

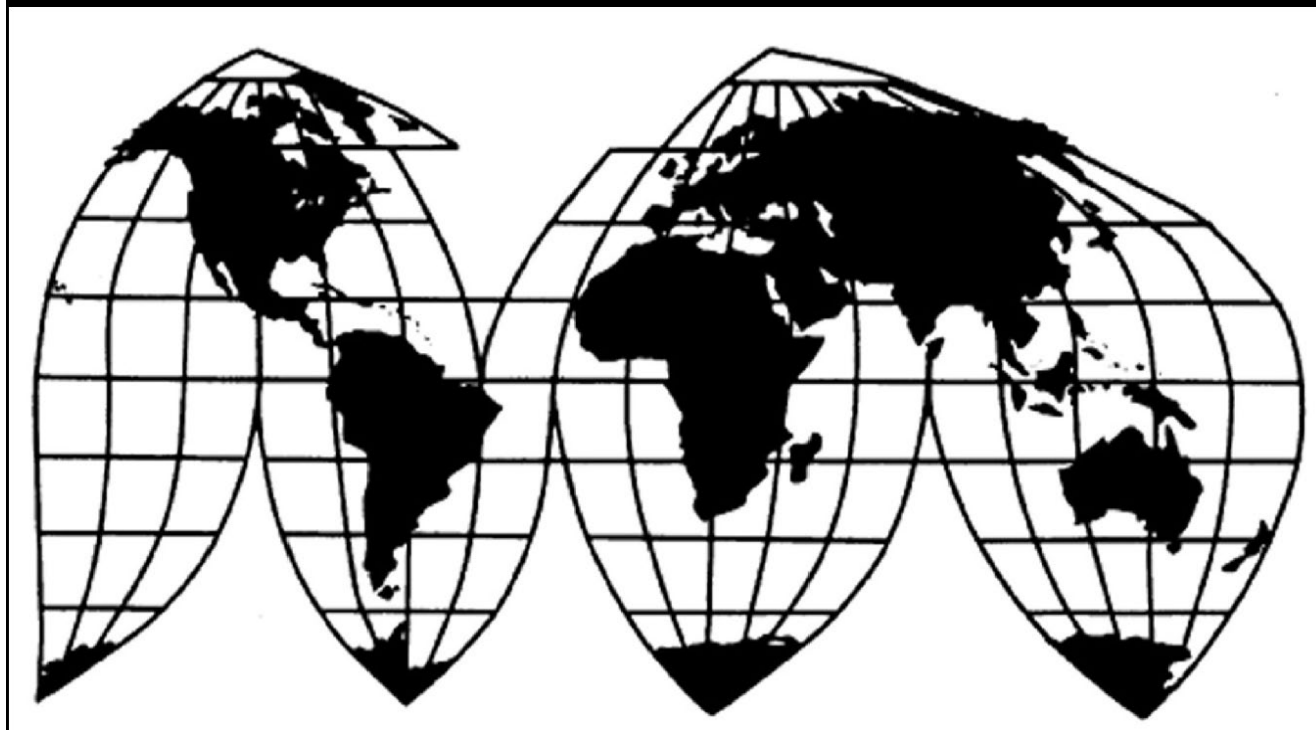
Methylene Diphenyl Diisocyanate (MDI) from China

Investigation No. 731-TA-1733 (Final)

Publication 5737

May 2026

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Note.—Information that would reveal confidential operations of individual concerns may not be published.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

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-1733 (Final)

METHYLENE DIPHENYL DIISOCYANATE (MDI) from China

DETERMINATION

On the basis of the record¹ developed in the subject investigation, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that an industry in the United States is materially injured by reason of imports of methylene diphenyl diisocyanate (MDI) from China, provided for in subheadings 2929.10.80 and 3909.31.00 of the Harmonized Tariff Schedule of the United States, that have been found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value (“LTFV”).^{2 3}

BACKGROUND

The Commission instituted this investigation effective February 12, 2025, following receipt of a petition filed with the Commission and Commerce by the MDI Fair Trade Coalition consisting of BASF Corporation, Florham Park, New Jersey; and The Dow Chemical Company, Midland, Michigan.

The Commission scheduled the final phase of the investigation following notification of a preliminary determination by Commerce that imports of MDI from China were being sold at LTFV within the meaning of § 733(b) of the Act (19 U.S.C. 1673b(b)). Notice of the scheduling of the final phase of the Commission’s investigation and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of September 25, 2025 (90 FR 46253).⁴ The Commission conducted its hearing on April 2, 2026. All persons who requested the opportunity were permitted to participate.

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

² 91 FR 18820 (April 13, 2026).

³ Commissioner David S. Johanson voted affirmative based on threat of material injury.

⁴ Due to the lapse in appropriations and ensuing cessation of Commission operations, the Commission tolled its schedule for this proceeding. The schedule was revised in subsequent notices published in the *Federal Register* on Nov. 26, 2025 (90 FR 54367) and on Dec. 15, 2025 (90 FR 58054).

Views of the Commission

Based on the record in the final phase of this investigation, we determine that an industry in the United States is materially injured by reason of imports of methylene diphenyl diisocyanate (“MDI”) from China sold in the United States at less than fair value (“LTFV”).¹

I. Background

The petition in this investigation was filed on February 12, 2025, by the Ad Hoc MDI Fair Trade Coalition (“Petitioner”), consisting of BASF Corporation (“BASF”) and the Dow Chemical Company (“Dow”), both domestic producers of MDI.² Petitioner appeared at the hearing with counsel and submitted prehearing and posthearing briefs.³ Wanhua Chemical America (“WCA”), a U.S. importer of subject merchandise from China, is the only respondent participating in the investigation. Representatives from WCA appeared at the hearing with counsel and submitted prehearing and posthearing briefs.⁴

U.S. industry data are based on the questionnaire responses of four firms, which accounted for all U.S. production of MDI in 2024.⁵ U.S. import data are based on the questionnaire responses of seven importers, which accounted for essentially all subject imports from China and the vast majority of nonsubject imports in 2024.⁶ WCA accounted for nearly all *** subject imports over the POI.⁷ The Commission received responses to its questionnaire from eight producers of merchandise in China.⁸ They accounted for essentially all MDI

¹ Commissioner David S. Johanson determines that an industry in the United States is threatened with material injury by reason of subject imports. See Separate Views of David S. Johanson. Except as noted, he joins in sections I–IV.B of these views.

² See Confidential Staff Report (“CR”), INV-YY-055 (April 22, 2026) at 3.1; Public Report, *Methylene Diphenyl Diisocyanate from China*, Inv. No. 731-TA-1733 (Final), USITC Pub. 5737 (May 2026) (“PR”) at 1.1.

³ Petitioner’s Prehearing Brief, EDIS Doc. 876689 (March 26, 2026); Petitioner’s Posthearing Brief, EDIS Doc. 878539 (April 10, 2026).

⁴ WCA’s Prehearing Brief, EDIS Doc. 876693 (March 26, 2026); WCA’s Posthearing Brief, EDIS Doc. 878513 (April 10, 2026).

⁵ CR/PR at 3.1.

