	100.0
Commercial sales	Unit value	***	***	***	***	***
Internal consumption	Unit value	***	***	***	***	***
Transfers to related firms	Unit value	***	***	***	***	***
Total net sales	Unit value	***	***	***	***	***
COGS: Raw materials	Unit value	***	***	***	***	***
COGS: Direct labor	Unit value	***	***	***	***	***
COGS: Other factory	Unit value	***	***	***	***	***
COGS: Less: Scrap revenue	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	***	***	***	***	***

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

Note: Shares represent the share of COGS. Zeroes, null values, and undefined calculations are suppressed and shown as “—”. The shares for COGS exclude the by-product (steel scrap revenue) offset from their calculation.

Table 6.2 Temporary steel fencing: Changes in AUVs between comparison periods

Changes in percent; interim is January to September

Item	2021–23	2021–22	2022–23	Interim 2023–24
Commercial sales	***	***	***	***
Internal consumption	***	***	***	***
Transfers to related firms	***	***	***	***
Total net sales	***	***	***	***
COGS: Raw materials	***	***	***	***
COGS: Direct labor	***	***	***	***
COGS: Other factory	***	***	***	***
COGS: Less: Scrap revenue	***	***	***	***
COGS: Total	***	***	***	***

Table continued.

Table 6.2 (Continued) Temporary steel fencing: Changes in AUVs between comparison periods

Changes in dollars per pound; interim is January to September

Item	2021–23	2021–22	2022–23	Interim 2023–24
Commercial sales	***	***	***	***
Internal consumption	***	***	***	***
Transfers to related firms	***	***	***	***
Total net sales	***	***	***	***
COGS: Raw materials	***	***	***	***
COGS: Direct labor	***	***	***	***
COGS: Other factory	***	***	***	***
COGS: Less: Scrap revenue	***	***	***	***
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 “0.00” represent values greater than zero, but less than “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.

Table 6.3 Temporary steel fencing: U.S. producers' results of merchant market operations, by item and period

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

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
Commercial sales	Quantity	***	***	***	***	***
Commercial sales	Value	***	***	***	***	***
COGS: Raw materials	Value	***	***	***	***	***
COGS: Direct labor	Value	***	***	***	***	***
COGS: Other factory	Value	***	***	***	***	***
COGS: Less: Scrap revenue	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: Less: Scrap revenue	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 6.3 (Continued) Temporary steel fencing: U.S. producers' results of merchant market 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	100.0	100.0	100.0	100.0	100.0
Commercial sales	Unit value	***	***	***	***	***
COGS: Raw materials	Unit value	***	***	***	***	***
COGS: Direct labor	Unit value	***	***	***	***	***
COGS: Other factory	Unit value	***	***	***	***	***
COGS: Less: Scrap revenue	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	***	***	***	***	***

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

Note: Shares represent the share of COGS. Zeroes, null values, and undefined calculations are suppressed and shown as "---". The shares for COGS exclude the by-product (steel scrap revenue) offset from their calculation.

Table 6.4 Temporary steel fencing: Changes in AUVs between comparison periods

Changes in percent; interim is January to September

Item	2021–23	2021–22	2022–23	Interim 2023–24
Commercial sales	***	***	***	***
COGS: Raw materials	***	***	***	***
COGS: Direct labor	***	***	***	***
COGS: Other factory	***	***	***	***
COGS: Less: Scrap revenue	***	***	***	***
COGS: Total	***	***	***	***

Table continued.

Table 6.4 (Continued) Temporary steel fencing: Changes in AUVs between comparison periods

Changes in dollars per pound; interim is January to September

Item	2021–23	2021–22	2022–23	Interim 2023–24
Commercial sales	***	***	***	***
COGS: Raw materials	***	***	***	***
COGS: Direct labor	***	***	***	***
COGS: Other factory	***	***	***	***
COGS: Less: Scrap revenue	***	***	***	***
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. Period changes preceded by a “▲” represent an increase, while period changes preceded by a “▼” represent a decrease.

Table 6.5 Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Net sales quantity

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

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Net sales value

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

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

COGS

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

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Gross profit or (loss)

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

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

SG&A expenses

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

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Operating income or (loss)

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

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Net income or (loss)

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

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

COGS to net sales ratio

Ratios in percent; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Gross profit or (loss) to net sales ratio

Ratios in percent; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

SG&A expenses to net sales ratio

Ratios in percent; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Operating income or (loss) to net sales ratio

Ratios in percent; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Net income or (loss) to net sales ratio

Ratios in percent; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit net sales value

Unit values in dollars per pound; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit raw material costs

Unit values in dollars per pound; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit direct labor costs

Unit values in dollars per pound; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit other factory costs

Unit values in dollars per pound; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit COGS

Unit values in dollars per pound; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit gross profit or (loss)

Unit values in dollars per pound; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit SG&A expenses

