

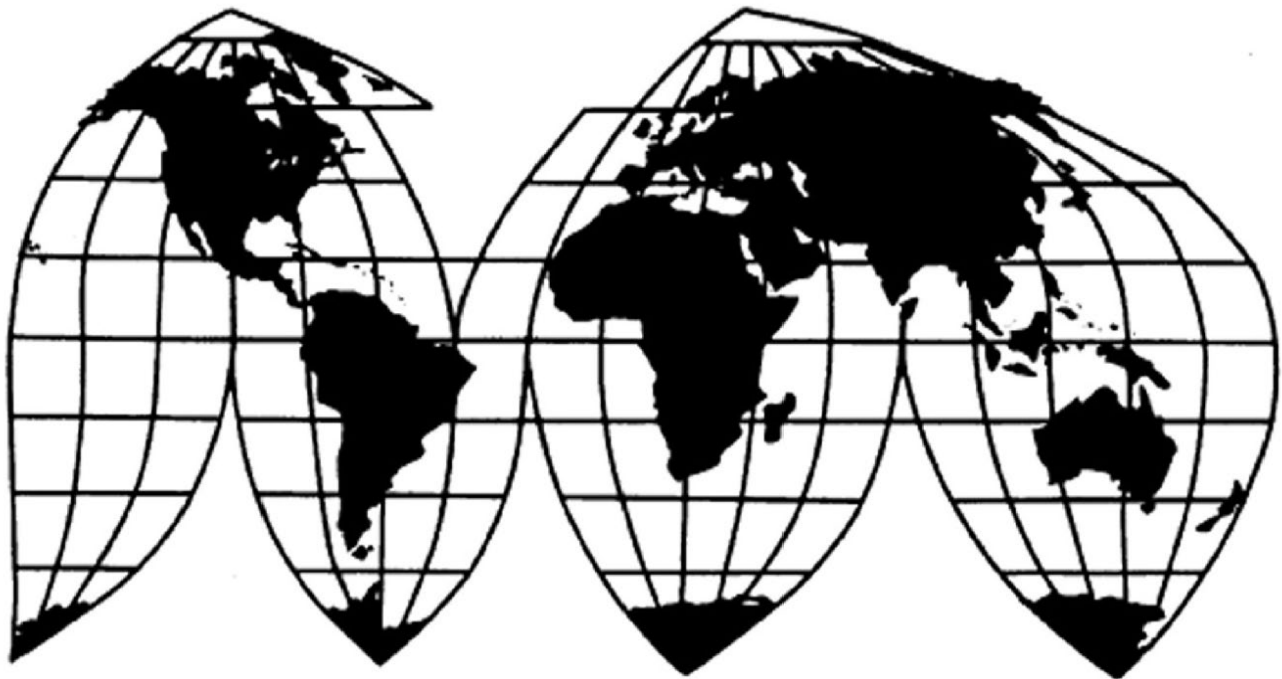
Steel Nails from China

Investigation No. 731-TA-1114 (Third Review)

Publication 5610

April 2025

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual firms may not be published.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

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-1114 (Third Review)

Steel Nails from China

DETERMINATION

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

BACKGROUND

The Commission instituted this review on November 1, 2024 (89 FR 87413) and determined on February 4, 2025, that it would conduct an expedited review (90 FR 11327, March 5, 2025).

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

Views of the Commission

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

I. Background

Original Investigation. In May 2007, petitioners filed antidumping duty petitions covering imports of steel nails from China and the United Arab Emirates (“UAE”).¹ In July 2008, the Commission issued its final determination finding that the domestic steel nails industry was materially injured by reason of subject imports from China.² Subsequently, the Department of Commerce (“Commerce”) issued an antidumping duty order on subject imports from China.³

First Review. In July 2013, the Commission instituted its first five-year review of the antidumping duty order.⁴ After conducting an expedited review, the Commission determined that revocation of the order would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁵ In January 2014, Commerce issued a continuation of the order.⁶

Second Review. In December 2018, the Commission instituted its second five-year review.⁷ After conducting an expedited review, the Commission determined that revocation of the order would be likely to lead to continuation or recurrence of material injury to an industry

¹ *Certain Steel Nails from China*, Inv. No. 731-TA-1114 (Final), USITC Pub. 4022 at I-1 (July 2008), EDIS Doc. 839978 (“Original Determination”). The petitioners were Davis Wire Corp., Gerdau Ameristeel Corp., Maze Nails, Mid Continent Nail Corp., Treasure Coast Fasteners, Inc., and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (“USW”). *Id.* at I-1.

² Original Determination, USITC Pub. 4022 at 1. The Commission terminated the investigation on steel nails from the UAE following a negative final dumping determination from Commerce. *Id.* at 3 n.1.

³ *Notice of Antidumping Duty Order: Certain Steel Nails from the People’s Republic of China*, 73 Fed. Reg. 44961 (Aug. 1, 2008).

⁴ *Initiation of Five-Year (“Sunset”) Review*, 78 Fed. Reg. 39256 (July 1, 2013).

⁵ *Steel Nails from China*, Inv. No. 731-TA-1114 (Review), USITC Pub. 4442 at 1 (Dec. 2013), EDIS Doc. 839991 (“First Review Determination”).

⁶ *Certain Steel Nails From the People’s Republic of China: Continuation of Antidumping Duty Order*, 79 Fed. Reg. 1830 (Jan. 10, 2014).

⁷ *Steel Nails From China; Institution of a Five-Year Review*, 83 Fed. Reg. 62342 (Dec. 3, 2018).

in the United States within a reasonably foreseeable time.⁸ In December 2019, Commerce issued a continuation of the order.⁹

Current Review. The Commission instituted this third five-year review on November 1, 2024.¹⁰ It received a single response to the notice of institution, filed by Mid Continent Steel & Wire, Inc. (“Mid Continent”), a domestic producer of steel nails.¹¹ The Commission did not receive a response to the notice of institution from any respondent interested party.¹² Because Mid Continent accounted for a substantial share of domestic production of steel nails in 2023, the Commission determined that the domestic interested party group response was adequate. It found that the respondent interested party group response was inadequate.¹³ Finding no other circumstances that would warrant conducting a full review, the Commission determined on February 4, 2025, that it would conduct an expedited review.¹⁴ Mid Continent filed comments on March 19, 2025, pursuant to 19 C.F.R. § 207.62(d), arguing that the Commission should reach an affirmative determination in this expedited review.¹⁵

In this review, U.S. industry data are based on the information provided in the response to the notice of institution by Mid Continent, which estimated that it accounted for approximately *** percent of domestic production of steel nails in 2024.¹⁶ Mid Continent also provided (through its counsel) production data for U.S. producer Tree Island Wire USA, Inc.

⁸ *Steel Nails from China*, Inv. No. 731-TA-1114 (Second Review), USITC Pub. 4920 at 1 (July 2019), EDIS Doc. 840025 (“Second Review Determination”).

⁹ *Certain Steel Nails from the People’s Republic of China: Continuation of Antidumping Duty Order*, 83 Fed. Reg. 66151 (Dec. 3, 2019).

¹⁰ *Initiation of Five-Year Reviews*, 89 Fed. Reg. 87413 (Nov. 4, 2024).

¹¹ Mid Continent’s Response to the Notice of Institution, EDIS Doc. 838396 (Dec. 2, 2024) (“Mid Continent’s NOI Response”). Mid Continent reported that it accounted for approximately *** percent of domestic production of steel nails in 2023. *Id.* at 22. As noted, Mid Continent was one of the petitioners in the original investigation. *Id.* at 2. Mid Continent also filed comments on the adequacy of the response. Domestic Industry’s Comments on Adequacy, EDIS Doc. 840356 (Jan. 2, 2025) (“Mid Continent’s Adequacy Comments”).

¹² *Steel Nails from China; Scheduling of an Expedited Five-Year Review*, 90 Fed. Reg. 11327 (Mar. 5, 2025) (“Notice of Scheduling of Expedited Review”); Explanation of Commission’s Determination on Adequacy Vote, EDIS Doc. 843102 at 1 (Feb. 2, 2025).

¹³ Commissioners’ Adequacy Votes, EDIS Doc. 842586 (Feb. 4, 2025).

¹⁴ *Steel Nails from China; Scheduling of an Expedited Five-Year Review*, 90 Fed. Reg. 11327 (Mar. 5, 2025) (“Notice of Scheduling of Expedited Review”).

¹⁵ Mid Continent’s Final Comments, EDIS Doc. 846234 (Mar. 19, 2025) (“Final Comments”).

¹⁶ Confidential Report, Memorandum INV-XX-013, EDIS Doc. 846216 at 1.13 (Jan. 23, 2025) (“CR”), Public Report, *Steel Nails from China*, Inv. No. 731-TA-749 (Third Review) at 1.13 (“PR”); *see also* Mid Continent’s NOI Response at 22.

("Tree Island"), which accounts for approximately *** percent of total U.S. production of the domestic like product.¹⁷ Consequently, the domestic producers provided information that combined accounts for approximately *** percent of total U.S. production of the domestic like product.¹⁸

U.S. import data and related information are based on Commerce's official import statistics.¹⁹ Foreign industry data and related information are based on information from the original investigation and prior reviews, as well as information submitted by Mid Continent in this current review and publicly available information compiled by the Commission.²⁰

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."²¹ The Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle."²² The Commission's practice in five-year reviews is to examine the domestic like product definition from the original

¹⁷ CR/PR at B.3 n.1; Mid Continent's NOI Response at 2, 22 & Exh. 2 (trade and financial information for U.S. producer Tree Island). Although Tree Island did not submit a separate response to the notice of institution, it agreed to release its confidential trade and financial information to Mid Continent's counsel. *See id.* at 2 & Exh. 22. Tree Island's data was included as an exhibit to Mid Continent's response to the notice of institution. *Id.* Consequently, the current record contains confidential trade and financial information for the two U.S. producers of steel nails. *See id.* at 2, 22 & Exh. 2.

¹⁸ CR/PR at B.3, Table B.1 Note ("The aggregate coverage of firms that provided production data is *** percent."); Mid Continent's NOI Response at 22 & Exh. 2.

¹⁹ CR/PR at 1.18-1.19, Tables 1.5 & 1.6. Data on imports of subject merchandise may be overstated, as they include a Chinese producer that is excluded from the antidumping duty order. Conversely, data on nonsubject imports may be understated. *Id.*

²⁰ *See* CR/PR at 1.13-1.22, Tables 1.3-1.8; Mid Continent's NOI Response at 1-26.

²¹ 19 U.S.C. § 1677(4)(A).

²² 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).

investigation and consider whether the record indicates any reason to revisit the prior findings.²³

Commerce has defined the scope of the order in this five-year review as follows:

The merchandise covered by the *Order* includes certain steel nails having a shaft length up to 12 inches. Certain steel nails include, but are not limited to, nails made of round wire and nails that are cut. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and have a variety of finishes, heads, shanks, point types, shaft lengths and shaft diameters. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, whether by electroplating or hot dipping one or more times), phosphate cement, and paint. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted shank styles. Screw-threaded nails subject to the *Order* are driven using direct force and not by turning the fastener using a tool that engages with the head. Point styles include, but are not limited to, diamond, blunt, needle, chisel and no point. Finished nails may be sold in bulk, or they may be collated into strips or coils using materials such as plastic, paper, or wire. Certain steel nails subject to the *Order* are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7317.00.55, 7317.00.65, 7317.00.75, and 7907.00.6000.²⁴

Excluded from the scope are steel roofing nails of all lengths and diameter, whether collated or in bulk, and whether or not galvanized. Steel roofing nails are specifically enumerated and identified in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, inclusive of the

²³ 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).

²⁴ Commerce added the HTSUS subheading 7907.00.6000, “Other articles of zinc: Other,” to the language of the *Order*. See *Certain Steel Nails from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 80 Fed. Reg. 18816, 18816 n.5 (Apr. 8, 2018).

following modifications: 1) Non-collated (*i.e.*, hand-driven or bulk), steel nails as described in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, as modified by the following description: having a bright or galvanized finish, a smooth, barbed or ringed shank, an actual length of 0.500" to 4", inclusive; an actual shank diameter of 0.1015" to 0.166", inclusive; and an actual head diameter of 0.3375" to 0.500", inclusive; 2) Wire collated steel nails, in coils, as described in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, as modified by the following description: having a galvanized finish, a smooth, barbed or ringed shank, an actual length of 0.500" to 1.75", inclusive, an actual shank diameter of 0.116" to 0.166", inclusive; and an actual head diameter of 0.3375" to 0.500", inclusive; and 3) Non-collated (*i.e.*, hand-driven or bulk), as described in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, as modified by the following description: steel nails having a convex head (commonly known as an umbrella head), a smooth or spiral shank, a galvanized finish, an actual length of 1.75" to 3", inclusive; an actual shank diameter of 0.131" to 0.152", inclusive; and an actual head diameter of 0.450" to 0.813", inclusive.