⁶ CR/PR at 4.1. Questionnaire coverage was determined based on U.S. importers’ reported imports under the primary HTSUS statistical reporting numbers 2929.10.8010 and 3909.31.0000, with importer questionnaire responses covering *** percent of subject merchandise and *** percent of nonsubject merchandise. CR/PR at 4.1 n.2. Responding importers reported that less than *** percent of their imports of MDI enter under nine additional HTS statistical reporting numbers. CR/PR at 4.1 n.2.

⁷ CR/PR at Table 4.1.

⁸ CR/PR at 7.3.

production in China, and essentially all subject imports in 2024.⁹ The Commission collected data for full years 2022 through 2024 and for January-September (“interim”) 2024 and 2025.

II. Domestic Like Product

A. In General

In determining whether an industry in the United States is materially injured or threatened with material injury by reason of imports of subject merchandise, the Commission first defines the “domestic like product” and the “industry.”¹⁰ Section 771(4)(A) of the Tariff Act of 1930, as amended (“the Tariff Act”), defines the relevant domestic industry as the “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”¹¹ In turn, the Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation.”¹²

By statute, the Commission’s “domestic like product” analysis begins with the “article subject to an investigation,” *i.e.*, the subject merchandise as determined by Commerce.¹³ Therefore, Commerce’s determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is “necessarily the starting point of the Commission’s like product analysis.”¹⁴ The Commission then defines the domestic like product in light of the imported articles Commerce has identified.¹⁵ The decision regarding the

⁹ CR/PR at Table 7.1. Exports as a share of U.S. imports was calculated by dividing reported exports in 2024 with the volume of subject imports entering under the two primary HTSUS statistical reporting numbers in 2024. *Id.*

¹⁰ 19 U.S.C. § 1677(4)(A).

¹¹ 19 U.S.C. § 1677(4)(A).

¹² 19 U.S.C. § 1677(10).

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

¹⁴ *Cleo Inc. v. United States*, 501 F.3d 1291, 1298 (Fed. Cir. 2007); *see also Hitachi Metals, Ltd. v. United States*, Case No. 19-1289, slip op. at 8-9 (Fed. Circ. Feb. 7, 2020) (the statute requires the Commission to start with Commerce’s subject merchandise in reaching its own like product determination).

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

appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of “like” or “most similar in characteristics and uses” on a case-by-case basis.¹⁶ No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.¹⁷ The Commission looks for clear dividing lines among possible like products and disregards minor variations.¹⁸

B. Product Description

Commerce defined the imported merchandise within the scope of the investigation as: methylene diphenyl diisocyanate (MDI), which is an aromatic polyisocyanate material whose composition includes two or more isocyanate groups (i.e., functional group containing a nitrogen atom, a carbon atom, and an oxygen atom bonded together (-NCO)) attached to one or more benzene rings (i.e., flat, symmetrical molecule made up of six carbon atoms arranged in a hexagonal ring and has the chemical formula C₆H₆) that are joined by methylene bridges (i.e., a carbon atom bound to two hydrogen atoms (-CH₂-) and connected by single bonds to two other distinct atoms in the rest of the molecule). MDI is commonly called Polymeric, Monomeric, or Modified MDI and may also be referred to under other names, including Methylene bisphenyl isocyanate, 4,4'-Diphenylmethane diisocyanate, Methylene di-p-phenylene ester of isocyanic acid, Methylene bis(4-phenyl isocyanate), and polymethylene polyphenylene isocyanate. MDI is normally associated with Chemical Abstracts Service (CAS) registry numbers 9016-87-9, 101-68-8, 5873-54-1, 2536-05-2, 1689576-89-3, 25686-28-6, 26447-40-5, and 39310-05-9, but several others are also used.

¹⁶ See, e.g., *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Torrington Co. v. United States*, 747 F. Supp. 744, 749 n.3 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991) (“every like product determination ‘must be made on the particular record at issue’ and the ‘unique facts of each case’”). The Commission generally considers a number of factors, including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. See *Nippon*, 19 CIT at 455 n.4; *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996).

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

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

MDI ranges in physical form from low viscosity liquids to solids. MDI is covered by the scope of this investigation irrespective of whether it has gone through a distillation process and regardless of acid content, reactivity, functionality, freeze stability, physical form, viscosity, grade, purity, molecular weight, or packaging.

MDI may contain additives, such as catalysts, solvents, plasticizers, antioxidants, fire retardants, colorants, pigments, diluents, thickeners, fillers, softeners, toughening agents. The scope does not include mixtures of MDI with other materials, when the combined MDI component comprises less than 40 percent of the total weight of the mixture.

MDI may be partially reacted with itself, polyol, or polyamines, and retain MDI component that has not fully chemically reacted so as to convert it into a different product no longer containing isocyanate groups. These products are known as homopolymer, uretonimine MDI, carbodiimide MDI, or prepolymers. The scope does not include partially reacted MDI when its NCO content is less than 10 weight percentage.

For MDI that enter as part of a system with separately packaged resin consisting mostly of a chemical compound that has an OH reactive group, including polyol, only the MDI portion of the system is included in the scope. The scope does not include any separately packaged polyol that would not fall within the scope if entered on its own.

The scope includes merchandise matching the above description that has been processed in a third country, including by commingling, diluting, introducing or removing additives, or performing any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the subject country.

The scope also includes MDI that is commingled or blended with MDI from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

This merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 2929.10.8010 and 3909.31.0000. Subject merchandise may also be entered under subheadings 3824.99.2600, 3909.50.1000, 3909.50.2000, 3909.50.5000, 3824.99.2900, 3506.91.5000, 3911.90.4500, 3921.13.5000, and 3920.99.5000. The HTSUS subheadings are

provided for convenience and customs purposes only; the written description of the scope is dispositive.¹⁹

MDI belongs to a class of chemical compounds known as aromatic isocyanates.²⁰ The basic MDI molecule, or monomeric MDI, contains two benzene rings, each with an isocyanate (-N=C=O) group, separated by a methylene bridge.²¹ MDI molecules can also be larger oligomers, or polymeric MDI, which contain up to seven benzene rings, each connected to an isocyanate group.²²

The domestic industry produces MDI from aniline, formaldehyde, hydrochloric acid, and phosgene.²³ The process yields a mixture of monomeric and polymeric MDI molecules.²⁴ This mixture, known as crude polymeric MDI, is then separated by distillation into different MDI monomers and polymers.²⁵ The final MDI product takes three general forms: monomeric MDI (“MMDI”), polymeric MDI (“PMDI”), and modified MDI.²⁶ Modified MDI has additives or has been partially reacted with itself, polyols, or polyamines, to stabilize the product or produce a diverse range of polymers.²⁷

MDI is used to produce a wide range of polyurethane products.²⁸ The majority of PMDI is used to produce flexible, rigid, and packaging foams.²⁹ MMDI is used in various thermoplastic and cast elastomer applications, as well as coatings, adhesives, sealants, and elastomers.³⁰ Rigid foam is generally used in various types of insulation for buildings, while flexible foam is used for products such as cushions, automobile seats, pillows, and mattresses.³¹ MDI is also used as a binder for producing wood products from chips and flakes, and to produce polyurethane fibers for clothing.³²

¹⁹ *Methylene Diphenyl Diisocyanate From the People’s Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 91 Fed. Reg. 18820, 18823 (April 13, 2026).