Unit values in dollars per pound; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit operating income or (loss)

Unit values in dollars per pound; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table 6.5 (Continued) Temporary steel fencing: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit net income or (loss)

Unit values in dollars per pound; interim is January to September

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

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

Note: Unit values shown as "0.00" represent values greater than zero, but less than "0.005," respectively. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Net sales

As shown in table 6.1, the industry's total net sales quantity and value declined irregularly from 2021 to 2023 and were higher in interim 2024 than in interim 2023. On a company-by-company basis as shown in table 6.5, *** reported an overall decline in net sales quantity and value from 2021 to 2023, and *** is the only firm which reported higher net sales quantity and value in interim 2024 than in interim 2023.⁴

The average unit sales value increased irregularly from 2021 to 2023 but was lower in interim 2024 than in interim 2023. All firms except *** reported an overall increase in unit

⁴ ***. Email from ***, February 18, 2025. ***. Email from ***, February 18, 2025.

sales value from 2021 to 2023, and five firms (***) reported lower unit sales values in interim 2024 than in interim 2023.^{5 6}

Cost of goods sold and gross profit or loss

As shown in table 6.1, raw materials represent the single largest component of total COGS and ranged from *** percent of total COGS in 2023 to *** percent of total COGS in 2021. Per-unit raw material costs increased irregularly from 2021 to 2023 but were lower in interim 2024 than in interim 2023. As shown in table 6.5, four firms (***) reported an overall increase in per unit raw material costs from 2021 to 2023, and all firms except *** reported lower per-unit raw material costs in interim 2024 than in interim 2023. As a ratio to net sales, raw material costs declined irregularly from 2021 to 2023 and were lower in interim 2024 than in interim 2023.

Raw materials consisted of steel tubing, steel wire, steel mesh, other steel inputs, and other material inputs. The “other material inputs” category included ***. Table 6.6 presents raw materials, by type.

Table 6.6 Temporary steel fencing: U.S. producers’ raw material costs in 2023

Value in 1,000 dollars; share of value in percent

Item	Value	Share of value
Steel tubing	***	***
Steel wire	***	***
Steel mesh	***	***
Other steel inputs	***	***
Other material inputs	***	***
All raw materials	***	***

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

As shown in table 6.1, as a share of total COGS, direct labor costs ranged from *** percent in interim 2024 to *** percent in 2023, while other factory costs ranged from *** percent in 2022 to *** percent in interim 2024. The average per-unit direct labor costs increased from 2021 to 2023 but were lower in interim 2024 than in interim 2023. The average

⁵ For merchant market operations as shown in table 6.3, commercial sales quantity and value and the average unit sales value exhibited the same trend as total market operations.

⁶ Unit sales values for transfers to related firms were lower than commercial sales throughout the reporting period. ***. U.S. producers’ questionnaire response of ***, questions II-4.(b) and III-9c.

per-unit other factory costs also increased from 2021 to 2023 but were unchanged between the interim periods. As a ratio to net sales, both direct labor costs and other factory costs overall increased from 2021 to 2023, but direct labor costs were lower in interim 2024 than in interim 2023 while other factory costs were higher in the same period.⁷

As shown in table 6.1, total COGS declined irregularly from 2021 to 2023 and was higher in interim 2024 than in interim 2023. As shown in Table 6.5, four firms (***) reported an overall decline in total COGS from 2021 to 2023, and *** is the only firm which reported higher total COGS in interim 2024 than in interim 2023. As shown in table 6.1, COGS as a ratio to net sales declined irregularly from 2021 to 2023 and was lower in interim 2024 than in interim 2023, largely driven by trends in raw material costs. Per-unit COGS increased irregularly from 2021 to 2023 but was lower in interim 2024 than in interim 2023.⁸

Table 6.1 shows that U.S. producers' aggregate gross profit moved within a relatively narrow range but increased irregularly from 2021 to 2023 because the decline in total COGS was greater than the decline in total net sales value. The industry's gross profit was higher in interim 2024 than in interim 2023 as the increase in net sales value was greater than the increase in COGS. As a ratio to net sales, gross profit increased irregularly from 2021 to 2023 and was higher in interim 2024 than in interim 2023. As shown in Table 6.5, *** is the only firm which reported an overall increase in total gross profit from 2021 to 2023 and two firms (***) reported higher gross profit in interim 2024 than in interim 2023.⁹ *** reported gross losses throughout the reporting period.¹⁰

⁷ ***. Email from ***, January 31, 2025 and U.S. producers' questionnaire response of ***, question III-12b.

⁸ For merchant market operations as shown in tables 6.3, total COGS exhibited the same trend as total market operations; COGS as a ratio to net sales declined from 2021 to 2023 and was lower in interim 2024 than in interim 2023; and per-unit COGS increased from 2021 to 2022 then declined to the same level as 2021 in 2023 and was lower in interim 2024 than in interim 2023.