Also excluded from the scope are the following steel nails: Non-collated (*i.e.*, hand-driven or bulk), two-piece steel nails having plastic or steel washers (caps) already assembled to the nail, having a bright or galvanized finish, a ring, fluted or spiral shank, an actual length of 0.500" to 8", inclusive; and an actual shank diameter of 0.1015" to 0.166", inclusive; and an actual washer or cap diameter of 0.900" to 1.10", inclusive.

Also excluded from the scope of the *Order* are corrugated nails. A corrugated nail is made of a small strip of corrugated steel with sharp points on one side. Also excluded from the scope of the *Order* are fasteners suitable for use in powder-actuated hand tools, not threaded and threaded, which are currently classified under HTSUS 7317.00.20 and 7317.00.30. Also excluded from the scope of the *Order* are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.

Also excluded from the scope of the *Order* are certain brads and finish nails that are equal to or less than 0.0720 inches in shank diameter, round or rectangular in cross section, between 0.375 inches and 2.5 inches in length, and that are collated with adhesive or polyester film tape backed with a heat seal adhesive. Also excluded from the scope of the *Order* are fasteners having a case hardness greater than or equal to 50 HRC, a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the *Order* is dispositive.^{25 26}

The imported products subject to this review are steel nails. A steel nail is a type of fastener with a sharp point on one end with a flattened head or headless on the other.²⁷ Although most steel nails are produced of low-carbon steel, nails also are produced of stainless steel (to resist corrosion) and of hardenable medium- to high-carbon steel.²⁸ Nails are packaged for shipment in bulk, that is, loose in a carton or other container, or collated, that is, joined with wire, paper strips, plastic strips, or glue into coils or straight strips for use in pneumatic nailing tools.²⁹ Although most nails are produced from a single piece of steel, some nails are produced from two or more pieces.³⁰

²⁵ *Certain Steel Nails From the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 90 Fed. Reg. 10810 (Feb. 27, 2025) ("*Commerce's Third Review Final Results*"), citing accompanying Issues and Decision Memorandum for the Final Results of the Expedited Third Sunset Review of the Antidumping Duty Order on Certain Steel Nails from the People's Republic of China (Feb. 21, 2025) ("IDM") at 2-3. See also CR/PR at 1.5.

²⁶ The scope definition has not changed since the original investigation. See *Notice of Antidumping Duty Order: Certain Steel Nails from the People's Republic of China*, 73 Fed. Reg. 44961 (Aug. 1, 2008); *Certain Steel Nails from the People's Republic of China: Continuation of Antidumping Order*, 79 Fed. Reg. 1830 (Jan. 10, 2014); *Certain Steel Nails from the People's Republic of China: Continuation of Antidumping Order*, 84 Fed. Reg. 66151 (Dec. 3, 2019); IDM at 2-3.

²⁷ CR/PR at 1.9.

²⁸ CR/PR at 1.9.

²⁹ CR/PR at 1.9.

³⁰ CR/PR at 1.9. Examples include a nail with a decorative head, such as an upholstery nail; a masonry anchor that comprises a zinc anchor and a steel wire nail; a nail with a large thin attached head (Continued...)

In the original investigation, the Commission found a single domestic like product consisting of certain steel nails, corresponding to the scope.³¹ In the prior two reviews, the Commission found that there was no new information to warrant revisiting this definition. Accordingly, in the prior reviews the Commission continued to define a single domestic like product consisting of certain steel nails, coextensive with the scope.³²

In this review, the record contains no information indicating that the pertinent characteristics and uses of domestically produced steel nails have changed since the prior proceedings so as to warrant revisiting the Commission's definition of the domestic like product.³³ Mid Continent agrees with the definition of the domestic like product from the prior proceedings.³⁴ We consequently continue to define the domestic like product as certain steel nails, coextensive with the scope.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."³⁵ In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original determination, the Commission found that appropriate circumstances existed to exclude three domestic producers, Senco, Stanley Fastening Systems, LP ("Stanley"), and Specialty Fastening ("Specialty"), from the domestic industry pursuant to the related

(for nailing roofing felt, for example); and a nail with a rubber or neoprene washer assembled over its shaft (to seal the nail-hole in metal or fiberglass roofing or siding). *Id.*

³¹ Original Determination, USITC Pub. 4022 at 6. The Commission found that steel nails, whether used by the construction industry, woodworkers, or other sectors, share certain general physical characteristic and uses, are interchangeable in most end uses, are sold to end users and distributors, are produced by similar production processes, and are generally perceived to be similar products. *Id.*

³² First Review Determination, USITC Pub. 4442 at 6; Second Review Determination, USITC Pub. 4920 at 7.

³³ CR/PR at 1.6-1.9.

³⁴ Mid Continent's NOI Response at 26.

³⁵ 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.

parties provision.³⁶ In the first and second reviews, the Commission identified no related party issues among the responding domestic producers, and defined the domestic industry to include all domestic producers of steel nails.³⁷

Mid Continent reports that there are no related party or other domestic industry issues in this review.³⁸ Accordingly, we define the domestic industry to include all domestic producers of steel nails.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”³⁹ 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.”⁴⁰ Thus, the likelihood

³⁶ Original Determination, USITC Pub. 4022 at 8; Confidential Views of the Commission in Steel Nails from China, Inv. No. 731-TA-1114 (Final), EDIS Doc. 839986 at 20 (“Confidential Original Determination”). The Commission found that appropriate circumstances did not exist to exclude two other producers, *i.e.*, *** and ***, from the domestic industry as related parties. Confidential Original Determination at 14-16; Original Determination, USITC Pub. 4022 at 11-12.

³⁷ First Review Determination, USITC Pub. 4442 at 7; Second Review Determination, USITC Pub. 4920 at 7.

³⁸ See Mid Continent’s NOI Response at 26. In its response, Mid Continent provided a list of 11 known and currently operating U.S. producers of steel nails, including itself and Tree Island. *Id.* at 21. The record in this review does not contain any information on whether other U.S. producers imported or purchased subject merchandise during the period of review or have a corporate affiliation with a subject producer/exporter in China.

³⁹ 19 U.S.C. § 1675a(a).

⁴⁰ 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 (Continued...)

standard is prospective in nature.⁴¹ 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.⁴²

The statute states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.”⁴³ 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.”⁴⁴

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.”⁴⁵ 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

material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” *Id.* at 883.

⁴¹ 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.

⁴² 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’”).

⁴³ 19 U.S.C. § 1675a(a)(5).

⁴⁴ 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.*

⁴⁵ 19 U.S.C. § 1675a(a)(1).

regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).⁴⁶ 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.⁴⁷

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.⁴⁸ In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.⁴⁹

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.⁵⁰

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

⁴⁶ 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings with respect to the order under review. *See Commerce's Third Review Final Results*, 90 Fed. Reg. at 10811 (citing IDM,), and accompanying IDM at 7 ("There have been no duty absorption findings.").

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

⁴⁸ 19 U.S.C. § 1675a(a)(2).

⁴⁹ 19 U.S.C. § 1675a(a)(2)(A–D).

⁵⁰ *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.

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.⁵¹ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the order under review and whether the industry is vulnerable to material injury upon revocation.⁵²

As discussed above, no respondent party participated in this expedited review. The record, therefore, contains limited new information with respect to the steel nail industry in China. There also is limited information on the steel nail market in the United States during the period of review. Accordingly, for our determination, we rely as appropriate on the facts available from the original investigation and the prior reviews and the limited new information on the record in this review.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁵³ The following conditions of competition inform our determinations.

1. Demand Conditions

In the original investigation, the Commission found that steel nails were used primarily in the construction and industrial sectors. The primary uses in construction involved the building of houses and other structures, and the primary uses in industrial sectors were the manufacture of shipping crates and pallets. Nails were packaged either in bulk or collated form, and the Commission observed a shift in sales from bulk nails to

⁵¹ 19 U.S.C. § 1675a(a)(4).

⁵² 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.

⁵³ 19 U.S.C. § 1675a(a)(4).

collated nails during the original period of investigation (“POI”). The Commission found that demand for steel nails was largely determined by the size of the residential and commercial construction markets, the largest end users of steel nails.⁵⁴

In the expedited first and second reviews, the Commission found that U.S. demand for steel nails was still influenced by activity in the residential and commercial construction and industrial markets.⁵⁵ In this review, there is no new information indicating that the conditions of competition that influence demand for steel nails have changed significantly since the original investigation.⁵⁶

In the first review, the Commission found that apparent U.S. consumption was lower than during the original POI.⁵⁷ In the second review, it found that apparent U.S. consumption was higher than in the first review.⁵⁸

In the current view, housing starts, as reported by the Federal Reserve Bank of Saint Louis, increased from 2019 through the first quarter of 2022, and then subsided to pre-2020 levels.⁵⁹

Apparent U.S. consumption was *** short tons in 2023, down from *** short tons in 2017, a decline of *** percent.⁶⁰

⁵⁴ Conf. Investigation Views at 19; Original Determination, USITC Pub. 4022 at 14.

⁵⁵ First Review Determination, USITC Pub. 4442 at 10; Second Review Determination, USITC Pub. 4920 at 10-11.

⁵⁶ Mid Continent’s NOI Response at 25. Mid Continent contends that demand for steel nails continues to be tied to conditions in the construction and housing markets. *Id.*; *see also id.* at 19-20 (effects of the pandemic and increased interest rates on construction demand during the current review). *See also* Mid Continent’s Final Comments at 3, 8 (market conditions that led to the imposition of the order remain unchanged).

⁵⁷ Confidential First Review Determination at 14; First Review Determination, USITC Pub. 4442 at 10-11.

⁵⁸ Confidential Second Review Determination at 15; Second Review Determination, USITC Pub. 4920 at 11. Mid Continent attributed the higher apparent U.S. consumption since the first review to increases in both U.S. housing starts and the value of residential and non-residential construction. *Id.* Apparent U.S. consumption was lower in the second review, at *** short tons, than in the original investigation, at *** short tons. CR/PR at 1.19, Table 1.6.

⁵⁹ Mid Continent’s NOI Response, Exh. 8 (housing units started). Mid Continent contends that the pandemic drove demand upward until rising interest rates in the second quarter of 2022 resulted in a sharp decline in construction. *Id.* at 19-20.

⁶⁰ CR/PR at 1.19, Table 1.6.

2. Supply Conditions

In the original investigation, the Commission observed that, historically, the domestic industry supplied only a portion of the U.S. steel nails market, with the remainder being supplied by imports.⁶¹ The Commission found that 17 domestic producers accounted for *** U.S. production of steel nails and that the domestic industry had substantial and increasing excess capacity, largely due to a decline in production during the POI.⁶²

In the first and second reviews, the Commission observed that the domestic industry had undergone consolidation and restructuring. In the first review, the Commission noted that the U.S. industry experienced additional consolidation and restructuring, which reduced the number of firms.⁶³ In the second review, the Commission noted that one firm shut operations, leaving 13 known operating U.S. producers.⁶⁴ The Commission observed that Mid Continent, the sole responding domestic producer, accounted for *** percent of apparent U.S. consumption in 2017.⁶⁵

In the current review, the domestic industry underwent further consolidation and restructuring.⁶⁶ Of the 13 remaining U.S. producers in the second review,⁶⁷ one U.S. producer, American Fasteners Co. Ltd. ceased U.S. production of steel nails in 2023.⁶⁸ In addition, Liberty Steel USA (“Liberty Steel”) acquired Keystone Steel and Wire in December

⁶¹ Confidential Original Determination at 20; Original Determination, USITC Pub. 4022 at 15.

⁶² Confidential Original Determination at 20; Original Determination, USITC Pub. 4022 at 15-16. *See also* Original Determination, USITC Pub. 4022 at I-21 (“The U.S. nails industry has experienced a mix of expansion, plant closure, and acquisition over the past several years.”).

⁶³ Confidential First Review Determination, at 15; First Review Determination, USITC Pub. 4442 at 11. *See also* Confidential First Review Staff Report, EDIS Doc. 839988 (Nov. 20, 2013) at I-21 (noting that “{t}he U.S. nails industry experienced a mix of expansion, plant closure, and acquisition over the past several years”). However, the Commission did not specify the number of remaining U.S. producers of certain steel nails. *See id.* at I-22 (“In its substantive response to the Commission’s notice of institution, Mid Continent reported that in addition to itself, ... nine companies currently produce certain steel nails in the United States.”).

⁶⁴ Confidential Second Review Determination, at 16; Second Review Determination, USITC Pub. 4920 at 12.

