

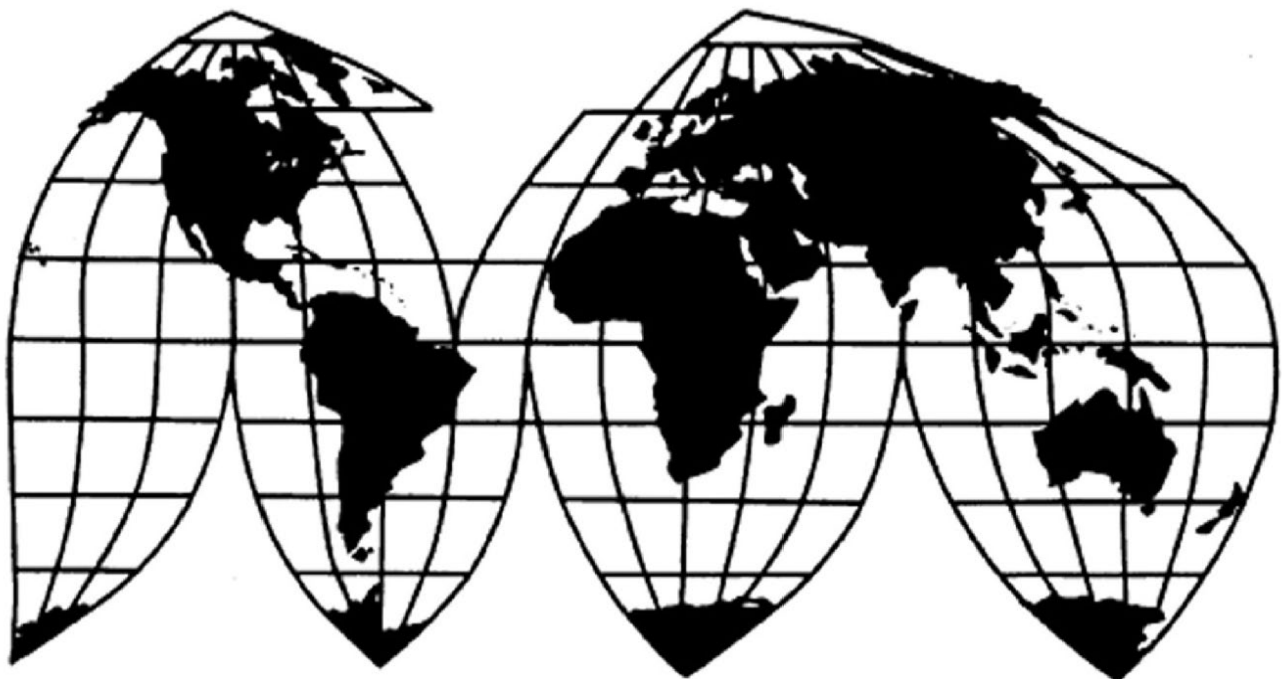
Uncovered Innerspring Units from China, South Africa, and Vietnam

Investigation Nos. 731-TA-1140–1142 (Third Review)

Publication 5604

March 2025

U.S. International Trade Commission



U.S. International Trade Commission

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Note: Information that would reveal confidential operations of individual concerns may not be published.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

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-1140-1142 (Third Review)

Uncovered Innerspring Units from China, South Africa, and Vietnam

DETERMINATIONS

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

BACKGROUND

The Commission instituted these reviews on September 3, 2024 (89 FR 71414) and determined on December 9, 2024, that it would conduct expedited reviews (90 FR 8940, February 4, 2025).²

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

² Commissioner David S. Johanson voted to conduct full reviews.

Views of the Commission

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

I. Background

Original Investigations. In December 2007, Leggett & Platt Incorporated (“Leggett & Platt”), a domestic producer of uncovered innerspring units, filed antidumping duty petitions concerning imports of uncovered innerspring units from China, South Africa, and Vietnam.¹ In December 2008, the Commission determined that an industry in the United States was materially injured by reason of less than fair value (“LTFV”) imports of uncovered innerspring units from South Africa and Vietnam,² and the Department of Commerce (“Commerce”) subsequently issued antidumping duty orders on those imports.³ In February 2009, the Commission determined that an industry in the United States was materially injured by reason of LTFV imports of uncovered innerspring units from China,⁴ and Commerce subsequently issued an antidumping duty order on those imports.⁵

First Reviews. In November 2013, the Commission instituted its first five-year reviews of the antidumping duty orders.⁶ After conducting expedited reviews, the Commission determined that revocation of the orders would be likely to lead to continuation or recurrence

¹ Uncovered Innerspring Units from South Africa and Vietnam, Inv. Nos. 731-TA-1141-1142 (Final), USITC Pub. 4051 at 1 (Dec. 2008) (“Original Determinations”).

² *Original Determinations*, USITC Pub. 4051 at 1.

³ Antidumping Duty Order: Uncovered Innerspring Units from South Africa, 73 Fed. Reg. 75390 (Dec. 11, 2008); Antidumping Duty Order: Uncovered Innerspring Units from the Socialist Republic of Vietnam, 73 Fed. Reg. 75391 (Dec. 11, 2008).

⁴ *Uncovered Innerspring Units from China*, Inv. No. 731-TA-1140 (Final), USITC Pub. 4061 at 1 (Feb. 2009). In the final determination concerning subject imports from China, the Commission adopted its views from the final determinations concerning subject imports from South Africa and Vietnam, in which the Commission considered subject imports from China, South Africa, and Vietnam on a cumulated basis. *Id.* at 3-4.

⁵ Uncovered Innerspring Units from the People’s Republic of China: Notice of Antidumping Duty Order, 74 Fed. Reg. 7661 (Feb. 19, 2009).

⁶ Uncovered Innerspring Units from China, South Africa, and Vietnam: Institution of Five-Year Reviews, 78 Fed. Reg. 65711 (Nov. 1, 2013).

of material injury to an industry in the United States within a reasonably foreseeable time.⁷ In April 2014, Commerce issued a continuation of the antidumping duty orders.⁸

Second Reviews. In March 2019, the Commission instituted its second five-year reviews.⁹ After conducting expedited reviews, the Commission determined that revocation of the orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.¹⁰ In October 2019, Commerce issued a continuation of the antidumping duty orders.¹¹

Current Reviews. On September 3, 2024, the Commission instituted these third five-year reviews.¹² The Commission received a single response to the notice of institution, filed by Leggett & Platt.¹³ No respondent interested party responded to the notice of institution or otherwise participated in these reviews. On December 9, 2024, the Commission determined that the domestic interested party group response to the notice of institution was adequate and that the respondent interested party group responses to the notice of institution were inadequate. Finding that no other circumstances warranted conducting full reviews, the Commission determined to conduct expedited reviews of the orders.¹⁴ On March 6, 2025,

⁷ *Uncovered Innerspring Units from China, South Africa, and Vietnam*, Inv. Nos. 731-TA-1140-TA-1142 (Review), USITC Pub. 4459 at 1 (Apr. 2014) (“*First Reviews*”).

⁸ *Uncovered Innerspring Units from the People’s Republic of China, South Africa, and Socialist Republic of Vietnam: Continuation of Antidumping Duty Orders*, 79 Fed. Reg. 22624 (Apr. 23, 2014).

⁹ *Uncovered Innerspring Units from China, South Africa, and Vietnam; Institution of Five-Year Reviews*, 84 Fed. Reg. 7126 (Mar. 1, 2019).

¹⁰ *Uncovered Innerspring Units from China, South Africa, and Vietnam*, Inv. No. 741-TA-1140-TA-1142 (Second Review), USITC Pub. 4974 (Sept. 2019) (“*Second Reviews*”) at 1.

¹¹ *Uncovered Innerspring Units from the People’s Republic of China, South Africa, and Socialist Republic of Vietnam: Continuation of Antidumping Duty Orders*, 84 Fed. Reg. 55285 (Oct. 16, 2019).

¹² *Uncovered Innerspring Units from China, South Africa, and Vietnam; Institution of Five-Year Reviews*, 89 Fed. Reg. 71414 (Sept. 3, 2024).

¹³ Leggett & Platt’s Response to Notice of Institution, EDIS Doc. 833959 (Oct. 3, 2024) (“*Leggett & Platt’s Response*”). Subsequently, Leggett & Platt submitted a cure response in which it modified its responses regarding related parties in item five, and eliminated duplicate entries of U.S. producers, U.S. importers, and foreign producers at items five and six. See *Uncovered Innerspring Units from China, South Africa, and Vietnam: Response to the Commission’s Cure Letter*, EDIS Doc. 835161 (Oct. 21, 2024) (“*Leggett & Platt’s Cure Response*”).

¹⁴ *Uncovered Innerspring Units from China, South Africa, and Vietnam; Scheduling of Expedited Five-year Reviews*, 90 Fed. Reg. 8940 (Feb. 4, 2025); Explanation of Commission Determination on Adequacy, EDIS Doc. 2294570 (Dec. 20, 2024). Commissioner Johanson voted to conduct full reviews. Explanation of Commission Determination on Adequacy at 1 n.1.

Leggett & Platt filed comments regarding the determination the Commission should reach in these expedited reviews pursuant to 19 C.F.R. § 207.62(d).¹⁵

U.S. industry data are based on the information provided in the response to the notice of institution by Leggett & Platt, which estimated that it accounted for *** percent of domestic production of uncovered innerspring units in 2023.¹⁶ U.S. import data and related information are based on Commerce’s official import statistics.¹⁷ Foreign industry data and related information are based on information from the prior proceedings, as well as information submitted by Leggett & Platt in these expedited reviews and publicly available information, such as Global Trade Atlas (“GTA”) data, gathered by the Commission.¹⁸ One purchaser of uncovered innerspring units responded to the Commission’s adequacy phase questionnaire.¹⁹

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”²⁰ The Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and

¹⁵ Uncovered Innerspring Units from China, South Africa, and Vietnam: Petitioner’s Final Comments, EDIS Doc. 845111 (Mar. 6, 2025) (“*Leggett & Platt’s Comments*”).

¹⁶ Confidential Report, INV-WW-146, EDIS Doc. 838022 (Nov. 25, 2024) (“CR”); Public Report, *Uncovered Innerspring Units from China, South Africa and Vietnam*, Inv. Nos. 731-TA-1140- 1142 (Third Review), USITC Pub. 5604 (Mar. 2025) (“PR”), at I-12.

¹⁷ CR/PR at Tables I-5 & I-6. These data are compiled from official Commerce statistics for Harmonized Tariff Schedule (“HTS”) statistical reporting numbers 9404.29.9005, 9404.29.9013, and 9404.29.9050. *Id.*

We note that apparent U.S. consumption in the current reviews is likely understated relative to that in the original investigations and the prior reviews because responding domestic producers accounted for virtually 100 percent of domestic production in the original investigations, *** percent in the second reviews, and *** percent in the first reviews, but only *** percent of domestic production in the current reviews. CR/PR at I-12.

¹⁸ GTA data cover mattresses of other than cellular rubber or plastics under Harmonized System (“HS”) subheading 9404.29, which may include products outside the scope of these reviews, such as the value of the completed mattresses, in addition to uncovered innerspring units. CR/PR at Tables I-7, I-9, I-11 & I-12 & notes.

¹⁹ The Commission sent questionnaires to five firms that Leggett & Platt identified as top purchasers of uncovered innerspring units, and one purchaser, ***, responded. CR/PR at D-3.

²⁰ 19 U.S.C. § 1677(4)(A).

uses with, the article subject to an investigation under this subtitle.”²¹ The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.²²

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

{U}ncovered innerspring units composed of a series of individual metal springs joined together in sizes corresponding to the sizes of adult mattresses (*e.g.*, twin, twin long, full, full long, queen, California king and king) and units used in smaller constructions, such as crib and youth mattresses. All uncovered innerspring units are included in the scope regardless of width and length. Included within this definition are innersprings typically ranging from 30.5 inches to 76 inches in width and 68 inches to 84 inches in length. Innersprings for crib mattresses typically range from 25 inches to 27 inches in width and 50 inches to 52 inches in length.

Uncovered innerspring units are suitable for use as the innerspring component in the manufacture of innerspring mattresses, including mattresses that incorporate a foam encasement around the innerspring. Pocketed and non-pocketed innerspring units are included in this definition. Non-pocketed innersprings are typically joined together with helical wire and border rods. Non-pocketed innersprings are included in this definition regardless of whether they have border rods attached to the perimeter of the innerspring. Pocketed innersprings are individual coils covered by a “pocket” or “sock” of a nonwoven synthetic material or woven material and then glued together in a linear fashion.

²¹ 19 U.S.C. § 1677(10); *see, e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748–49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90–91 (1979).

²² *See, e.g., Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

Uncovered innersprings are classified under subheading 9404.29.9010 and have also been classified under subheadings 9404.10.0000, 9404.29.9005, 9404.29.9011, 7326.20.0070, 7326.20.0090, 7320.20.5010, 7320.90.5010, or 7326.20.0071 of the Harmonized Tariff Schedule of the United States (HTSUS). The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of the *Orders* is dispositive.²³

Uncovered innerspring units are used to manufacture innerspring mattresses.²⁴ Uncovered innerspring units may be non-pocketed or pocketed.²⁵ Non-pocketed innerspring units have three major components: the coil, the helical, and the border. Pocketed innerspring units include individual coils that are inserted into non-woven fabric “pockets.” The individual coils are then assembled into the size that corresponds to the final mattress.²⁶

In the original investigations, the Commission defined a single domestic like product, uncovered innerspring units, corresponding to the scope.²⁷ In the first and second reviews, the Commission found no new information to warrant revisiting its domestic like product definition, and continued to define a single domestic like product coextensive with the scope.²⁸

²³ See *Uncovered Innerspring Units from the People’s Republic of China, South Africa, and Socialist Republic of Vietnam: Final Results of the Expedited Third Sunset Reviews of the Antidumping Duty Orders*, 90 Fed. Reg. 1080 (Jan. 7, 2025) (“Final Results”), and accompanying Issues and Decision Memorandum for the Final Results of the Expedited Third Sunset Reviews of the Antidumping Duty Orders on Uncovered Innerspring Units from the People’s Republic of China, South Africa, and the Socialist Republic of Vietnam, A-552-803, A-570-928, A-791-821, EDIS Doc. 842789 at 2-3 (Dec. 31, 2024) (“Issues and Decision Memorandum”). Although the HTSUS classifications for uncovered innerspring units have been updated since 2007, the scope definition has not changed substantively since the original investigations. See *Issues & Decision Memorandum* at 3 n.9.

²⁴ CR/PR at I-7.

²⁵ CR/PR at I-7.

²⁶ CR/PR at I-9.

²⁷ *Original Determinations*, USITC Pub. 4051 at 6. The Commission found that pocketed and non-pocketed innerspring units were not separate like products, observing that that all innerspring units had common physical characteristics and uses, were interchangeable, were sold directly to end-users, were produced by similar production processes, and were perceived generally to be similar products. *Uncovered Innerspring Units from China, South Africa, and Vietnam*, Inv. Nos. 731-TA-1140-1142 (Preliminary), USITC Pub. 3983 at 6-7 (Feb. 2008). The final determinations adopted the domestic like product analysis of the preliminary determinations. See *Original Determinations*, USITC Pub. 4051 at 6.

²⁸ *First Reviews*, USITC Pub. 4459 at 6; *Second Reviews*, USITC Pub. 4974 at 6-7.

In the current reviews, Leggett & Platt has stated that it agrees with the Commission's definition of the domestic like product from the prior proceedings.²⁹ The record contains no new information indicating that the pertinent characteristics and uses of uncovered innerspring units have changed since the prior proceedings so as to warrant reconsideration of that definition.³⁰ Accordingly, we again define the domestic like product as uncovered innerspring units, coextensive with Commerce's scope.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."³¹ 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.

These reviews raise the issue of whether appropriate circumstances exist to exclude a domestic producer from the domestic industry pursuant to section 771(4)(B) of the Tariff Act.³² 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.³³ Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.³⁴

²⁹ *Leggett & Platt's Response* at 22; *Leggett & Platt's Comments* at 3. Although Leggett & Platt agrees with the definition, it also states that it believes that Commerce inadvertently omitted HTSUS subheading 9404.29.9013. *Leggett & Platt's Response* at 11 n.50 & Ex. 2.

³⁰ CR/PR at I-5 through I-11.

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

³² *See* 19 U.S.C. § 1677(4)(B).

³³ *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).

³⁴ 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;
(Continued...)

In the original investigations, the Commission defined the domestic industry as all U.S. producers of uncovered innerspring units.³⁵ In the first and second reviews, the Commission continued to define the domestic industry as all domestic producers of uncovered innerspring units.³⁶ In the current reviews, Leggett & Platt has stated that it agrees with the Commission's domestic industry definition from the prior proceedings.³⁷

Leggett & Platt has identified several U.S. producers that may qualify for possible exclusion from the domestic industry as U.S. importers of subject merchandise,³⁸ including Healthcare, Jeffco, Muybien Spring, Sherwood, A&S Innersprings USA, Future Foam, Future Coil,

(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.

³⁵ *Original Determinations*, USITC Pub. 4051 at 7. The Commission assessed whether to exclude Leggett & Platt and two other domestic producers from the domestic industry as related parties, pursuant to 19 U.S.C. § 1677(4)(B), ultimately determining not to do so. With respect to Leggett & Platt, the Commission found that, although it owned innerspring production facilities in China and South Africa, ***, and therefore Leggett & Platt was not a related party. Confidential Views of the Commission, Uncovered Innerspring Units from China, Inv. Nos. 731-TA-1140 (Investigations), EDIS Doc. 835750 at 9-10 (Dec. 2008) ("Confidential Original Determinations"); *Original Determinations*, USITC Pub. 4051 at 7. With respect to the other two domestic producers, the Commission found that, although both had imported subject merchandise during the period of investigation and were therefore related parties, appropriate circumstances did not exist to exclude either firm from the domestic industry because the interests of both companies lay more in domestic production than in importation. *Original Determinations*, USITC Pub. 4051 at 8.

³⁶ *First Reviews*, USITC Pub. 4459 at 6; *Second Reviews*, USITC Pub. 4974 at 7; CR/PR at I-16. The Commission found that there were no related party issues in either the first or the second reviews. *First Reviews*, USITC Pub. 4459 at 6; *Second Reviews*, USITC Pub. 4974 at 7. In both of the prior reviews, the Commission noted that Leggett & Platt owned innerspring manufacturing facilities in China and South Africa but that it did not export subject merchandise to those countries to the United States. *First Reviews*, USITC Pub. 4459 at 6 n.20; *Second Reviews*, USITC Pub. 4974 at 7 n.31.

³⁷ *Leggett & Platt's Response* at 22; *Leggett & Platt's Comments* at 3. As in the prior proceedings, Leggett & Platt acknowledges that it owns innerspring production facilities in China and South Africa, but states that it does not export subject merchandise from those countries to the United States. See *Leggett & Platt's Cure Response* at 2.

³⁸ *Leggett & Platt's Cure Response* at 2-3.

Global Bedding Solutions, Inc., Hickory Springs Manufacturing, and Texas Pocket Springs.³⁹ However, even assuming, *arguendo*, that these companies were to qualify for possible exclusion under the related parties provision, none of these companies responded to the notice of institution with information concerning their domestic production operations that could be excluded from domestic industry data. Accordingly, consistent with our definition of the domestic like product, we define the domestic industry as consisting of all U.S. producers of uncovered innerspring units.