⁹ ***.

¹⁰ For merchant market operations as shown in tables 6.3, total gross profit exhibited the same trend as total market operations. As a ratio to net sales, gross profit increased from 2021 to 2023 and was higher in interim 2024 than in interim 2023.

SG&A expenses and operating income or loss

As shown in table 6.1, the U.S. industry's SG&A expenses increased from 2021 to 2023 but were lower in interim 2024 than in interim 2023. As a ratio to net sales and on a per unit basis, SG&A expenses increased from 2021 to 2023 but were lower in interim 2024 than in interim 2023. As shown in table 6.5, three firms (***) reported an increase in SG&A expenses from 2021 to 2023 and all firms except *** reported lower SG&A expenses in interim 2024 than in interim 2023.^{11 12}

Table 6.1 shows that U.S. producers' aggregate operating income declined from 2021 to 2023 but was higher in interim 2024 than in interim 2023. The operating income margin (operating income as a ratio to net sales) exhibited the same trend as the operating income. As shown in table 6.5, the operating income/loss of all firms except *** declined/worsened overall from 2021 to 2023 and three firms (***) reported higher operating income in interim 2024 than in interim 2023.¹³

All other expenses and net income or loss

Interest expense, other expense, and other income are classified below the operating income level. In tables 6.1 and 6.3, these items are aggregated and only the net amount is shown. Aggregate all other expenses increased from 2021 to 2023 and were higher in interim 2024 than in interim 2023. *** accounted for the vast majority of all other expenses.¹⁴

As shown in table 6.1, net income declined from 2021 to a loss in 2023 but was higher in interim 2024 than in interim 2023. The net income margin (net income as a ratio to net sales) exhibited the same trend as the net income. As shown in table 6.5, all firms except *** reported an overall decline in net income or worsening net loss from 2021 to 2023, and three

¹¹ ***. Email from ***, February 18, 2025.

¹² For merchant market operations as shown in tables 6.3, total SG&A expenses and SG&A expenses on a per unit basis and as a ratio to net sales exhibited the same trends as total market operations.

¹³ For merchant market operations as shown in tables 6.3, operating income and operating income margin declined irregularly from 2021 to 2023 but were higher in interim 2024 than in interim 2023.

¹⁴ ***. Email from ***, February 18, 2025.

firms (***) reported higher net income or improved net loss in interim 2024 than in interim 2023.^{15 16}

¹⁵ The Commission's variance analysis is generally more meaningful when product mix remains the same throughout the period. Because of the variation in unit values and mix of panel (chain link and wire mesh), stand and types of steel (coated and uncoated), a variance analysis is not shown in this section of the report.

¹⁶ For merchant market operations as shown in tables 6.3, net income and net income margin overall declined irregularly from 2021 to 2023 but were higher in interim 2024 than in interim 2023.

Capital expenditures and research and development expenses

Table 6.7 presents capital expenditures, by firm, and table 6.9 presents R&D expenses, by firm. Tables 6.8 and 6.10 present the firms' narrative explanations of the nature, focus, and significance of their capital expenditures and R&D expenses, respectively. Capital expenditures irregularly increased from 2021 to 2023 and were higher in interim 2024 than in interim 2023. R&D expenses were reported in 2023 only by ***.

Table 6.7 Temporary steel fencing: U.S. producers' capital expenditures, by firm and period

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

Firm	2021	2022	2023	Interim 2023	Interim 2024
American Fence	***	***	***	***	***
Behlen	***	***	***	***	***
National	***	***	***	***	***
Priefert	***	***	***	***	***
Tarter	***	***	***	***	***
Viking	***	***	***	***	***
ZND	***	***	***	***	***
All firms	***	***	***	***	***

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

Table 6.8 Temporary steel fencing: U.S. producers' narrative descriptions of their capital expenditures, by firm

Firm	Narrative on capital expenditures
American Fence	***
Behlen	***
National	***
Priefert	***
Tarter	***
Viking	***
ZND	***

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

Table 6.9 Temporary steel fencing: U.S. producers' R&D expenses, by firm and period

Value in 1,000 dollars

Firm	2021	2022	2023	Interim 2023	Interim 2024
***	***	***	***	***	***
All firms	***	***	***	***	***

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

Table 6.10 Temporary steel fencing: U.S. producers' narrative descriptions of their R&D expenses, by firm

Firm	Narrative on R&D expenses
***	***
***	***

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

Assets and return on assets

Table 6.11 presents data on the U.S. producers' total assets while table 6.12 presents their operating ROA.¹⁷ Table 6.13 presents U.S. producers' narrative responses explaining their major asset categories and any significant changes in asset levels over time. Total net assets and the ROA overall declined from 2021 to 2023.