⁶⁵ Confidential Second Review Determination, at 16; Second Review Determination, USITC Pub. 4920 at 12.

⁶⁶ CR/PR at 1.14, Table 1.3.

⁶⁷ Second Review Determination, USITC Pub. 4920 at 12.

⁶⁸ *See* Mid Continent’s NOI Response at 20-21.

2018.⁶⁹ Mid Continent was the largest domestic producer of steel nails, accounting for approximately *** percent of total U.S. production of the domestic like product in 2023.⁷⁰

The domestic industry supplied the smallest share of the U.S. market for steel in 2023, accounting for *** percent of apparent U.S. consumption that year.⁷¹ Subject imports continued to account for the second largest share of apparent U.S. consumption, *** percent, in 2023.⁷² Nonsubject imports were the largest source of steel nails that year, accounting for *** percent of apparent U.S. consumption.⁷³ The largest sources of nonsubject imports during the POR were India and Thailand.⁷⁴

We also note that the COVID-19 pandemic caused temporary supply chain disruptions from 2020 to 2021 that were largely resolved by mid-2022.⁷⁵

3. Substitutability and Other Conditions

In the original investigation and prior two reviews, the Commission found that steel nails, regardless of where they were produced, were generally interchangeable within each type, size, and finish. The majority of responding U.S. producers, importers, and purchasers stated that there was a high degree of substitutability between U.S. steel nails and subject imports.⁷⁶ They also reported that there were no direct substitutes for nails and that any substitute fastening product would be usable only in certain specific applications.⁷⁷ Additionally, the Commission found that price was the single factor that most affected

⁶⁹ CR/PR at 1.14, Table 1.3.

⁷⁰ Mid Continent's NOI Response at 22.

⁷¹ CR/PR at 1.19, Table 1.6.

⁷² CR/PR at 1.19, Table 1.6.

⁷³ CR/PR at 1.19, Table 1.6.

⁷⁴ CR/PR at 1.18, Table 1.5.

⁷⁵ For example, U.S. purchaser *** reported that *** CR/PR at D.3, *** response to question 1. According to Mid Continent, from 2020 to 2022, supply chain issues caused by the pandemic, which were further intensified by the war in Ukraine, led to increased prices and longer lead times for subject imports. *Id.* at 26. However, it contends these restraints were only temporary. *See id.* Mid Continent asserts there were no major supply constraints on the subject imports in the latter portion of the period of review ("POR") (from 2023 to 2024). Mid Continent's NOI Response at 20, 26.

⁷⁶ Original Determination, USITC Pub. 4022 at 15-16; First Review Determination, USITC Pub. 4442 at 12; Second Review Determination, USITC Pub. 4920 at 12-13.

⁷⁷ Original Determination, USITC Pub. 4022 at 16; First Review Determination, USITC Pub. 4442 at 12; Second Review Determination, USITC Pub. 4920 at 13.

purchasing decisions provided the nails met the specifications required for the specific end use.⁷⁸

There is no additional information available in this review to indicate that the substitutability between subject and domestic steel nails or the interchangeability of steel nails regardless of source has changed since the original investigation. Accordingly, we again find that there is generally a high degree of substitutability between domestic and subject steel nails and that price continues to be an important factor in purchasing decisions.

In 2020, steel derivatives, including certain steel nails, became subject to an additional 25 percent ad valorem duty under section 232 of the Trade Expansion Act of 1962.⁷⁹

Since 2018, additional tariffs have been levied on subject imports pursuant to section 301 of the Trade Act of 1974 (“section 301 tariffs”).⁸⁰ At the time of the record closing, steel nails within the scope definition were subject to section 301 tariffs at an ad valorem duty rate of 25 percent.⁸¹

C. Likely Volume of Subject Imports

1. The Prior Proceedings

In the original investigation, the Commission found that subject imports accounted for a large and increasing share of apparent U.S. consumption and increased relative to U.S. production during the POI. Subject import volume increased from 2005 to 2007, notwithstanding a decline from 2006 to 2007.⁸² Subject import market share increased steadily from *** percent in 2005 to *** percent in 2006 and *** percent in 2007, and the ratio of subject imports to U.S. production also rose steadily during the POI.⁸³ The Commission found that subject imports gained market share largely at the expense of the domestic industry. As subject imports increased their market share from 2005 to 2007, domestic producers’ market share declined steadily from *** percent in 2005 to *** percent in 2007. Nonsubject imports

⁷⁸ Original Determination, USITC Pub. 4022 at 15-16; First Review Determination, USITC Pub. 4442 at 12; Second Review Determination, USITC Pub. 4920 at 13.

⁷⁹ CR/PR at 1.8.

⁸⁰ CR/PR at 1.8.

⁸¹ CR/PR at 1.8.

⁸² Confidential Original Determination at 22; Original Determination, USITC Pub. 4022 at 17. The Commission observed that the 2007 decrease in the volume of subject imports was attributable to the pendency of the original investigation. *Id.*

⁸³ Confidential Original Determination at 22-23; Original Determination, USITC Pub. 4022 at 17.

also declined during the POI, both in absolute terms and relative to U.S. consumption. The Commission found the volume of subject imports and the increase in that volume were significant, both in absolute terms and relative to consumption and production in the United States.⁸⁴

In the first and second reviews, the Commission found that the volume of subject imports had declined significantly since the imposition of the order. Although there was no information on the record concerning the levels of production capacity in China, available data suggested that subject producers continued to manufacture steel nails and were highly export oriented. The Commission also found that China was the largest exporter of nails, tacks, and staples (a category (HS subheading 7317.00) that included merchandise outside the scope of the review) since the original investigation and the United States continued to be China's largest export market for nails, tacks, and staples.⁸⁵ It found that the steel nail industry in China had the ability to increase exports of subject merchandise to the United States upon revocation, as it did during the original investigation. The Commission similarly found that the steel nail industry in China had the incentive to do so because the United States was the world's largest importer of nails, tacks, and staples, thus making it a highly attractive export market for producers of steel nails in China, and there were barriers to the importation of subject merchandise into countries other than the United States.⁸⁶

⁸⁴ Confidential Original Determination at 23; Original Determination, USITC Pub. 4022 at 17.

⁸⁵ First Review Determination, USITC Pub. 4442 at 13, I-10 (In the original investigation Commerce determined that exports from Chinese producer ITW/Paslode Fasteners (Shanghai) were not sold at less-than-fair value (LTFV); as a result, the Commission determined that ITW's imports of steel nails from China were no longer subject merchandise.); Second Review Determination, USITC Pub. 4920 at 15, I-3 (Similarly noting that ITW's imports from Chinese producer ITW Paslode Fasteners (Shanghai) were not subject merchandise). *See also* CR/PR at Table 1.5 note ("Data for the subject imports from China may be overstated as it includes imports from nonsubject Chinese producer ITW/Paslode Fasteners, which is exempt from the current order.") & Table 1.6 note ("For the years 2007, 2012, and 2017 the data for imports from China includes imports from nonsubject sources.").

⁸⁶ First Review Determination, USITC Pub. 4442 at 13; Second Review Determination, USITC Pub. 4920 at 15-16. In the first review, the Commission noted that Mexico issued an antidumping duty order on concrete steel nails from China in November 2004. First Review Determination, USITC Pub. 4442 at 13. New Zealand maintained antidumping duties on imports of steel nails from China since June 3, 2011. *Id.* In the first review, the Commission found that, while these orders were not coextensive in scope with the U.S. order, they did have sufficient overlap to constitute a barrier to entry. *Id.* In the second review, the Commission noted that Mexico continued to maintain antidumping duties on imports of steel nails from China. Second Review Determination, USITC Pub. 4920 at 16.

2. The Current Review

Under the discipline of the antidumping duty order, subject imports entered the United States at significantly lower levels than prior to the imposition of the order.⁸⁷ The volume of subject imports fluctuated during the POR.⁸⁸ It decreased from 149,519 short tons in 2018 to 100,407 short tons in 2019, before increasing to 109,146 short tons in 2020 and 133,903 short tons in 2021, and then decreasing to 123,650 short tons in 2022 and 102,732 short tons in 2023, equivalent to *** percent of apparent U.S. consumption that year.⁸⁹

In this expedited review, the limited information available on the subject industry in China indicates that subject producers have the ability and incentive to export subject merchandise to the U.S. market in significant volumes within a reasonably foreseeable time if the order were revoked. Although no subject foreign producer responded to the Commission's notice of institution in this review, Mid Continent has identified 232 possible producers of steel nails in China.⁹⁰

It appears that the Chinese producers' production capacity has substantially increased since the original investigation.⁹¹ In the original investigation, the Chinese producers' reported practical capacity was *** short tons.⁹² Mid Continent estimates that the 232 Chinese nail producers it identified had a collective production capacity of more than 1.5 million short tons during the POR.⁹³

⁸⁷ CR/PR at 1.18-1.19, Tables 1.5 & 1.6 (subject import volume was *** short tons in 2007, and 102,732 short tons in 2023). *See also* Mid Continent's NOI Response at 12; Mid Continent's Final Comments at 5-6.

⁸⁸ CR/PR at 1.18, Table 1.5. Mid Continent asserts that the order drastically reduced the volume of subject imports, though Chinese imports remained in the market at appreciable volumes. Mid Continent's NOI Response at 12.

⁸⁹ CR/PR at 1.18-1.19, Tables 1.5 & 1.6. As noted above, data for subject imports from China may be overstated as it includes imports from nonsubject Chinese producer ITW/Paslode Fasteners, which is exempt from the current order. *Id.*, at 1.18, Table 1.5 note.

⁹⁰ CR/PR at 1.20; Mid Continent's NOI Response at 14, Exh. 3; Mid Continent's Final Comments at 5.

⁹¹ Mid Continent's NOI Response at 14. Mid Continent also asserts that the number of Chinese producers of steel nails has increased substantially since the imposition of the order. *Id.* at 13.

⁹² Confidential Staff Report Original Investigation, EDIS Doc. 839970 (June 25, 2008) ("Confidential Staff Report POI") at VII-3, Table VII-2. In the original investigation, the eight responding Chinese producers had 126,111 short tons of production. *Id.* at VII-2, Table VII-1.

⁹³ Mid Continent's NOI Response at 14, Exh. 3.

The information available also indicates that subject producers in China are significant exporters.⁹⁴ Global Trade Atlas (“GTA”) data show that Chinese exports of steel nails under HS subheading 7317.00, which includes both subject merchandise and out-of-scope products, were 1.2 million short tons in 2023, and that China was by far the world’s largest exporter of such merchandise in every year of the POR.⁹⁵ The record also contains information indicating that numerous steel nail producers in China are heavily export oriented, with particular focus on the U.S. market.⁹⁶

Furthermore, the information available indicates that the United States remains an attractive export market for subject producers.⁹⁷ Even under the disciplining effect of the order, the United States served as China’s largest export market for steel nails, accounting for

⁹⁴ Mid Continent’s NOI Response at 14 & Exh. 3; Mid Continent’s Final Comments at 5.

⁹⁵ CR/PR at 1.21-1.22, Tables 1.7 & 1.8. China is by far the largest global exporter of HS subheading 7317.00 (which includes subject merchandise and out-of-scope products), accounting for approximately 60 percent of global exports in 2023. *Id.* at 1.22. Mid Continent notes that the GTA export statistics released by the Commission pertain to HTS 7317.00 while the current review specifically covers HTS codes 7317.00.55, 7317.00.55, 7317.00.65, and 7317.00.75 (excluding 7317.00.55.01). *See* Mid Continent Final Comments at 6 n.26. *See also* Mid Continent’s NOI Response at 14 (noting that in the related second five-year review of the antidumping duty order on steel nails from the United Arab Emirates (“UAE”), the Commission found that China accounted for 56.2 percent of the world’s exports of steel nails); *Steel Nails from the United Arab Emirates*, Inv. No. 731-TA-1185 (Second Review), USITC Pub. 5454 (Aug. 2023) (“*Steel Nails from UAE Second Review*”) at IV-29. *See also* Mid Continent’s Final Comments at 5.