III. Cumulation

A. Legal Standard

With respect to five-year reviews, section 752(a) of the Tariff Act provides as follows: the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.⁴⁰

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.⁴¹ The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the

³⁹ *Leggett & Platt's Response* at 19-20 & Exs. 7-8; *Leggett & Platt's Cure Response* at 2-3 & Exs. 7-8. Leggett & Platt stated that the information contained in Exhibit 8 to its response to the notice of institution, listing U.S. importers of subject merchandise, was based upon ***. *Leggett & Platt's Response* at 20. In addition, Leggett & Platt stated in its cure notice that it "does not have enough information to confirm that these parties are related parties and thus answered 'No' to the inquiry of whether there are any known related parties." *Leggett & Platt's Cure Response* at 2.

⁴⁰ 19 U.S.C. § 1675a(a)(7).

⁴¹ 19 U.S.C. § 1677(7)(G)(i); *see also, e.g., Nucor Corp. v. United States*, 601 F.3d 1291, 1293 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); *Allegheny Ludlum Corp. v. United States*, 475 F. Supp. 2d 1370, 1378 (Ct. Int'l Trade 2006) (recognizing the wide latitude the Commission has in selecting the types of factors it considers relevant in deciding whether to exercise discretion to cumulate subject imports in five-year reviews); *Nucor Corp. v. United States*, 569 F. Supp. 2d 1328, 1337-38 (Ct. Int'l Trade 2008).

Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

B. Prior Proceedings and Arguments of the Parties

Original Investigations. In the original investigations, the Commission found a reasonable overlap of competition among subject imports from China, South Africa, and Vietnam, and between the imports from each subject country and the domestic like product.⁴² The parties did not dispute the appropriateness of cumulation.⁴³ Accordingly, the Commission cumulated subject imports from China, South Africa, and Vietnam for purposes of its material injury analysis.⁴⁴

First and Second Reviews. In the first and second reviews, the Commission found that imports from each subject country would not be likely to have no discernible adverse impact on the domestic industry in the event of revocation.⁴⁵ In both reviews, the Commission also found a likely reasonable overlap of competition among subject imports from China, South Africa, and Vietnam, and between subject imports from each country and the domestic like product.⁴⁶ It did not find any likely significant differences in the conditions of competition between imports from the three subject sources of uncovered innerspring units.⁴⁷ On this basis, the Commission exercised its discretion to cumulate subject imports from China, South Africa, and Vietnam.⁴⁸

Current Reviews. In the current reviews, Leggett & Platt contends that the Commission should again exercise its discretion to cumulate all subject imports.⁴⁹ Leggett & Platt maintains that, although the volumes of subject imports are currently low, revocation of each of the subject orders would not have no discernible adverse impact because it “would likely result in a rapid increase of subject imports to mattress manufacturers located throughout the United

⁴² *Original Determinations*, USITC Pub. 4051 at 11.

⁴³ *Original Determinations*, USITC Pub. 4051 at 10.

⁴⁴ *Original Determinations*, USITC Pub. 4051 at 11.

⁴⁵ *First Reviews*, USITC Pub. 4459 at 8; *Second Reviews*, USITC Pub. 4974 at 10.

⁴⁶ *First Reviews*, USITC Pub. 4459 at 12; *Second Reviews*, USITC Pub. 4974 at 16.

⁴⁷ *First Reviews*, USITC Pub. 4459 at 13; *Second Reviews*, USITC Pub. 4974 at 16.

⁴⁸ *First Reviews*, USITC Pub. 4459 at 13; *Second Reviews*, USITC Pub. 4974 at 16-17.

⁴⁹ Leggett & Platt’s Response at 19; Leggett & Platt’s Comments at 4.

States.”⁵⁰ Further, Leggett & Platt maintains that if the orders were revoked there would once again be a reasonable overlap of competition between and among subject imports from each country source and the domestic like product.⁵¹

C. Analysis

In these reviews, the statutory threshold for cumulation is satisfied because all reviews were initiated on the same day: September 3, 2024.⁵² In addition, we consider the following issues in deciding whether to exercise our discretion to cumulate the subject imports:

(1) whether imports from any of the subject countries are precluded from cumulation because they are likely to have no discernible adverse impact on the domestic industry; (2) whether there is a likelihood of a reasonable overlap of competition among subject imports and the domestic like product; and (3) whether subject imports are likely to compete in the U.S. market under different conditions of competition.

1. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.⁵³ Neither the statute nor the Uruguay Round Agreements Act Statement of Administrative Action (“SAA”) provides specific guidance on what factors the Commission is to consider in determining that imports “are likely to have no discernible adverse impact” on the domestic industry.⁵⁴ With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders are revoked. Our analysis for each of the subject countries takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations.

Based on the record, we do not find that subject imports from China, South Africa, or Vietnam, respectively, are likely to have no discernible adverse impact on the domestic industry in the event of revocation of the antidumping duty orders.

⁵⁰ Leggett & Platt’s Response at 19; Leggett & Platt’s Comments at 4.

⁵¹ Leggett & Platt’s Response at 19; Leggett & Platt’s Comments at 4.

⁵² Uncovered Innerspring Units from China, South Africa, and Vietnam; Institution of Five-Year Reviews, 89 Fed. Reg. at 71414.

⁵³ 19 U.S.C. § 1675a(a)(7).

⁵⁴ SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).

China. In the original investigations, U.S. shipments of subject imports from China increased from *** units in 2005 to *** units in 2006 and *** units in 2007; they were *** units in January-June (“interim”) 2008, compared to *** units in interim 2007.⁵⁵ The share of apparent U.S. consumption held by subject imports from China increased from *** percent in 2005 to *** percent in 2006 and *** percent in 2007; it was *** percent in interim 2008, compared to *** percent in interim 2007.⁵⁶ Data from the responding Chinese producers showed that their capacity increased from *** units in 2005 to *** units in 2006 and *** units in 2007; it was *** units in interim 2008, compared to *** units in interim 2007.⁵⁷ Their capacity utilization increased from *** percent in 2005 to *** percent in 2006 and *** percent in 2007; it was *** percent in interim 2008, compared to *** percent in interim 2007.⁵⁸ Responding Chinese producers exported *** percent of their innerspring shipments in 2005, *** percent in 2006, *** percent in 2007, and *** percent in interim 2008, compared to *** percent in interim 2007.⁵⁹

In the first reviews, there were 6,000 units of subject imports from China in 2012.⁶⁰ Leggett & Platt identified 25 Chinese producers/exporters of innerspring units, and cited public information from several Chinese producers indicating that they continued to maintain significant production and capacity.⁶¹ The Commission found that subject imports from China were not likely to have no discernible adverse impact on the domestic industry if the order on those imports were revoked.⁶²

In the second reviews, there were no subject imports from China in 2013 and 2014, 55 units of subject imports from China in 2015, 131,976 units in 2016, 331,606 units in 2017, and 124,118 units in 2018.⁶³ In 2018, subject imports from China accounted for *** percent of

⁵⁵ Confidential Original Determinations Staff Report, Memorandum INV-FF-144, EDIS Doc. 835650 (Nov. 10, 2008) (“Confidential Original Determinations Staff Report”) at Table C-1.

⁵⁶ Confidential Original Determinations Staff Report at Table C-1.

⁵⁷ Confidential Original Determinations Staff Report at Table VII-1.

⁵⁸ Confidential Original Determinations Staff Report at Table VII-1.

⁵⁹ Confidential Original Determinations Staff Report at Table VII-1.

⁶⁰ *First Reviews*, USITC Pub. 4459 at 9.

⁶¹ *First Reviews*, USITC Pub. 4459 at 9.

⁶² *First Reviews*, USITC Pub. 4459 at 9.

⁶³ *Second Reviews*, USITC Pub. 4974 at 10-11 & n.53. The Commission noted that imports from Macau are included in these figures and that Leggett & Platt had questioned whether the merchandise from China that entered the United States during the period of review under the pertinent HTSUS categories was within the scope of the order. *Id.* at 10-11 n.53.

apparent U.S. consumption by quantity.⁶⁴ In addition, the information available indicated that there were 24 Chinese producers/exporters of subject merchandise and that China had enormous capacity.⁶⁵ GTA data concerning mattresses of other than cellular, rubber, or plastics, classified under HS subheading 9404.29, a category that includes both in-scope uncovered innerspring units and out-of-scope products, indicated that the United States was China's largest export market in 2018.⁶⁶ These data also showed that China was the world's largest exporter of such products.⁶⁷

In these expedited reviews, there is limited information concerning the uncovered innerspring unit industry in China.⁶⁸ The volume of subject imports from China declined irregularly during the period of review, decreasing from 58,000 units in 2019 to 12,000 units in 2020 and 3,000 units in 2021, increasing to 4,000 units in 2022, and then decreasing to 1,000 units in 2023.⁶⁹ In 2023, subject imports from China accounted for *** percent of apparent U.S. consumption in terms of quantity.⁷⁰

The information available also indicates that the subject industry in China is large and a leading exporter. The domestic interested party provided a list of 61 possible producers of uncovered innerspring units in China.⁷¹ GTA data concerning mattresses of other than cellular

⁶⁴ Confidential Views of the Commission (Second Reviews), EDIS Doc. 835793 (Sept. 2019) ("Confidential Second Reviews") at 14.

⁶⁵ *Second Reviews*, USITC Pub. 4974 at 11. In support of this proposition, Leggett & Platt cited data indicating considerable growth in Chinese mattress production, which was predominantly of innerspring mattresses, between 2012 and 2017. *Id.* at 11 n.56.

⁶⁶ *Second Reviews*, USITC Pub. 4974 at 11 & n.57 (citing *id.* at Table I-9). Exports of this category from China to the United State increased by value from \$97.1 million in 2014 to \$113.8 million in 2018. *Id.* at 11 n.57.

⁶⁷ *Second Reviews*, USITC Pub. 4974 at 11 & n.58 (citing *id.* at Table I-12).

⁶⁸ CR/PR at I-22.

⁶⁹ CR/PR at Table I-5. Leggett & Platt contends that that classification of uncovered innerspring units has evolved, and that the misclassification of innerspring units has been a continuing issue. *Leggett & Platt's Response* at 11-12. It has appended to its response to the notice of institution information regarding exports of merchandise from China and South Africa to the United States in 2023 under HS 9404.29, 9404.10, 7326.20, 7320.90, and 7320.20, which includes three subheadings, 7326.20, 7320.90, and 7320.20 that are included in Commerce's scope but were not included in the data in the Commission's staff report. *Id.* at Ex. 6; Issues and Decision Memorandum at 2-3. According to Leggett & Platt's statistics, which may contain out-of-scope products, China's exports of subject merchandise to the United States had an f.o.b. value of \$553.7 million in 2023. *Leggett & Platt's Response* at Ex. 6.

⁷⁰ CR/PR at Table I-6 & note.

⁷¹ CR/PR at I-22 (citing *Leggett & Platt's Response* at Ex. 1). Leggett & Platt also cites Comtrade export data for China to argue that the subject industry in China has "ample" capacity. *Leggett & Platt's Response* at 14 & Ex. 6. According to these data, which may include out-of-scope products, China's exports of subject merchandise had an f.o.b. value of \$3.6 billion in 2023. *Id.* at Ex. 6.

rubber or plastics classified under HS subheading 9404.29, a category that includes both uncovered innerspring units and out-of-scope products, show that the value of China's total exports declined irregularly during the period of review from \$431.4 million in 2019 to \$358.1 million in 2023, and that China was the world's top exporter of such products in 2019, 2020, and 2022, and the second largest exporter in 2021 and 2023.⁷² These data also indicate that Chinese exports of such products to the United States declined irregularly over the period of review from \$84.7 million in 2019 to \$79.0 million in 2023, while the United States remained China's top export market throughout the period.⁷³

During the original investigations, subject imports from China undersold the domestic like product in *** of *** quarterly comparisons.⁷⁴ No pricing data for subject imports from China were obtained in the prior reviews or in the current reviews.

Based on the record, including the significant and increasing volume of subject imports from China in the original investigations, the industry's large production capacity, the continued presence of subject imports in the U.S. market during the period of review while under the disciplining effects of the order, China's status as a leading global exporter, and the underselling by subject imports from China in the original investigations, we do not find that subject imports from China would likely have no discernible adverse impact on the domestic industry if the antidumping order covering these imports were revoked.

South Africa. In the original investigations, U.S. shipments of subject imports from South Africa decreased from *** units in 2005 to *** units in 2006 and *** units in 2007; they were *** units in interim 2008, compared to *** units in interim 2007.⁷⁵ The share of apparent U.S. consumption held by subject imports from South Africa decreased from *** percent in 2005 to *** percent in 2006 and *** percent in 2007; it was *** percent in interim 2008, compared to *** percent in interim 2007.⁷⁶ Data from responding South African producers showed that their capacity increased from *** units in 2005 to *** units in 2006 and *** units in 2007; it was *** units in interim 2008, compared to *** units in interim 2007.⁷⁷ Their capacity utilization was *** percent in 2005, *** percent in 2006, and *** percent in 2007; it was *** percent in interim 2008, compared to *** percent in interim 2007.⁷⁸ South African

⁷² CR/PR at I-29 & Table I-12.

⁷³ CR/PR at I-23 & Table I-7.

⁷⁴ Confidential Original Determinations Staff Report at V-26.

⁷⁵ Confidential Original Determinations Staff Report at Table C-1.

⁷⁶ Confidential Original Determinations Staff Report at Table C-1.

⁷⁷ Confidential Original Determinations Staff Report at Table VII-3.

⁷⁸ Confidential Original Determinations Staff Report at Table VII-3.

producers exported *** percent of their total shipments in 2005, *** percent in 2006, *** percent in 2007, and *** percent in interim 2008, compared to *** percent in interim 2007.⁷⁹

In the first reviews, the Commission found that subject imports from South Africa were not present in the U.S. market.⁸⁰ Leggett & Platt identified four South African firms that produced uncovered innerspring units, and contended that the South African industry had excess capacity, stating that because several large South African mattress manufacturers had begun producing the innerspring units that they used in their finished mattresses, the unused capacity of producers selling to the merchant market had increased.⁸¹ The Commission found that subject imports from South Africa were not likely to have no discernible adverse impact on the domestic industry if the order on those imports were revoked.⁸²

In the second reviews, the Commission again found that subject imports from South Africa were not present in the U.S. market.⁸³ The available information indicated that there were four South African producers/exporters of subject merchandise.⁸⁴ The information available also indicated that the South African uncovered innerspring unit industry had increased production capacity.⁸⁵ GTA data concerning mattresses of other than cellular, rubber, or plastics, classified under HS subheading 9404.29, a category that includes both in-scope uncovered innerspring units and out-of-scope products, indicated that the United States was South Africa's largest export market in 2018.⁸⁶ These data also showed that that the United States was the world's largest import market for such merchandise.⁸⁷

In these expedited reviews, the record contains limited information concerning the uncovered innerspring unit industry in South Africa. As in the prior reviews, no subject imports

⁷⁹ Confidential Original Determinations Staff Report at Table VII-3.

⁸⁰ *First Reviews*, USITC Pub. 4459 at 9.

⁸¹ *First Reviews*, USITC Pub. 4459 at 10.

⁸² *First Reviews*, USITC Pub. 4459 at 10.

⁸³ *Second Reviews*, USITC Pub. 4974 at 12.

⁸⁴ *Second Reviews*, USITC Pub. 4974 at 12.

⁸⁵ *Second Reviews*, USITC Pub. 4974 at 12 & n.70. In support of this proposition, Leggett & Platt cited data indicating growth in South African mattress production between 2008 and 2017. *Id.* at 12 n.70.

⁸⁶ *Second Reviews*, USITC Pub. 4974 at 12 & n.71. These data also showed that exports of this product category to the United States in 2018 were the highest of the period from 2014 to 2018. *Id.* at 12. Exports in 2018 from South Africa to the United States of this product category were higher by value than exports from South Africa to any other market and increased by value from \$1.1 million in 2014 to \$4.0 million in 2018. *Id.* at 12 n.71. South Africa was not among the top eight global exporters of this product category in 2018. *Id.* at 12 n.72.

⁸⁷ *Second Reviews*, USITC Pub. 4974 at 12.

from South Africa were present in the U.S. market during the period of review.⁸⁸ The domestic interested party provided a list of four possible producers of uncovered innerspring units in South Africa.⁸⁹ GTA data concerning mattresses of other than cellular, rubber, or plastics, classified under HS subheading 9404.29, a category that includes both in-scope uncovered innerspring units and out-of-scope products, indicate that South Africa's exports of such products fluctuated irregularly during the period of review and was \$15.1 million in both 2019 and 2023.⁹⁰

During the original investigations, the Commission found that no importer from South Africa provided usable pricing data.⁹¹ No pricing data for subject imports from South Africa were obtained in the prior or current reviews.

Based on the record, including the significant volume of subject imports from South Africa in the original investigations and the available information on the subject industry's continued production and exports of subject merchandise, we do not find that subject imports from South Africa would likely have no discernible adverse impact on the domestic industry if the antidumping duty order concerning these imports were revoked.

Vietnam. In the original investigations, U.S. shipments of subject imports from Vietnam were *** units in 2005, *** units in 2006, and *** units in 2007; they were *** units in interim 2008, compared to *** units in interim 2007.⁹² The share of apparent U.S. consumption held by subject imports from Vietnam was *** percent in 2005, *** percent in 2006, and *** percent in 2007; it was *** percent in interim 2008, compared to *** percent in interim 2007.⁹³ Data from the responding Vietnamese producer showed that its capacity was *** units in 2005, *** units in 2006, and *** units in 2007; it was *** units in interim 2008, compared to ***

⁸⁸ CR/PR at Table I-6. As discussed above, Leggett & Platt's export data includes additional HTSUS subheadings other than those that were included in the Commission's staff report. *Leggett & Platt's Response* at Ex. 6. According to Leggett & Platt's export data, exports of subject merchandise from South Africa to the United States had an f.o.b value of \$305,106.59 in 2023. *Id.*

⁸⁹ CR/PR at I-24 (citing *Leggett & Platt's Response* at Ex 1). Leggett & Platt also cites export data that it submitted to show that the subject industry in South Africa has "ample" capacity. *Leggett & Platt's Response* at 14 & Ex. 6. As discussed above, Leggett & Platt's export data includes additional HTSUS subheadings other than those that were included in the Commission's staff report. *Leggett & Platt's Response* at Ex. 6. According to Leggett & Platt's export data South Africa's exports of subject merchandise had an f.o.b. value of \$43.0 million in 2023. *Id.*

⁹⁰ CR/PR at Table I-9 & I-29. All of the top 10 markets for South African exports are exports destined for other countries within Africa. *Id.* at Table I-9.

⁹¹ *Original Determinations*, USITC Pub. 4051 at 21.

⁹² Confidential Original Determinations Staff Report at Table C-1.