Table 6.11 Temporary steel fencing: U.S. producers' total net assets, by firm and period

Value in 1,000 dollars

Firm	2021	2022	2023
American Fence	***	***	***
Behlen	***	***	***
National	***	***	***
Priefert	***	***	***
Tarter	***	***	***
Viking	***	***	***
ZND	***	***	***
All firms	***	***	***

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

Table 6.12 Temporary steel fencing: U.S. producers' ROA, by firm and period

Ratio in percent

Firm	2021	2022	2023
American Fence	***	***	***
Behlen	***	***	***
National	***	***	***
Priefert	***	***	***
Tarter	***	***	***
Viking	***	***	***
ZND	***	***	***
All firms	***	***	***

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

¹⁷ The operating ROA is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations are generally required in order to report a total asset value on a product-specific basis.

Table 6.13 Temporary steel fencing: U.S. producers' narrative descriptions of their total net assets, by firm

Firm	Narrative on assets
***	***
***	***
***	***
***	***
***	***
***	***

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

Capital and investment

The Commission requested U.S. producers of temporary steel fencing to describe any actual or potential negative effects of imports of temporary steel fencing from China on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table 6.14 presents the number of firms reporting an impact in each category and table 6.15 provides the U.S. producers' narrative responses.

Table 6.14 Temporary steel fencing: Count of firms indicating 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	3
Denial or rejection of investment proposal	Investment	1
Reduction in the size of capital investments	Investment	2
Return on specific investments negatively impacted	Investment	2
Other investment effects	Investment	0
Any negative effects on investment	Investment	3
Rejection of bank loans	Growth	0
Lowering of credit rating	Growth	0
Problem related to the issue of stocks or bonds	Growth	0
Ability to service debt	Growth	0
Other growth and development effects	Growth	2
Any negative effects on growth and development	Growth	2
Anticipated negative effects of imports	Future	4

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

Note: *** responded "no" to the questions on investment. *** responded "no" to the questions on growth and development. *** responded "no" to the question on anticipated effects.

Table 6.15 Temporary steel fencing: U.S. producers' narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2021, by firm and effect

Item	Firm name and narrative on impact of imports
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Denial or rejection of investment proposal	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Other effects on growth and development	***
Other effects on growth and development	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***

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

The Commission’s questionnaire requested companies to describe the effect of the COVID-19 pandemic or government actions to contain the spread of the COVID-19 virus on the firm’s financial performance since January 1, 2021. Industry responses are in table 6.16.

Table 6.16 Temporary steel fencing: U.S. producers’ narrative descriptions on the effect of COVID-19 on financial performance, by firm

Firm	Narrative on assets
***	***
***	***

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 factors¹--

- (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 alleged 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 77 firms believed to produce and/or export temporary steel fencing from China.³ A usable response to the Commission's questionnaire was received from one firm: Shijiazhuang S D Company ("SD Company").⁴ SD Company ***. SD Company's reported 2023 exports to the United States as a share of 2023 imports from China, as reported in Commission questionnaires, was *** percent.

Table 7.1 presents information on the temporary steel fencing operations of SD Company in China.

Table 7.1 Temporary steel fencing: Summary data for producer SD Company 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)
SD Company	***	***	***	***	***	***

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

There were no important industry events in the Chinese industry during the data collection period identified by interested parties in this proceeding and no relevant information from outside sources was found.

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

⁴ One firm, ***, certified it has not exported or produced temporary steel fencing in China at any time since January 1, 2021.

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 temporary steel fencing since 2021. Table 7.2 presents the changes identified by SD Company.

Table 7.2 Temporary steel fencing: Reported changes in operations in China since January 1, 2021, by firm

Item	Firm name (subject foreign industry) and accompanying narrative response regarding changes in operations
Weather-related or force majeure events	***

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

Installed and practical overall capacity

Table 7.3 presents data on China producers' installed capacity, practical overall capacity, and practical temporary steel fencing capacity and production on the same equipment. Installed and practical overall capacities each increased by *** percent from 2021 to 2023 and were each *** percent higher in interim 2024 than in interim 2023. Overall production increased by *** percent from 2021 to 2023 and was *** percent higher in interim 2024 than in interim 2023. Installed overall capacity utilization was *** percent and practical overall capacity utilization was between *** and *** percent throughout the data collection period.

Table 7.3 Temporary steel fencing: China producers' 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 period is January through 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 Temporary steel fencing	Capacity	***	***	***	***	***
Practical Temporary steel fencing	Production	***	***	***	***	***
Practical Temporary steel fencing	Utilization	***	***	***	***	***

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

Constraints on capacity

SD Company did not report any constraints on capacity.

Operations on temporary steel fencing

Table 7.4 presents information on the temporary steel fencing operations of the responding producer and exporter in China. Practical temporary steel fencing capacity and production each increased by *** percent from 2021 to 2023 and capacity was *** percent higher in interim 2024 than in interim 2023, while production was *** percent higher. Capacity is projected to increase by *** percent from 2023 to 2024 and production is projected to increase by *** percent from 2024 to 2025. *** capacity *** production are projected to change from 2024 to 2025. Capacity utilization was between *** and *** percent during the data collection period and is projected to increase by *** percentage points from 2023 to 2024.