⁹⁶ *See* Mid Continent’s NOI Response at 14 & Exh. 3 (known steel nail producers in China and their export markets). For example, Anhui Amigo Import and Export Ltd. “export{s} to 150 countries.” *Id.* at Exh. 3, pg. 1. Anping County Anning Wire Mesh Co. exports to the United States, Germany, Belgium, Africa and Southeast Asia. *Id.* Similarly, Beijing Qin-Li Jeff Trading Co., Ltd. states that it exports to the United States, Australia, Canada, Europe, New Zealand, and South Africa. *Id.* Further, Changzhou Kya Trading Co, Ltd. exports to North American, Europe, Korea, Australia, South Africa and other markets. *Id.* Another example is Chongqing Hybest Tools Group Co., Ltd. which reports exporting to the United States, Canada, Europe, Australia and Southeast Asian countries. *Id.*, pg. 2. Cintee Steel Products Co., Ltd., exports to the United States, Europe, Austria and Southeast Asia. *Id.* Dagang Zhitong Metal Products Co., Ltd, states that it exports to North America, South America, Western Europe, Eastern Europe, Eastern Asia, Southeast Asia, Mid East, Africa and Oceania. *Id.* Moreover, Hebei Junshang Commercial Trade Company, Ltd., is a “{s}upplier in more than 100 countries.” *Id.*, pg. 3. In addition, Shouguang Meiqing Nail Industry Co., Ltd. is listed as exporting “98% ... to America, Germany, Denmark, Norway, Japan, Korea, Thailand and other countries from Southeast Asia and Africa.” *Id.*, pg. 9.

⁹⁷ *See* Mid Continent’s NOI Response at 15-16; Mid Continent’s Final Comments at 7.

21.2 percent of exports in 2023.⁹⁸ Subject imports accounted for *** percent of apparent U.S. consumption in 2023, indicating that subject foreign producers have a continuing interest in selling into the U.S. market and have maintained customers and distribution networks in the United States.⁹⁹

Given the foregoing, including the significant and increasing volume of subject imports in the original investigation, the continued presence of subject imports during the period of review, the subject industry's large capacity, export orientation, and the attractiveness of the U.S. market to subject producers, we conclude that the volume of subject imports, both in absolute terms and relative to U.S. consumption, would likely be significant if the order were revoked.¹⁰⁰

D. Likely Price Effects

1. The Prior Proceedings

In the original investigation, the Commission found that imports of steel nails from China had significant effects on domestic prices.¹⁰¹ The Commission found that price was generally the most important factor affecting purchasing decisions, but acknowledged that the record showed the majority of responding importers reported that nonprice differences were sometimes important.¹⁰² Subject imports undersold domestic nails in 41 out of 84

⁹⁸ CR/PR at 1.20. *See also* Mid Continent's Final Comments at 6 (The U.S. was China's largest export market for the subject merchandise, accounting for 22.5 percent of exports from 2018 to 2023) at 6, *citing* Research Material, GTA Exports (Jan. 20, 2025), EDIS Doc. 841367.

⁹⁹ *See* CR/PR at 1.19, Table 1.6.

¹⁰⁰ Although subject imports from China are currently subject to a 25 percent ad valorem duty under section 301, the record does not indicate that this duty would prevent subject imports from entering the U.S. market at significant levels if the order were revoked. After imposition of the section 301 duties in May 2019, subject imports decreased from 149,519 short tons in 2018 to 100,407 short tons in 2019, increased to 109,146 short tons in 2020, and significantly increased to 133,903 short tons in 2021, and then decreased to 123,650 short tons in 2022 and 102,732 short tons in 2023, a level that remained above those in 2019. CR/PR at 1.8, 1.18; Table 1.5. Given the Chinese industry's large capacity and exports, the increased presence of subject imports in the U.S. market despite the imposition of the 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 increasing to significant levels if the order were revoked.

The record of this expedited review contains no information on inventories of subject merchandise or the ability of subject producers to product shift.

¹⁰¹ Confidential Original Determination at 27; Original Determination, USITC Pub. 4022 at 20.

¹⁰² Confidential Original Determination at 24; Original Determination, USITC Pub. 4022 at 17-18.

comparisons at margins ranging up to 32.1 percent. In addition, approximately 82 percent of responding purchasers reported that subject imports were priced lower than domestic steel nails.¹⁰³ In light of these facts and the high degree of substitutability of the domestic like product and the subject imports, the Commission found the underselling to be significant. It concluded that the record as a whole demonstrated that subject imports depressed domestic prices to a significant degree in light of price declines from 2005 to the first half of 2007.¹⁰⁴

In the first and second reviews, the Commission found that subject imports continued to be close substitutes for domestic steel nails and that price continued to be an important factor in purchasing decisions. Because of their expedited nature, the records in both reviews contained no pricing comparisons. The Commission found that the significant underselling observed during the original investigation would likely recur if the order was revoked. This in turn would likely cause the domestic producers to reduce prices or restrain price increases to avoid losing sales. Accordingly, the Commission concluded that the subject imports would likely undersell the domestic like product to gain market share and would likely have significant effects on the price of the domestic like product if the order were revoked.¹⁰⁵

2. The Current Review

As discussed above in section III.B.3, we continue to find there is generally a high degree of substitutability between the domestic and subject steel nails and that price continues to be an important factor in purchasing decisions.

The record in this expedited review does not contain new product-specific pricing information. Based on the available information, including that there is generally a high degree of substitutability between domestic and subject steel nails and the fact that price continues to be an important factor in purchasing decisions, and the attractiveness of the U.S. market to subject producers, we find that if the order were revoked, subject imports would likely

¹⁰³ Confidential Original Determination at 25; Original Determination, USITC Pub. 4022 at 18.

¹⁰⁴ Confidential Original Determination at 26; Original Determination, USITC Pub. 4022 at 19-20. The Commission found that price increases in the second half of 2007 were related to the filing of the petition. *See also* Confidential Original Determination at 10-11 nn.30-32; Original Determination, USITC Pub. 4022 at 20 nn.30-32 (discussing observations that the domestic industry was barely able to cover its increases in unit COGS during the POI and a finding by three Commissioners that subject imports to a limited extent prevented domestic price increases that would otherwise have occurred).

¹⁰⁵ Confidential First Review Determination at 21; First Review Determination, USITC Pub. 4442 at 14; Confidential Second Review Determination at 24-25; Second Review Determination, USITC Pub. 4920 at 17.

undersell the domestic like product to gain market share, as occurred in the original investigation. Absent the discipline of the order, the significant volume of low-priced subject imports would likely take sales and market share from domestic producers and/or force the domestic industry to reduce prices or forego needed price increases, thereby depressing or suppressing prices for the domestic like product. Consequently, we find that subject imports would likely have significant price effects on the domestic industry if the order were revoked.

E. Likely Impact¹⁰⁶

1. The Prior Proceedings

In the original investigation, the Commission found that the domestic industry's production, capacity utilization, shipments, and net sales quantity and value all declined overall during the POI. Domestic producers' U.S. production and U.S. shipments of steel nails declined each year from 2005 to 2007.¹⁰⁷ Capacity declined from 2005 to 2007, and capacity utilization followed production and shipment trends, declining steadily throughout the POI.¹⁰⁸ Domestic producers' inventories decreased over the POI in absolute terms, but increased during the POI when measured as a share of U.S. shipments.¹⁰⁹

The Commission also found that the domestic industry's financial indicators declined steadily over the POI. In particular, the industry experienced a cost-price squeeze over the POI, as reflected in an increase in the ratio of cost of goods sold ("COGS") to net sales.¹¹⁰ Operating income declined in each year of the POI, with the largest decline reported between 2005 and 2006, coinciding with an increase in subject imports.¹¹¹ Its ratio of

¹⁰⁶ In its expedited third review of the antidumping duty order, Commerce determined that revocation of the antidumping duty order would likely result in the continuation or recurrence of dumping with margins of up to 118.04 percent for China. *Commerce's Third Review Final Results*, 90 Fed. Reg. at 10810, and accompanying IDM at 11.

¹⁰⁷ Confidential Original Determination at 28; Original Determination, USITC Pub. 4022 at 21.

¹⁰⁸ Confidential Original Determination at 28-29; Original Determination, USITC Pub. 4022 at 21.

¹⁰⁹ Confidential Original Determination at 29; Original Determination, USITC Pub. 4022 at 21.

The Commission also found that the average number of production and related workers, hours worked, and wages paid also declined from 2005 to 2007. *Id.*

¹¹⁰ Confidential Original Determination at 30-31; Original Determination, USITC Pub. 4022 at 22.

¹¹¹ Confidential Original Determination at 29-30; Original Determination, USITC Pub. 4022 at 21-

operating income to net sales declined from *** percent in 2005 to *** percent in 2006 and *** percent in 2007.¹¹²

The Commission found that the subject imports gained market share at the expense of the domestic industry, undersold the domestic like product, and depressed prices to a significant degree. It also found that the depressed prices and reduced sales volumes caused declines in the industry's financial performance over the POI. Consequently, the Commission concluded that subject imports had an adverse impact on the condition of the domestic industry during the POI.¹¹³

In the first review, the Commission concluded that the limited record was insufficient to make a finding as to whether the domestic industry was vulnerable to the continuation or recurrence of material injury in the event of revocation of the order. However, based on the information on the record, it found that should the order be revoked, the likely significant volume and price effects of the subject imports would likely cause significant declines in the production, shipments, sales, market share, and revenues of the domestic industry.¹¹⁴ The Commission found that these declines would likely have a direct adverse impact on the domestic industry's profitability.¹¹⁵

In its non-attribution analysis, the Commission acknowledged that nonsubject imports had been present in increasing quantities in the U.S. market since the order was imposed.¹¹⁶ It found that, upon revocation, the significant volume of subject imports would likely take market share from both the domestic industry and the nonsubject imports, and would likely reduce overall price levels in the U.S. market, as they did during the original investigation.¹¹⁷ Consequently, the Commission concluded that, if the order were revoked, subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time.¹¹⁸

In the second review, the Commission observed that the information available concerning the domestic industry's condition in the POR consisted of the data provided by Mid Continent. In 2017, Mid Continent reported its capacity as *** short tons, and

¹¹² Confidential Original Determination at 30; Original Determination, USITC Pub. 4022 at 23.

¹¹³ Confidential Original Determination at 32-33; Original Determination, USITC Pub. 4022 at 23.

¹¹⁴ Confidential First Determination at 23-24; First Determination, USITC Pub. 4442 at 16.

¹¹⁵ Confidential First Determination at 24; First Determination, USITC Pub. 4442 at 16.

¹¹⁶ Confidential First Determination at 24; First Determination, USITC Pub. 4442 at 16.

¹¹⁷ Confidential First Determination at 24; First Determination, USITC Pub. 4442 at 16.

¹¹⁸ Confidential First Determination at 24; First Determination, USITC Pub. 4442 at 16.

production as *** short tons, which produced a capacity utilization rate of *** percent.¹¹⁹ U.S. shipments were *** short tons in 2017.¹²⁰ It reported a 2017 operating income of \$*** from sales of \$***, resulting in an operating income margin of *** percent.¹²¹ The Commission noted that the domestic industry's market share in that year was *** percent.¹²² Additionally, it observed that the limited record was insufficient to make a finding as to whether the domestic industry was vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.¹²³ The Commission found that should the order be revoked, the likely significant volume and price effects of the subject imports would likely have a significant adverse impact on the industry's production, shipments, sales, market share, and revenues. It also found that these declines would likely have a direct adverse impact on the domestic industry's profitability.¹²⁴

The Commission 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. It noted that nonsubject imports were present in increasing quantities in the U.S. market during the POR and accounted for *** percent of apparent U.S. consumption during 2017.¹²⁵ In light of the general interchangeability of nails from all sources, it found that upon revocation the significant volume of subject imports would again likely take market share from the domestic industry irrespective of the large volume of nonsubject imports, as they did during POI. Consequently, it found that the subject imports would likely have adverse effects distinct from any that may be caused by nonsubject imports. The Commission concluded that, if the order were revoked, subject imports would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time.¹²⁶

¹¹⁹ Confidential Second Determination at 27; Second Determination, USITC Pub. 4920 at 18.

¹²⁰ Confidential Second Determination at 27; Second Determination, USITC Pub. 4920 at 18.

¹²¹ Confidential Second Determination at 27; Second Determination, USITC Pub. 4920 at 18. By contrast, the Commission observed that the operating margin for reporting producers included in the domestic industry was higher in both 2007 (*** percent) and 2012 (*** percent). *Id.*

¹²² Confidential Second Determination at 27; Second Determination, USITC Pub. 4920 at 18.

¹²³ Confidential Second Determination at 28; Second Determination, USITC Pub. 4920 at 19.

¹²⁴ Confidential Second Determination at 28; Second Determination, USITC Pub. 4920 at 19.

¹²⁵ Confidential Second Determination at 28; Second Determination, USITC Pub. 4920 at 19.

¹²⁶ Confidential Second Determination at 28; Second Determination, USITC Pub. 4920 at 19.

2. The Current Review

The record in this five-year review contains limited information concerning the domestic industry's performance since the last review.