⁹³ Confidential Original Determinations Staff Report at Table C-1.

units in interim 2007.⁹⁴ Its capacity utilization increased from *** percent in 2005 to *** percent in 2006 and *** percent in 2007; it was *** percent in interim 2008, compared to *** percent in interim 2007.⁹⁵ The responding Vietnamese producer exported *** percent of its total shipments in 2005, *** percent in 2006, *** percent in 2007, and *** percent in interim 2008, compared to *** percent in interim 2007.⁹⁶

In the first reviews, the Commission found that subject imports from Vietnam were not present in the U.S. market.⁹⁷ Leggett & Platt identified 11 Vietnamese firms that produced uncovered innerspring units, stating that publicly available information indicated that the Vietnamese industry continued to maintain innerspring unit production.⁹⁸ The Commission found that subject imports from Vietnam were not likely to have no discernible adverse impact on the domestic industry if the order on those imports were revoked.⁹⁹

In the second reviews, the Commission again found that subject imports from Vietnam were not present in the U.S. market.¹⁰⁰ The information available also indicated that there were 10 producers/exporters of subject merchandise from Vietnam and that the uncovered innersprings industry in Vietnam had growing production capacity.¹⁰¹ GTA data concerning mattresses of other than cellular, rubber, or plastics, classified under HS subheading 9404.29, a category that includes both in-scope uncovered innerspring units and out-of-scope products, indicated that the United States was Vietnam's largest export market for such products in 2018 and that Vietnam's total exports and exports to the United States of this product category increased sharply from 2014 to 2018.¹⁰² In addition, these data showed that the United States was the world's largest single country import market for this category.¹⁰³

⁹⁴ Confidential Original Determinations Staff Report at Table VII-4. Only one Vietnamese producer responded to the Commission's questionnaire. *See Original Determinations*, USITC Pub. 4051 at 4.

⁹⁵ Confidential Original Determinations Staff Report at Table VII-4.

⁹⁶ Confidential Original Determinations Staff Report at Table VII-4.

⁹⁷ *First Reviews*, USITC Pub. 4459 at 10.

⁹⁸ *First Reviews*, USITC Pub. 4459 at 10.

⁹⁹ *First Reviews*, USITC Pub. 4459 at 10-11.

¹⁰⁰ *Second Reviews*, USITC Pub. 4974 at 13.

¹⁰¹ *Second Reviews*, USITC Pub. 4974 at 13-14. In support of this proposition, Leggett & Platt cited data indicating substantial growth in Vietnamese mattress production between 2008 and 2017. *Id.* at 14 n.85.

¹⁰² *Second Reviews*, USITC Pub. 4974 at 14 & n.86. During the period of review exports of this product category from Vietnam to the United States increased from \$5.8 million in 2014 to \$53.5 million in 2018. *Id.* at 14 n.86. In addition, the Commission observed that Vietnam was not among the top eight largest global exporters of this product category in 2018. *Id.* at 14 n.87.

¹⁰³ *Second Reviews*, USITC Pub. 4974 at 14.

In these expedited reviews, there is limited information concerning the uncovered innerspring unit industry in Vietnam.¹⁰⁴ The volume of subject imports from Vietnam declined irregularly during the period of review, increasing from 4,000 units in 2019 to 11,000 units in 2020, before decreasing from 2,000 units in 2021 to less than 500 units in 2022, and zero units in 2023.¹⁰⁵

The information available indicates that the subject industry in Vietnam is large and a top global exporter. The domestic interested party provided a list of 13 possible producers of uncovered innerspring units in Vietnam.¹⁰⁶ Available information also indicates that at least one subject producer, AmericanStar, expanded its production facility in Ho Chi Minh City, Vietnam, by almost 100,000 square feet, increasing the company's mattress capacity from 80 to 200 containers a month by the end of 2019.¹⁰⁷

According to GTA data concerning mattresses of other than cellular rubber or plastics classified under HS subheading 9404.29, a category that includes both uncovered innerspring units and out-of-scope products, the value of Vietnam's total exports of such merchandise fluctuated irregularly during the period of review, from \$118.6 million in 2019 to \$109.5 million in 2023, making Vietnam the fifth largest exporter of such products in 2019 and 2022, the fourth largest in 2020, the seventh largest in 2021, and the ninth largest in 2023.¹⁰⁸ These data also indicate that Vietnamese exports of such merchandise to the United States declined irregularly over the period of review, from \$24.6 million in 2019 to \$34,340 in 2023, although the United States was Vietnam's second largest destination market in 2019, 2020, and 2022, and the eighth largest in 2021.¹⁰⁹

During the original investigations, subject imports from Vietnam undersold the domestic like product in *** of *** quarterly comparisons.¹¹⁰ No pricing data for subject imports from Vietnam were obtained in the prior reviews or in the current reviews.

Based on the record, including the significant volume of subject imports from Vietnam in the original investigations, the subject industry's large size and exports, the continued

¹⁰⁴ CR/PR at I-26.

¹⁰⁵ CR/PR at Table I-5.

¹⁰⁶ CR/PR at I-26 (citing *Leggett & Platt's Response* at Ex. 1).

¹⁰⁷ CR/PR at Table I-10. Given that producers of uncovered innerspring units may consume all, or a portion, of their production in the manufacture of finished mattresses, AmericanStar's expansion may include capacity for the production of both uncovered innerspring units and finished mattresses. *Id.* at I-27.

¹⁰⁸ CR/PR at I-29 & Table I-12.

¹⁰⁹ CR/PR at Table I-11, I-28 & n.57.

¹¹⁰ Confidential Original Determinations Staff Report at V-26.

presence of subject imports from Vietnam in the U.S. market during most years of the period of review while under the disciplining effects of the order, and the underselling by subject imports from Vietnam in the original investigations, we do not find that subject imports from Vietnam would likely have no discernible adverse impact on the domestic industry if the antidumping order covering these imports were revoked.

2. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.¹¹¹ Only a “reasonable overlap” of competition is required.¹¹² In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.¹¹³

Fungibility. In the original investigations, the Commission found that imports from each subject country were sufficiently fungible with both the domestic like product and with each

¹¹¹ The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are as follows: (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions; (2) the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product; (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and (4) whether subject imports are simultaneously present in the market with one another and the domestic like product. *See, e.g., Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

¹¹² *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int’l Trade 1996); *Wieland Werke*, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”); *United States Steel Group v. United States*, 873 F. Supp. 673, 685 (Ct. Int’l Trade 1994), *aff’d*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g., Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812–813 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff’d sub nom, Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int’l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761–762 (Final), USITC Pub. 3098 at 13–15 (Apr. 1998).

¹¹³ *See generally, Cheflene Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int’l Trade 2002).

other.¹¹⁴ In the prior reviews, the Commission found that there was no new information on the record to indicate that this had changed since the original investigations.¹¹⁵

In the current reviews, the domestic interested party argues that there is a high degree of substitutability between subject imports from China, South Africa, and Vietnam and the domestic like product.¹¹⁶ There is no new information on the record of these reviews to indicate that the fungibility between and among subject imports from China, South Africa, and Vietnam and the domestic like product has changed since the prior proceedings.¹¹⁷

Channels of Distribution. In the original investigations, the Commission found an overlap in the channels of distribution for subject imports from all three countries and the domestic like product, as the vast majority of innerspring units went to end users for the production of mattresses, while only a limited quantity went to distributors.¹¹⁸ In the prior reviews, the Commission found that there was no new information to indicate that this had changed since the original investigations or would likely change upon revocation.¹¹⁹ Similarly, in the current reviews, there is no new information on the record indicating that the channels of distribution have changed since the prior proceedings or are likely to do so upon revocation.¹²⁰

Geographic Overlap. In the original investigations, the Commission found that subject imports from all three countries and the domestic like product were sold in the same geographic markets, noting that importers of subject merchandise generally reported serving the Southeast, Southwest, and West Coast, with several importers reporting that they served a national market.¹²¹ In the prior reviews, the Commission found no new information indicating that this would likely change upon revocation.¹²²

In these reviews, subject imports from China entered through all four borders of entry in 2019, 2021, and 2022, through the eastern and western borders of entry in 2020, and through

¹¹⁴ *Original Determinations*, USITC Pub. 4051 at 10. In reaching this finding, the Commission stated that U.S. producer and importer questionnaire responses indicated that there was general interchangeability between U.S.-produced innerspring units and subject imports and that customers considered innerspring units to be fungible. *Id.*

¹¹⁵ *First Reviews*, USITC Pub. 4459 at 11; *Second Reviews*, USITC Pub. 4974 at 15.

¹¹⁶ Leggett & Platt's Response at 18-19.

¹¹⁷ CR/PR at I-19.

¹¹⁸ *Original Determinations*, USITC Pub. 4051 at 11.

¹¹⁹ *First Reviews*, USITC Pub. 4459 at 12; *Second Reviews*, USITC Pub. 4974 at 15.

¹²⁰ CR/PR at I-19.

¹²¹ *Original Determinations*, USITC Pub. 4051 at 11.

¹²² *First Reviews*, USITC Pub. 4459 at 12; *Second Reviews*, USITC Pub. 4974 at 15.

the eastern, northern, and western borders of entry in 2023.¹²³ Imports from Vietnam entered the United States through the eastern border of entry in 2019, the northern border of entry in 2020, the southern border of entry in 2020 and 2022, and the western border of entry during the 2019-2022 period.¹²⁴ There were no subject imports from Vietnam during 2023, and no subject imports from South Africa during the period of review.¹²⁵ Nevertheless, there is no information on the record indicating that subject imports from each source would not overlap with each other and the domestic like product with respect to geographic markets after revocation, as they did in the original investigations.

Simultaneous Presence in Market. In the original investigations, the Commission found that imports from each subject country were present in the U.S. market for nearly the entire period of investigation.¹²⁶ In the prior reviews, the Commission found there was no information in the record that indicated that the simultaneous presence observed in the original investigations would not recur if the orders were revoked.¹²⁷

In the current reviews, imports from China were reported in 43 of the 60 months between 2019 and 2023, and imports from Vietnam were reported in 18 of the 60 months between 2019 and 2023.¹²⁸ There were no subject imports from South Africa during the period of review.¹²⁹ Nevertheless, there is no information on the record indicating that subject imports from each source would not be simultaneously present in the U.S. market with each other and the domestic like product if the orders were revoked, as in the original investigations, particularly given our conclusion in these reviews regarding the likely discernible adverse impact of subject imports from each source.

Conclusion. The record of these expedited reviews contains limited information concerning subject imports in the U.S. market during the period of review. The record contains no information suggesting a change in the considerations that led the Commission in the original investigations and the prior reviews to conclude that there was a reasonable overlap of competition between and among subject imports from China, South Africa, and Vietnam and the domestic like product. In light of this, and absent any contrary argument, we find that

¹²³ CR/PR at I-19.

¹²⁴ CR/PR at I-19.

¹²⁵ CR/PR at I-19.

¹²⁶ *Original Determinations*, USITC Pub. 4051 at 11.

¹²⁷ *First Reviews*, USITC Pub. 4459 at 12; *Second Reviews*, USITC Pub. 4974 at 16.

¹²⁸ CR/PR at I-19. No imports from China were reported in six of the 12 months of 2023 and no imports from Vietnam were reported during 2023. *Id.*

¹²⁹ CR/PR at I-19.

there would likely be a reasonable overlap of competition among subject imports from China, South Africa, and Vietnam and between the domestic like product and subject imports from each source if the orders were revoked.

3. Likely Conditions of Competition

In determining whether to exercise our discretion to cumulate the subject imports, we assess whether imports of uncovered innerspring units from the subject countries would likely compete under similar or different conditions in the U.S. market if the orders under review were revoked. As previously discussed, in the prior reviews the Commission found that the record did not indicate that there would likely be any significant differences in the conditions of competition between subject imports from China, South Africa, and Vietnam if the orders were revoked.¹³⁰ There is no new information on the record of these reviews indicating that the relevant conditions of competition have changed. Accordingly, we do not find any likely significant difference in the conditions of competition that would warrant not cumulating subject imports from the three countries.

D. Conclusion

In sum, we determine that subject imports of uncovered innerspring units from China, South Africa, and Vietnam, considered individually, would not likely have no discernible adverse impact on the domestic industry if the corresponding orders were revoked. We also find a likely reasonable overlap of competition among subject imports from China, South Africa, and Vietnam and between the subject imports from each subject country and the domestic like product. Finally, we find that subject imports from China, South Africa, and Vietnam are likely to compete in the U.S. market under similar conditions of competition should the orders be revoked. We therefore exercise our discretion to cumulate subject imports from China, South Africa, and Vietnam for purposes of our analysis in these reviews.

¹³⁰ *First Reviews*, USITC Pub. 4459 at 13; *Second Reviews*, USITC Pub. 4974 at 16.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”¹³¹ The SAA states that “under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”¹³² Thus, the likelihood standard is prospective in nature.¹³³ The U.S. Court of International Trade has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.¹³⁴

The statute states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of

¹³¹ 19 U.S.C. § 1675a(a).

¹³² SAA at 883–84. The SAA states that “[t]he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” *Id.* at 883.

¹³³ While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

¹³⁴ See *NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), *aff’d mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion;” “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); *Usinor v. United States*, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

time.”¹³⁵ According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”¹³⁶

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”¹³⁷ It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).¹³⁸ The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination.¹³⁹

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.¹⁴⁰ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign

¹³⁵ 19 U.S.C. § 1675a(a)(5).

¹³⁶ SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

¹³⁷ 19 U.S.C. § 1675a(a)(1).

¹³⁸ 19 U.S.C. § 1675a(a)(1). Commerce has made no duty absorption findings with respect to any subject country. See Issues and Decision Memorandum at 4-5.

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

¹⁴⁰ 19 U.S.C. § 1675a(a)(2).

country, which can be used to produce the subject merchandise, are currently being used to produce other products.¹⁴¹

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.¹⁴²

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.¹⁴³ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.¹⁴⁴

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the uncovered innerspring unit industries in China, South Africa, and Vietnam. There also is limited information on the uncovered innerspring unit market in the United States during the period of review.

¹⁴¹ 19 U.S.C. § 1675a(a)(2)(A–D).

¹⁴² See 19 U.S.C. § 1675a(a)(3). The SAA states that “{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

¹⁴³ 19 U.S.C. § 1675a(a)(4).

¹⁴⁴ The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission “considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.” SAA at 885.

Accordingly, for our determinations, we rely as appropriate on the facts available from the original investigations and the prior reviews, and the limited new information on the record in these five-year reviews.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”¹⁴⁵ The following conditions of competition inform our determinations.

1. Demand Conditions

In the original investigations, the Commission found that demand for uncovered innerspring units was directly correlated with demand for the one use for innerspring units, the manufacture of innerspring mattresses. It also observed that demand for innerspring units generally tracked overall economic activity and was tied to housing-related activity. The Commission found that a downturn in the U.S. housing market adversely affected the market for uncovered innerspring units, and that apparent U.S. consumption declined during the period of investigation.¹⁴⁶ In the first reviews, the Commission found that nothing in the record indicated that the factors driving demand for uncovered innerspring units had changed since the original investigations. Reported apparent U.S. consumption of uncovered innerspring units was lower in 2012, the last full year of the first period of review, than in 2007, the last full year of the original period of investigation.¹⁴⁷ In the second reviews, the Commission found that demand for uncovered innerspring units continued to be derived from demand for innerspring mattresses, and that demand generally tracked U.S. housing activity and overall economic activity.¹⁴⁸ In addition, the Commission found that apparent U.S. consumption of uncovered innerspring units in 2018, the last full year of the second review, was greater than that in 2012.¹⁴⁹

¹⁴⁵ 19 U.S.C. § 1675a(a)(4).

¹⁴⁶ *Original Determinations*, USITC Pub. 4051 at 16.

¹⁴⁷ *First Reviews*, USITC Pub. 4459 at 17. The Commission noted, however, that reported apparent U.S. consumption for 2012 was likely understated due to the incomplete domestic industry response to the Commission’s notice of institution. *Id.* at 17 n.86.

¹⁴⁸ *Second Reviews*, USITC Pub. 4974 at 20.

¹⁴⁹ *Second Reviews*, USITC Pub. 4974 at 20.

In the current reviews, there is no new information on the record indicating that the drivers of demand for uncovered innerspring units have changed since the prior proceedings.¹⁵⁰ Leggett & Platt and responding purchaser *** indicate that there have been no changes in demand conditions since 2018.¹⁵¹ However, during the period of review, the downstream domestic mattress industry experienced numerous manufacturing facility or plant closures, which would have reduced demand for covered innerspring units.¹⁵² In 2023, apparent U.S. consumption of uncovered innerspring units was *** units, down from *** units in 2018, *** units in 2012, and 20.9 million units in 2007.¹⁵³

2. Supply Conditions

In the original investigations, the Commission found that the sources of supply in the U.S. market were domestically produced innerspring units, subject imports from China, South Africa, and Vietnam, and a relatively small volume of imports from nonsubject countries.¹⁵⁴

¹⁵⁰ Leggett & Platt explains that there is a direct correlation between sales of innerspring mattresses and demand for uncovered innerspring units, as the Commission found in the original investigations, and that the United States remains a substantial producer and consumer of mattresses. *Leggett & Platt's Response* at 14-15 & n.54 (citing *Original Determinations*, USITC Pub. 4051 at 16).

¹⁵¹ Leggett & Platt's Response at 2, 8 & 22; Leggett & Platt's Comments at 3; CR/PR at D-3.

¹⁵² CR/PR at Table I-3. As discussed in section III.C.1 above, because many domestic producers of uncovered innerspring units consume all, or a portion of their production into the manufacture of finished mattresses, reductions in innerspring mattress capacity would translate into reduced demand for uncovered innerspring units. *Id.* at I-12. The reported factory or plant closures include: Hickory Springs' closure of its manufacturing plant in Micaville, North Carolina in April/May 2020, Corsicana Mattress Co.'s closure of its facility in Pinola, Indiana in May 2022, Serta Simmons Bedding's closure of its plant in Waycross, Georgia in April 2023, its factory in Windsor Locks, Connecticut in June 2023, and its factories in Fredericksburg, Virginia, Clear Lake, Iowa, and Lenexa, Kansas in July 2023. *Id.* at Table I-3. Leggett & Platt announced plans to consolidate and close 15 facilities at unspecified locations in January 2024, and it closed a facility in Saltillo, Mississippi. *Id.* During the summer of 2024, Leggett & Platt closed another facility in High Point, North Carolina, and a plant in Plant City, Florida. *Id.* On the other hand, 3Z Brands added an additional 250,000 square feet to its mattress production facility in Glendale, Arizona during the summer of 2024, and Texas Pocket Springs began construction on a coiling facility in Keene, Texas that is projected to produce 1.3 million units per year. *Id.* In April 2022, Serta Simmons Bedding announced a new 500,000 square foot mattress production facility in Janesville, Wisconsin, which will consolidate the production of two existing facilities. *Id.*

¹⁵³ CR/PR at Table I-6. As noted earlier, apparent U.S. consumption in the current reviews is likely understated relative to that in the original investigations and the prior reviews because responding domestic producers accounted for virtually 100 percent of domestic production in the original investigations, *** percent in the second reviews, and *** percent in the first reviews, but only *** percent of domestic production in the current reviews. *Id.* at I-12.

¹⁵⁴ *Original Determinations*, USITC Pub. 4051 at 17.