Exports to the United States accounted for between *** to *** percent of SD Company's total shipments during the data collection period. Exports to the United States increased by *** percent from 2021 to 2023 and were *** percent higher in interim 2024 than in interim 2023. Exports to the United States are projected to increase by *** percent from 2023 to 2024 and are *** projected to change between 2024 and 2025. Exports to all other markets increased by *** percent from 2021 to 2023, but were *** percent lower in interim 2024 than in interim 2023. Exports to all other markets are projected to decrease by *** percent from 2023 to 2024 and are *** projected to change from 2024 to 2025.

Table 7.4 Temporary steel fencing: Data on industry in China, by period

Quantity in 1,000 pounds; interim period is January through September

Item	2021	2022	2023	Interim 2023	Interim 2024	Projection 2024	Projection 2025
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
Beginning Inventories	***	***	***	***	***	***	***
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 7.4 (Continued) Temporary steel fencing: Data on industry in China, by period

Shares and ratios in percent, interim period is January through September

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.

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “—”.

Alternative products

As shown in table 7.5, SD Company produced other products on the same equipment and machinery used to produce temporary steel fencing, including ***. Temporary steel fencing accounted for around *** of SD’s overall production during the data collection period.

Table 7.5 Temporary steel fencing: SD Company’s overall production on the same equipment as in-scope production, by period

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

Product type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Temporary steel fencing	Quantity	***	***	***	***	***
Out of scope fencing panels	Quantity	***	***	***	***	***
Out of scope fence stands	Quantity	***	***	***	***	***
Other out of scope products	Quantity	***	***	***	***	***
All out of scope products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Temporary steel fencing	Share	***	***	***	***	***
Out of scope fencing panels	Share	***	***	***	***	***
Out of scope fence stands	Share	***	***	***	***	***
Other out of scope 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.

Exports

According to GTA, the leading export markets for iron or steel structures from China are Indonesia, South Korea, Japan, and the United States (table 7.6). During 2023, Indonesia was a top export market for iron or steel structures from China, accounting for 7.9 percent, followed by South Korea, accounting for 7.8 percent.

Table 7.6 Iron or steel structures: Exports from China, by period

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

Destination market	Measure	2021	2022	2023
United States	Quantity	1,293,932	1,271,873	1,216,932
Indonesia	Quantity	878,600	1,340,466	1,523,811
South Korea	Quantity	899,052	1,097,282	1,504,908
Japan	Quantity	1,436,844	1,366,372	1,397,864
Hong Kong	Quantity	807,140	917,306	979,804
Australia	Quantity	992,174	1,011,723	956,969
Thailand	Quantity	426,650	436,242	778,729
Philippines	Quantity	409,321	531,656	646,904
Malaysia	Quantity	316,884	390,866	606,838
All other destination markets	Quantity	7,119,380	7,303,551	9,615,518
Non-U.S. destination markets	Quantity	13,286,046	14,395,463	18,011,345
All destination markets	Quantity	14,579,978	15,667,336	19,228,277
United States	Value	1,187,298	1,429,761	1,165,359
Indonesia	Value	633,922	1,058,187	1,009,943
South Korea	Value	606,544	886,066	1,247,454
Japan	Value	1,168,011	1,144,584	1,183,125
Hong Kong	Value	752,449	1,020,370	987,324
Australia	Value	812,678	1,004,143	764,278
Thailand	Value	407,024	481,110	653,784
Philippines	Value	434,192	599,749	511,885
Malaysia	Value	297,459	427,501	488,459
All other destination markets	Value	6,458,326	7,660,801	8,418,495
Non-U.S. destination markets	Value	11,570,604	14,282,510	15,264,746
All destination markets	Value	12,757,902	15,712,272	16,430,105

Table continued.