²⁰ CR/PR at 1.10

²¹ CR/PR at 1.10. The monomeric form of MDI can consist of two isomers: 2’,2 MDI, and 2,4’ MDI. CR/PR at 1.11.

²² Petition at 5 n.2.

²³ See CR/PR at 1.12; ***. CR/PR at Table D.2.

²⁴ CR/PR at 1.12.

²⁵ CR/PR at 1.12-1.13.

²⁶ CR/PR at 1.11-1.12.

²⁷ CR/PR at 1.12.

²⁸ CR/PR at 1.12, 2.1; Petition at 11-12.

²⁹ CR/PR at 1.4 and Tables 3.10, 4.6.

³⁰ CR/PR at 1.11-1.12.

³¹ Petition at 11.

³² Petition at 12.

C. Arguments of the Parties

Petitioner argues that the Commission should reach the same finding in this final phase investigation that it did in the preliminary phase – that there is one domestic like product consisting of all forms of MDI covered by the scope. It contends that the record continues to show that all forms of MDI covered by the scope share similar physical characteristics and end uses, are made on the same production lines using similar production processes, are sold in similar channels of distribution, are part of a continuum of MDI products priced in the same range, and are considered by market participants to be part of a single product category.³³ WCA agrees with Petitioner that the Commission should continue to define a single domestic like product coextensive with the scope of the investigation.³⁴

D. Analysis and Conclusion

In its preliminary determination, the Commission defined a single domestic like product of MDI that is coextensive with the scope.³⁵ The issue was not disputed. The Commission found that all MDI has the same basic chemical structure and is used to produce polyurethane for a variety of downstream applications. In addition, the Commission found that all domestically produced MDI is produced using the same manufacturing facilities, processes, and employees; sold primarily to end users; and perceived by producers and customers as falling within a single product category. The pricing data also suggested that prices for different MDI products were in a similar range during the POI. The Commission therefore defined a single domestic like product consisting of all MDI, coextensive with Commerce’s scope.³⁶

There is no new information in the final phase of the investigation that warrants a reconsideration of the findings that the Commission made in the preliminary phase.³⁷ Moreover, no party contests the Commission’s domestic like product definition in the final phase. Accordingly, we define a single domestic like product consisting of MDI, coextensive with Commerce’s scope.

III. Domestic Industry

The domestic industry is defined as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”³⁸ In defining the domestic

³³ Petitioner’s Prehearing Brief at 10.

³⁴ WCA’s Prehearing Brief at 7.

³⁵ *Methyl Diphenyl Diisocyanate from China*, Inv. No.731-TA-1733, USITC Pub. 5606, (April 2025) (“Preliminary Views”) at 9-10.

³⁶ Preliminary Views, USITC Pub. 5606 at 9-10.

³⁷ See CR/PR at 1.20.

³⁸ 19 U.S.C. § 1677(4)(A).

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.

The investigation raises the issue of whether appropriate circumstances exist to exclude any domestic producers from the domestic industry pursuant to the related parties provision. The related parties provision in section 771(4)(B) of the Tariff Act allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise, or which are themselves importers.³⁹ Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.⁴⁰

Domestic producers *** are potentially subject to exclusion under section 771(4)(B)(i) because they imported subject merchandise during the POI.⁴¹ Additionally, each of these firms also reported a relationship to importers or exporters of the subject merchandise and therefore are also potentially subject to exclusion under section 771(4)(B)(i) for that reason.

A. Parties' Arguments

Petitioner's Arguments. Petitioner argues the Commission should find that appropriate circumstances do not exist to warrant exclusion of *** from the domestic industry as related parties because each of them ***.⁴²

Petitioner additionally argues that the Commission could reasonably include or exclude *** in the definition of the domestic industry. Petitioner observes that *** and reported a *** over the POI. Petitioner maintains that the *** operating income over the POI indicates that it benefited from its imports of subject merchandise and, therefore, could reasonably be

³⁹ See *Torrington Co. v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int'l Trade 1992), *aff'd without opinion*, 991 F.2d 809 (Fed. Cir. 1993); *Sandvik AB v. United States*, 721 F. Supp. 1322, 1331-32 (Ct. Int'l Trade 1989), *aff'd mem.*, 904 F.2d 46 (Fed. Cir. 1990); *Empire Plow Co. v. United States*, 675 F. Supp. 1348, 1352 (Ct. Int'l Trade 1987).

⁴⁰ The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude a related party include the following:

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

⁴¹ CR/PR at Tables 3.2, 3.13, 3.14, and 3.15.

⁴² Petitioner's Prehearing Brief at 11 n.55.

excluded from the definition of the domestic industry. Nonetheless, Petitioner contends that including ***.⁴³

Respondent's Arguments. WCA did not take a position on related parties.

B. Analysis and Conclusion

We discuss below whether appropriate circumstances exist to exclude any of the three related parties.

***, *** , accounted for *** percent of U.S. production of MDI in 2024, and was the *** of the four reporting U.S. producers that year in terms of U.S. production volume.⁴⁴ *** imported *** short tons of subject merchandise, only in 2022, from ***.⁴⁵ The ratio of its subject imports to its domestic production was *** percent in 2022.⁴⁶ *** indicates that it imported to ***.⁴⁷

Given that *** with a ratio of subject imports to domestic production that was *** low during the one year it imported subject merchandise, its primary interest appears to be in domestic production. There is also no information on the record suggesting that *** was shielded from subject import competition by virtue of its relationship with a related exporter in China or that its domestic production operations benefitted from its limited imports of subject merchandise such that its inclusion in the domestic industry would skew industry data or mask injury. In light of these considerations, and in the absence of any contrary argument, we find that appropriate circumstances do not exist to exclude *** from the domestic industry.

***. *** is the second largest U.S. producer and accounted for *** percent of U.S. production of MDI in 2024 based on production volume.⁴⁸ ***.⁴⁹ *** imported *** short tons of subject merchandise during 2022, *** short tons in 2023, *** short tons in 2024, and *** short tons in interim 2025, compared to *** short tons in interim 2024.⁵⁰ The ratio of its subject imports to its domestic production was *** percent in 2022, *** percent during 2023,

⁴³ Petitioner's Prehearing Brief at 12.

⁴⁴ CR/PR at Table 3.1.

⁴⁵ CR/PR at Table 3.13; *** Foreign Producer Questionnaire at II-9. *** is 70 percent owned by ***. CR/PR at Table 3.2.

⁴⁶ CR/PR at Table 3.13

⁴⁷ CR/PR at Table 3.17. *** also reported purchasing small volumes of subject imports from ***. CR/PR at Table 3.16. Its purchases were *** short tons in 2022, *** short tons in 2023, and *** short tons in 2024. *Id.* It indicated that it purchased subject imports "****". CR/PR at Table 3.18.

⁴⁸ CR/PR at Table 3.1.

⁴⁹ CR/PR at Table 3.1.

⁵⁰ CR/PR at Table 3.14. In addition to be an importer of subject merchandise, *** is also related to an exporter of subject merchandise. *** is wholly owned by *** which owns *** an exporter of subject merchandise during the POI. CR/PR at Table 3.2; *** Foreign Producer Questionnaire at II-9.