The Commission observed that Leggett & Platt was the largest U.S. manufacturer of innerspring units.¹⁵⁵ The Commission found that the domestic industry was split into bedding suppliers that produced innerspring units to supply mattress manufacturers, and maker/users that produced innerspring units for internal consumption in the production of finished mattresses.¹⁵⁶

In the first reviews, the Commission found that the domestic industry furnished the overwhelming share – *** percent – of apparent U.S. consumption in 2012.¹⁵⁷ The Commission further noted that cumulated subject imports had only a minimal presence in the U.S. market in 2012,¹⁵⁸ while the volume of nonsubject imports was 541,000 units in 2012, accounting for *** percent of apparent U.S. consumption.¹⁵⁹

In the second reviews, the domestic industry continued to supply the overwhelming share – *** percent – of apparent U.S. consumption in 2018.¹⁶⁰ The Commission found that Leggett & Platt continued to be the largest producer of domestic uncovered innerspring units.¹⁶¹ Similarly, as in the prior reviews, cumulated subject imports had a minimal presence in the U.S. market in 2018, while nonsubject imports were the second largest source of uncovered innerspring units, accounting for *** percent of apparent U.S. consumption that year.¹⁶²

In the current reviews, the information available indicates that the domestic industry continued to account for the largest share of apparent U.S. consumption of uncovered innerspring units, subject imports accounted for the smallest share, and nonsubject imports accounted for the second-largest share.¹⁶³

¹⁵⁵ *Original Determinations*, USITC Pub. 4051 at 17.

¹⁵⁶ *Original Determinations*, USITC Pub. 4051 at 17. Because the domestic industry consumed part of its production of the domestic like product in the production of a downstream article (*i.e.*, innerspring mattresses), the Commission considered whether the statutory captive production provision applied and concluded that it did not. *See id.* at 15-16.

¹⁵⁷ *First Reviews*, USITC Pub. 4459 at 17; Confidential Views of the Commission, Uncovered Innerspring Units from China, Inv. Nos. 731-TA-1140 (First Reviews), EDIS Doc. 835792 at 25 (Apr. 2014) (“Confidential First Reviews”).

¹⁵⁸ *First Reviews*, USITC Pub. 4459 at 17.

¹⁵⁹ *First Reviews*, USITC Pub. 4459 at 18; Confidential First Reviews at 26.

¹⁶⁰ *Second Reviews*, USITC Pub. 4974 at 21; Confidential Second Reviews at 31.

¹⁶¹ *Second Reviews*, USITC Pub. 4974 at 21.

¹⁶² *Second Reviews*, USITC Pub. 4974 at 21; Confidential Second Reviews at 31. Cambodia and Thailand were the two leading sources for nonsubject imports in 2018. *See Second Reviews*, USITC Pub. 4974 at 21 n.131.

¹⁶³ CR/PR at Table I-6.

The domestic industry accounted for *** percent of apparent U.S. consumption in 2023.¹⁶⁴ Leggett & Platt identified 44 domestic producers of uncovered innerspring units.¹⁶⁵ In addition, Leggett & Platt *** domestic producer of uncovered innerspring units.¹⁶⁶ As discussed in section IV.B.1 above, numerous domestic innerspring mattress production facilities closed and two new production facilities opened during the period of review, which may have affected domestic production capacity for covered innerspring units. ***, the purchaser that responded to the Commission’s questionnaire, did not report any changes in the supply conditions for uncovered innerspring units for the current period of review.¹⁶⁷

Cumulated subject imports were the smallest source of supply to the U.S. market in 2023, accounting for *** of apparent U.S. consumption that year.¹⁶⁸

Nonsubject imports accounted for the second-largest source of supply in 2023, accounting for *** percent of apparent U.S. consumption that year.¹⁶⁹ Of the nonsubject

¹⁶⁴ CR/PR at Table I-6. The domestic industry’s share of apparent U.S. consumption in these reviews may be understated relative to that in the prior proceedings due to the lower data coverage of the domestic industry in these reviews, as discussed in section I above. CR/PR at I-12.

¹⁶⁵ CR/PR at I-12; *Leggett & Platt’s Cure Response* at Ex. 7. The domestic producers that were identified are: American Deluxe Bedding, Ashley, Bandy Bedding, Brentwood Home, Brooklyn Bedding, Charles P Rogers, Denver Mattress, Desecret Industries, Designs International, Diamond Mattress, Dreamwell, Estee Bedding, Factory Direct (Lady Americana), Global Mattress (Global Manufacturing (PR)), Healthcare/MIly, Hospitality Sleep System, Illinois Sleep Products, Jeffco Fibres, Kingdom Mattress, Mattress Makers, Miracle Bedding (Global Commonwealth Industries), Muybien Spring, Naturepedic (BAC Distributing), Ortho Mattress, Pleasant Mattress, Sherwood Bedding, Simmons, Sinomax, Sleep Designs, Sound Sleep (Lady Americana), Sven & Son, Variety, A&S Innersprings USA, Barber Manufacturing, UT+C, Future Foam, Future Coil, LLC, Global Bedding Solutions (inside C.M. Bedding), Hickory Springs Manufacturing, LA Spring, Starsprings USA, Texas Pocket Springs, Sleepy Spring Inc., and Leggett & Platt. *Leggett & Platt’s Cure Response* at Ex. 7. In its response to the notice of institution, Leggett & Platt stated that it does not know of “any comprehensive list of uncovered innerspring unit producers in the United States” and that many of the listed firms are “‘maker/producers’ that manufacture uncovered innerspring units for their own captive use for assembly into mattresses.” *Leggett & Platt’s Response* at 19. Leggett & Platt reports that in 2023, approximately *** percent of the firm’s U.S. shipments are for internal consumption. *Derived from id.* at Ex. 10.

Leggett & Platt agrees that the conditions of competition are “largely unchanged” since the original investigations. *Leggett & Platt’s Comments* at 3.

¹⁶⁶ CR/PR at I-12; *Leggett & Platt’s Cure Response* at Ex. 1.

¹⁶⁷ CR/PR at D-3.

¹⁶⁸ CR/PR at Table I-6 & note.

¹⁶⁹ CR/PR at Table I-6.

sources of uncovered innerspring units, Cambodia was the largest source of supply in 2023, followed by Turkey and Mexico.¹⁷⁰

3. Substitutability and Other Conditions

In the original investigations, the Commission found a high degree of substitutability between domestic innerspring units and cumulated subject imports.¹⁷¹ The Commission also found the fact that a significant portion of domestic production was captively consumed to be a relevant condition of competition, notwithstanding that criteria for application of the statutory captive production provision were not met.¹⁷² In the first and second reviews, the Commission continued to find that cumulated subject imports and the domestic like product were highly substitutable.¹⁷³ In each of the prior proceedings, the Commission found that price was an important factor in purchasing decisions.¹⁷⁴

The record in these reviews contains no new information to indicate that the degree of substitutability between the domestic like product and subject imports or the importance of price in purchasing decisions has changed since the prior proceedings. Leggett & Platt argues that there continues to be a high degree of substitutability between subject imports and the domestic like product and that price remains an important factor in purchasing decisions.¹⁷⁵ Accordingly, and in the absence of argument to the contrary, we again find that there is a high degree of substitutability between the domestic like product and subject imports, and that price remains an important factor in purchasing decisions.

Effective September 24, 2018, uncovered innerspring units originating in China became subject to an additional 10 percent *ad valorem* duty pursuant to Section 301 of the Trade Act of 1974 (“section 301 duty”).¹⁷⁶ Effective May 10, 2019, the section 301 duty for uncovered innerspring units from China increased to 25 percent *ad valorem*.¹⁷⁷

¹⁷⁰ CR/PR at Table I-5.

¹⁷¹ *Original Determinations*, USITC Pub. 4051 at 18.

¹⁷² *Original Determinations*, USITC Pub. 4051 at 16. The Commission found that U.S. producers’ shipments for internal consumption accounted for 20 to 30 percent of total U.S. producers’ shipments over the period of investigation. *Id.* at 17.

¹⁷³ *First Reviews*, USITC Pub. 4459 at 18; *Second Reviews*, USITC Pub. 4974 at 22.

¹⁷⁴ *Original Determinations*, USITC Pub. 4051 at 18; *First Reviews*, USITC Pub. 4459 at 22; *Second Reviews*, USITC Pub. 4974 at 22.

¹⁷⁵ Leggett & Platt’s Response at 7-8; Leggett & Platt’s Comments at 3 & 6.

¹⁷⁶ CR/PR at I-6 (citing 83 Fed. Reg. 47974 (Sept. 21, 2018)).

¹⁷⁷ CR/PR at I-6 (citing 84 Fed. Reg. 20459 (May 9, 2019)).

Since the last reviews, numerous antidumping and countervailing duty orders have been imposed on mattresses, including innerspring mattresses, from many different country sources. Specifically, on December 16, 2019, Commerce issued an antidumping duty order on mattresses from China.¹⁷⁸ Subsequently, on May 14, 2021, Commerce issued antidumping duty orders on mattresses from Cambodia, Indonesia, Malaysia, Serbia, Thailand, Turkey, and Vietnam, and a countervailing duty order on mattresses from China.¹⁷⁹ In addition, on July 11, 2024, Commerce issued antidumping duty orders on mattresses from Bosnia and Herzegovina, Bulgaria, Burma, Italy, the Philippines, Poland, Slovenia, and Taiwan, and on September 10, 2024, Commerce issued antidumping duty orders on mattresses from India, Kosovo, Mexico, and Spain.¹⁸⁰

C. Likely Volume of Subject Imports

1. The Prior Proceedings

In the original investigations, the Commission found that the volume of cumulated subject imports and the increase in that volume were significant.¹⁸¹ The Commission observed that this increasing subject import volume took market share from the domestic industry over the period of investigation.¹⁸² Additionally, these increases in cumulated

¹⁷⁸ *Mattresses from the People's Republic of China: Final Antidumping Duty Order*, 84 Fed. Reg. 68395 (Dec. 16, 2019); CR/PR at Table I-2. The Commission notes that, effective February 4, 2025, which is after the conclusion of the current period of review, all products originating in China are subject to an additional 10 percent duty under the International Emergency Economic Powers Act ("IEEPA"), which was raised to 20 percent effective March 4, 2025.

¹⁷⁹ *Mattresses from Cambodia, Indonesia, Malaysia, Serbia, Thailand, Turkey and Vietnam: Antidumping Duty Orders and Amended Final Affirmative Antidumping Determination for Cambodia*, 86 Fed. Reg. 26460 (May 14, 2021); *Mattresses from the People's Republic of China: Countervailing Duty Order*, 86 Fed. Reg. 26463 (May 14, 2021); CR/PR at Table I-2.

¹⁸⁰ *Mattresses from Bosnia and Herzegovina, Bulgaria, Burma, Italy, the Philippines, Poland, Slovenia, and Taiwan: Antidumping Duty Orders*, 89 Fed. Reg. 56851 (July 11, 2024); *Mattresses from India, Kosovo, Mexico, and Spain: Antidumping Duty Orders*, 89 Fed. Reg. at 73357 (Sept. 10, 2024); CR/PR at Table I-2.

¹⁸¹ *Original Determinations*, USITC Pub. 4051 at 18. Cumulated subject imports increased from *** units in 2005 to *** units in 2006, and then decreased to *** units in 2007. *Id.* at 18; Confidential Original Determinations at 26.

¹⁸² *Original Determinations*, USITC Pub. 4051 at 19. The domestic industry's share of apparent U.S. consumption decreased by *** percentage points over the period of investigation, from *** percent in 2005 to *** percent in 2007. Conversely, cumulated subject imports' share of apparent U.S. consumption increased by *** percentage points over the period, from *** percent in 2005 to *** (Continued...)

subject import volume and market share occurred even as apparent U.S. consumption declined.¹⁸³

In the first reviews, the Commission observed that under the discipline of the antidumping duty orders, subject imports were largely absent from the U.S. market. The Commission found, however, that the subject industries in China, South Africa, and Vietnam had the ability and incentive to increase subject imports if the orders were revoked. The Commission noted that the subject industries' estimated capacity was very large on a cumulated basis, that they had substantial excess capacity, and that they were export oriented.¹⁸⁴ The Commission found that the United States remained an attractive market for subject producers. Moreover, the Commission observed that barriers to exports in other markets – specifically, a Canadian antidumping duty order on innerspring units from China – created additional incentive for subject Chinese producers to export innerspring units to the United States if the orders were revoked. In light of these factors, the Commission concluded that the likely volume of cumulated subject imports would be significant if the orders were revoked.¹⁸⁵

In the second reviews, the Commission found that subject imports were absent from the market in 2013 and 2014, and present at levels well below their pre-order quantities during the 2015-2018 period.¹⁸⁶ Nevertheless, the Commission found that subject producers had increased their capacity in light of the growth in downstream mattress capacity in each subject country.¹⁸⁷ In addition, the Commission found that the subject industries continued to export substantial volumes of the most pertinent category of merchandise.¹⁸⁸ The Commission also found that the United States remained attractive to subject producers, as the largest export market in the world for the most pertinent product category.¹⁸⁹ Thus, the Commission found

percent in 2007. See Confidential Original Determinations at 26-27; *Original Determinations*, USITC Pub. 4051 at 18-19.

¹⁸³ *Original Determinations*, USITC Pub. 4051 at 19.

¹⁸⁴ *First Reviews*, USITC Pub. 4459 at 19.

¹⁸⁵ *First Reviews*, USITC Pub. 4459 at 19-21.

¹⁸⁶ *Second Reviews*, USITC Pub. 4974 at 23. During the period of review, subject imports were absent from the U.S. market in 2013 and 2014 and were present well below their pre-order quantities in each year from 2015 to 2018. *Id.*

¹⁸⁷ *Second Reviews*, USITC Pub. 4974 at 23.

¹⁸⁸ *Second Reviews*, USITC Pub. 4974 at 24 & n.147-148; *id.* at Table I-12, note (citing HS subheading 9404.39).

¹⁸⁹ *Second Reviews*, USITC Pub. 4974 at 24. The Commission observed that Chinese producers' continued interest in the U.S. market was reflected in a recent anti-circumvention proceeding, in which (Continued...)

that the subject producers were likely, absent the restraining effects of the orders, to export significant volumes of uncovered innerspring units to the U.S. market.¹⁹⁰

2. The Current Reviews

In the current reviews, the information available indicates that the subject orders continue to have a restraining effect on imports as the volume of cumulated subject imports declined during the period of review, from 61,000 units in 2019 to 23,000 units in 2020, 5,000 units in 2021 and 2022, and 1,000 units in 2023.¹⁹¹ Cumulated subject imports accounted for *** percent of apparent U.S. consumption by quantity in 2023.¹⁹²

The record in these reviews contains limited information on the subject industries in China, South Africa, and Vietnam. Nonetheless, the information available indicates that subject producers continue to have the ability and incentive to export subject merchandise to the U.S. market at significant volumes in the event of the revocation of the orders. Although no subject producer responded to the Commission's questionnaire in these reviews, the domestic interested party has identified 61 possible uncovered innerspring unit producers in China, four possible producers in South Africa, and 13 possible producers in Vietnam.¹⁹³

In addition, there is no information in the record for the current reviews that suggests any declines in the subject industries' substantial production capacity or excess capacity that were found in the original investigations and the prior reviews.¹⁹⁴ To the contrary, as discussed in section III.C.1 above, the available information indicates that mattress capacity expanded in Vietnam during the period of review.¹⁹⁵

The information available also indicates that the subject industries remained large exporters.¹⁹⁶ According to GTA data concerning mattresses of other than cellular, rubber, or

Commerce had found that certain innersprings exported from Macau using materials and/or components sourced from China were circumventing the antidumping duty order on uncovered innerspring units from China. *Id.* at 24 n.149 (citing *Uncovered Innerspring Units from the People's Republic of China: Final Affirmative Determination of Circumvention of the Antidumping Duty Order*, 83 Fed. Reg. 65626 (Dec. 21, 2018)).

¹⁹⁰ *Second Reviews*, USITC Pub. 4974 at 24.

¹⁹¹ CR/PR at Table I-5.

¹⁹² CR/PR at Table I-6 & note.

¹⁹³ CR/PR at I-22, I-24, & I-26.

¹⁹⁴ *Leggett & Platt's Response* at 14 & Ex. 6. As discussed in section III.C.1 above, Leggett & Platt cites export data from China and South Africa to show that the subject industries maintain "ample" capacity. *Id.* at 14.

¹⁹⁵ CR/PR at Table I-10.

¹⁹⁶ CR/PR at Tables I-7, I-9, I-11& I-12; *see also id.* at I-23, I-25, I-28 & I-29.

plastics, classified under HS subheading 9404.29, a category that includes both uncovered innerspring units and out-of-scope products, in 2023, exports of such merchandise from China were valued at \$384.1 million, exports of such merchandise from South Africa were valued at \$15.1 million, and exports of such merchandise from Vietnam were valued at \$109.5 million.¹⁹⁷ These data also indicate that China was the world's top exporter of such products in 2019, 2020, and 2022, and the second largest exporter in 2021 and 2023, while Vietnam was the fifth largest exporter of such products in 2019 and 2022, the fourth largest in 2020, the seventh largest in 2021, and the ninth largest in 2023.¹⁹⁸

The information available also indicates that the U.S. market remains attractive to subject producers. Despite the closure of several mattress production facilities, the United States remains a substantial producer and consumer of mattresses, and, as the Commission found in the original investigations, there is a direct correlation between sales of innerspring mattresses and demand for uncovered innerspring units.¹⁹⁹ Cumulated subject imports maintained an appreciable, if declining, presence in the U.S. market throughout the period of review, indicating that subject producers have retained customers and distribution networks in the United States.²⁰⁰ In addition, as discussed in section III.C.1 above, GTA data concerning exports of mattresses of other than cellular, rubber, or plastics, classified under HS subheading 9404.29, a category that includes both in-scope uncovered innerspring units and out-of-scope products, indicate that the United States was the largest destination market for exports of such merchandise from China throughout the period of review, and among the largest destination markets for exports of such merchandise from Vietnam during the 2019-2022 period.²⁰¹

Given the foregoing, including the significant and increasing volume and market share of cumulated subject imports during the original investigations, the continued presence of subject imports in the U.S. market during the period of review, the subject industries' large size and exports, and the attractiveness of the U.S. market to subject producers, we find that the

¹⁹⁷ CR/PR at Table I-12 & Table I-9; *see also Leggett & Platt's Response* at Ex. 6.

¹⁹⁸ CR/PR at Table I-12.

¹⁹⁹ *Leggett & Platt's Response* at 14-15 & n.54 (citing *Original Determinations*, USITC Pub. 4051 at 16).

²⁰⁰ CR/PR at Table I-6.