Table 7.6 (Continued) Iron or steel structures: Exports from China, by period

Unit value in dollars per pound; share in percent

Destination market	Measure	2021	2022	2023
United States	Unit value	0.92	1.12	0.96
Indonesia	Unit value	0.72	0.79	0.66
South Korea	Unit value	0.67	0.81	0.83
Japan	Unit value	0.81	0.84	0.85
Hong Kong	Unit value	0.93	1.11	1.01
Australia	Unit value	0.82	0.99	0.80
Thailand	Unit value	0.95	1.10	0.84
Philippines	Unit value	1.06	1.13	0.79
Malaysia	Unit value	0.94	1.09	0.80
All other destination markets	Unit value	0.91	1.05	0.88
Non-U.S. destination markets	Unit value	0.87	0.99	0.85
All destination markets	Unit value	0.88	1.00	0.85
United States	Share of quantity	8.9	8.1	6.3
Indonesia	Share of quantity	6.0	8.6	7.9
South Korea	Share of quantity	6.2	7.0	7.8
Japan	Share of quantity	9.9	8.7	7.3
Hong Kong	Share of quantity	5.5	5.9	5.1
Australia	Share of quantity	6.8	6.5	5.0
Thailand	Share of quantity	2.9	2.8	4.0
Philippines	Share of quantity	2.8	3.4	3.4
Malaysia	Share of quantity	2.2	2.5	3.2
All other destination markets	Share of quantity	48.8	46.6	50.0
Non-U.S. destination markets	Share of quantity	91.1	91.9	93.7
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7308.90 as reported by China customs in the Global Trade Atlas Suite database, accessed February 4, 2025.

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 top destination markets in descending order of 2023 data.

U.S. inventories of imported merchandise

Table 7.7 presents data on U.S. importers' reported inventories of temporary steel fencing.⁵ End-of-period inventories of U.S. imports from China increased by 161.1 percent from 2021 to 2023 and were 48.2 percent higher in interim 2024 than in interim 2023. The ratio of end-of-period inventories of U.S. imports from China to U.S. shipments of imports increased by

⁵ Importer *** was unable to report its end-of-period inventories, thus, inventories are understated.

*** percentage points from 2021 to 2023 and was *** percentage points higher in interim 2024 than in interim 2023.

End-of-period inventories of U.S. imports from nonsubject imports increased by *** percent from 2021 to 2022, then decreased by *** percent from 2022 to 2023, for a total *** percent increase from 2021 to 2023, but were *** percent lower in interim 2024 than in interim 2023. The ratio of end-of-period inventories of U.S. imports from nonsubject sources to U.S. shipments of imports increased irregularly by *** percentage points from 2021 to 2023 but was *** percentage points lower in interim 2024 than in interim 2023.

End-of-period inventories of U.S. imports from all sources increased by *** percent from 2021 to 2023 and were *** percent higher in interim 2024 than in interim 2023.

Table 7.7 Temporary steel fencing: U.S. importers' inventories and their ratio to select items, by source and period

Quantity in 1,000 pounds; ratio in percent, interim period is January through September

Measure	Source	2021	2022	2023	Interim 2023	Interim 2024
Inventories quantity	China	3,178	6,016	8,297	5,758	8,536
Ratio to imports	China	***	***	***	***	***
Ratio to U.S. shipments of imports	China	***	***	***	***	***
Ratio to total shipments of imports	China	***	***	***	***	***
Inventories quantity	Nonsubject sources	***	***	***	***	***
Ratio to imports	Nonsubject sources	***	***	***	***	***
Ratio to U.S. shipments of imports	Nonsubject sources	***	***	***	***	***
Ratio to total shipments of imports	Nonsubject sources	***	***	***	***	***
Inventories quantity	All import sources	***	***	***	***	***
Ratio to imports	All import sources	***	***	***	***	***
Ratio to U.S. shipments of imports	All import sources	***	***	***	***	***
Ratio to total shipments of imports	All import sources	***	***	***	***	***

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

U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of temporary steel fencing from China after September 30, 2024. Their reported data are presented in table 7.8. The increase of arranged imports from China from Q4 2024 to Q1 2025 is largely driven by an increase of arranged imports reported by *** in Q1 2025.

Table 7.8 Temporary steel fencing: 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, temporary steel fencing from China has not been subject to other antidumping or countervailing duty investigations outside the United States.

Information on nonsubject countries

Table 7.9 presents global export data for HS subheading 7308.90, a category that includes temporary steel fencing and out-of-scope products.

Table 7.9 Temporary steel fencing: Global exports by exporter and period

Value in 1,000 dollars; share in percent

Exporting country	Measure	2021	2022	2023
United States	Value	788,027	885,929	961,802
China	Value	12,757,902	15,712,272	16,430,105
Germany	Value	3,385,523	3,342,599	3,496,651
Poland	Value	3,080,439	3,352,714	3,438,144
Spain	Value	1,682,576	1,861,132	2,290,181
Mexico	Value	1,177,416	1,741,269	1,801,067
South Korea	Value	1,366,824	1,823,308	1,766,542
Netherlands	Value	1,563,949	1,446,257	1,746,637
Belgium	Value	1,896,951	1,750,060	1,532,181
Turkey	Value	1,058,056	1,420,148	1,480,101
Czech Republic	Value	1,386,211	1,428,455	1,310,341
Canada	Value	1,020,252	1,229,515	1,303,974
All other exporters	Value	14,289,485	14,982,731	14,906,633
All reporting exporters	Value	45,453,610	50,976,390	52,464,360
United States	Share	1.7	1.7	1.8
China	Share	28.1	30.8	31.3
Germany	Share	7.4	6.6	6.7
Poland	Share	6.8	6.6	6.6
Spain	Share	3.7	3.7	4.4
Mexico	Share	2.6	3.4	3.4
South Korea	Share	3.0	3.6	3.4
Netherlands	Share	3.4	2.8	3.3
Belgium	Share	4.2	3.4	2.9
Turkey	Share	2.3	2.8	2.8
Czech Republic	Share	3.0	2.8	2.5
Canada	Share	2.2	2.4	2.5
All other exporters	Share	31.4	29.4	28.4
All reporting exporters	Share	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7308.90 as reported by various national statistical authorities in the Global Trade Atlas Suite database, accessed February 4, 2025.