2024 and interim 2024, and *** percent in interim 2025.⁵¹ *** indicates that it imported because its “***.”⁵²

*** ratio of subject imports to domestic production was *** during the years that it imported subject merchandise, and its primary interest appears to be in domestic production. There is no information on the record suggesting that *** was shielded from subject import competition by virtue of its relationship with a related exporter in China or that its domestic production operations benefitted from its *** subject imports such that its inclusion in the domestic industry would skew industry data or mask injury. In light of these considerations, and in the absence of argument urging the Commission to exclude *** from the definition of the domestic industry, we find that appropriate circumstances do not exist to exclude *** from the domestic industry for purposes of the final phase of the investigation.

. *** is the largest U.S. producer, accounting for *** percent of U.S. production of MDI in 2024.⁵³ *** imported *** short tons of subject merchandise, only during 2022.⁵⁴ The ratio of its subject imports to its domestic production was *** percent in 2022.⁵⁵ *** indicates that it imported for “.”⁵⁶

Given that *** and reported a ratio of subject imports to domestic production that was *** during the one year that it imported subject merchandise, its primary interest appears to be in domestic production. There is also no information on the record suggesting that *** was shielded from subject import competition or that its domestic production operations benefitted from subject imports or its ownership of an exporter in China such that its inclusion in the domestic industry would skew industry data or mask injury. In light of these considerations, and in the absence of any contrary argument, we find that appropriate circumstances do not exist to exclude *** from the domestic industry.

In sum, consistent with our definition of the domestic like product, we define the domestic industry to include all domestic producers of MDI.⁵⁷

⁵¹ CR/PR at Table 3.14.

⁵² CR/PR at Table 3.16.

⁵³ CR/PR at Table 3.1.

⁵⁴ CR/PR at Table 3.15. In addition to be an importer of subject merchandise, *** owns *** percent of ***, a producer and exporter of subject merchandise. CR/PR at Table 3.2; *** Foreign Producer Questionnaire at II-9.

⁵⁵ CR/PR at Table 3.15.

⁵⁶ CR/PR at Table 3.16.

⁵⁷ Although no independent processors provided information on processing of MDI, three of four domestic producers that produce MDI from upstream chemical inputs (integrated producers) reported processing relatively small volumes of MDI into other forms of MDI that are within the domestic like product. See CR/PR at Appendix D. In such instances, the Commission has considered whether the additional processing of purchased or imported product is domestic production based on the production-related activity factors. See *Silicon Carbide from the People’s Republic of China*, Inv. No. 731-TA-651 (Final), USITC Pub. 2779 (June 1994) at I-11 (applying factors to determine whether

IV. Material Injury by Reason of Subject Imports⁵⁸

Based on the record in the final phase of this investigation, we find that an industry in the United States is materially injured by reason of imports of MDI from China that Commerce has found to be sold in the United States at less than fair value.

A. Legal Standards

In the final phase of antidumping and countervailing duty investigations, the Commission determines whether an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.⁵⁹ In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.⁶⁰ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”⁶¹ In assessing whether the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.⁶² No single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁶³

processing of imported product should be considered domestic production). The parties disagree concerning whether it is appropriate to consider the results of this processing activity in the industry’s data. They agree, however, that because the activity is quite limited, the data do not materially affect the industry data. We have therefore based our determination on the domestic producers’ integrated operations, but we have also considered the limited data on the integrated producers’ processing of MDI and discuss the results where appropriate.

⁵⁸ Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than three percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall be deemed negligible. 19 U.S.C. §§ 1671d(b), 1673d(b), 1677(24)(A)(i). The exceptions to the general three percent rule are not applicable to these investigations.

During the 12-month period preceding the filing of the petition (February 2024 through January 2025), imports of MDI from China accounted for *** percent of total imports of MDI. CR/PR at Table 4.10. Because subject imports from China exceed the three percent negligibility threshold, we find that imports of MDI from China subject to the antidumping duty investigation are not negligible.

⁵⁹ 19 U.S.C. §§ 1671d(b), 1673d(b).

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

⁶¹ 19 U.S.C. § 1677(7)(A).

⁶² 19 U.S.C. § 1677(7)(C)(iii).

⁶³ 19 U.S.C. § 1677(7)(C)(iii).

Although the statute requires the Commission to determine whether the domestic industry is “materially injured or threatened with material injury by reason of” unfairly traded imports,⁶⁴ it does not define the phrase “by reason of,” indicating that this aspect of the injury analysis is left to the Commission’s reasonable exercise of its discretion.⁶⁵ In identifying a causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic industry. This evaluation under the “by reason of” standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.⁶⁶

In many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry. Such economic factors might include nonsubject imports; changes in technology, demand, or consumer tastes; competition among domestic producers; or management decisions by domestic producers. The legislative history explains that the Commission must examine factors other than subject imports to ensure that it is not attributing injury from other factors to the subject imports, thereby inflating an otherwise tangential cause of injury into one that satisfies the statutory material injury threshold.⁶⁷ In performing its examination, however, the Commission need not isolate

⁶⁴ 19 U.S.C. §§ 1671d(b), 1673d(b).

⁶⁵ *Angus Chemical Co. v. United States*, 140 F.3d 1478, 1484-85 (Fed. Cir. 1998) (“{T}he statute does not ‘compel the commissioners’ to employ {a particular methodology}.”), *aff’g*, 944 F. Supp. 943, 951 (Ct. Int’l Trade 1996).

⁶⁶ The Federal Circuit, in addressing the causation standard of the statute, observed that “[a]s long as its effects are not merely incidental, tangential, or trivial, the foreign product sold at less than fair value meets the causation requirement.” *Nippon Steel Corp. v. USITC*, 345 F.3d 1379, 1384 (Fed. Cir. 2003). This was further ratified in *Mittal Steel Point Lisas Ltd. v. United States*, 542 F.3d 867, 873 (Fed. Cir. 2008), where the Federal Circuit, quoting *Gerald Metals, Inc. v. United States*, 132 F.3d 716, 722 (Fed. Cir. 1997), stated that “this court requires evidence in the record ‘to show that the harm occurred ‘by reason of’ the LTFV imports, not by reason of a minimal or tangential contribution to material harm caused by LTFV goods.’” See also *Nippon Steel Corp. v. United States*, 458 F.3d 1345, 1357 (Fed. Cir. 2006); *Taiwan Semiconductor Industry Ass’n v. USITC*, 266 F.3d 1339, 1345 (Fed. Cir. 2001).