The information available indicates that the domestic industry generally performed worse in 2023 than in 2007, the last year examined in the original investigation, and in the last years examined in the first and second reviews.¹²⁷ In 2023, the domestic industry's production capacity was *** short tons and its production was *** short tons, which was lower than in any of the prior proceedings.¹²⁸ ¹²⁹ As a result of the industry's capacity declining at a faster pace than its production from 2007 to 2023 (declines of *** percent and *** percent respectively), its 2023 capacity utilization rate of *** percent was higher than in any of the prior proceedings.¹³⁰ The domestic industry's U.S. shipments, at *** short tons, were lower than in any of the prior proceedings; its share of apparent U.S. consumption, at *** percent, was also lower than in any of the prior proceedings.¹³¹ However, the average unit value of the industry's U.S. shipments, \$*** per short ton, was higher than that in any of the prior proceedings.¹³² The

¹²⁷ CR/PR at 1.15, Table 1.4.

¹²⁸ CR/PR at 1.15, Table 1.4. The domestic industry's capacity was *** short tons in 2007, *** short tons in 2012, and *** short tons in 2017. *Id.* Thus, the industry's capacity declined *** percent from 2007 to 2023. Its production was *** short tons in 2007, *** short tons in 2012, and *** short tons in 2017. *Id.* Accordingly, the industry's production declined *** percent from 2007 to 2023. *Id.*

¹²⁹ We note that the data coverage for the domestic industry fluctuated since the original investigation. In the original investigation, the Commission received questionnaire responses for 15 firms that accounted for "nearly all of U.S. production" of certain steel nails during 2007. Original Determination, USITC Pub. 4022 at I-3; Confidential Investigation Staff Report, EDIS Doc. 839970 (June 25, 2008) at I-4. In the first review, the Commission stated that the data submitted on behalf of four U.S. producers accounted for a "substantial portion of production of the domestic like product" in 2013. First Determination, USITC Pub. 4442 at I-1 n.4; Confidential First Review Staff Report, EDIS Doc. 839988 (Nov. 20, 2013) at I-1 n.4. In the second review, the Commission received a questionnaire response from one domestic producer that accounted for *** percent of U.S. production. Confidential Second Review Staff Report, EDIS Doc. 840032 (Apr. 1, 2019) at I-2. In the current review, the Commission received trade and financial data for two firms (Mid Continent and Tree Island) that accounted for *** percent of U.S. production. CR/PR at B.3, Table B.1 note.

¹³⁰ CR/PR at 1.15, Table 1.4. The domestic industry's capacity utilization rate was *** percent in 2007, *** percent in 2012, and *** percent in 2017. *Id.*

¹³¹ CR/PR at 1.15, 1.19, Tables 1.4 & 1.6. The industry's U.S. shipments were *** short tons in 2007, *** short tons in 2012, and *** short tons in 2017. *Id.* Its share of apparent U.S. consumption was 15.8 percent in 2007, *** percent in 2012, and *** percent in 2017. *Id.* at 1.19, Table 1.6.

¹³² CR/PR at 1.15, Table 1.4. The average unit value of the domestic industry's U.S. shipments was \$*** per short ton in 2007, \$*** per short ton in 2012, and \$*** per short ton in 2017. *Id.*

industry's net sales revenue was \$***, lower than in 2007 and 2012, but higher than in 2017.¹³³ The domestic industry's gross profit was ***, and its operating income was ***, equivalent to *** percent of net sales – all lower than in any of the prior proceedings.¹³⁴ The record also indicates that while the domestic industry's costs have increased, its ability to pass those cost increases on to the market is constrained, as evidenced by the industry's increasing ratio of cost-of-goods sold to net sales from the last year of the original POI, and the last years of the two prior review periods.¹³⁵ Further, U.S. producer American Fasteners Co. ceased manufacturing operations in 2023, and several other producers reduced production and furloughed workers.¹³⁶

As reviewed above, the domestic industry generally performed worse in 2023 than in any prior proceeding. Based on the reporting from *** of the domestic industry as the best available data on the domestic industry's condition, we find that the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the order.¹³⁷

¹³³ CR/PR at I.15, Table I.4. The domestic industry's net sales revenue was \$*** in 2007, \$*** in 2012, and \$*** in 2017. *Id.*

¹³⁴ CR/PR at I.15, Table I.4. Its gross profit was \$*** in 2007, \$*** in 2012, and \$*** in 2017. *Id.* The industry's operating income was \$*** in 2007, \$*** in 2012, and \$*** in 2017. *Id.* Its ratio of operating income to net sales was *** percent in 2007, *** percent in 2012, and *** percent in 2017. *Id.*

¹³⁵ See CR/PR at 1.15, Table 1.4. The COGS-to-net sales ratio was higher in 2023 than in the last years of the POI (2007), the first review (2012) and the second review (2017), by ***, *** and *** percentage points, respectively. *Calculated from id.* It was *** percent in 2007, *** percent in 2012, *** percent in 2017 and *** percent in 2023. *Id.* See also Mid Continent's NOI Response at 26.

¹³⁶ Mid Continent's NOI Response at 20. As noted above, in September 2024, Liberty Steel reduced production and furloughed certain employees at the Bartonville, Illinois, mill that it acquired with Keystone Steel. CR/PR at I.14, Table I.3. See also "Production at Peoria plant, furloughing workers," Peoria Journal Star (Sept. 26, 2024), EDIS Doc. 841368 (Jan. 20, 2025) (research material, recent developments), Attachment 2305987. See also section III.B.2, above. Mid Continent states that "halted manufacturing operations and worker furloughs" also occurred at American Fasteners Co. and Gerdau AmeriSteel. Mid Continent's Final Comments at 7-8, *citing* Mid Continent's NOI Response at 20; Steel Nails China (Third Review), Research Material, Recent Developments (Jan. 20, 2025), EDIS Doc. 841368; see also CR/PR at 1.14, Table 1.3 (developments in the U.S. industry during the POR).

¹³⁷ Commissioner Johanson considers that the limited record of this expedited review does not suffice to allow a finding as to vulnerability. He notes that after the closure of the expedited review record, a number of executive orders were issued that may significantly affect the tariff rates applicable to steel nails imported from China and other countries. See, e.g., Executive Order, "Modifying Reciprocal Tariff Rates to Reflect Trading Partner Retaliation and Alignment" (Apr. 9, 2025); Executive Order 14257, "Regulating Imports With a Reciprocal Tariff to Rectify Trade Practices that Contribute to (Continued...)"

Based on the information available in this review, we find that revocation of the order would likely result in a significant increase in subject import volume that would likely undersell the domestic like product to a significant degree. Given that there is generally a high degree of substitutability between domestic and subject steel nails, and the importance of price to purchasers, significant volumes of low-priced subject imports would likely significantly undersell the domestic like product and 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 imports and their significant 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 domestic 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 likely injury from other factors to the subject imports. In 2023, the volume of nonsubject imports was *** percent lower than in 2017, and they accounted for *** percent of apparent U.S. consumption.¹³⁸ The record provides no indication that the presence of nonsubject imports would prevent subject imports from entering the U.S. market in significant quantities or adversely affecting domestic prices after revocation of the order. Given that there is generally a high degree of substitutability between domestic and subject steel nails and the importance of price to purchasing decisions, the presence of nonsubject imports in the U.S. market would likely not prevent the significant increase in low-priced subject imports that is likely after revocation from taking market share from the domestic industry, as well as from nonsubject imports, or from forcing 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.

Large and Persistent Annual United States Goods Trade Deficits" (Apr. 2, 2025); Executive Order 14228, "Further Amendment to Duties Addressing the Synthetic Opioid Supply Chain in the People's Republic of China" (Mar. 3, 2025).

¹³⁸ *Calculated from* CR/PR at 1.19, Table 1.6. Nonsubject imports were 206,818 short tons in 2007, 316,878 short tons in 2012, 497,549 short tons in 2017, and 450,075 short tons in 2023. *Id.* Nonsubject imports' share of apparent U.S. consumption increased from 22.7 percent in 2007, to *** percent in 2012, and further increased to *** percent in 2017. *Id.*

We recognize that apparent U.S. consumption was *** percent lower in 2023 than in 2017.¹³⁹ Mid Continent notes that while the strong housing market fueled growing demand for steel nails over the last decade, this changed during the POR.¹⁴⁰ To the extent that demand remains flat or declines, the significant volume of low-priced 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 steel nails 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.

Accordingly, we find that revocation of the antidumping duty order on steel nails from China would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

IV. Conclusion

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

¹³⁹ *Calculated from CR/PR at I.19, Table I.6.*

¹⁴⁰ Mid Continent's NOI Response at 19. As noted, Mid Continent asserts that U.S. demand for steel nails was strong during the beginning of the POR, especially during the pandemic, but took a sharp downturn starting in the second quarter of 2022. *Id.* at 19-20. It further observes that there was a slowdown in both residential and nonresidential construction. *Id.* at 20. *See also* section III.B.1., above.

Information obtained in this review

Background

On November 1, 2024, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that it had instituted a review to determine whether revocation of the antidumping duty order on steel nails from China would likely lead to the continuation or recurrence of material injury to a domestic industry.² All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.³ ⁴ Table 1.1 presents information relating to the background and schedule of this proceeding:

Table 1.1 Steel nails: Information relating to the background and schedule of this proceeding

Effective date	Action
November 1, 2024	Notice of institution by Commission (89 FR 87413, November 1, 2024)
November 4, 2024	Notice of initiation by Commerce (89 FR 87543, November 4, 2024)
February 4, 2025	Commission’s vote on adequacy
February 27, 2025	Commerce’s final results of its expedited AD review (90 FR 10810, February 27, 2025)
April 18, 2025	Commission’s determination and views

¹ 19 U.S.C. 1675(c).

² 89 FR 87413, November 1, 2024. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of a five-year review of the subject antidumping duty order. 89 FR 87543, November 4, 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 investigation 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 investigation

The original investigation resulted from petitions filed on May 29, 2007 with Commerce and the Commission by five U.S. producers of steel nails.⁵ On June 16, 2008, Commerce determined that imports of steel nails from China were being sold at less than fair value (“LTFV”).⁶ The Commission determined on July 21, 2008, that the domestic industry was materially injured or threatened with material injury by reason of LTFV imports of steel nails from China.⁷ On August 1, 2008, Commerce issued its antidumping duty order with final weighted-average dumping margins ranging from 21.24 to 118.04 percent.⁸

The first five-year review

On October 21, 2013, the Commission determined that it would conduct an expedited review of the antidumping duty order on steel nails from China.⁹ On November 20, 2013, Commerce determined that revocation of the antidumping duty order on steel nails from China would be likely to lead to continuation or recurrence of dumping.¹⁰ On December 19, 2013, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹¹ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective January 6, 2014, Commerce issued a continuation of the antidumping duty order on imports of steel nails from China.¹²

⁵ Steel Nails from China, Inv. Nos. 731-TA-1114 (Final), USITC Publication 4022, July 2008 (“Original publication”), p. 1.1. The five petitioner producers were: Davis Wire Corp., Irwindale, California; Gerda Ameristeel Corp., Tampa, Florida; Maze Nails, Peru, Illinois; Mid Continent Nail Corp., Poplar Bluff, Missouri; and Treasure Coast Fasteners, Inc., Fort Pierce, Florida. On June 22, 2007, the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union was added as a co-petitioner.

⁶ 73 FR 33977, June 16, 2008. On June 16, 2008, Commerce determined that certain steel nails from the UAE were not being, or were not likely to be, sold in the United States at LTFV. 73 FR 33985, June 16, 2008. Accordingly, the Commission terminated the final phase of its investigation regarding steel nails from the UAE. 73 FR 39041, July 8, 2008.

⁷ 73 FR 43474, July 25, 2008. The Commission also found that imports subject to Commerce’s affirmative critical circumstances determination were not likely to undermine seriously the remedial effect of the order on China.

⁸ 73 FR 44961, August 1, 2008.

⁹ 78 FR 68472, November 14, 2013.

¹⁰ 78 FR 69644, November 20, 2013.

¹¹ 78 FR 78382, December 26, 2013.

¹² 79 FR 1830, January 10, 2014

The second five-year reviews

On April 12, 2019, the Commission determined that it would conduct an expedited review of the antidumping duty order on steel nails from China.¹³ On May 17, 2019, Commerce determined that revocation of the antidumping duty order on steel nails from China would be likely to lead to continuation or recurrence of dumping.¹⁴ On July 12, 2019, 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 review by Commerce and the Commission, effective December 3, 2019, Commerce issued a continuation of the antidumping duty order on imports of steel nails from China.¹⁶

Previous and related investigations

The Commission has conducted a number of previous import relief investigations on steel nails or similar merchandise, as presented in table 1.2.