²⁰¹ CR/PR at Table I-7 & I-28. Exports of such merchandise from China to the United States decreased irregularly during the period of review, from \$84.7 million in 2019 to \$79.0 million in 2023. *Id.* at Table I-7. Exports of such merchandise from Vietnam to the United States decreased from \$24.6 million in 2019 to \$34,340 in 2023. *Id.* at I-28 n.57. The United States was the second largest destination market for exports of such merchandise from Vietnam in 2019, 2020, and 2022, and the eighth largest destination market in 2021. *Id.* at I-28.

volume of cumulated subject imports would likely be significant, both in absolute terms and relative to U.S. consumption, if the orders were to be revoked.²⁰²

D. Likely Price Effects

1. The Prior Proceedings

In the original investigations, the Commission found that subject imports undersold the domestic like product in 166 of 180 quarterly comparisons, with margins ranging from 0.8 to 56.1 percent.²⁰³ The Commission found this underselling to be significant in view of the substitutability of domestic and subject innerspring units, and the importance of price in purchasing decisions.²⁰⁴

The Commission found that subject imports depressed prices to a significant degree, observing that price declines for the domestic like product in 2005 and 2006 coincided with significant increases in the volume and market share of subject imports.²⁰⁵ The Commission further found that subject imports suppressed prices to a significant degree, observing that domestic producers were unable to increase prices to cover increases in raw material costs over

²⁰² Although imports from China are currently subject to a 25 percent *ad valorem* duty under section 301, neither Leggett & Platt nor the responding purchaser indicates that this duty would prevent subject imports from entering the U.S. market at significant levels if the orders were revoked. See generally *Leggett & Platt's Response*; CR/PR at Appendix D. Given the Chinese industry's large capacity and exports, the continued presence of subject imports from China in the U.S. market despite the imposition of section 301 duties, and the attractiveness of the U.S. market, we find that the section 301 duties would not likely prevent subject imports from China from increasing to significant levels if the orders were revoked.

The record of these expedited reviews contains no information on inventories of subject merchandise or the ability of subject producers to product shift. The information available also indicates that uncovered innerspring units from China, South Africa, and Vietnam are not currently subject to other antidumping or countervailing duty investigations outside of the United States; however, antidumping and countervailing duties on imports from China of a related product, certain mattresses, were imposed by Canada in 2022. CR/PR at I-29 & n.60. Previously, Canada had imposed antidumping duties on mattress innerspring units in 2009, and Canada revoked those duties in March 2014. *Second Reviews*, USITC Pub. 4974 at I-26.

²⁰³ *Original Determinations*, USITC Pub. 4051 at 21. Because no importer of subject merchandise from South Africa provided usable pricing data, pricing comparisons involved subject imports from China and Vietnam. *Id.*

²⁰⁴ *Original Determinations*, USITC Pub. 4051 at 21. The Commission also found relevant that there were 27 confirmed lost sales and four instances of confirmed lost revenues, and that almost all U.S. purchasers responding to the Commission's questions regarding lost sales and lost revenue allegations reported that price was the reason for the shift to subject imports. *Id.*

²⁰⁵ *Original Determinations*, USITC Pub. 4051 at 21.

the period of investigation due to competition with significant volumes of highly substitutable, low-priced subject imports.²⁰⁶

In the first and second reviews, the Commission continued to find subject imports and the domestic like product highly substitutable, and price to be an important factor in purchasing decisions.²⁰⁷ In light of these considerations, and the likely significant volume of cumulated subject imports after revocation, the Commission found that subject imports were likely to significantly undersell the domestic like product to gain market share, and that the significant volume of low-priced subject imports would likely depress or suppress prices for the domestic like product to a significant degree.²⁰⁸

2. The Current Reviews

As discussed above in section IV.B.3, we have found that there is a high degree of substitutability between the domestic like product and subject imports, and that price is an important factor in purchasing decisions for uncovered innerspring units.

²⁰⁶ *Original Determinations*, USITC Pub. 4051 at 21-22. The Commission rejected several respondent arguments concerning price effects. First, the Commission rejected the argument that Leggett & Platt's use of long-term contracts prevented subject imports from competing on price for a substantial portion of the U.S. market, noting among other things that such long-term contracts could be renegotiated and did not have fixed prices, and that the majority of sales in the U.S. market were not made by long-term contract. *Id.* at 22. Second, the Commission rejected the argument that the domestic industry's use of proprietary innerspring designs and patents foreclosed competition by subject imports in a significant portion of the U.S. market, observing that U.S. sales of innersprings covered by proprietary designs or patents were a minority of total U.S. innerspring sales during the period of investigation. *Id.* Finally, the Commission rejected the argument that an aggressive price-cutting strategy by the mattress manufacturer Sealy, and not subject imports, adversely affected innerspring prices, given that the evidence suggested that mattress prices were unlikely to drive innerspring prices. *Id.* at 23.

²⁰⁷ *First Reviews*, USITC Pub. 4459 at 18, 22; *Second Reviews*, USITC Pub. 4974 at 26.

²⁰⁸ *First Reviews*, USITC Pub. 4459 at 22; *Second Reviews*, USITC Pub. 4974 at 26.

The record in these expedited reviews does not contain new product-specific pricing information. Based on the available information, including the high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions, and the attractiveness of the U.S. market to subject producers, we find that if the orders were revoked, cumulated subject imports would likely undersell the domestic like product to gain market share, as occurred in the original investigations. Absent the discipline of the orders, the significant volumes of low-priced cumulated subject imports would likely take sales and market share from domestic producers and/or force the domestic industry to cut prices or restrain price increases necessary to cover any increasing costs, thereby depressing or suppressing prices for the domestic like product. Consequently, we find that if the orders were revoked, significant volumes of cumulated subject imports would likely have significant price effects.

E. Likely Impact²⁰⁹

1. The Prior Proceedings

In the original investigations, the Commission found overall declining trends in the indicia of the domestic industry's performance from 2005 to 2007.²¹⁰ Production, production capacity, and U.S. shipments all declined.²¹¹ The Commission likewise observed that the domestic industry's financial indicators, including operating income and the ratio of operating income to net sales, declined substantially over this period.²¹² It also found that net sales declined, while cost of goods sold as a share of net sales increased.²¹³

The Commission also considered whether the domestic industry's declining indicators reflected the overall economic recession and, thus, could not be attributed to subject imports.²¹⁴ Although the Commission acknowledged that a decline in apparent consumption had a negative impact on the domestic industry, it nevertheless found that subject imports played a material role in the harm experienced by the domestic industry.

²⁰⁹ In its expedited third reviews of the antidumping duty orders, Commerce determined that revocation of the orders would likely result in the continuation or recurrence of dumping with margins of up to 234.51 percent for China, up to 121.39 percent for South Africa, and up to 116.31 percent for Vietnam. *Final Results*, 90 Fed. Reg. at 1081; Issues and Decision Memorandum at 11.

²¹⁰ *Original Determinations*, USITC Pub. 4051 at 24.

²¹¹ *Original Determinations*, USITC Pub. 4051 at 24.

²¹² *Original Determinations*, USITC Pub. 4051 at 24-25.

²¹³ *Original Determinations*, USITC Pub. 4051 at 25.

²¹⁴ *Original Determinations*, USITC Pub. 4051 at 25.

Namely, as subject imports grew, they captured an increasing share of a shrinking market, thereby exacerbating the negative impact of reduced consumption.²¹⁵ Accordingly, the Commission concluded that subject imports had a significant impact on the domestic industry.²¹⁶

In the first reviews, the Commission found that, should the orders be revoked, the likely significant volume and price effects of the subject imports would likely have a significant impact on the production, shipments, sales, market share, and revenues of the domestic industry. The Commission found that these declines would likely have a direct adverse impact on the industry's profitability.²¹⁷

Additionally, the Commission considered the role of nonsubject imports, so as not to attribute likely injury from other factors to subject imports. It observed that the increased volume of nonsubject imports since the original investigations had not precluded the domestic industry from reporting better financial performance and a higher market share in 2012 than in 2007. The Commission therefore concluded that subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time if the antidumping duty orders were revoked.²¹⁸

In the second reviews, the Commission concluded that the limited record available on the domestic industry's performance was insufficient for it to make a vulnerability finding.²¹⁹ Based on the information available, the Commission found that if the orders were revoked, the likely significant volume and price effects of the cumulated subject imports would likely have a significant impact on the production, shipments, sales, market share, and revenues of the domestic industry.²²⁰ By placing pressure on domestic producers to cut prices or cede market share to subject imports, the Commission concluded, cumulated subject imports would likely have a significant impact on the domestic industry after revocation.²²¹

In its non-attribution analysis, the Commission observed that nonsubject imports had decreased since the first reviews.²²² Given the high degree of substitutability between subject

²¹⁵ *Original Determinations*, USITC Pub. 4051 at 25.

²¹⁶ *Original Determinations*, USITC Pub. 4051 at 25.

²¹⁷ *First Reviews*, USITC Pub. 4459 at 24.

²¹⁸ *First Reviews*, USITC Pub. 4459 at 25. Due to the limited evidence on the record of the first reviews, the Commission did not make a determination as to whether the domestic industry was vulnerable. *See id.* at 25.

²¹⁹ *Second Reviews*, USITC Pub. 4974 at 27.

²²⁰ *Second Reviews*, USITC Pub. 4974 at 27.

²²¹ *Second Reviews*, USITC Pub. 4974 at 27-28.

²²² *Second Reviews*, USITC Pub. 4974 at 28 & n.167.

imports and the domestic like product and the domestic industry's status as the overwhelming supplier of uncovered innerspring units to the U.S. market, the Commission found that the likely increase in subject imports would come at the expense of the domestic industry to a significant extent and have an adverse impact that was distinct from any caused by nonsubject imports.²²³

2. The Current Reviews

The record in these five-year reviews contains limited information concerning the domestic industry's performance since the previous reviews.

The information available indicates that the domestic industry's performance in 2023 was weaker than in the last years examined in the prior proceedings with respect to production, capacity utilization, and U.S. shipments, but generally stronger than in the last year examined in the original investigations with respect to other factors.²²⁴ In 2023, the domestic industry's capacity was *** units, which was lower than in 2007 and 2018 but higher than in 2012.²²⁵ Its production was *** units, its capacity utilization was *** percent, and its U.S. shipments were *** units, which were all lower than in the prior proceedings.²²⁶ The industry's share of apparent U.S. consumption, at *** percent, was higher than in 2007 but lower than in 2012 and 2018.²²⁷ In addition, the industry's net sales value in 2023, at \$***, was higher than in 2012 but lower than in 2007 and 2018.²²⁸ The domestic industry's other financial indicators, including its COGS-to-net-sales ratio of ***, its operating income of \$***, and its operating income margin of *** percent, were all stronger than in 2007 but weaker than in 2012 and

²²³ *Second Reviews*, USITC Pub. 4974 at 28.

²²⁴ CR/PR at Table I-4. As discussed in section I above, the data coverage of the domestic industry in these reviews is lower than in the prior proceedings. Consequently, the data on the domestic industry's performance in 2023 may be understated relative to that in 2007, 2012, and 2018. *Id.* at I-12.

²²⁵ CR/PR at Table I-4. The domestic industry's capacity was 24.1 million units in 2007, *** units in 2012, and *** units in 2018. *Id.*

²²⁶ CR/PR at Table I-4. In 2007, the domestic industry's production was 19.0 million units, its capacity utilization was 78.9 percent, and its U.S. shipments were *** units. *Id.* In 2012, the industry's production was *** units, its capacity utilization was *** percent, and its U.S. shipments were *** units. *Id.* In 2018, the industry's production was *** units, its capacity utilization was *** percent, and its U.S. shipments were *** units. *Id.*

²²⁷ CR/PR at Table I-6. The industry's share of apparent U.S. consumption was *** percent in 2007, *** percent in 2012, and *** percent in 2018. *Id.*

²²⁸ CR/PR at Table I-4. In 2007, the domestic industry's net sales value was \$535.0 million, in 2012, it was \$***, and in 2018 it was \$***. *Id.*

2018.²²⁹ The information on the industry's current condition is insufficient for us to make a finding as to whether the domestic industry is vulnerable to continuation or recurrence of material injury in the event of revocation of the orders.

Based on the information available in these reviews, we find that revocation of the orders would likely result in a significant increase in cumulated subject import volume that would likely undersell the domestic like product to a significant degree. Given the high degree of substitutability between the domestic like product and subject imports and the importance of price to purchasers, significant volumes of low-priced cumulated subject imports would likely capture sales and market share from the domestic industry and/or significantly depress or suppress prices for the domestic like product. The likely significant volume of cumulated subject imports and their adverse price effects would likely have a significant adverse impact on the domestic industry's production, shipments, sales, market share, and revenues, which in turn would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports, so as not to attribute injury from other factors to the subject imports. Nonsubject imports increased during the period of review and accounted for *** percent of apparent U.S. consumption in 2023.²³⁰ Nevertheless, the record provides no indication that the presence of nonsubject imports would prevent subject imports from

²²⁹ CR/PR at Table I-4. In 2007, the domestic industry's COGS-to-net-sales ratio was 84.7 percent, its operating income was \$38.1 million, and its ratio of operating income to net sales was 7.1 percent. *Id.* In 2012, the domestic industry's COGS-to-net-sales ratio was ***, its operating income was \$***, and its ratio of operating income to net sales was *** percent. *Id.* In 2018, the domestic industry's COGS-to-net-sales ratio was ***, its operating income was \$***, and its ratio of operating income to net sales was *** percent. *Id.*

The value of the domestic industry's SG&A expenses in 2023 was slightly lower than in the original investigations but higher than in prior reviews, the value of the domestic industry's COGS was lower than in the original investigations and the second reviews but was higher than in the first reviews, and its gross profit was higher than in the original investigations but lower than in the prior reviews. *Id.* In 2023, the value of the domestic industry's SG&A expenses was \$***, compared to \$43.9 million in 2007, \$*** in 2012, and \$*** in 2018. *Id.* In 2023, the value of the domestic industry's COGS was \$***, compared to \$453.0 million in 2007, \$*** in 2012, and \$*** in 2018. *Id.* In addition, in 2023, the domestic industry's gross profit was \$***, compared to \$82.0 million in 2007, \$*** in 2012, and \$*** million 2018. *Id.*

²³⁰ CR/PR at Table I-6. The quantity of nonsubject imports increased irregularly during the period of review, increasing from 440,000 units in 2019 to 634,000 units in 2020, and to 774,000 units in 2021, before decreasing to 448,000 units in 2022, and then increasing to 645,000 in 2023. *Id.* at Table I-5.

entering the U.S. market in significant quantities or adversely affecting domestic prices after revocation of the order. Given the domestic industry's *** percent share of apparent U.S. consumption in 2023, as well as the high degree of substitutability of uncovered innerspring units, regardless of source, and the importance of price to purchasing decisions, the significant increase in low-priced cumulated subject imports that we have found likely after revocation would come at least in part at the domestic industry's expense, or else force domestic producers to lower their prices or forgo price increases in order to retain market share. Consequently, we find that any future effects of nonsubject imports would be distinct from the likely effects attributable to subject imports and that nonsubject imports would not prevent subject imports from having a significant impact on the domestic industry.

We recognize that apparent U.S. consumption was *** percent lower in 2023 than in 2018.²³¹ Contrary to this apparent decline in demand, however, Leggett & Platt and responding purchaser *** indicate that there have been no changes in demand conditions since 2018.²³² To the extent that demand remains weak or declines, the significant volume of low-priced cumulated subject imports that is likely after revocation would exacerbate the effects of weak or declining demand on the domestic industry. Moreover, any decline in demand for uncovered innerspring units would be unlikely to explain any loss in market share. Given these considerations, we find that the likely effects attributable to subject imports are distinguishable from any likely effects of demand if the orders were revoked.

In sum, we conclude that if the antidumping duty orders on uncovered innerspring units from China, South Africa, and Vietnam were revoked, cumulated subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

V. Conclusion

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

²³¹ CR/PR at Table I-6. A portion of the decline in apparent U.S. consumption in 2023 compared to 2018 may be explained by the lower data coverage of the domestic industry in these reviews as compared to the second reviews, as discussed in section I above.

²³² Leggett & Platt's Response at 2, 8 & 22; Leggett & Platt's Comments at 3; CR/PR at D-3.

Information obtained in these reviews

Background

On September 3, 2024, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that it had instituted reviews to determine whether revocation of antidumping duty orders on uncovered innerspring units from China, South Africa, and Vietnam would likely lead to the continuation or recurrence of material injury to a domestic industry.² All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.^{3 4} Table I-1 presents information relating to the background and schedule of this proceeding:

Table I-1
Uncovered innerspring units: Information relating to the background and schedule of this proceeding

Effective date	Action
September 3, 2024	Notice of initiation by Commerce (89 FR 71252 September 3, 2024)
September 3, 2024	Notice of institution by Commission (89 FR 71414, September 3, 2024)
December 9, 2024	Commission’s vote on adequacy
January 7, 2025	Commerce’s results of its expedited reviews
March 28, 2025	Commission’s determinations and views

¹ 19 U.S.C. 1675(c).

² 89 FR 71414, September 3, 2024. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of five-year reviews of the subject antidumping duty orders. 89 FR 71252, September 3, 2024. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission’s website (www.usitc.gov).

³ As part of their response to the notice of institution, interested parties were requested to provide company-specific information. Information regarding responses to the notice of institution is presented in app. B. Summary data compiled in the original investigations are presented in app. C.

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

The original investigations

The original investigations resulted from petitions filed on December 31, 2007, with Commerce and the Commission by Leggett & Platt Incorporated (“Leggett & Platt”), Carthage, Missouri.⁵

On October 21, 2008, Commerce determined that imports of uncovered innerspring units from South Africa and Vietnam were being sold at less than fair value (“LTFV”).⁶ The Commission determined on December 4, 2008, that the domestic industry was materially injured by reason of LTFV imports of uncovered innerspring units from South Africa and Vietnam.⁷ On December 11, 2008, Commerce issued its antidumping duty order on imports from South Africa with a final weighted-average dumping margin of 121.39 percent,⁸ and it issued its antidumping duty order on imports from Vietnam with a final weighted-average dumping margin of 116.31 percent.⁹

On December 29, 2008, Commerce determined that imports of uncovered innerspring units from China were being sold at LTFV.¹⁰ The Commission determined on February 11, 2009 that the domestic industry was materially injured by reason of LTFV imports of uncovered innerspring units from China.¹¹ On February 19, 2009, Commerce issued its antidumping duty order on imports from China with final weighted-average dumping margins ranging from 164.75 to 234.51 percent.¹²

The first five-year reviews

On February 4, 2014, the Commission determined that it would conduct expedited reviews of the antidumping duty orders on uncovered innerspring units from China, South Africa, and Vietnam.¹³ On March 10, 2014, Commerce determined that revocation of the antidumping duty orders on uncovered innerspring units from China, South Africa, and Vietnam

⁵ Uncovered Innerspring Units from South Africa and Vietnam, Inv. Nos. 731-TA-1141-1142 (Final), USITC Publication 4051, December 2008 (“Original publication”), p. I-1; Uncovered Innerspring Units from China, Inv. Nos. 731-TA-1140 (Final), USITC Publication 4061, February 2009 (“Original publication China”), p. I-1.

⁶ 73 FR 62479 and 62481, October 21, 2008.

⁷ 73 FR 75132, December 10, 2008.

⁸ 73 FR 75390, December 11, 2008.

⁹ 73 FR 75391, December 11, 2008.

¹⁰ 73 FR 79443, December 29, 2008.

¹¹ 74 FR 7704, February 19, 2009.

¹² 74 FR 7661, February 19, 2009.