⁶⁷ SAA at 851-52 (“{T}he Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.”); S. Rep. 96-249 at 75 (1979) (the Commission “will consider information which indicates that harm is caused by factors other than less-than-fair-value imports.”); H.R. Rep. 96-317 at 47 (1979) (“in examining the overall injury being experienced by a domestic industry, the ITC will take into account evidence presented to it which demonstrates that the harm attributed by the petitioner to the subsidized or dumped imports is attributable to such other factors;” those factors include “the volume and prices of nonsubsidized imports or imports sold at fair value, contraction in demand or changes in patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and productivity of the domestic industry”); *accord Mittal Steel*, 542 F.3d at 877.

the injury caused by other factors from injury caused by unfairly traded imports.⁶⁸ Nor does the “by reason of” standard require that unfairly traded imports be the “principal” cause of injury or contemplate that injury from unfairly traded imports be weighed against other factors, such as nonsubject imports, which may be contributing to overall injury to an industry.⁶⁹ It is clear that the existence of injury caused by other factors does not compel a negative determination.⁷⁰

Assessment of whether material injury to the domestic industry is “by reason of” subject imports “does not require the Commission to address the causation issue in any particular way” as long as “the injury to the domestic industry can reasonably be attributed to the subject imports.”⁷¹ The Commission ensures that it has “evidence in the record” to “show that the harm occurred ‘by reason of’ the LTFV imports,” and that it is “not attributing injury from other sources to the subject imports.”⁷² The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed “rigid adherence to a specific formula.”⁷³

⁶⁸ SAA at 851-52 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports.”); *Taiwan Semiconductor Industry Ass’n*, 266 F.3d at 1345 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports Rather, the Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.” (emphasis in original)); *Asociacion de Productores de Salmon y Trucha de Chile AG v. United States*, 180 F. Supp. 2d 1360, 1375 (Ct. Int’l Trade 2002) (“{t}he Commission is not required to isolate the effects of subject imports from other factors contributing to injury” or make “bright-line distinctions” between the effects of subject imports and other causes.); see also *Softwood Lumber from Canada*, Inv. Nos. 701-TA-414 and 731-TA-928 (Remand), USITC Pub. 3658 at 100-01 (Dec. 2003) (Commission recognized that “{i}f an alleged other factor is found not to have or threaten to have injurious effects to the domestic industry, *i.e.*, it is not an ‘other causal factor,’ then there is nothing to further examine regarding attribution to injury”), citing *Gerald Metals*, 132 F.3d at 722 (the statute “does not suggest that an importer of LTFV goods can escape countervailing duties by finding some tangential or minor cause unrelated to the LTFV goods that contributed to the harmful effects on domestic market prices.”).

⁶⁹ S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47.

⁷⁰ See *Nippon Steel Corp.*, 345 F.3d at 1381 (“an affirmative material-injury determination under the statute requires no more than a substantial-factor showing. That is, the ‘dumping’ need not be the sole or principal cause of injury.”).

⁷¹ *Mittal Steel*, 542 F.3d at 876 & 78; see also *id.* at 873 (“While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured ‘by reason of’ subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology.”) citing *United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its decision in *Swift-Train v. United States*, 793 F.3d 1355 (Fed. Cir. 2015), the Federal Circuit affirmed the Commission’s causation analysis as comports with the Court’s guidance in *Mittal*.

⁷² *Mittal Steel*, 542 F.3d at 873 (quoting from *Gerald Metals*, 132 F.3d at 722), 877-79. We note that one relevant “other factor” may involve the presence of significant volumes of price-competitive nonsubject imports in the U.S. market, particularly when a commodity product is at issue. In

The question of whether the material injury threshold for subject imports is satisfied notwithstanding any injury from other factors is factual, subject to review under the substantial evidence standard.⁷⁴ Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.⁷⁵

B. Conditions of Competition and the Business Cycle

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

1. Demand Considerations

U.S. demand for MDI depends on demand for the downstream products in which it is used. MDI is primarily used to produce polyurethane for various downstream products, including foams (often for insulation), binders (often for wood products), elastomers, and adhesives.⁷⁶ These products are used in a variety of industries, including housing, construction, bedding, automotive, and appliance production.⁷⁷ Because of its use in residential and commercial construction, demand for MDI is somewhat seasonal, with higher demand in summer months.⁷⁸

U.S. producers, importers, and purchasers reported mixed views on the overall trend in demand in the United States since 2022, but there were more reports of a decline or no change in demand rather than an increase in demand.⁷⁹

Apparent U.S. consumption by quantity fluctuated between 2022 and 2024, decreasing by 7.8 percent from 2022 to 2023, and then increasing by 5.9 percent from 2023 to 2024, for an overall decrease of 2.3 percent.⁸⁰ Apparent U.S. consumption decreased from 1.32 million short tons in 2022 to 1.22 million short tons in 2023, and then increased to 1.29 million short

appropriate cases, the Commission collects information regarding nonsubject imports and producers in nonsubject countries in order to conduct its analysis.

⁷³ *Nucor Corp. v. United States*, 414 F.3d 1331, 1336, 1341 (Fed. Cir. 2005); *see also Mittal Steel*, 542 F.3d at 879 (“*Bratsk* did not read into the antidumping statute a Procrustean formula for determining whether a domestic injury was ‘by reason’ of subject imports.”).

⁷⁴ We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

⁷⁵ *Mittal Steel*, 542 F.3d at 873; *Nippon Steel Corp.*, 458 F.3d at 1350, *citing U.S. Steel Group*, 96 F.3d at 1357; S. Rep. 96-249 at 75 (“The determination of the ITC with respect to causation is ... complex and difficult, and is a matter for the judgment of the ITC.”).

⁷⁶ CR/PR at 2.1.

⁷⁷ CR/PR at 2.1.

⁷⁸ CR/PR at 2.11. *See* CR/PR at Fig. 2.1 (new housing construction trends).

⁷⁹ CR/PR at 2.14, Table 2.9.

⁸⁰ CR/PR at Table C.1.

tons in 2024.⁸¹ Apparent U.S. consumption was relatively unchanged at 1.01 million short tons during the interim periods.

2. Supply Considerations

The domestic industry was the largest supplier of MDI to the U.S. market during the POI. The industry's share of apparent U.S. consumption increased irregularly by 1.3 percentage points between 2022 and 2024, increasing from 75.5 percent in 2022 to 79.7 percent in 2023, and then declining to 76.8 percent in 2024.⁸² It was 82.7 percent in interim 2025, compared to 77.8 percent in interim 2024.⁸³

Subject imports from China were the second largest source of supply to the U.S. market during the POI.⁸⁴ Subject imports from China gained *** percentage points of total market share from 2022 to 2024, increasing from *** percent in 2022 to *** percent in 2023, then decreasing to *** percent in 2024.⁸⁵ Their share was *** percent in interim 2025, compared to *** percent in interim 2024.⁸⁶

Nonsubject imports were the smallest source of supply to the U.S. market during the POI.⁸⁷ Their share of apparent U.S. consumption declined from *** percent in 2022 to *** percent in 2023, then increased to *** percent in 2024.⁸⁸ Their share was *** percent in interim 2025, compared to *** percent in interim 2024. Domestic producers accounted for the majority of nonsubject imports; in 2024, they imported *** percent of nonsubject imports.⁸⁹ The largest sources of nonsubject imports Belgium, with smaller quantities entering from Spain and Germany.⁹⁰

The production process for MDI is a technically sophisticated, capital-intensive process with high fixed costs.⁹¹ As a result, domestic producers seek to operate at capacity utilization rates that are as high as possible to spread their costs over as much output as possible and maintain operating efficiencies.⁹²

The domestic industry's practical capacity decreased by 3.3 percent from 2022 to 2024 and was 1.1 percent lower in interim 2025 compared to interim 2024.⁹³ Its capacity utilization

⁸¹ CR/PR at Tables 4.11 and C.1.