Note: 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 7702, January 22, 2025	Temporary Steel Fencing From China; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations	https://www.govinfo.gov/content/pkg/FR-2025-01-22/pdf/2025-01434.pdf
90 FR 9311, February 11, 2025	Temporary Steel Fencing From the People's Republic of China: Initiation of Countervailing Duty Investigation	https://www.govinfo.gov/content/pkg/FR-2025-02-11/pdf/2025-02443.pdf
90 FR 9315, February 11, 2025	Temporary Steel Fencing From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation	https://www.govinfo.gov/content/pkg/FR-2025-02-11/pdf/2025-02442.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: Temporary Steel Fencing from China
Inv. Nos.: 701-TA-754 and 731-TA-1732 (Preliminary)
Date and Time: February 5, 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 (**Elizabeth J. Drake**, Schagrin Associates)
In Opposition to Imposition (**Stephanie Hartmann**, WilmerHale LLP)

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

Schagrin Associates
Washington, DC
on behalf of

ZND US Inc.

Marcel van Kesteren, Chief Executive Officer, ZND Group and Director,
ZND US Inc.

Seth Walters, President, ZND US Inc.

Elizabeth J. Drake)
Saad Y. Chalchal) – OF COUNSEL
Alessandra A. Palazzolo)

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

WilmerHale LLP
Washington, DC
on behalf of

SONCO Worldwide

Stephen Greer, Chief Executive Officer, SONCO Worldwide

Giuliano Marinho, President, SONCO Worldwide

Stephanie Hartmann)
) – OF COUNSEL
David Ross)

Reed Smith LLP
Washington, DC
on behalf of

Direct Scaffold Supply (DSS)

James Ivy, Chief Executive Officer, DSS

Courtney Fisher) – OF COUNSEL

CLOSING REMARKS/REBUTTAL:

In Support of Imposition (**Elizabeth J. Drake**, Schagrin Associates)
In Opposition to Imposition (**Stephanie Hartmann**, WilmerHale LLP)

APPENDIX C
SUMMARY DATA

Table C.1: Temporary steel fencing: Summary data concerning the total U.S. market C.3

Table C.2: Temporary steel fencing: Summary data concerning the merchant U.S. market..... C.5

Total Market

Table C.1

Temporary steel fencing: Summary data concerning the U.S. total 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 to September

Item	Reported data					Period change comparisons				
	Calendar year			Interim		Calendar year			Interim	
	2021	2022	2023	2023	2024	2021-23	2021-22	2022-23	2023-24	
U.S. total market consumption quantity:										
Amount	87,878	109,337	90,852	72,822	85,494	▲3.4	▲24.4	▼(16.9)	▲17.4	
Producers' share (fn1)	***	***	***	***	***	▼***	▲***	▼***	▼***	
Importers' share (fn1):										
China	49.5	54.5	58.9	61.9	59.6	▲9.4	▲5.1	▲4.4	▼(2.3)	
Nonsubject sources	***	***	***	***	***	▼***	▼***	▲***	▲***	
All import sources	***	***	***	***	***	▲***	▼***	▲***	▲***	
U.S. total market consumption value:										
Amount	123,804	179,245	132,961	108,696	121,549	▲7.4	▲44.8	▼(25.8)	▲11.8	
Producers' share (fn1)	***	***	***	***	***	▼***	▼***	▼***	▼***	
Importers' share (fn1):										
China	45.6	52.3	55.3	58.3	56.4	▲9.7	▲6.7	▲3.0	▼(1.9)	
Nonsubject sources	***	***	***	***	***	▼***	▼***	▲***	▲***	
All import sources	***	***	***	***	***	▲***	▲***	▲***	▲***	
U.S. importers' U.S. shipments of imports from:										
China:										
Quantity	43,463	59,615	53,506	45,075	50,958	▲23.1	▲37.2	▼(10.2)	▲13.1	
Value	56,481	93,767	73,540	63,409	68,598	▲30.2	▲66.0	▼(21.6)	▲8.2	
Unit value	\$1.30	\$1.57	\$1.37	\$1.41	\$1.35	▲5.8	▲21.0	▼(12.6)	▼(4.3)	
Ending inventory quantity	3,178	6,016	8,297	5,758	8,536	▲161.1	▲89.3	▲37.9	▲48.2	
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

Temporary steel fencing: Summary data concerning the U.S. total 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 to September

Item	Reported data					Period change comparisons			
	Calendar year			Interim		Calendar year			Interim
	2021	2022	2023	2023	2024	2021-23	2021-22	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.