¹³ 79 FR 11466, February 28, 2014.

would be likely to lead to continuation or recurrence of dumping.¹⁴ On April 7, 2014, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹⁵ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective April 23, 2014, Commerce issued a continuation of the antidumping duty orders on imports of uncovered innerspring units from China, South Africa, and Vietnam.¹⁶

The second five-year reviews

On June 4, 2019, the Commission determined that it would conduct expedited reviews of the antidumping duty orders on uncovered innerspring units from China, South Africa, and Vietnam.¹⁷ On July 10, 2019, Commerce determined that revocation of the antidumping duty orders on uncovered innerspring units from China, South Africa, and Vietnam would be likely to lead to continuation or recurrence of dumping.¹⁸ On September 27, 2019, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹⁹ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective October 16, 2019, Commerce issued a continuation of the antidumping duty orders on imports of uncovered innerspring units from China, South Africa, and Vietnam.²⁰

Previous and related investigations

The Commission has conducted one previous import relief investigation on uncovered innerspring units and a number of related import relief investigations on mattresses,²¹ as presented in table I-2.

¹⁴ 79 FR 13277, March 10, 2014.

¹⁵ 79 FR 20230, April 11, 2014.

¹⁶ 79 FR 22624, April 23, 2014.

¹⁷ 84 FR 40090, August 13, 2019.

¹⁸ 84 FR 32878, July 10, 2019.

¹⁹ 84 FR 52896, October 3, 2019.

²⁰ 84 FR 55285, October 16, 2019.

²¹ Uncovered innerspring units are used as the innerspring component in the manufacture of innerspring and hybrid mattresses. Not all mattresses incorporate uncovered innerspring units in their construction (e.g., foam mattresses).

Table I-2**Uncovered innerspring units: Previous and related Commission proceedings and current status**

Date	Product	Number	Country	ITC original determination	Current status
2004	Uncovered innerspring units	TA-421-5	China	Negative	No safeguard measure imposed
2018	Mattresses	731-TA-1424	China	Affirmative	Ongoing first review
2020	Mattresses	701-TA-645	China	Affirmative	Order issued on May 14, 2021
2020	Mattresses	731-TA-1495	Cambodia	Affirmative	Order issued on May 14, 2021
2020	Mattresses	731-TA-1496	Indonesia	Affirmative	Order issued on May 14, 2021
2020	Mattresses	731-TA-1497	Malaysia	Affirmative	Order issued on May 14, 2021
2020	Mattresses	731-TA-1498	Serbia	Affirmative	Order issued on May 14, 2021
2020	Mattresses	731-TA-1499	Thailand	Affirmative	Order issued on May 14, 2021
2020	Mattresses	731-TA-1500	Turkey	Affirmative	Order issued on May 14, 2021
2020	Mattresses	731-TA-1501	Vietnam	Affirmative	Order issued on May 14, 2021
2023	Mattresses	701-TA-693	Indonesia	Terminated	---
2023	Mattresses	731-TA-1629	Bosnia and Herzegovina	Affirmative	Order issued on July 11, 2024
2023	Mattresses	731-TA-1630	Bulgaria	Affirmative	Order issued on July 11, 2024
2023	Mattresses	731-TA-1631	Burma	Affirmative	Order issued on July 11, 2024
2023	Mattresses	731-TA-1632	India	Affirmative	Order issued on September 10, 2024
2023	Mattresses	731-TA-1633	Italy	Affirmative	Order issued on July 11, 2024
2023	Mattresses	731-TA-1634	Kosovo	Affirmative	Order issued on September 10, 2024
2023	Mattresses	731-TA-1635	Mexico	Affirmative	Order issued on September 10, 2024
2023	Mattresses	731-TA-1636	Philippines	Affirmative	Order issued on July 11, 2024
2023	Mattresses	731-TA-1637	Poland	Affirmative	Order issued on July 11, 2024
2023	Mattresses	731-TA-1638	Slovenia	Affirmative	Order issued on July 11, 2024
2023	Mattresses	731-TA-1639	Spain	Affirmative	Order issued on September 10, 2024
2023	Mattresses	731-TA-1640	Taiwan	Affirmative	Order issued on July 11, 2024

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

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

Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of uncovered innerspring units from China, South Africa, and Vietnam with the intent of issuing the final results of these reviews based on the facts available not later than January 2, 2025.²² Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <https://access.trade.gov/public/FRNoticesListLayout.aspx> and subsequently on the Commission's Electronic Document Information System ("EDIS"). Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty orders on imports of uncovered innerspring units from China, South Africa, and Vietnam are noted in the sections titled "The original investigations" and "U.S. imports," if applicable.

The product

Commerce's scope

Commerce has defined the scope as follows:

The merchandise covered by these orders are uncovered innerspring units composed of a series of individual metal springs joined together in sizes corresponding to the sizes of adult mattresses (e.g., twin, twin long, full, full long, queen, California king, and king) and units used in smaller constructions, such as crib and youth mattresses. All uncovered innerspring units are included in this scope regardless of width and length. Included within this definition are innersprings typically ranging from 30.5 inches to 76 inches in width and 68 inches to 84 inches in length. Innersprings for crib mattresses typically range from 25 inches to 27 inches in width and 50 inches to 52 inches in length.

²² Letter from Alex Villanueva, Senior Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, October 31, 2024.

Uncovered innerspring units are suitable for use as the innerspring component in the manufacture of innerspring mattresses, including mattresses that incorporate a foam encasement around the innerspring.

Pocketed and non-pocketed innerspring units are included in this definition. Non-pocketed innersprings are typically joined together with helical wire and border rods. Non-pocketed innersprings are included in this definition regardless of whether they have border rods attached to the perimeter of the innerspring. Pocketed innersprings are individual coils covered by a “pocket” or “sock” of a nonwoven synthetic material or woven material and then glued together in a linear fashion.²³

U.S. tariff treatment

Uncovered innerspring units are currently imported under Harmonized Tariff Schedule of the United States (“HTS”) statistical reporting numbers 9404.29.9005, 9404.29.9013, and 9404.29.9050. The general rate of duty is 6.0 percent ad valorem for HTS subheading 9404.29.90.²⁴ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Effective September 24, 2018, uncovered innerspring units originating in China were 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 uncovered innersprings was increased to 25 percent.²⁵ HTS subheadings 9404.29.90, 9404.10.00, 7320.20.50, 7320.90.50, and 7326.20.00 were not included in the enumeration of iron and steel articles subject to the additional 25 percent ad valorem national-security duties under Section 232 of the Trade Expansion Act of 1962, as amended.

²³ 84 FR 55285, October 16, 2019.

²⁴ HTS statistical reporting number 9404.29.9011 was removed, effective January 1, 2016, and replaced by 9404.29.9013 (Of a width exceeding 91 cm, of a length exceeding 184 cm, and of a depth exceeding 8 cm) and 9404.29.9050 (Other). HTSUS (2016) Basic Edition, USITC Publication 4588, March 2016, Change of Record, pp. 7-8.

The merchandise subject to these reviews may also be imported under the following HTS statistical reporting numbers: 7320.20.5010, 7320.90.5010, 7326.20.0090, or 9404.10.0000. USITC, HTS (2024) Revision 8, Publication 5537, August 2024, pp. 73-37, 73-38, 73-43, and 94-12.

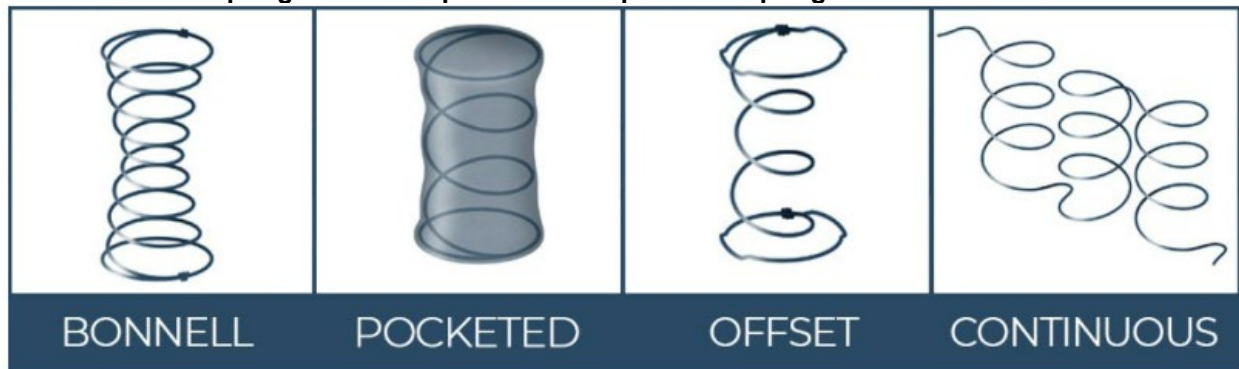
²⁵ 83 FR 47974, September 21, 2018; 84 FR 20459, May 9, 2019. See also HTS heading 9903.88.03 and U.S. notes 20(e)–20(f) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2024) Revision 5, Publication 5537, August 2024, pp. 99-III-28–99-III-29, 99-III-47, 99-III-311.

Description and uses²⁶

Uncovered innerspring units are a component in the manufacture of innerspring and hybrid mattresses. There are two main varieties of uncovered innerspring units: non-pocketed (e.g., Bonnell, offset, and continuous) and pocketed (figure I-1).

Figure I-1

Uncovered innerspring units: Non-pocketed and pocketed spring coils



Source: Grigson, N., Sleep Advisor, “What is mattress coil count? ”
<https://www.sleepadvisor.org/mattress-coil-count/>, retrieved September 13, 2024.

Note: Bonnell, offset, and continuous spring coils pictured above are examples of non-pocketed coils.

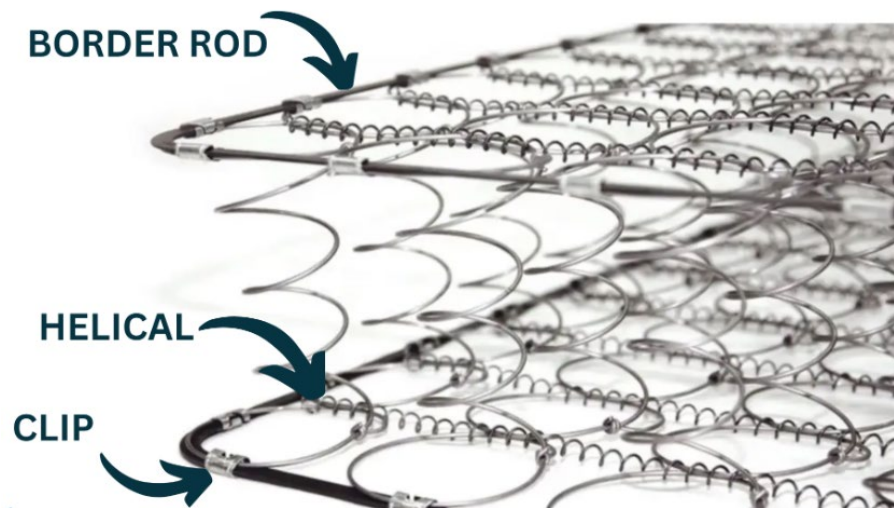
Non-pocketed innerspring units

Non-pocketed innerspring units have three major components: the innerspring coil, the helical, and the border. Innerspring coils, which are generally made from high-carbon steel rod that is drawn to wire of various gauges (i.e., diameter of wire) that typically range from 12.5 gauge (2.05 mm) to 15.5 gauge (1.45 mm), are typically joined together with the helical and the border. The helical, which is generally made of high-carbon steel wire ranging in thickness of 16.5 gauge (1.29 mm) to 18 gauge (1.02 mm), is bent into a tight spiral and used to lace the individual or continuous coils together (figure I-2). The border, which provides mattress edge stabilization along the perimeter of the unit, is a wire typically made of high-carbon steel ranging in thickness from 6 gauge (4.11 mm) to 9 gauge (2.91 mm). It is either attached to the perimeter of the unit using a metal clip or ring, or it can be “sewn” into the unit using a large

²⁶ Unless otherwise noted, this information is based on Uncovered Innerspring Units from China, South Africa, and Vietnam, Investigation Nos. 731-TA-1140-1142 (Second Review), USITC Publication 4974, September 2019 (“Second review publication”), pp. I-9-I-11.

diameter helical. All non-pocketed innerspring units have a helical wire, but not all non-pocketed innerspring units have wire borders.

Figure I-2
Uncovered innerspring units: Formation of innerspring units using helical and border



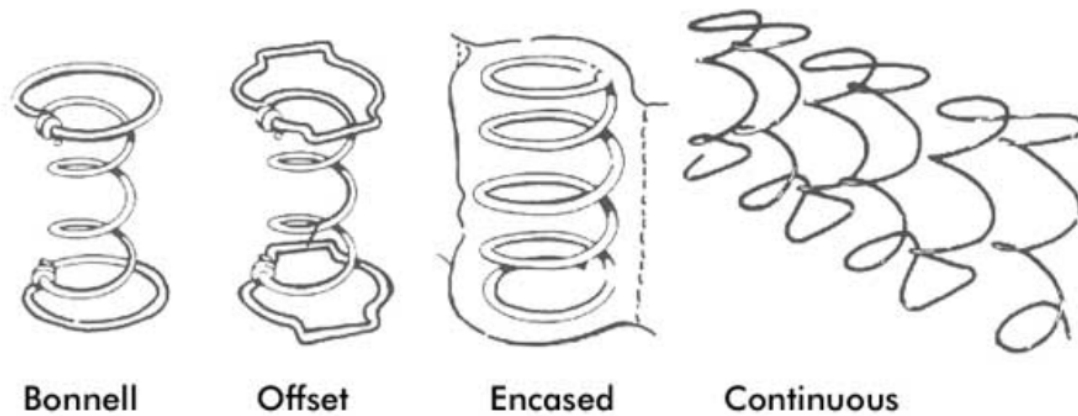
Source: Miladinovic, K., "Upcycle Mattress Springs," Sleepline, <https://www.sleepline.com/upcycle-mattress-springs/>, retrieved September 13, 2024.

Non-pocketed coils include Bonnell, offset, and continuous varieties. Bonnell coils are the most commonly used type in the market. These coils have an hour-glass shape, which tapers inward from top to center and then outward from center to bottom (figure I-3), with a round, knotted head. Offset coils, also known as Karr coils, have an hour-glass shape like Bonnell coils, but their convolutions²⁷ have flat tops and bottoms. Additionally, these coils have a squared head, which is typically knotted.²⁸ Offset coil systems usually produce less noise because they are constructed with a hinge-like top and bottom. These are often found in higher end luxury brand mattresses. Continuous coils have entire rows of continuous coils formed from a single piece of wire. These coils commonly have a high coil count but use less steel and a much thinner diameter wire. Continuous coils are S-shaped and can run vertically or horizontally. This feature is different from the Bonnell and offset coils, where individual coils are formed then assembled into a row of coils.

²⁷ Convolution refers to something being coiled or twisted. Dictionary.com, "Convolution," <https://www.dictionary.com/browse/convolution>, retrieved October 22, 2024.

²⁸ A subset of offset coils is the Left Facing Knot ("LFK") coil. LFK coils have a squared and un-knotted head and have a cylindrical or columnar shape.

Figure I-3
Uncovered innerspring units: Types of coils



Source: Furniture World, “Bedding anatomy 102,” <https://www.furninfo.com/furniture-world-articles/3393>, retrieved September 13, 2024.

Note: With the exception of the “encased” (or pocketed) coil, all others illustrated above are different types of non-pocketed coils.

Pocketed innerspring units

Pocketed innerspring units manufactured from pocketed coils include individual coils of steel wire that are covered by non-woven synthetic material and then held together by stitching or gluing together the synthetic material of a specific number of coils, which are then assembled to the specified size of the innerspring unit (figure I-4). Pocketed coils are also known as Marshall coils, wrapped coils, or encased coils and are of a thin-diameter, with individual coils that generally have a cylindrical shape and are knotless and inserted into a fabric “pocket” (see figure I-3 and figure I-4).²⁹ Pocketed coils result in reduced overall mattress movement on a bed because each spring, which is not wired together with any other neighboring spring, moves independently.

²⁹ Pocketed innerspring mattresses may also include rows of more tightly wound pocketed cylindrical springs along both sides to provide mattress edge stabilization. Mattresses from Bosnia and Herzegovina, Bulgaria, Burma, Italy, Philippines, Poland, Slovenia, and Taiwan, Investigation Nos. 731-TA-1629-1631, 1633, 1636-1638, and 1640 (Final), USITC Publication 5520, June 2024 (“Mattresses publication 5520”), p. I-19.

Figure I-4
Uncovered innerspring units: Pocketed coils



Source: Furniture World, "Bedding Anatomy 102," <https://www.furninfo.com/furniture-world-articles/3393>, retrieved September 13, 2024.

Manufacturing process³⁰

Non-pocketed and pocketed innerspring units are manufactured using a similar production process. In the first stage, high-carbon steel rod is drawn into wire.³¹ The rod is pulled through a series of dies until the desired diameter and tensile strength are attained.

In the next stage, the wire is fed into a machine by means of steel feed wheels, which push the wire against a pin that is controlled by a mechanical cam that bends the wire into a spiraled coil. The spiraled coil is then moved mechanically to a knotting station for processing. The finished coil is either automatically fed into an assembly machine or manually placed into a container or another machine. The coils are fed into an assembler where they are held in a fixture that allows the helical to lace a specific number of coils together. The assembler will then index the completed row of coils in preparation for the next row to be fed and attached. Once the desired size is reached, the assembled coils are ejected from the machine.³²

To form the border, heavy-gauge wire is mechanically straightened, cut to length, and then bent, either manually or mechanically, into a rectangular shape. The ends of the wire are either welded or held together using a metal ring. The border is attached to the assembled coils

³⁰ Unless otherwise noted, this information is based on Second review publication, p. I-12.

³¹ This wire is sometimes purchased from suppliers and sometimes produced by the innerspring manufacturers themselves.

³² A typical uncovered innerspring unit may contain from 400 to 1,200 coil springs and require as much as 2,000 linear feet of steel wire. Generally, the more coils, the more supportive the unit. Mattresses publication 5520, p. I-19.

using a metal clip, metal ring, or large-diameter helical. Finally, the innerspring is often tempered according to manufacturer or customer requirements in tempering ovens although some manufacturers electrically temper innersprings during the forming process. Tempering allows the formed wire to retain its shape and removes the stresses set during the manufacturing process.

For pocketed innerspring units, individual coils are inserted into non-woven fabric “pockets.” The individual coils are then assembled into the size that corresponds to the final mattress and glued together.

The production process of an innerspring unit can be automatic, semi-automatic, and/or manual. Production in the United States is mostly automated, or on fully automated innerspring production equipment (coiling, knotting, heat treating of coils, and assembly of the final innerspring unit). In a semi-automatic production process, a machine will form and knot the coil and heat treat the coils. Manual labor is then required to feed coils into assembly machines that insert the helical wire along the top and bottom of the coil unit as well as fasten the border to the coils by lacing steel wire around the perimeter of the border to the outermost coils. In the manual innerspring manufacturing process, machines are used to form the coil and knot the coil, but heat treatment is performed in an oven after the innerspring unit is formed. Manual labor is used to lace helical wires through the coils as well as fastening the border of the innerspring unit.