⁸² CR/PR at Tables 4.11 and C.1.

⁸³ CR/PR at Tables 4.11 and C.1.

⁸⁴ CR/PR at Tables 4.11 and C.1.

⁸⁵ CR/PR at Tables 4.11 and C.1.

⁸⁶ CR/PR at Tables 4.11 and C.1.

⁸⁷ CR/PR at Tables 4.11 and C.1.

⁸⁸ CR/PR at Tables 4.11 and C.1.

⁸⁹ CR/PR at Table 4.5.

⁹⁰ CR/PR at Table 4.4.

⁹¹ Hearing Tr. 44, 46 (Mohr); 103 (Szamosszegi).

⁹² Hearing Tr. 30 (Nespatti); 41 (Martin); 45 (Mohr).

⁹³ CR/PR at Tables 3.7 and C.1.

rate decreased from 75.8 percent in 2022 to 71.7 percent in 2023, then increased to 79.0 percent in 2024. It was 83.7 percent in interim 2025, compared to 80.8 percent in interim 2024.⁹⁴

Domestic producers experienced several supply disruptions and production curtailments, mostly during 2022 and 2024.⁹⁵ These generally stemmed from shortages of raw materials, equipment problems, weather-related problems, and maintenance, although three U.S. producers also indicated that weak demand due to subject imports forced production curtailments.⁹⁶

Covestro indicated that in August 2022, it had a six-day disruption due to a power loss, and later, in November 2022, a freeze disrupted its operations.⁹⁷ Dow declared *force majeure* in February 2022 due to freezing weather, and again from June to August of that year due to limited supplies of formaldehyde.⁹⁸ BASF declared *force majeure* from March to July 2022 due to technical issues with one of its MDI units.⁹⁹

In 2024, BASF declared *force majeure* from April to May because it lost utilities due to a lightning strike. From May to September 2024, Dow declared *force majeure* due to limited supplies of carbon monoxide, Hurricane Beryl, and plant turnaround.¹⁰⁰ BASF reported shutting down for several days after Hurricane Francine in September 2024.¹⁰¹ Covestro also reported that, in 2024, plugged systems and a limited supply of carbon dioxide disrupted its production.¹⁰²

3. Substitutability and Other Conditions

We find the record indicates a moderate-to-high degree of substitutability between domestically produced MDI and MDI imported from China.¹⁰³ All U.S. producers reported that U.S. produced MDI and subject imports were always or frequently interchangeable, and most importers reported that they are frequently interchangeable.¹⁰⁴ Twenty-five of 28 responding purchasers said domestically produced MDI and subject imports are always or frequently interchangeable.¹⁰⁵ Most purchasers reported that domestically produced MDI was

⁹⁴ CR/PR at Tables 3.7 and C.1.

⁹⁵ CR/PR at Table 3.3 and 3.4.

⁹⁶ See CR/PR at Tables 3.3 and 3.4.

⁹⁷ CR/PR at Table 3.3.

⁹⁸ CR/PR at Table 3.3.

⁹⁹ CR/PR at Table 3.3.

¹⁰⁰ CR/PR at Table 3.3.

¹⁰¹ CR/PR at Table 3.4.

¹⁰² CR/PR at Table 3.3.

¹⁰³ CR/PR at 2.16.

¹⁰⁴ CR/PR at Tables 2.19 and 2.20. *** indicated that the two are *** interchangeable. WCA's U.S. Importer Questionnaire at III-20.

¹⁰⁵ CR/PR at Table 2.21.

comparable to imports of MDI from China with respect to 14 of 16 purchasing factors.¹⁰⁶ The exceptions were availability and reliability of supply.¹⁰⁷ Twelve purchasers indicated that the domestic product and subject imports from China were comparable with respect to availability, while ten reported that the domestic product was superior to subject imports and eight reported it was inferior.¹⁰⁸ Thirteen purchasers indicated that the domestic product and subject imports from China were comparable with respect to reliability of supply, while seven reported the domestic product was superior to subject imports and ten reported that it was inferior.¹⁰⁹ Some market participants reported issues with reliability and availability of supply from the domestic industry, and supply constraints may have affected the market at times during the POI with respect to certain customers.¹¹⁰

The record indicates substantial overlap in product types shipped by domestic producers and WCA. More than three quarters of U.S. shipments of the domestic product and subject imports were polymeric MDI.¹¹¹ The *** majority of shipments of subject imports is used in rigid foam applications, and slightly more than half of the shipments of the domestic like product is used for that application.¹¹² Albeit in proportions that varied to some extent, domestic producers and WCA shipped the same types of MDI during the POI – only two chemical forms of MDI (pricing products 1, 2 and 3) accounted for more than three quarters of both U.S. shipments of the domestic product and U.S. shipments of subject imports.¹¹³

We therefore find that the record on balance indicates a moderate-to-high degree of substitutability between domestically produced MDI and MDI imported from China. Despite some reported intermittent differences in availability and in product types shipped during the POI, purchasers generally reported a high degree of interchangeability between the domestic product and subject imports and that they view them as comparable on most purchasing factors.¹¹⁴

¹⁰⁶ CR/PR at Table 2.18.

¹⁰⁷ CR/PR at Table 2.18.

¹⁰⁸ CR/PR at Table 2.18.

¹⁰⁹ CR/PR at Table 2.18.

¹¹⁰ WCA's Prehearing Brief at 18-20; Posthearing Brief at 2, Answers to Questions at 4-16, 49-50; Petitioner's Posthearing Brief, Exhibit 1 at 16-22.

¹¹¹ See CR/PR at Tables 3.11 and 4.7.

¹¹² See CR/PR Tables 3.10 and 4.6.

¹¹³ See CR/PR at 5.8. Pricing data accounted for 84.6 percent of domestic producers' U.S. commercial shipments of MDI and *** percent of U.S. commercial shipments of subject imports in 2025. *Id.*

¹¹⁴ See CR/PR at Tables 2.13, 2.19, 2.20, and 2.21.

WCA argues that interchangeability between the domestic product and subject imports is limited.¹¹⁵ Specifically, WCA claims that different types of MDI are not used in the same applications and are rarely interchangeable.¹¹⁶ We agree that the record reflects limited interchangeability between different types of MDI.¹¹⁷ We disagree, however, that this translates into limited interchangeability between subject imports and domestically produced MDI. As discussed above, there is substantial overlap in products types and uses, and the two types of MDI covered by the pricing products accounted for the majority of commercial shipments shipped by both the domestic industry and WCA.¹¹⁸ WCA also argues that reliability of supply and availability distinguish subject imports and the domestic like product.¹¹⁹ We have accounted for reporting of reliability and availability issues in our finding of a moderate to high degree of substitutability and reiterate that purchasers reported, overall, a high degree of interchangeability between subject imports and the domestic product¹²⁰ and that subject imports and the domestic like product were generally competing for the same sales to customers during the POI.¹²¹ While there were intermittent episodes of a domestic producer curtailing shipments due to varying factors, for the reasons discussed in section IV.D., *infra*, regarding the nature of these supply constraints, we disagree with WCA that substantial evidence supports that these episodes amount to a broad-based shortage of supply, and thus similarly disagree that these constraints amount to an overall lack of comparability between subject imports and the domestic like product.¹²²

We also find that price is an important factor in purchasing decisions for MDI, among other important factors. Responding purchasers reported that price was among the top three factors that influenced their purchasing decisions, along with quality and availability/supply.¹²³

¹¹⁵ WCA's Prehearing Brief at 12-13; WCA's Posthearing Brief at 2, Answers to Questions at 32-33. WCA notes that regulatory requirements can also limit interchangeability such as when a producer's product may not be used to make a product to be exported. *Id.*

¹¹⁶ WCA's Prehearing Brief at 15. See CR/PR at Tables 2.14 to 2.16 (indicating interchangeability of different types of MDI).