Table 1.2 Steel nails: Previous and related Commission proceedings and current status

Date	Number	Country	ITC original determination	Current status
1977	AA1921-189	Canada	Negative	---
1979	731-TA-26	Korea	Negative	---
1981	731-TA-45	Japan	Terminated	---
1981	731-TA-46	Korea	Affirmative	Order revoked in October 1984
1981	731-TA-47	Yugoslavia	Negative	---
1982	701-TA-145	Korea	Terminated	---
1984	TA-201-51	Global	Affirmative	Safeguard measure no longer in effect
1985	731-TA-266	China	Affirmative	Order revoked in September 1987
1985	731-TA-266	Poland	Terminated	---
1985	731-TA-266	Yugoslavia	Terminated	---

¹³ 84 FR 26445, June 6, 2019.

¹⁴ 84 FR 22449, May 17, 2019.

¹⁵ 84 FR 34409, July 18, 2019.

¹⁶ 84 FR 66151, December 3, 2019.

Date	Number	Country	ITC original determination	Current status
1987	C-594-701	New Zealand	Affirmative	Order revoked in August 1995
1987	C-614-701	Thailand	Affirmative	Order revoked in August 1995
1989	C-557-804	Malaysia	Terminated	---
1996	731-TA-757	China	Affirmative	Order revoked in November 2002
1996	731-TA-758	Korea	Terminated	---
1996	731-TA-759	Taiwan	Affirmative	Order revoked in November 2002
2001	TA-201-73	Global	Negative	---
2007	731-TA-1115	United Arab Emirates	Terminated	---
2011	731-TA-1185	United Arab Emirates	Affirmative	Order continued after second review, September 12, 2023
2014	701-TA-515	India	Negative	---
2014	701-TA-516	Korea	Negative	---
2014	701-TA-517	Malaysia	Negative	---
2014	701-TA-518	Oman	Negative	---
2014	701-TA-519	Taiwan	Negative	---
2014	701-TA-520	Turkey	Negative	---
2014	701-TA-521	Vietnam	Affirmative	Order continued after first review, June 22, 2021
2014	731-TA-1251	India	Negative	---
2014	731-TA-1252	Korea	Affirmative	Order continued after first review, June 22, 2021
2014	731-TA-1253	Malaysia	Affirmative	Order continued after first review, June 22, 2021
2014	731-TA-1254	Oman	Affirmative	Order continued after first review, June 22, 2021
2014	731-TA-1255	Taiwan	Affirmative	Order continued after first review, June 22, 2021

Date	Number	Country	ITC original determination	Current status
2014	731-TA-1256	Turkey	Negative	---
2014	731-TA-1257	Vietnam	Affirmative	Order continued after first review, June 22, 2021
2022	701-TA-673	India	Negative	---
2022	701-TA-674	Oman	Negative	---
2022	701-TA-675	Sri Lanka	Terminated	---
2022	701-TA-676	Thailand	Terminated	---
2022	701-TA-677	Turkey	Negative	---
2022	731-TA-1580	India	Negative	---
2022	731-TA-1581	Sri Lanka	Terminated	---
2022	731-TA-1582	Thailand	Negative	---
2022	731-TA-1583	Turkey	Negative	---

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 review

Commerce announced that it would conduct an expedited review with respect to the order on imports of steel nails from China with the intent of issuing the final results of this review based on the facts available not later than March 5, 2025.¹⁷ Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <https://access.trade.gov/public/FRNoticesListLayout.aspx> and subsequently on the Commission's Electronic Document Information System ("EDIS"). Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty order on imports of steel nails from China are noted in the sections titled "The original investigation" and "U.S. imports," if applicable.

¹⁷ Letter from Howard Smith, Acting Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, December 26, 2024.

The product

Commerce's scope

Commerce has defined the scope as follows:

The merchandise covered by this order includes certain steel nails having a shaft length up to 12 inches. Certain steel nails include, but are not limited to, nails made of round wire and nails that are cut. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and have a variety of finishes, heads, shanks, point types, shaft lengths and shaft diameters. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, whether by electroplating or hot dipping one or more times), phosphate cement, and paint. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted shank styles. Screw-threaded nails subject to this order are driven using direct force and not by turning the fastener using a tool that engages with the head. Point styles include, but are not limited to, diamond, blunt, needle, chisel and no point. Finished nails may be sold in bulk, or they may be collated into strips or coils using materials such as plastic, paper, or wire. Certain steel nails subject to this order are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7317.00.55, 7317.00.65, 7317.00.75, and 7907.00.6000.

Excluded from the scope are steel roofing nails of all lengths and diameter, whether collated or in bulk, and whether or not galvanized. Steel roofing nails are specifically enumerated and identified in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, inclusive of the following modifications: (1) Non-collated (i.e., hand-driven or bulk), steel nails as described in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, as modified by the following description: Having a bright or galvanized finish, a smooth, barbed or ringed shank, an actual length of 0.500" to 4", inclusive; an actual shank diameter of 0.1015" to 0.166",

inclusive; and an actual head diameter of 0.3375" to 0.500", inclusive; (2) Wire collated steel nails, in coils, as described in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, as modified by the following description: Having a galvanized finish, a smooth, barbed or ringed shank, an actual length of 0.500" to 1.75", inclusive, an actual shank diameter of 0.116" to 0.166", inclusive; and an actual head diameter of 0.3375" to 0.500", inclusive; and (3) Non-collated (i.e., hand-driven or bulk), as described in ASTM Standard F 1667 (2005 revision) as Type I, Style 20 nails, as modified by the following description: Steel nails having a convex head (commonly known as an umbrella head), a smooth or spiral shank, a galvanized finish, an actual length of 1.75" to 3", inclusive; an actual shank diameter of 0.131" to 0.152", inclusive; and an actual head diameter of 0.450" to 0.813", inclusive.

Also excluded from the scope are the following steel nails: Non-collated (i.e., hand-driven or bulk), two-piece steel nails having plastic or steel washers (caps) already assembled to the nail, having a bright or galvanized finish, a ring, fluted or spiral shank, an actual length of 0.500" to 8", inclusive; and an actual shank diameter of 0.1015" to 0.166", inclusive; and an actual washer or cap diameter of 0.900" to 1.10", inclusive.

Also excluded from the scope of this order are corrugated nails. A corrugated nail is made of a small strip of corrugated steel with sharp points on one side. Also excluded from the scope of this order are fasteners suitable for use in powder-actuated hand tools, not threaded and threaded, which are currently classified under HTSUS 7317.00.20 and 7317.00.30. Also excluded from the scope of this order are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.

Also excluded from the scope of this order are certain brads and finish nails that are equal to or less than 0.0720 inches in shank diameter, round or rectangular in cross section, between 0.375 inches and 2.5 inches in length, and that are collated with adhesive or polyester film tape backed with a heat seal adhesive. Also excluded from the scope of this order are

fasteners having a case hardness greater than or equal to 50 HRC, a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.¹⁸

U.S. tariff treatment

Steel nails are currently imported under Harmonized Tariff Schedule of the United States (“HTS”) subheadings 7317.00.55, 7317.00.65, and 7317.00.75. The general rate of duty is “free” for HTS subheadings 7317.00.55, 7317.00.65, and 7317.00.75.¹⁹ Commerce’s scope excludes collated roofing nails, which are properly imported under HTS statistical reporting number 7317.00.5501. 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, steel nails originating in China were subject to an additional 10 percent ad valorem duty under section 301 of the Trade Act of 1974.²⁰ Effective May 10, 2019, the section 301 duty for steel nails was increased from an additional 10 percent to an additional 25 percent ad valorem duty.²¹

Effective February 8, 2020, several derivative steel articles including certain steel nails originating in China became subject to an additional 25 percent ad valorem duty under section 232 of the Trade Expansion Act of 1962, as amended.²²

¹⁸ 84 FR 66151, December 3, 2019.

¹⁹ USITC, HTS (2025) Basic Edition, Publication 5575, January 2025, p. 73.32.

²⁰ 83 FR 47974, September 21, 2018.

²¹ The date of the duty increase was delayed to June 15, 2019 for products exported from China before May 10, 2019. 84 FR 20459, May 9, 2019; 84 FR 26930, June 10, 2019; See also HTS heading 9903.88.03 and U.S. notes 20(e) and 31(f) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2025) Basic Edition, Publication 5575, January 2025, pp. 99.III.28 to 99.III.52, and 99.III.320.

²² Includes nails, tacks (other than thumb tacks), drawing pins, corrugated nails, staples (other than those of heading 8305) and similar articles, of iron or steel, whether or not with heads of other material (excluding such articles with heads of copper), of one piece construction, whether or not made of round wire, described in statistical reporting numbers 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5560, 7317.00.5580 or 7317.00.6560 only and not in other statistical reporting numbers of subheadings 7317.00.55 and 7317.00.65. 85 FR 5281, January 29, 2020. See also HTS heading 9903.80.03 and U.S. notes 16 (a)(ii), 16 (h)(ii), and 16(f) of chapter 99 and related tariff provisions for
(continued...)

A steel nail is a type of fastener with a sharp point on one end and a flattened head/headless on the other. Although most steel nails are produced of low-carbon steel, nails also are produced of stainless steel (to resist corrosion) and of hardenable medium- to high-carbon steel. Nails are packaged for shipment in bulk, that is, loose in a carton or other container, or collated, that is, joined with wire, paper strips, plastic strips, or glue into coils or straight strips for use in pneumatic nailing tools. Although most nails are produced from a single piece of steel, some nails are produced from two or more pieces. Examples include a nail with a decorative head, such as an upholstery nail; a masonry anchor that comprises a zinc anchor and a steel wire nail; a nail with a large thin attached head (for nailing roofing felt, for example); and a nail with a rubber or neoprene washer assembled over its shaft (to seal the nail-hole in metal or fiberglass roofing or siding).

Manufacturing process²³

Most steel nails are produced from steel wire, and a small proportion of steel nails are produced from steel plate and referred to as “cut nails.” Some producers of wire nails use purchased steel wire as a starting raw material and are known as nonintegrated producers, whereas some producers utilize their own facilities to produce wire for nails, using steel wire rod as their starting material; these producers are called “integrated producers.” Some integrated producers are further integrated through the steelmaking process and produce steel wire rod from raw materials such as scrap, pig iron, and ferroalloys.

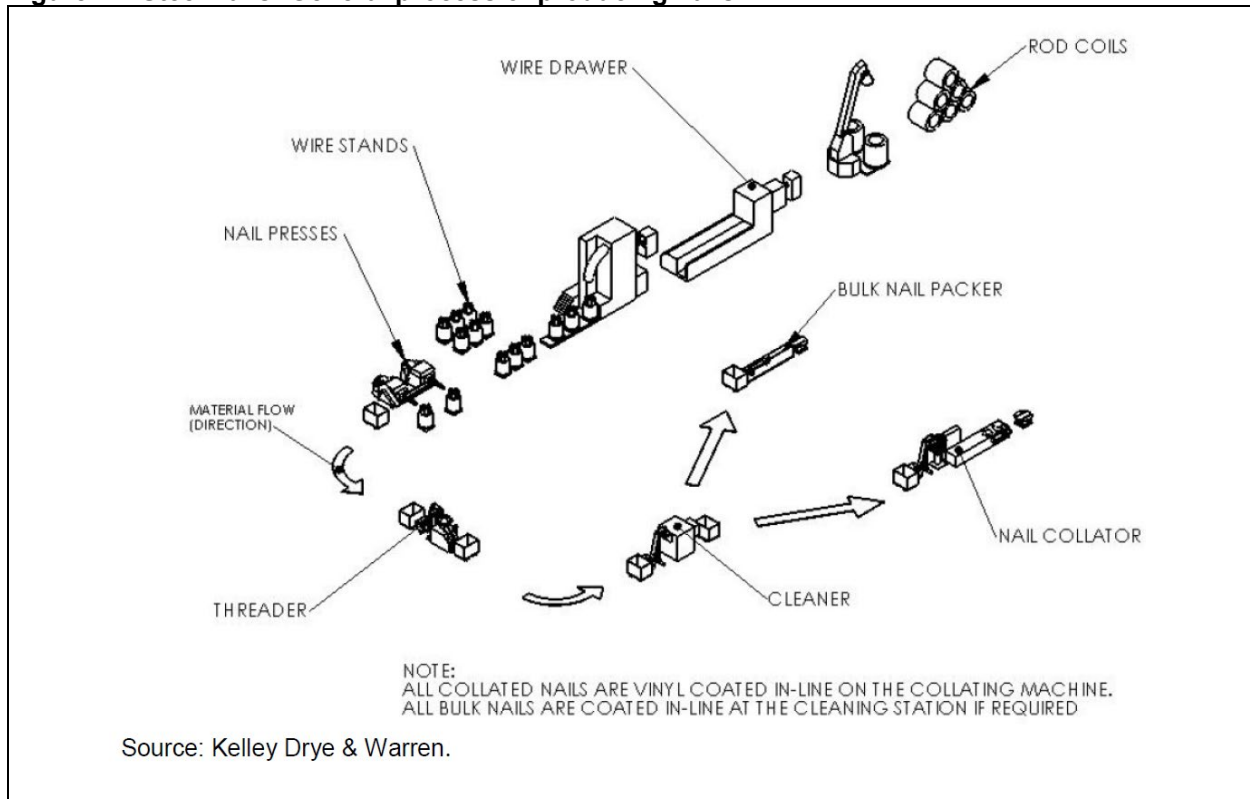
duty treatment. USITC, HTS (2025) Basic Edition, Publication 5575, January 2025, pp. 99.III.6 to 99.III.8, and 99.III.290.