The industry in the United States

U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from eight firms, which accounted for virtually all production of uncovered innerspring units in the United States during 2007.³³ During the first five-year reviews, the domestic interested party provided a list of 23 known U.S. producers of uncovered innerspring units. One responding firm accounted for approximately *** percent of production of uncovered innerspring units in the United States during 2012.³⁴ During the second five-year reviews, the domestic interested party provided a list of 36 known U.S. producers of uncovered innerspring units. One responding firm accounted for *** percent of production of uncovered innerspring units in the United States during 2018.³⁵

In response to the Commission's notice of institution in these current reviews, the domestic interested party provided a list of 44 known and currently operating U.S. producers of uncovered innerspring units. One firm providing U.S. industry data in response to the Commission's notice of institution accounted for approximately *** percent of production of uncovered innerspring units in the United States during 2023.³⁶

Recent developments

Table I-3 presents events in the U.S. market since the Commission's last five-year reviews.³⁷ As many U.S. producers of uncovered innerspring units consume all, or a portion, of their production into the manufacture of finished mattresses,³⁸ the developments listed may involve both the manufacturing activities of uncovered innerspring units and finished mattresses.

³³ Original publication, p. III-1.

³⁴ Investigation Nos. 731-TA-1140-1142 (Review): Uncovered Innerspring Units from China, South Africa, and Vietnam, Confidential Report, INV-MM-015, March 6, 2014, as revised in INV-MM-021, March 18, 2014 ("First review confidential report"), pp. I-18-I-19.

³⁵ Investigation Nos. 731-TA-1140-1142 (Second Review): Uncovered Innerspring Units from China, South Africa, and Vietnam, Confidential Report, INV-RR-047, May 23, 2019, as revised in INV-RR-090, September 10, 2019 ("Second review confidential report"), p. I-16, table I-1.

³⁶ Domestic interested party's response to the notice of institution, October 3, 2024, exh. 1.

³⁷ For recent developments, if any, in tariff treatment, please see "U.S. tariff treatment" section.

³⁸ Original publication, p. III-5.

Table I-3**Uncovered innerspring units: Developments in the U.S. market**

Item	Firm	Event
Acquisition	Tempur Sealy / Sherwood Bedding	January 2020: Tempur Sealy announced the acquisition of majority ownership of Sherwood Bedding, a U.S. private label/original equipment manufacturer ("OEM") in the bedding market, located in Lexington, KY.
Closure	Hickory Springs	April/May 2020: Hickory Springs announced it will close its manufacturing plant in Micaville, NC.
Opening/ Closure	Corsicana Mattress Co.	March and May 2022: Corsicana opened a facility in Pinola, IN that closed shortly after in May 2022.
Opening	Serta Simmons	April 2022: Serta Simmons Bedding announced a new 500,000 square-foot manufacturing facility in Janesville, WI. It will consolidate two existing facilities (Janesville and Beloit, WI) into the new factory.
Closure	Serta Simmons	April 2023: Serta Simmons Bedding announced the closing of a plant in Waycross, GA, impacting 180 workers.
Closure	Serta Simmons	June 2023: Serta Simmons Bedding closed the Windsor Locks, CT factory opened in 2018, resulting in the loss of 157 jobs.
Closure	Serta Simmons	July 2023: Serta Simmons Bedding announced the closing of factories in Fredericksburg, VA impacting 128 workers, Clear Lake, IA impacting 86 workers, and Lenexa, KS impacting 70 workers.
Closure	Leggett & Platt	January 2024: Leggett & Platt announced plans to consolidate and close 15 facilities in the restructuring of its bedding operations; locations not specified.
Closure	Leggett & Platt	January 2024: Leggett & Platt closed its Omega Motion facility in Saltillo, MS, affecting approximately 130 employees.
New Line	Milton Sleep Co.	April 2024: Milton Sleep Co. launches its own manufacturing line in Dallas, TX after making mattresses under the Serta brand.
Closure	Leggett & Platt	June 2024: Leggett & Platt announced plans to close a High Point, NC facility, resulting in the loss of 158 jobs.
Blocked Acquisition	Tempur Sealy	July 2024: The Federal Trade Commission unanimously voted to block mattress maker Tempur Sealy's purchase of Mattress Firm.
Expansion	3Z Brands	August 2024: 3Z Brands added an additional 250,000 square feet to an existing 600,000 square feet facility in Glendale, AZ.
Expansion	Texas Pocket Springs	August 2024: Texas Pocket Springs broke ground on a new coiling facility in Keene, TX, projected to produce 1.3 million units per year.
Closure	Leggett & Platt	August 2024: Leggett & Platt announced that it is closing a Plant City, FL, affecting 78 workers.

Table continued.

Table I-3 Continued
Uncovered innerspring units: Developments in the U.S. market

Source: Tempur Sealy, "Tempur Sealy to acquire majority stake in Sherwood Bedding," <https://investor.tempur-sealy.com/news-releases/news-release-details/tempur-sealy-acquire-majority-stake-sherwood-bedding>, January 24, 2020; WLOS - ABC 13 News, "Yancy County manufacturing plant to close," <https://wlos.com/news/local/yancey-county-manufacturing-plant-to-close>, February 17, 2020; O'Mara, S.L., "Serta Simmons to build shared factory in Wisconsin," Furniture Today, <https://www.furnituretoday.com/bedding-manufacturers/serta-simmons-to-builds-500000-sq-ft-shared-factory-in-wisconsin/>, April 12, 2022; O'Mara, S.L., "Here's why top mattress manufacturer to close Indiana factory after 2 months," <https://www.furnituretoday.com/bedding-manufacturers/heres-why-mattress-manufacturer-to-close-indiana-factory-after-2-months/>, May 26, 2022; O'Mara, S.L., "Mattress maker Serta Simmons closes 3 factories in 3 states," <https://www.furnituretoday.com/bedding-manufacturers/mattress-maker-serta-simmons-closes-3-factories-in-3-states/>, July 5, 2022; Wells, A., "Serta to close two US mattress factories," <https://www.ien.com/video/video/22833588/serta-to-close-two-us-mattress-factories>, April 17, 2023; Serta Simmons, "Serta Simmons Bedding opens new state-of-the-art manufacturing plant in Wisconsin," <https://sertasimmons.com/news/serta-simmons-bedding-opens-new-state-art-manufacturing-plant-wisconsin/>, November 14, 2023; Turmelle, L., "CT-based mattress factory to close, 157 layoffs expected," CT Insider, <https://www.ctinsider.com/business/article/windsor-locks-mattress-factory-to-close-17890570.php>, April 12, 2023; Leggett & Platt, Incorporated, Form 10-K for fiscal year ended December 31, 2023, https://www.sec.gov/Archives/edgar/data/58492/000005849224000174/leg-20231231.htm#ia4919686dde847188a9b8275e2946f15_103, retrieved September 13, 2024; O'Mara, S.L., "Leggett & Platt to shutter up to 15 factories under restructuring plan," Furniture Today, <https://www.furnituretoday.com/mattress-bedding-news/leggett-platt-to-shutter-up-to-15-factories-under-restructuring-plan/>, January 16, 2024; Carlisle, Z., WTVA, "Omega Motion closing in Saltillo," https://www.wtva.com/news/local/omega-motion-closing-in-salttillo-will-impact-approximately-130-employees/article_0b72a0b6-bada-11ee-b928-f7f3c86c38a9.html, January 25, 2024; Murray, L., "Dallas-based Milton Sleep Co. launches new mattress line built in southern Dallas," <https://dallasinnovates.com/dallas-based-milton-sleep-co-launches-new-mattress-line-built-in-southern-dallas/>, April 16, 2024; Adams, L., "Leggett & Platt to close High Point plant," Woodworking Network, <https://www.woodworkingnetwork.com/news/woodworking-industry-news/leggett-platt-close-high-point-plant>, June 11, 2024; Marfu, R., CNN, "FTC unanimously moves to block \$4 billion merger of mattress giants," <https://www.cnn.com/2024/07/02/business/ftc-sealy-mattress-firm-merger/index.html>, July 2, 2024; Texas Pocket Spring, "Texas Pocket Springs breaks ground on new factory," <https://www.texaspocketsprings.com/post/texas-pocket-springs-breaks-ground-on-new-factory>, August 8, 2022; West, K., "3Z Brands expanding Glendale facility," West Valley View, https://www.westvalleyview.com/features/3z-brands-expanding-glendale-facility/article_9803c6c2-4ecd-11ef-b3d6-5f7a049c8092.html, August 3, 2024; Yahoo finance, The Joplin Globe, Mo., "Florida plant the latest to be closed by Leggett & Platt," <https://finance.yahoo.com/news/florida-plant-latest-closed-leggett-035900670.html>, August 29, 2024.

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews. Table I-4 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations and subsequent five-year reviews.

Table I-4
Uncovered innersprings units: Trade and financial data submitted by U.S. producers, by period

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

Item	Measure	2007	2012	2018	2023
Capacity	Quantity	24,113	***	***	***
Production	Quantity	19,019	***	***	***
Capacity utilization	Ratio	78.9	***	***	***
U.S. shipments	Quantity	***	***	***	***
U.S. shipments	Value	***	***	***	***
U.S. shipments	Unit value	***	***	***	***
Net sales	Value	534,965	***	***	***
COGS	Value	452,966	***	***	***
COGS to net sales	Ratio	84.7	***	***	***
Gross profit or (loss)	Value	81,999	***	***	***
SG&A expenses	Value	43,932	***	***	***
Operating income or (loss)	Value	38,067	***	***	***
Operating income or (loss) to net sales	Ratio	7.1	***	***	***

Source: For the years 2007, 2012, and 2018, data are compiled using data submitted in the Commission's original investigations and first and second five-year reviews. For the year 2023, data are compiled using data submitted by the domestic interested party. Domestic interested party's response to the notice of institution, October 3, 2024, exh. 1.

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

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if “appropriate circumstances” exist.³⁹

In its original determinations and its expedited first and second five-year review determinations, the Commission defined a single domestic like product consisting of uncovered innerspring units, coextensive with Commerce’s scope, and it defined the domestic industry as all domestic producers of uncovered innerspring units.⁴⁰

³⁹ Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

⁴⁰ 89 FR 71414, September 3, 2024.

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 23 firms, which accounted for all U.S. imports of uncovered innerspring units from China, *** percent from South Africa, *** percent from Vietnam, and *** from nonsubject sources during 2007.⁴¹ Import data presented in the original investigations are based on questionnaire responses.⁴²

Although the Commission did not receive responses from any respondent interested parties in its first and second five-year reviews, the domestic interested party provided a list of four firms in the first reviews and five firms in the second reviews that may have imported uncovered innerspring units from China, South Africa, and Vietnam.⁴³ Import data presented in the first and second reviews are based on official Commerce statistics.⁴⁴

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested party provided a list of 42 potential U.S. importers of uncovered innerspring units.⁴⁵

U.S. imports

Table I-5 presents the quantity, value, and unit value of U.S. imports from subject sources (China, South Africa, and Vietnam) as well as the other top sources of U.S. imports (shown in descending order of 2023 imports by quantity).

⁴¹ Investigation Nos. 731-TA-1140-1142 (Final): Uncovered Innerspring Units from China, South Africa, and Vietnam, Confidential Report, INV-FF-144, November 10, 2008, as revised in INV-GG-003, January 15, 2008 ("Original confidential report"), p. IV-1.

⁴² Original publication, p. IV-2.

⁴³ Uncovered Innerspring Units from South Africa and Vietnam, Inv. Nos. 731-TA-1141-1142 (Review), USITC Publication 4459, April 2014 ("First review publication"), p. I-15; Second review publication, p. I-17.

⁴⁴ First review publication, table I-4; Second review publication, table I-6.

⁴⁵ Domestic interested party's response to the notice of institution, October 3, 2024, exh. 1.

Table I-5**Uncovered innerspring units: U.S. imports, by source and period**

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

U.S. imports from	Measure	2019	2020	2021	2022	2023
China	Quantity	58	12	3	4	1
South Africa	Quantity	---	---	---	---	---
Vietnam	Quantity	4	11	2	0	---
Subject sources	Quantity	61	23	5	5	1
Cambodia	Quantity	166	195	149	89	231
Turkey	Quantity	135	308	418	234	144
Mexico	Quantity	62	29	46	30	71
All other sources	Quantity	78	101	161	95	200
Nonsubject sources	Quantity	440	634	774	448	645
All import sources	Quantity	501	657	779	452	646
China	Value	1,303	248	204	298	49
South Africa	Value	---	---	---	---	---
Vietnam	Value	364	1,611	432	20	---
Subject sources	Value	1,667	1,859	636	318	49
Cambodia	Value	3,046	3,968	3,256	2,149	5,855
Turkey	Value	2,853	6,592	33,287	10,352	3,762
Mexico	Value	2,529	1,500	2,394	1,699	6,916
All other sources	Value	4,597	3,321	8,797	6,193	11,382
Nonsubject sources	Value	13,025	15,381	47,733	20,394	27,916
All import sources	Value	14,692	17,240	48,370	20,712	27,965
China	Unit value	22.55	21.23	59.24	69.92	66.25
South Africa	Unit value	---	---	---	---	---
Vietnam	Unit value	101.96	142.74	247.74	63.15	---
Subject sources	Unit value	27.18	80.88	122.60	69.45	66.25
Cambodia	Unit value	18.38	20.33	21.90	24.27	25.34
Turkey	Unit value	21.21	21.38	79.60	44.17	26.22
Mexico	Unit value	40.92	51.42	52.22	57.28	97.93
All other sources	Unit value	59.07	32.83	54.56	65.08	57.03
Nonsubject sources	Unit value	29.61	24.27	61.68	45.55	43.30
All import sources	Unit value	29.31	26.25	62.09	45.79	43.32

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 9404.29.9005, 9404.29.9013, and 9404.29.9050, accessed October 19, 2024.

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

Note: Data shown as "0" represent values greater than zero, but less than "500" units or dollars. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Cumulation considerations⁴⁶

In assessing whether imports should be cumulated in five-year reviews, the Commission considers, among other things, whether there is a likelihood of a reasonable overlap of competition among subject imports and the domestic like product. Additional information concerning geographical markets and simultaneous presence in the market is presented below.⁴⁷

There were no reported U.S. imports of uncovered innerspring units from South Africa during 2019-23. Imports from China were reported in 43 of the 60 months between 2019 and 2023 and imports from Vietnam were reported in 18 of the 60 months between 2019 and 2023. No imports from China were reported in 6 of the 12 months of 2023 and no imports from Vietnam were reported during 2023.

As previously indicated, there were no reported U.S. imports of uncovered innerspring units from South Africa during 2019-23. Imports from China entered through all four main borders of entry (i.e., northern, southern, eastern, and western) in 2019, 2021, and 2022, through the eastern and western borders in 2020, and through the eastern, northern, and western borders in 2023. Imports of uncovered innerspring units from China in 2023 entered through the following Customs entry districts: Cleveland, Ohio; Los Angeles, California; New York, New York; San Juan, Puerto Rico; and the Virgin Islands. Imports from Vietnam entered the United States through the eastern border of entry in 2019, the northern border in 2020, the southern border in 2020 and 2022, and the western border in all years from 2019 to 2022. There were no imports from Vietnam during 2023.

⁴⁶ Unless otherwise noted, this information is based on official U.S. import statistics for HTS statistical reporting numbers 9404.29.9005, 9404.29.9013, and 9404.29.9050.

⁴⁷ In addition, available information concerning subject country producers and the global market is presented in the next section of this report.

Apparent U.S. consumption and market shares

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

Table I-6
Uncovered innerspring units: Apparent U.S. consumption and market shares, by source and period

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

Source	Measure	2007	2012	2018	2023
U.S. producers	Quantity	***	***	***	***
China	Quantity	***	6	124	1
South Africa	Quantity	***	---	---	---
Vietnam	Quantity	***	---	---	---
Subject sources	Quantity	***	6	124	1
Nonsubject sources	Quantity	***	541	375	645
All import sources	Quantity	***	548	499	646
Apparent U.S. consumption	Quantity	20,907	***	***	***
U.S. producers	Value	***	***	***	***
China	Value	***	202	8,527	49
South Africa	Value	***	---	---	---
Vietnam	Value	***	---	---	---
Subject sources	Value	***	202	8,527	49
Nonsubject sources	Value	***	13,103	7,978	27,916
All import sources	Value	***	13,305	16,505	27,965
Apparent U.S. consumption	Value	557,617	***	***	***
U.S. producers	Share of quantity	***	***	***	***
China	Share of quantity	***	***	***	***
South Africa	Share of quantity	***	---	---	---
Vietnam	Share of quantity	***	---	---	---
Subject sources	Share of quantity	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***
All import sources	Share of quantity	***	***	***	***
U.S. producers	Share of value	***	NA	***	***
China	Share of value	***	NA	***	***
South Africa	Share of value	***	NA	---	---
Vietnam	Share of value	***	NA	---	---
Subject sources	Share of value	***	NA	***	***
Nonsubject sources	Share of value	***	NA	***	***
All import sources	Share of value	***	NA	***	***

Table continued.

Table I-6 Continued

Uncovered innerspring units: Apparent U.S. consumption and market shares, by source and period

Source: For the years 2007, 2012, and 2018, data are compiled using data submitted in the Commission's original investigations and first and second five-year reviews. For the year 2023, U.S. producers' U.S. shipments are compiled from the domestic interested party's response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 9404.29.9005, 9404.29.9013, and 9404.29.9050, accessed October 19, 2024.

Note: Share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent. Share data shown as "0.0" represent values greater than zero, but less than 0.05 percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Note: Quantity and value data shown as "0" represent values greater than zero, but less than "500" units or dollars. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Note: Share of consumption data based on value for 2012 are not available.

Note: For 2007, apparent U.S. consumption is derived from U.S. shipments of imports, rather than U.S. imports.

Note: U.S. producers' U.S. shipment quantity presented for 2012 in this table (see First review confidential report, table I-4) do not agree with U.S. producers' U.S. shipment quantity presented for 2012 earlier in table I-4 of this report (see First review confidential report, table I-3). The value data for U.S. producers' U.S. shipments for 2012 presented in this table agree with the value data presented in table I-4 of this report.

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

The industry in China

Producers in China

During the final phase of the original investigations, the Commission received foreign producer questionnaires from five firms, whose exports to the United States accounted for approximately 6.7 percent of uncovered innerspring units imports from China to the United States during 2007.⁴⁸

Although the Commission did not receive responses from any respondent interested parties in its first and second five-year reviews, the domestic interested party provided a list of 25, and then 24, possible producers of uncovered innerspring units in China in each proceeding, respectively.⁴⁹

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 61 possible producers of uncovered innerspring units in China.⁵⁰

Recent developments

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

⁴⁸ Original publication, p. VII-1.

⁴⁹ First review publication, p. I-18; Second review publication, p. I-21.

⁵⁰ Domestic interested party's response to the notice of institution, October 3, 2024, exh. 1.

Exports

Table I-7 presents Global Trade Atlas (“GTA”) export data for “mattresses of other than cellular rubber or plastics,” a category that includes uncovered innerspring units and out-of-scope products, from China (by export destination in descending order of value for 2023). The United States was the largest export market in each year between 2019 and 2023.

Table I-7
Mattresses of other than cellular rubber or plastics: Value of exports from China, by destination and period

Value in 1,000 dollars

Destination market	2019	2020	2021	2022	2023
United States	84,739	91,132	105,816	106,608	78,989
Japan	82,390	77,307	64,541	73,138	48,979
Vietnam	17,037	20,557	30,338	19,179	31,778
United Kingdom	30,028	30,422	30,552	28,100	26,135
Australia	41,474	36,857	31,616	36,349	23,637
South Korea	13,740	15,836	16,943	17,514	21,604
Hong Kong	15,595	15,158	16,794	16,078	15,469
Taiwan	5,473	8,556	9,377	8,677	10,454
Malaysia	23,968	11,321	7,869	10,241	8,467
Singapore	10,762	9,859	6,048	13,171	7,301
All other markets	106,153	85,588	80,823	74,235	85,310
All markets	431,358	402,591	400,717	403,291	358,122

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 9404.29, accessed September 12, 2024. These data may be overstated as HS subheading 9404.29 may contain products outside the scope of these reviews, such as the value of the completed mattresses and not just the uncovered innerspring units.