¹¹⁷ See CR/PR at Tables 2.14-2.16.

¹¹⁸ CR/PR at 5.8.

¹¹⁹ WCA Prehearing Brief at 2, 39, 42-44, 55-57.

¹²⁰ See CR/PR at Table 2.21 (twenty-five of 28 responding purchasers reported they are always or frequently interchangeable).

¹²¹ Petitioner's Posthearing Brief, Answers to Commission Questions at 44, Exhibit 2 at ¶ 28, Exhibit 4 at ¶¶ 28-29. We also note that purchasers in responding to questions concerning their purchases or imports of subject imports generally did not indicate that purchasers relied upon subject imports to obtain products that they could not purchase from domestic customers or that subject imports and the domestic product were used in different applications. See CR/PR at Table 5.18.

¹²² See, *infra*, section IV.D n.203; see also Petitioner's Posthearing Brief, Exhibit 2 (Nespatti Declaration) ¶¶15-16 and Exhibit 3 (Todd Declaration) ¶¶12-13 (describing BASF's and Dow's fulfillment of contracts during their *force majeure* declarations).

¹²³ CR/PR at Table 2.11.

Of those factors, quality was the most frequently cited top factor, followed by availability/supply and price.¹²⁴ Availability, quality meets industry standards, reliability of supply, product consistency, and price were each rated as a “very important” factor by more than 85 percent of purchasers.¹²⁵ All U.S. producers reported that differences other than price between subject imports and the domestic like product were sometimes or never significant, whereas *** reported that they are *** important.¹²⁶ Eighteen of 29 purchasers reported such differences were sometimes or never significant when comparing the domestic like product to subject imports.¹²⁷ Twenty-three of 34 purchasers reported that they usually or always purchase the lowest-priced MDI being offered.¹²⁸

U.S. producers and responding importers reported setting prices using transaction-by-transaction negotiations, price lists, and contracts.¹²⁹ U.S. producers reported selling the majority of their MDI through ***.¹³⁰ WCA reported selling MDI through ***.¹³¹ All four U.S. producers and WCA indicated that annual contracts generally allowed price renegotiation.¹³² They could fix price, quantity, or both.¹³³ Two U.S. producers and three importers indicated that annual contracts could be indexed to raw material costs.¹³⁴ U.S. producers and WCA generally indicated that long-term contracts were similar to annual contracts, except that all U.S. producers indicated that their long-term contracts were indexed to raw material costs.¹³⁵

The *** majority of MDI sold by the U.S. producers and importers of subject imports is to end users, with the remainder to processors and distributors.¹³⁶ The majority of shipments by domestic producers and importers are from inventory, with lead times averaging *** days.¹³⁷ WCA indicated lead times from foreign inventories averaged *** days.¹³⁸

Domestic producers use benzene to produce aniline, which is in turn used to produce MDI.¹³⁹ Aniline accounts for 58.8 percent of the cost of raw materials for MDI production,

¹²⁴ CR/PR at Table 2.11.

¹²⁵ CR/PR at Table 2.10.

¹²⁶ CR/PR at Table 2.22; WCA’s U.S. Importer Questionnaire at III-22.

¹²⁷ CR/PR at Table 2.24.

¹²⁸ CR/PR at 2.19.

¹²⁹ CR/PR at Table 5.4.

¹³⁰ CR/PR at Table 5.5.

¹³¹ U.S. Importer Questionnaire at III-6.

¹³² CR/PR at 5.6.

¹³³ CR/PR at 5.6.

¹³⁴ CR/PR at 5.6. WCA indicated that it uses a variety of ***. These include ***. WCA Importer Questionnaire at III-3 and III-7.

¹³⁵ CR/PR at 5.6.

¹³⁶ CR/PR at Table 2.3.

¹³⁷ CR/PR at 2.20

¹³⁸ CR/PR at 2.20

¹³⁹ CR/PR at 6.14 n.9. Global benzene prices rose 37 percent from January 2022 to June

followed by several other material inputs.¹⁴⁰ Raw material costs represented the largest component of the domestic industry’s cost of goods sold (“COGS”) during the POI, but they decreased as a share of COGS from 73.1 percent in 2022 to 69.6 percent in 2023 and 69.3 percent in 2024.¹⁴¹ They accounted for 69.8 percent of COGS in interim 2024 and 69.9 percent in interim 2025.¹⁴²

Beginning on February 4, 2025, MDI from China was subject to varying levels of additional duties under the International Emergency Economic Powers Act (“IEEPA”).¹⁴³ Since 2019, MDI originating in China imported under HTS statistical reporting number 3909.31.0000 have been subject to an additional 25 percent *ad valorem* duty under Section 301 of the Trade Act of 1974 (“Section 301”).¹⁴⁴ MDI from China imported under HTS statistical reporting number 2929.10.8010 have not been subject to the additional duty under Section 301.¹⁴⁵

C. Volume of Subject Imports

Section 771(7)(C)(i) of the Tariff Act provides that the “Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.”¹⁴⁶

Subject imports decreased from *** short tons in 2022 to *** short tons in 2023 and then increased to *** short tons in 2024, for an overall increase of *** percent.¹⁴⁷ Subject imports were *** percent lower in interim 2025 at *** short tons, compared to *** short tons in interim 2024.¹⁴⁸

2022, before declining with fluctuations to a level 28 percent below January 2022 levels in September 2025. CR/PR at 5.1.

¹⁴⁰ CR/PR at 6.14.

¹⁴¹ CR/PR at Table 6.1.

¹⁴² CR/PR at Table 6.1.

¹⁴³ CR/PR at 1.9. It was announced on February 20, 2026, that duties imposed under IEEPA were no longer in effect. *Id.*

¹⁴⁴ CR/PR at 1.8.

¹⁴⁵ CR/PR at 1.8.

¹⁴⁶ 19 U.S.C. § 1677(7)(C)(i).

¹⁴⁷ CR/PR at Table 4.2. U.S. importer *** completed a U.S. importer questionnaire. In its questionnaire response, *** indicated that it had imported MDI products during the POI from ***. ***. Petitioner argues that subject imports reported by *** should be included in the import data. Petitioner’s Prehearing Brief at 20-21, n.100, 23 n.108, and Exhibit 1. Because the record indicates that *** imports were already included in ***, these imports were not included in import data to avoid the double counting of subject imports. *See* CR/PR at 4.2 n.4.