Section 232 import duties on derivative steel articles currently cover all countries of origin except Argentina, Australia, Brazil, Canada, Mexico, and South Korea. Imports from Australia, Canada, and Mexico are exempt from section 232 duties and quotas on derivative steel articles, while imports originating in Argentina, Brazil, and South Korea are exempt from duties but are instead subject to absolute quotas. EU member countries (effective January 1, 2022), Japan (effective April 1, 2022), and the United Kingdom (effective June 1, 2022) are currently subject to tariff-rate quotas (“TRQs”) for steel articles, and imports that exceed the TRQ limits are subject to the section 232 tariffs. Section 232 import duties on steel articles originating in Turkey were temporarily raised from 25 percent to 50 percent, effective August 13, 2018, but restored to 25 percent effective May 21, 2019. In addition, section 232 duties on steel articles originating in Ukraine are suspended, effective June 1, 2022, to June 1, 2025. 83 FR 11625, March 15, 2018; 83 FR 13361, March 28, 2018; 83 FR 20683, May 7, 2018; 83 FR 25857, June 5, 2018; 83 FR 40429, August 15, 2018; 84 FR 23421, May 21, 2019; 84 FR 23987, May 23, 2019; 87 FR 11, January 3, 2022; 87 FR 19351, April 1, 2022; 87 FR 33407, June 2, 2022; 87 FR 33591, June 3, 2022; 89 FR 227, January 3, 2024; 89 FR 48233, June 5, 2024.

²³ Unless otherwise noted, this information is based on second review publication, pp. 1.10 to 1.12.

To produce nails, wire is fed from a large coil into a nail machine that automatically straightens the wire, forms the head of the nail, and cuts the nail from the wire, simultaneously forming the point and ejecting the finished nail. Nail machines are of two general types: one, known as a “cold-heading machine,” holds the wire near its end in gripper dies and forms the head by striking the leading end of the wire, forcing the end of the wire to fill a die cavity of the desired shape. The wire is fed through the grippers, and shape cutters form the point and cut the nail free from the wire coming off the coil. The process is repeated for each individual nail produced by the cold-heading process. In the second type of nail machine, known as a “rotary heading machine,” the wire is fed continuously and cutting rollers cut individual nail blanks, simultaneously forming the point. The nail blanks are then inserted into a die ring and the heads are formed by compression of the end of the nail between the rotating ring and a heading roller. The completed nail is then ejected from the machine. Both types of nail machines are used to produce all styles of nails, and some manufacturers have both types in their facilities. These automatic machines are capable of producing a range of nail sizes and head and point styles by changing tooling and adjustment. Figure 1.1 shows the general process for producing steel wire nails.

Figure 1.1 Steel nails: General process of producing nails.



Nails that have helical twist, serrations, and other configurations on the shanks require an additional forming process. These nails are fed into other machines that roll, twist, stamp, or cut to required forms. These operations may also require heating of the nails before forming. After forming, nails are tumbled on themselves in rotating drums to remove particles of head flash and the whiskers, which often remain on the cut and pointed ends. The same drum may contain a medium (such as sawdust) which effects cleaning and polishing of the nails during tumbling, otherwise the tumbled nails can be transferred to units that clean the nails with solvents or vapor degreasers. After tumbling and cleaning, the nails may be given subsequent processing, such as painting, resin coating, or galvanizing. Finally, nails for use in pneumatic nailing tools are processed through automatic equipment to collate the nails using paper strips, plastic strips, fine steel wire, or adhesive; nails for hand-driving are packaged in bulk (loose) in cartons or other containers.

Cut nails are produced from plate rather than from wire and are rectangular rather than round. Cut nails are used primarily for joining to masonry or concrete. Although cut nails may be made for any carpentry use, the main use other than masonry is for flooring in applications where an antique appearance is required. Cut nails are made from high-carbon steel plate that is sheared into strips. The strips are fed into specially designed nail machines, which shape the

nails and form the heads. The cut nails are then case-hardened in a furnace and packed in 50-pound cartons on pallets.

Steel nails are produced to certain industry specifications, notably those of the ICC Evaluation Service (“ICC-ES”) and the American Society for Testing and Materials (“ASTM”). The ICC-ES provides technical evaluation of reports on building products, components, methods, and materials. The evaluation reports are used as evidence that the products and system are code-compliant, with the most relevant report to steel nails being ESR-1539.²⁴ The ASTM is an international standards organization and ASTM 1667 includes the technical specification for steel nails.²⁵

The industry in the United States

U.S. producers

During the final phase of the original investigation, the Commission received U.S. producer questionnaires from 15 firms, which accounted for nearly all production of steel nails in the United States during 2007.²⁶ During the first five-year review, the domestic interested party provided a list of 10 known and currently operating U.S. producers of steel nails. One responding firm accounted for *** percent of production of steel nails in the United States during 2012.²⁷ During the second five-year review, the domestic interested party provided a list of 13 known and currently operating U.S. producers of steel nails. One responding firm accounted for approximately 50 percent of production of steel nails in the United States during 2019.²⁸

²⁴ The ICC-ES performed the evaluation of steel nails in the report ESR-1539 for the International Staple, Nail, and Tool Association (“ISANTA”) on the behalf of various fasteners associations and companies. ICC Evaluation Service, General Listing Directory, <https://isanta.org/technical-resources-and-standards/esr-1539> (accessed various dates).

²⁵ ASTM International, Steel Standards, <https://www.astm.org/Standards/steel-standards.html> (accessed various dates).

²⁶ Certain Steel Nails from China (Final), Confidential Report, INV-FF-074, June 25, 2008, as revised in INV-RR-081, July 8, 2008, (“Original confidential report”), p. III-1.

²⁷ Steel Nails from China (Review), Confidential Report, INV-LL-099, November 20, 2013, as revised in INV-LL-108, December 5, 2013, (“First review confidential report”), p. I-22. The domestic interested party’s response to the notice of institution also included data from three additional U.S. producers. Collectively, the four firms accounted for *** percent of U.S. production during 2012.

²⁸ Steel Nails from China, Inv. No. 731-TA-1114 (Second Review), USITC Publication 4920, July 2019 (“Second review publication”), p. I-2.

In response to the Commission’s notice of institution in this current review, the domestic interested party provided a list of 11 known and currently operating U.S. producers of steel nails. One firm providing U.S. industry data in response to the Commission’s notice of institution accounted for approximately *** percent of production of steel nails in the United States during 2023.²⁹

Recent developments

Table 1.3 presents events in the U.S. industry since the Commission’s last five-year reviews.³⁰

²⁹ Domestic interested party’s response to the notice of institution, December 4, 2024, p. 22.

³⁰ For recent developments, if any, in tariff treatment, please see “U.S. tariff treatment” section.

Table 1.3 Steel nails: Developments in the U.S. industry

Item	Firm	Event
Firm acquisition	Liberty Steel USA	Since the last review, Keystone Steel and Wire was acquired by Liberty Steel USA in December 2018. From the acquisition, Liberty Steel USA added a wire rod (raw material for steel nails) facility with an electric arc furnace (EAF) located in Bartonville, IL.
Section 232 tariff exemption	Mid Continent Steel and Wire	In April 2019, Mid Continental Steel and Wire received an exemption from paying section 232 duties on imported steel wire (a raw material for producing steel nails). In the same year, the section 232 tariff waiver reportedly allowed Mid Continental Steel and Wire to restore around 200 jobs (added 120 jobs by October and expects to add 80 more by the end of the year).
Plant sale	Tree Island Company	On December 15, 2021, Tree Island Company announced the completed sale of its Etiwanda facility located in Rancho Cucamonga, CA. Tree Island entered into a two-year commercial lease agreement with the purchaser to lease back the Etiwanda facility. The Etiwanda facility produced a range of products including steel wire, an input used for producing steel nails.
Plant opening	Mid Continent Steel and Wire	In August 2023, Mid Continent Steel and Wire celebrated the grand opening of a “macro hub” in Laredo, TX. According to reports, the macro hub is “a one-stop solution for Mid-Continent's business partners and customers.” The facility is a consolidated logistics center for steel and wire products manufactured in Mid Continent’s regional plants and is used to deliver products to customers in 45 states. The new facility created more than 100 new jobs and brought \$22 million in capital investment to the area.
Plant idling	Liberty Steel	In September 2024, the former Keystone Steel and Wire mill located in Bartonville, IL (now owned by Liberty Steel) reduced production and furloughed certain employees. According to reports, the company plans to restart the mill “as the market improves,” with a projected restart date of early February 2025. No further developments had been reported as of January 2025.

Source: Heller, M and Ellgren, N., “Mid Continent Steel & Wire receives steel tariff exemption,” April 4, 2019, <https://www.kfvs12.com/2019/04/04/mid-continent-steel-wire-receives-steel-tariff-exemption/>; Maile, K., “Liberty Steel USA acquires Keystone EAF mill,” December 3, 2018, <https://www.recyclingtoday.com/news/liberty-steel-usa-acquires-kci-2018/>; Shelley, T., “Liberty Steel wire mill in Bartonville idling for at least 2 months,” December 4, 2024, <https://www.wcbu.org/local-news/2024-12-04/liberty-steel-wire-mill-in-bartonville-idling-for-at-least-two-months>; Szal, A., “Nail Manufacturer Expects to Restore 200 Jobs,” September 23, 2019, <https://www.thomasnet.com/insights/nail-manufacturer-expects-to-restore-200-jobs/>; Texas BorderBusiness, “Mid-Continent Steel and Wire’s New Macro Hub In Laredo,” August 7, 2023, <https://texasborderbusiness.com/mid-continent-steel-and-wires-new-macro-hub-in-laredo/>; and Zach, Rand Bullock, JJ., “Liberty Steel temporarily reducing production at Peoria plant, furloughing workers,” September 25, 2024, <https://www.pjstar.com/story/news/local/2024/09/25/liberty-steel-to-cut-production-at-peoria-plant-and-furlough-workers/75383082007/>; Tree Island Steel Ltd., [Annual Information Form for the Financial Year Ended December 31, 2017](https://treeisland.opacity.design/wp-content/uploads/2022/12/2017-AIF-Sedar-no-links.pdf), . <https://treeisland.opacity.design/wp-content/uploads/2022/12/2017-AIF-Sedar-no-links.pdf>, February 22, 2018, p. 12; PR Newswire, “Mid-Continent Welcomes Governor Abbott to Celebrate Opening of \$22Million Macro Hub in Laredo,” <https://www.prnewswire.com/news-releases/mid-continent-welcomes-governor-abbott-to-celebrate-opening-of-22million-macro-hub-in-laredo-301895885.html>, August 8, 2023; Recycling Today, “.Liberty Steel idles wire mill in Illinois,”

<https://www.recyclingtoday.com/news/liberty-keystone-mill-illinois-idled-layoffs-steel-recycling-wire-gfg/>,
December 10, 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 review. Table 1.4 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigation and subsequent five-year reviews.

Table 1.4 Steel nails: Trade and financial data submitted by U.S. producers, by period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Item	Measure	2007	2012	2017	2023
Capacity	Quantity	***	***	***	***
Production	Quantity	***	***	***	***
Capacity utilization	Ratio	***	***	***	***
U.S. shipments	Quantity	***	***	***	***
U.S. shipments	Value	***	***	***	***
U.S. shipments	Unit value	***	***	***	***
Net sales	Value	***	***	***	***
COGS	Value	***	***	***	***
COGS to net sales	Ratio	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***
SG&A expenses	Value	***	***	***	***
Operating income or (loss)	Value	***	***	***	***
Operating income or (loss) to net sales	Ratio	***	***	***	***

Source: For the years 2007, 2012 and 2017, data are compiled using data submitted in the Commission's original investigation, first five-year review and second five-year review. For the year 2023, data are compiled using data submitted by domestic interested party. Domestic interested party's response to the notice of institution, Exhibit 1.

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

Note: For the year 2023, the domestic interested parties included data from Tree Island Wire USA, Inc. ("Tree Island"); a U.S. producer of steel nails.