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

Note: Value data are presented for GTA export data, as quantity data are not uniformly available.

The industry in South Africa

Producers in South Africa

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from two firms whose exports to the United States accounted for 100 percent of U.S. imports of uncovered innerspring units from South Africa during 2007.⁵¹

Although the Commission did not receive responses from any respondent interested parties in its first and second five-year reviews, the domestic interested party provided a list of four possible producers of uncovered innerspring units in South Africa, in both reviews.⁵²

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of four possible producers of uncovered innerspring units in South Africa.⁵³

Recent developments

Table I-8 presents events in the uncovered innerspring unit industry in South Africa since the Commission's last five-year reviews.

Table I-8
Uncovered innerspring units: Developments in the industry in South Africa

Item	Firm	Event
Divestiture	Leggett & Platt	February 2022: Leggett & Platt sold its South African bedding innerspring operation.

Source: Leggett & Platt, Inc., "Form 10-K, fiscal year ended December 31, 2023," <https://leggett.com/leggett-form-10k-2023.htm>, retrieved September 16, 2024.

⁵¹ Original publication, p. VII-2.

⁵² First review publication, p. I-18; Second review publication, p. I-23.

⁵³ Domestic interested party's response to the notice of institution, October 3, 2024, exh. 1.

Exports

Table I-9 presents GTA export data for “mattresses of other than cellular rubber or plastics,” a category that includes uncovered innerspring units and out-of-scope products, from South Africa (by export destination in descending order of value for 2023). All of the top ten markets for South African exports are destined for other countries within Africa.

Table I-9
Mattresses of other than cellular rubber or plastics: Value of exports from South Africa, by destination and period

Value in 1,000 dollars

Destination market	2019	2020	2021	2022	2023
Namibia	2,841	3,163	3,647	5,058	4,987
Botswana	3,189	2,841	2,632	1,995	2,195
Lesotho	1,513	1,305	1,995	2,539	1,905
Zambia	2,003	1,994	1,878	1,769	1,768
Mozambique	467	728	653	866	951
Eswatini	3,391	2,569	1,375	1,092	851
Tanzania	230	21	60	165	549
Congo, Dem. Rep.	104	177	126	231	392
Zimbabwe	141	252	432	373	325
Angola	423	469	226	204	291
All other markets	788	907	673	665	923
All markets	15,092	14,427	13,698	14,957	15,138

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 9404.29, accessed September 12, 2024. These data may be overstated as HS subheading 9404.29 may contain products outside the scope of these reviews, such as the value of the completed mattresses and not just the uncovered innerspring units.

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

Note: Value data are presented for GTA export data, as quantity data are not uniformly available.

The industry in Vietnam

Producers in Vietnam

During the final phase of the original investigations, the Commission received a foreign producer/exporter questionnaire from one firm, whose exports accounted for approximately *** percent of uncovered innerspring units imported from Vietnam to the United States during 2007.⁵⁴

Although the Commission did not receive responses from any respondent interested parties in its first and second five-year reviews, the domestic interested party provided a list of 11, and 10, possible producers of uncovered innerspring units in Vietnam in each proceeding, respectively.⁵⁵

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 13 possible producers of uncovered innerspring units in Vietnam.⁵⁶

⁵⁴ Original confidential report, p. VII-7.

⁵⁵ First review publication, p. I-19; Second review publication, p. I-24.

⁵⁶ Domestic interested party's response to the notice of institution, October 3, 2024, exh 1.

Recent developments

Table I-10 presents events in the uncovered innerspring unit industry in Vietnam since the Commission's last five-year reviews. As many producers of uncovered innerspring units consume all, or a portion, of their production into the manufacture of finished mattresses, the developments listed may involve both the manufacturing activities of uncovered innerspring units and finished mattresses.

Table I-10
Uncovered innerspring units: Developments in the industry in Vietnam

Item	Firm	Event
Expansion	AmericanStar	January 2019: AmericanStar's expanded its facility in Ho Chi Minh City, Vietnam by almost 100,000 square feet, with new foam pouring, spring making, and mattress assembly buildings under construction. This expansion was intended to increase the company's mattress capacity from 80 to 200 containers a month by the end of 2019.
Licensing Agreement	Spring Air International	December 2019: Spring Air International (Woburn, MA) signed a licensing agreement with Vietnam-based World Luxury Mattress Gallery to manufacture and distribute its products in Vietnam, Laos, and Cambodia.

Source: Perry, D., Furniture Today, "AmericanStar's Vietnam factory targets U.S. for growth," <https://www.furnituretoday.com/business-news/americanstars-vietnam-factory-targets-us-growth/>, January 22, 2019; Vietnam Investment Review, "US mattress manufacturer Spring Air International enters Vietnam," <https://vir.com.vn/us-mattress-manufacturer-spring-air-international-enters-vietnam-72556.html>, December 19, 2019.

Exports

Table I-11 presents GTA export data for “mattresses of other than cellular rubber or plastics,” a category that includes uncovered innerspring units and out-of-scope products, from Vietnam (by export destination in descending order of value for 2023). Japan was the largest export market in each year between 2019 and 2023. Although the United States was not among the top ten destination markets for exports from Vietnam in 2023 (ranking 21st), it was the second largest destination market in 2019, 2020, and 2022, and the eighth largest in 2021.⁵⁷

Table I-11
Mattresses of other than cellular rubber or plastics: Value of exports from Vietnam, by destination and period

Value in 1,000 dollars

Destination market	2019	2020	2021	2022	2023
Japan	85,164	94,952	104,271	117,463	91,109
Singapore	701	2,960	2,243	2,422	5,706
Taiwan	688	513	1,673	5,534	2,834
South Korea	984	813	855	625	2,474
Malaysia	683	950	1,360	1,886	1,812
Australia	589	1,376	1,586	1,535	1,200
Cambodia	995	499	521	650	986
Canada	967	1,596	591	611	847
China	1,094	728	872	548	485
Philippines	210	154	138	559	336
All other markets	26,491	43,577	2,525	12,700	1,703
All markets	118,563	148,118	116,635	144,533	109,491

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 9404.29, accessed November 19, 2024. The data presented are for official imports from Vietnam under HS subheading 9404.29 as reported by various national statistical reporting authorities (constructed export statistics for Vietnam). These data may be overstated as HS subheading 9404.29 may contain products outside the scope of these reviews, such as the value of the completed mattresses and not just the uncovered innerspring units.

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

Note: Value data are presented for GTA export data, as quantity data are not uniformly available.

⁵⁷ The United States does not appear in table I-11 because it did not rank among the top ten destination markets for exports from Vietnam during 2023. According to GTA constructed export statistics for Vietnam under HS subheading 9404.29, exports from Vietnam to the United States amounted to \$24.6 million in 2019, \$38.3 million in 2020, \$599,594 in 2021, \$11.1 million in 2022, and \$34,340 in 2023.

Third-country trade actions

Based on available information, uncovered innerspring units from China, South Africa, and Vietnam are currently not subject to any antidumping or countervailing duty orders or investigations outside the United States.⁵⁸ However, antidumping and countervailing duties on imports from China of a related product, certain mattresses,⁵⁹ were imposed by Canada in 2022.⁶⁰

The global market

Table I-12 presents global export data for “mattresses of other than cellular rubber or plastics,” a category that includes uncovered innerspring units and out-of-scope products (by source in descending order of value for 2023). Both China and Vietnam were among the top ten exporting countries during 2023. South Africa was not, instead ranking as the 36th largest exporting country during 2023.

⁵⁸ Antidumping duties on imports of mattress innerspring units from China were previously imposed by Canada in 2009 and were in effect until their revocation in March 2014. Canadian International Trade Tribunal, “Mattress Innerspring Units, Expiry No. LE-2013-002,” March 12, 2014, https://decisions.citt-tc.gc.ca/citt-tcgc/a/en/item/353874/index.do#_Toc387326061, retrieved November 21, 2024.

⁵⁹ The term “mattress” denotes an assembly of materials that at a minimum includes a “core” (e.g., innerspring, foam, or hybrid), as well as “upholstery” and/or “ticking.” The items covered by the orders generally include mattresses, mattress toppers, and mattresses for use and incorporation into furniture regardless of size and core type, originating in or exported from China, whether imported independently or in a set with a mattress foundation, mattress topper, or both, with limited exclusions. Canadian International Trade Tribunal, “Inquiry NQ-2022-001, Certain Mattresses,” November 21, 2022, https://decisions.citt-tc.gc.ca/citt-tcgc/a/en/item/521001/index.do?q=mattress+innerspring+units#_Toc153785646, retrieved November 21, 2024; Canada Border Services Agency, “MAT 2022 IN: Mattresses Statement of Reasons—final decisions,” October 20, 2022, <https://cbsa-asfc.gc.ca/sima-lmsi/i-e/mat2022/mat2022-fd-eng.html#toc15>, retrieved November 21, 2024.

⁶⁰ WTO, “Anti-Dumping Original Investigation MAT 2022 IN/CN,” <https://trade-remedies.wto.org/en/antidumping/investigations/measures/can-mat-2022-incn>, retrieved September 16, 2024 and WTO, “Countervailing Original Investigation MAT 2022 IN,” <https://trade-remedies.wto.org/en/countervailing/investigations/measures/can-mat-2022-in>, retrieved September 16, 2024.

Table I-12**Mattresses of other than cellular rubber or plastics: Value of global exports by country and period**

Value in 1,000 dollars

Exporting country	2019	2020	2021	2022	2023
Poland	330,775	340,726	409,897	380,051	384,247
China	431,358	402,591	400,717	403,291	358,122
Mexico	34,691	32,658	115,265	149,091	225,433
Turkey	154,855	232,524	219,514	185,564	194,922
Netherlands	96,647	92,297	123,283	142,024	161,483
Portugal	106,879	96,498	147,652	122,987	143,751
Romania	46,550	54,411	87,118	108,360	111,768
Indonesia	102,965	144,856	148,566	126,595	110,439
Vietnam	118,565	148,118	116,635	144,533	109,491
Germany	153,102	129,583	91,235	91,646	107,052
All other exporters	1,299,218	1,225,689	1,421,421	1,178,545	1,182,701
All exporters	2,875,605	2,899,949	3,281,302	3,032,687	3,089,409

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 9404.29, accessed November 19, 2024. The data presented for Vietnam are for official imports under HS subheading 9404.29 as reported by various national statistical reporting authorities (constructed export statistics for Vietnam). These data may be overstated as HS subheading 9404.29 may contain products outside the scope of these reviews, such as the value of the completed mattresses and not just the uncovered innerspring units.

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

Note: Value data are presented for GTA export data, as quantity data are not uniformly available.

APPENDIX A

FEDERAL REGISTER NOTICES

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

Citation	Title	Link
89 FR 71252 September 3, 2024	Initiation of Five-Year (Sunset) Reviews	https://www.govinfo.gov/content/pkg/FR-2024-09-03/pdf/2024-19716.pdf
89 FR 71414 September 3, 2024	Uncovered Innerspring Units From China, South Africa, and Vietnam; Institution of Five-Year Reviews	https://www.govinfo.gov/content/pkg/FR-2024-09-03/pdf/2024-19667.pdf

APPENDIX B

RESPONSES TO THE NOTICE OF INSTITUTION

Responses to the Commission’s notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of Leggett & Platt Incorporated (“Leggett & Platt”), a domestic producer of uncovered innerspring units (referred to herein as “domestic interested party”).

A complete response to the Commission’s notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy or explain deficiencies in their responses and to provide clarifying details where appropriate. A summary of the number of responses and estimates of coverage for each is shown in table B-1.

Table B-1
Uncovered innerspring units: Summary of responses to the Commission’s notice of institution

Interested party type	Number	Coverage
U.S. producer	1	***0%

Note: The U.S. producer coverage figure presented is the domestic interested party’s estimate of its share of total U.S. production of uncovered innerspring units during 2023. Domestic interested party’s response to the notice of institution, October 3, 2024, exh. 1.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from the domestic interested party. The domestic interested party requests that the Commission conduct expedited reviews of the orders on uncovered innerspring units from China, South Africa, and Vietnam.¹

¹ Domestic interested party’s comments on adequacy, November 12, 2024, p. 2.

Company-specific information

Table B-2

Uncovered innerspring units: Response checklist for U.S. producers

Yes = provided response; no = did not provide a response; NA = not available; not known = information was not known

Item	Leggett & Platt
Nature of operation	Yes
Statement of intent to participate	Yes
Statement of likely effects of revoking the order	Yes
U.S. producer list	Yes
U.S. importer/foreign producer list	Yes
List of 3-5 leading purchasers	Yes
List of sources for national/regional prices	not known
Trade/financial data	Yes
Changes in supply/demand	Yes
Complete response	Yes

APPENDIX C

SUMMARY DATA COMPILED IN PREVIOUS PROCEEDINGS

Table C-1

Innersprings: Summary data concerning the U.S. market, 2005-07, January-June 2007, and January-June 2008

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

Item	Reported data					Period changes			
	2005	2006	2007	January-June		2005-07	2005-06	2006-07	Jan.-June 2007-08
				2007	2008				
U.S. consumption quantity:									
Amount	22,339	21,593	20,907	10,613	10,302	-6.4	-3.3	-3.2	-2.9
Producers' share (1)	*****	*****	*****	*****	*****	*****	*****	*****	*****
Importers' share (1):									
China	*****	*****	*****	*****	*****	*****	*****	*****	*****
South Africa	*****	*****	*****	*****	*****	*****	*****	*****	*****
Vietnam	*****	*****	*****	*****	*****	*****	*****	*****	*****
Subtotal	*****	*****	*****	*****	*****	*****	*****	*****	*****
All other sources	*****	*****	*****	*****	*****	*****	*****	*****	*****
Total imports	*****	*****	*****	*****	*****	*****	*****	*****	*****
U.S. consumption value:									
Amount	604,246	570,998	557,617	281,284	288,839	-7.7	-5.5	-2.3	2.7
Producers' share (1)	*****	*****	*****	*****	*****	*****	*****	*****	*****
Importers' share (1):									
China	*****	*****	*****	*****	*****	*****	*****	*****	*****
South Africa	*****	*****	*****	*****	*****	*****	*****	*****	*****
Vietnam	*****	*****	*****	*****	*****	*****	*****	*****	*****
Subtotal	*****	*****	*****	*****	*****	*****	*****	*****	*****
All other sources	*****	*****	*****	*****	*****	*****	*****	*****	*****
Total imports	*****	*****	*****	*****	*****	*****	*****	*****	*****
U.S. shipments of imports from:									
China:									
Quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Unit value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Ending inventory quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
South Africa:									
Quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Unit value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Ending inventory quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Vietnam:									
Quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Unit value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Ending inventory quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Subtotal:									
Quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Unit value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Ending inventory quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
All other sources:									
Quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Unit value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Ending inventory quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
All sources:									
Quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Unit value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Ending inventory quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****

Table continued on next page.

Table C-1--Continued

Innersprings: Summary data concerning the U.S. market, 2005-07, January-June 2007, and January-June 2008

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

Item	Reported data					Period changes			
	2005	2006	2007	January-June		2005-07	2005-06	2006-07	Jan.-June 2007-08
				2007	2008				
U.S. producers:									
Average capacity quantity	26,797	24,230	24,113	12,281	13,271	-10.0	-9.6	-0.5	8.1
Production quantity	20,968	19,719	19,019	10,030	10,012	-9.3	-6.0	-3.6	-0.2
Capacity utilization (1)	78.2	81.4	78.9	81.7	75.4	0.6	3.1	-2.5	-6.2
U.S. shipments:									
Quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Unit value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Export shipments:									
Quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Unit value	*****	*****	*****	*****	*****	*****	*****	*****	*****
Ending inventory quantity	*****	*****	*****	*****	*****	*****	*****	*****	*****
Inventories/total shipments (1)	*****	*****	*****	*****	*****	*****	*****	*****	*****
Production workers	2,820	2,826	2,970	3,086	2,878	5.3	0.2	5.1	-6.7
Hours worked (1,000s)	5,746	5,689	6,000	3,090	2,882	4.4	-1.0	5.5	-6.7
Wages paid (\$1,000s)	80,081	80,320	87,088	44,684	42,611	8.7	0.3	8.4	-4.6
Hourly wages	\$13.94	\$14.12	\$14.51	\$14.46	\$14.78	4.1	1.3	2.8	2.2
Productivity (units per hour)	3.6	3.5	3.2	3.2	3.5	-13.1	-5.0	-8.6	7.0
Unit labor costs	\$3.82	\$4.07	\$4.58	\$4.46	\$4.26	19.9	6.6	12.4	-4.5
Net sales:									
Quantity	20,825	19,616	19,147	9,881	9,855	-8.1	-5.8	-2.4	-0.3
Value	592,106	547,081	534,965	272,369	283,791	-9.7	-7.6	-2.2	4.2
Unit value	\$28.43	\$27.89	\$27.94	\$27.57	\$28.80	-1.7	-1.9	0.2	4.5
Cost of goods sold (COGS)	462,896	459,009	452,966	229,307	236,158	-2.1	-0.8	-1.3	3.0
Gross profit or (loss)	129,210	88,072	81,999	43,062	47,633	-36.5	-31.8	-6.9	10.6
SG&A expenses	38,077	37,061	43,932	21,962	23,441	15.4	-2.7	18.5	6.7
Operating income or (loss)	91,133	51,011	38,067	21,100	24,192	-58.2	-44.0	-25.4	14.7
Capital expenditures	*****	*****	*****	*****	*****	*****	*****	*****	*****
Unit COGS	\$22.23	\$23.40	\$23.66	\$23.21	\$23.96	6.4	5.3	1.1	3.3
Unit SG&A expenses	\$1.83	\$1.89	\$2.29	\$2.22	\$2.38	25.5	3.3	21.4	7.0
Unit operating income or (loss)	\$4.38	\$2.60	\$1.99	\$2.14	\$2.45	-54.6	-40.6	-23.5	15.0
COGS/sales (1)	78.2	83.9	84.7	84.2	83.2	6.5	5.7	0.8	-1.0
Operating income or (loss)/ sales (1)	15.4	9.3	7.1	7.7	8.5	-8.3	-6.1	-2.2	0.8

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

(2) Not applicable.

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

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

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from one domestic interested party, and it provided contact information for the following five firms as top purchasers of uncovered innerspring units: ***. Purchaser questionnaires were sent to these five firms and one firm (***) submitted a response to the Commission's request for information.

1. Have there been any significant changes in the supply and demand conditions for uncovered innerspring units that have occurred in the United States or in the market for uncovered innerspring units in China, South Africa, and/or Vietnam since January 1, 2019?

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

2. Do you anticipate any significant changes in the supply and demand conditions for uncovered innerspring units in the United States or in the market for uncovered innerspring units in China, South Africa, and/or Vietnam within a reasonably foreseeable time?

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