Merchant Market

Table C.2

Temporary steel fencing: Summary data concerning the U.S. merchant 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 to September

Item	Reported data					Period change comparisons				
	2021	Calendar year 2022	2023	Interim 2023	2024	2021-23	Calendar year 2021-22	2022-23	Interim 2023-24	
U.S. merchant market consumption quantity:										
Amount	***	***	***	***	***	▲***	▲***	▼***	▲***	
Producers' share (fn1)	***	***	***	***	***	▼***	▲***	▼***	▼***	
Importers' share (fn1):										
China	***	***	***	***	***	▲***	▲***	▲***	▼***	
Nonsubject sources	***	***	***	***	***	▼***	▼***	▲***	▲***	
All import sources	***	***	***	***	***	▲***	▼***	▲***	▲***	
U.S. merchant market 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	43,463	59,615	53,506	45,075	50,958	▲23.1	▲37.2	▼(10.2)	▲13.1	
Value	56,481	93,767	73,540	63,409	68,598	▲30.2	▲66.0	▼(21.6)	▲8.2	
Unit value	\$1.30	\$1.57	\$1.37	\$1.41	\$1.35	▲5.8	▲21.0	▼(12.6)	▼(4.3)	
Ending inventory quantity	3,178	6,016	8,297	5,758	8,536	▲161.1	▲89.3	▲37.9	▲48.2	
Nonsubject sources:										
Quantity	***	***	***	***	***	▼***	▼***	▲***	▲***	
Value	***	***	***	***	***	▼***	▼***	▼***	▲***	
Unit value	***	***	***	***	***	▼***	▲***	▼***	▼***	
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▼***	▼***	
All import sources:										
Quantity	***	***	***	***	***	▲***	▲***	▼***	▲***	
Value	***	***	***	***	***	▲***	▲***	▼***	▲***	
Unit value	***	***	***	***	***	▲***	▲***	▼***	▼***	
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▲***	
U.S. producers':										
Commercial U.S. shipments										
Quantity	***	***	***	***	***	▼***	▲***	▼***	▲***	
Value	***	***	***	***	***	▲***	▲***	▼***	▲***	
Unit Value	***	***	***	***	***	▲***	▲***	▼***	▼***	
Commercial 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

SELECT DATA BY PRODUCER TYPE

Tables D.1 through D. 4 present select producer data based on producer type. *** are “kennel producers” and *** are “other temporary steel fencing producers.”

Table D.1 Temporary steel fencing: U.S. producers’ production, by producer type

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

Producer Type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Kennel producers	Quantity	***	***	***	***	***
Other temporary steel fencing producers	Quantity	***	***	***	***	***
All producers	Quantity	***	***	***	***	***
Kennel producers	Share	***	***	***	***	***
Other temporary steel fencing producers	Share	***	***	***	***	***
All producers	Share	100.0	100.0	100.0	100.0	100.0

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

Table D.2 Temporary steel fencing: U.S. producers’ U.S. shipments, by producer type

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

Producer Type	Measure	2021	2022	2023	Interim 2023	Interim 2024
Kennel producers	Quantity	***	***	***	***	***
Other temporary steel fencing producers	Quantity	***	***	***	***	***
All producers	Quantity	***	***	***	***	***
Kennel producers	Value	***	***	***	***	***
Other temporary steel fencing producers	Value	***	***	***	***	***
All producers	Value	***	***	***	***	***
Kennel producers	Unit value	***	***	***	***	***
Other temporary steel fencing producers	Unit value	***	***	***	***	***
All producers	Unit value	***	***	***	***	***
Kennel producers	Share of quantity	***	***	***	***	***
Other temporary steel fencing producers	Share of quantity	***	***	***	***	***
All producers	Share of quantity	100.0	100.0	100.0	100.0	100.0
Kennel producers	Share of value	***	***	***	***	***
Other temporary steel fencing producers	Share of value	***	***	***	***	***
All producers	Share of value	100.0	100.0	100.0	100.0	100.0

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

Table D.3 Temporary steel fencing: U.S. kennel producers' results of operations, by item and period

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

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
Total net sales	Quantity	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
COGS: Total	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
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	***	***	***	***	***
Total net sales	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	***	***	***	***	***

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

Table D.4 Temporary steel fencing: U.S. other temporary steel fencing producers' results of operations, by item and period

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

Item	Measure	2021	2022	2023	Interim 2023	Interim 2024
Total net sales	Quantity	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
COGS: Total	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
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	***	***	***	***	***
Total net sales	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	***	***	***	***	***

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