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.

In its original determination and its expedited first and second five-year review determinations, the Commission defined a single domestic like product consisting of steel nails, coextensive with Commerce's scope. In its original determination, the Commission defined the domestic industry as producers of the domestic like product, and it found appropriate circumstances to exclude three firms from the domestic industry as related parties (Senco, Specialty Fastening, and Stanley Fastening Systems, LP). In its expedited first and second five-year review determinations, the Commission defined the domestic industry to include all domestic producers of steel nails.³¹

U.S. importers

During the final phase of the original investigation, the Commission received U.S. importer questionnaires from 41 firms, which accounted for approximately *** percent of total U.S. imports of steel nails from China between 2005 and 2007.³² Import data presented in the original investigation are based official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in its first five-year review, the domestic interested party provided a list of 86 firms that may have imported steel nails from China.³³ Import data presented in the first review are based on official Commerce statistics.

³¹ 89 FR 87413, November 1, 2024.

³² Original confidential report, p. IV-1.

³³ First review publication, p. I-18.

Although the Commission did not receive responses from any respondent interested parties in its second five-year review, the domestic interested party provided a list of 72 firms that may have imported steel nails from China.³⁴ Import data presented in the second review are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in this current review, in its response to the Commission's notice of institution, the domestic interested party provided a list of 93 potential U.S. importers of steel nails.³⁵

U.S. imports

Table 1.5 presents the quantity, value, and unit value of U.S. imports from China as well as the other top sources of U.S. imports (shown in descending order of 2023 imports by quantity).

³⁴ Second review publication, Exhibit 2.

³⁵ Domestic interested party's response to the notice of institution, December, 2, 2024, Exhibit 10.

Table 1.5 Steel nails: U.S. imports, by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short tons

U.S. imports from	Measure	2018	2019	2020	2021	2022	2023
China	Quantity	149,519	100,407	109,146	133,903	123,650	102,732
India	Quantity	38,884	33,648	28,442	40,934	52,775	56,484
Thailand	Quantity	33,938	39,812	48,409	57,169	63,814	54,553
Taiwan	Quantity	72,908	56,821	41,881	50,361	43,468	36,266
Oman	Quantity	64,670	73,189	71,237	86,715	101,644	30,794
All other sources	Quantity	287,831	276,788	311,903	356,621	400,203	271,978
Nonsubject sources	Quantity	498,230	480,257	501,872	591,800	661,905	450,075
All import sources	Quantity	647,749	580,664	611,018	725,703	785,554	552,807
China	Value	209,149	161,142	159,006	242,980	258,550	161,062
India	Value	46,643	39,555	29,310	52,561	92,749	91,603
Thailand	Value	41,030	47,614	58,825	87,634	121,243	88,054
Taiwan	Value	99,861	89,733	65,230	89,387	95,196	62,918
Oman	Value	91,766	98,308	91,815	143,007	247,712	57,423
All other sources	Value	361,371	346,995	372,140	520,262	786,647	453,453
Nonsubject sources	Value	640,671	622,205	617,321	892,850	1,343,546	753,452
All import sources	Value	849,821	783,346	776,326	1,135,830	1,602,096	914,513
China	Unit value	1,399	1,605	1,457	1,815	2,091	1,568
India	Unit value	1,200	1,176	1,031	1,284	1,757	1,622
Thailand	Unit value	1,209	1,196	1,215	1,533	1,900	1,614
Taiwan	Unit value	1,370	1,579	1,558	1,775	2,190	1,735
Oman	Unit value	1,419	1,343	1,289	1,649	2,437	1,865
All other sources	Unit value	1,255	1,254	1,193	1,459	1,966	1,667
Nonsubject sources	Unit value	1,286	1,296	1,230	1,509	2,030	1,674
All import sources	Unit value	1,312	1,349	1,271	1,565	2,039	1,654

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, 7317.00.7500, accessed December 12, 2024.

Note: Because of rounding, figures may not add to totals shown. Data for subject imports from China may be overstated as it includes imports from nonsubject Chinese producer ITW/Paslode Fasteners, which is exempt from the current order. Correspondingly, data for imports from nonsubject sources may be understated.

Apparent U.S. consumption and market shares

Table 1.6 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

Table 1.6 Steel nails: Apparent U.S. consumption and market shares, by source and period

Quantity in short tons; value in 1,000 dollars; shares in percent

Source	Measure	2007	2012	2017	2023
U.S. producers	Quantity	143,868	***	***	***
China	Quantity	***	***	***	102,732
Nonsubject sources	Quantity	206,818	316,878	497,549	450,075
All import sources	Quantity	768,307	461,814	644,020	552,807
Apparent U.S. consumption	Quantity	912,175	***	***	***
U.S. producers	Value	220,411	***	***	***
China	Value	***	***	***	161,062
Nonsubject sources	Value	271,225	445,617	511,848	753,452
All import sources	Value	763,859	652,853	687,751	914,513
Apparent U.S. consumption	Value	984,270	***	***	***
U.S. producers	Share of quantity	15.8	***	***	***
China	Share of quantity	***	***	***	***
Nonsubject sources	Share of quantity	22.7	***	***	***
All import sources	Share of quantity	84.2	***	***	***
U.S. producers	Share of value	22.4	***	***	***
China	Share of value	***	***	***	***
Nonsubject sources	Share of value	27.6	***	***	***
All import sources	Share of value	77.6	***	***	***

Source: For the years 2007, 2012, and 2017, data are compiled using data submitted in the Commission's original investigation, first five-year review and second five-year review. 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 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, 7317.00.7500, accessed December 12, 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. Because of rounding figures may not add to totals shown.

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

Note: For the years 2007, 2012, and 2017 the data for imports from China includes imports from nonsubject sources. For the year 2023, the domestic interested party included data from Tree Island Wire USA, Inc. ("Tree Island"), a U.S. producer of steel nails and interested party.

The industry in China

Producers in China

During the final phase of the original investigation, the Commission received foreign producer/exporter questionnaires from eight firms, which accounted for approximately *** percent of production of steel nails in China during 2007.³⁶

Although the Commission did not receive responses from any respondent interested parties in its first five-year review, the domestic interested party provided a list of 63 possible producers of steel nails in China in that proceeding.³⁷

Although the Commission did not receive responses from any respondent interested parties in its first five-year review, the domestic interested party provided a list of 208 possible producers of steel nails in China in that proceeding.³⁸

Although the Commission did not receive responses from any respondent interested parties in this five-year review, the domestic interested party provided a list of 232 possible producers of steel nails in China.³⁹

Recent developments

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

Exports

Table 1.7 presents export data for nails, tacks, drawing pins, corrugated nails, staples (other than strips) and similar articles, of iron or steel, excluding such articles with heads of copper, a category that includes steel nails and out-of-scope products, from China (by export destination in descending order of quantity for 2023). The United States is the top destination for Chinese exports, accounting for 21.2 percent followed by Canada (6.1 percent), Japan (6 percent), South Korea (3.5 percent), and Myanmar (2.8 percent).

³⁶ Original confidential report, p. 7.1.

³⁷ First review publication, p. 1.26.

³⁸ Second review publication, p. 1.19.

³⁹ Domestic interested party's response to the notice of institution, December, 2, 2024, p. 1.

Table 1.7 Nails, tacks, drawing pins, corrugated nails, staples (other than strips) and similar articles, of iron or steel, excluding such articles with heads of copper: Quantity of exports from China, by destination and period

Quantity in short tons

Destination market	2018	2019	2020	2021	2022	2023
United States	312,073	217,875	241,217	307,655	233,212	255,597
Canada	78,525	60,489	74,286	88,519	77,077	73,795
Japan	86,592	87,203	79,888	83,639	79,071	66,875
South Korea	48,051	44,007	42,276	45,994	44,259	41,806
Myanmar	10,816	18,352	19,159	19,727	23,491	33,514
India	26,082	25,946	22,629	22,166	28,417	31,980
Nigeria	35,799	35,638	37,088	33,582	31,204	29,419
Ghana	16,265	16,557	18,373	17,970	19,072	26,030
United Kingdom	25,516	26,921	24,082	31,869	27,119	24,097
Mexico	13,741	14,212	14,529	17,214	19,790	23,391
All other markets	557,629	528,086	521,823	554,081	563,377	596,500
All markets	1,211,089	1,075,286	1,095,350	1,222,416	1,146,089	1,203,004

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7317.00, accessed January 13, 2025. These data may be overstated as HS subheading 7317.00 may contain products outside the scope of this review.

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

Third-country trade actions

On November 19, 2019, Mexico initiated a sunset review of an antidumping duty order imposed on imports of concrete steel nails from China. A definitive duty of \$0.54 per kilogram remained in place until the investigation was terminated on December 3, 2020.⁴⁰

⁴⁰ Global Trade Alert, “Mexico: Termination of antidumping duty on imports of concrete steel nails from China,” <https://www.globaltradealert.org/intervention/19264/anti-dumping/mexico-extension-of-antidumping-duty-on-imports-of-concrete-steel-nails-from-china> (accessed January 3, 2025).

The global market

Table 1.8 presents global export data for nails, tacks, drawing pins, corrugated nails, staples (other than strips) and similar articles, of iron or steel, excluding such articles with heads of copper, a category that includes steel nails and out-of-scope products (by source in descending order of quantity for 2023). China is the largest global exporter accounting for approximately 60 percent of global exports in 2023.

Table 1.8 Nails, tacks, drawing pins, corrugated nails, staples (other than strips) and similar articles, of iron or steel, excluding such articles with heads of copper: Quantity of global exports by country and period

Quantity in short tons

Exporting country	2018	2019	2020	2021	2022	2023
China	1,211,089	1,075,286	1,095,350	1,222,416	1,146,089	1,203,004
Thailand	46,455	51,993	60,009	73,403	69,961	64,997
India	26,060	25,442	21,728	43,664	56,176	63,248
Poland	76,301	67,709	76,719	90,891	82,234	62,028
Lithuania	42,129	41,182	42,647	56,512	59,251	59,557
Malaysia	72,061	56,982	42,570	59,918	56,809	46,873
Taiwan	86,085	66,981	56,697	64,717	56,009	44,059
Mexico	39,479	13,143	14,089	22,046	19,745	42,176
Turkey	62,643	78,439	85,515	99,788	86,912	41,925
Sri Lanka	20,060	29,850	30,504	34,053	28,964	33,376
All other exporters	589,908	571,857	643,030	652,273	576,865	331,199
All exporters	2,272,270	2,078,864	2,168,858	2,419,681	2,239,015	1,992,442

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7317.00 accessed January 13, 2025. These data may be overstated as HS subheading 7317.00 may contain products outside the scope of this review.

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

APPENDIX A
FEDERAL REGISTER NOTICES

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

Citation	Title	Link
89 FR 87413 November 1, 2024	<i>Steel Nails From China; Institution of Five-Year Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2024-11-01/pdf/2024-25105.pdf
89 FR 87543 November 4, 2024	<i>Initiation of Five-Year (Sunset) Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2024-11-04/pdf/2024-25610.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 review. It was filed on behalf of Mid Continent Steel & Wire, Inc. (“Mid Continent”), a domestic producer of steel nails (referred to herein as “domestic interested party”).¹

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 Steel nails: Summary of responses to the Commission’s notice of institution

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

Note: The U.S. producer coverage figure presented is the domestic interested party’s estimate of its share of total U.S. production of steel nails during 2023. The domestic interest party also included production data from Tree Island Wire USA, Inc. (“Tree Island”), a US producer of steel nails. The aggregate coverage of firms that provided production data is *** percent. Domestic interested party’s response to the notice of institution, December 2, p. 22.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or full review from Mid Continent. Mid Continent requests that the Commission conduct expedited review of the antidumping duty order on steel nails.²

¹ The domestic interested parties also provided certain trade and financial information on behalf of U.S. producer Tree Island Wire USA, Inc. (“Tree Island”). Domestic interested party’s response to the notice of institution, December 2, 2024, p. 2.

² Domestic interested party’s comments on adequacy, January 2, p. 2.

Company-specific information

Table B.2 Steel nails: 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	Mid Continent Steel & Wire, Inc. ("Mid Continent")
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	Yes
Trade/financial data	Yes
Changes in supply/demand	Yes
Complete response	Yes

APPENDIX C

SUMMARY DATA COMPILED IN PREVIOUS PROCEEDINGS

Table C-2
Steel nails: Summary data concerning the U.S. market (excluding 3 firms from U.S. producer data),
2005-07

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APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from the domestic interested party, and it provided contact information for the following five firms as top purchasers of steel nails: ***. 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 steel nails that have occurred in the United States or in the market for steel nails in China since January 1, 2018?

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

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

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