¹⁴⁸ CR/PR at Table 4.2. We find that it is appropriate to give less weight to the interim period data both here in our discussion of volume and in our analysis of price effects, *infra*. The monthly official import statistics indicate the volume of subject imports declined sharply beginning in February 2025, the same month the petition was filed. *See* Official Import Statistics, EDIS Doc. No. 880343. WCA argues that it is unreasonable to conclude that the filing of the petition caused the reduction in subject imports beginning the same month the petition was filed. It claims that given the lead times from China,

U.S. shipments of subject imports as a share of apparent U.S. consumption increased from *** percent in 2022 to *** percent in 2023, before decreasing to *** percent in 2024, for an overall increase of *** percentage points.¹⁴⁹ Their share was *** percent in interim 2025 compared to *** percent in interim 2024.¹⁵⁰

We find that the volume of subject imports during the POI was significant in absolute terms and relative to consumption in the United States, and that the increase in the volume of subject imports was significant in absolute terms.

D. Price Effects of the Subject Imports

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

- (I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and

a decision to reduce imports would have necessarily been made months earlier. WCA asserts that it made the decision to build up inventories in 2024 as a hedge against possible “trade friction” and stopped importing from China altogether well before the petition was filed. WCA’s Posthearing Brief, Answers to Questions at 59-60, 62 and Exhibit 10 (indicating uncertainty of tariff changes led to the decision to reduce imports in 2024). *See also* Hearing Tr. 176 (Sturgeon). Petitioners on the other hand cite the filing of the petition as the reason for the sharp decline in subject imports starting in February 2026. We find that it is likely that both the IEEPA tariffs (and the prospect thereof) and the filing of the petitions affected subject import volumes in 2025. While the IEEPA tariffs remained in place through the remainder of 2025, they were terminated in February 2026 and replaced by Section 122 tariffs limited to 150 days by statute and the terms of the presidential proclamation. *Imposing a Temporary Import Surcharge to Address Fundamental International Payments Problems*, 91 Fed. Reg. 9339, 9341-9342 (Feb. 26, 2026) (indicating that Section 122 duties are limited by statute to 150 days). Given that the threat and imposition of additional tariffs is acknowledged to have artificially and temporarily reduced subject imports during interim 2025, as well as the filing of the petitions in February 2025, we find that it is appropriate to give less weight to data from this period in making our determination. *See* 19 U.S.C. § 1677(7)(C)(iii) (directing 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.”). Notwithstanding their decline in the interim period, however, we find that the volume and market share of subject imports was significant during the POI.

¹⁴⁹ CR/PR at Tables 4.11 and C.1. U.S shipments of subject imports increased from *** short tons in 2022 to *** short tons in 2023 and then fell to *** short tons in 2024, for an overall increase of *** percent. *Id.* They were *** percent lower in interim 2024, at *** short tons, compared to *** short tons in interim 2025. *Id.*

¹⁵⁰ CR/PR at Tables 4.11, C.1. WCA indicates that its increased imports in 2024 were designed to build up inventories in the United States in anticipation of increased duties. *See, e.g.,* WCA’s Posthearing Brief, Answers to Questions at 59.

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.¹⁵¹

As discussed in section VI.B.4 above, we find a moderate-to-high degree of substitutability between subject imports and the domestic like product and that price is an important factor in purchasing decisions for MDI.

The Commission collected quarterly quantity and f.o.b. pricing data on sales of MDI products shipped during the POI to unrelated U.S. customers during the period January 2022 to September 2025 for three pricing products.¹⁵² Pricing product 1 is the same product as pricing product 2 except that pricing product 1 is sold in bulk and pricing product 2 is sold in packages. Pricing product 3 is a different product than pricing products 1 and 2 and covers product sold in bulk.¹⁵³ At the request of WCA, the Commission collected price data for the three pricing products distinguished by whether the pricing product was sold as part of polyurethane systems or not sold as part of polyurethane system.¹⁵⁴ The four U.S. producers and four importers provided usable pricing data for sales of the three pricing products, although not all firms reported pricing for all products for all quarters.¹⁵⁵ Pricing data reported by these firms, inclusive of both MDI sold in bulk or in packages and MDI sold as part of polyurethane systems, accounted for approximately 84.6 percent of U.S. producers' U.S. commercial shipments of MDI, and *** percent of U.S. commercial shipments of subject imports from China in 2025.¹⁵⁶

¹⁵¹ 19 U.S.C. § 1677(7)(C)(ii).

¹⁵² CR/PR at 5.8. The following are the pricing products:

Product 1.-- Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Product 2.-- Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Product 3.-- Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

¹⁵³ WCA described product 1 as MDI mostly for the woodbinder market and often priced with a formula based on feedstock costs. WCA indicated that product 2 is mostly for spray foam applications and is often priced with monthly negotiated prices. Finally, WCA described product 3 as used almost exclusively in boardstock applications. CR/PR at 5.9.

¹⁵⁴ CR/PR at 5.8 and Tables 5.6-5.10. Polyurethane systems are combinations of chemicals with MDI in specific proportions to be used to make polyurethane products such as spray foam. Systems may include polyol, catalysts, surfactants, flame retardants, and blowing agents, among others. See WCA Comments on Draft Questionnaires (June 11, 2025) at 6-7. As *** accounted for *** imports of subject merchandise and ***, there are no price comparisons for MDI sold as part of a polyurethane system. CR/PR at 5.15. Although WCA ***, WCA Comments on Draft Questionnaires (June 11, 2025) at 7.

¹⁵⁵ CR/PR at 5.8.

¹⁵⁶ CR/PR at 5.8.

Subject imports undersold the domestic like product in 27 of 45 (or 60 percent of) quarterly comparisons, with underselling margins ranging between *** and *** percent, and averaging *** percent. Subject imports oversold the domestic like product in the remaining 18 (or 40 percent of) quarterly comparisons, with overselling margins ranging between *** percent and *** percent and averaging *** percent.¹⁵⁷ The volume of subject import sales in quarters with underselling was *** short tons, representing *** percent of the total volume of subject imports reported for the pricing products, compared to *** short tons in the quarters with overselling, representing *** percent of the total.¹⁵⁸ Over *** percent of the underselling by sales volume was concentrated in pricing product 2 (MDI in packages), in which underselling represented *** percent of the sales volume.¹⁵⁹ Underselling was also prevalent in pricing product 1 (MDI in bulk), in which underselling represented *** percent of the sales volume.¹⁶⁰ The majority of reported subject imports by volume undersold the domestic product in each of the three full years of the POI.¹⁶¹ In 2022, subject imports undersold the domestic like product in 8 out of 12 (or 66.7 percent of) quarterly comparisons, corresponding to reported subject import sales of *** short tons, representing *** percent of total reported subject imports sales volume that year.¹⁶² In 2023, subject imports undersold the domestic like product in 8 out of 12 (or 66.7 percent of) quarterly comparisons, corresponding to reported subject import sales of *** short tons, representing *** percent of total reported subject imports sales volume that year.¹⁶³ In 2024, subject imports undersold the domestic like product in 8 of 12 (or 66.7 percent of) quarterly comparisons, corresponding to reported subject import sales of *** short tons, representing *** percent of total reported subject import sales volume that year.¹⁶⁴ In total, from 2022 to 2024, *** short tons of subject imports undersold the domestic product in 24 comparisons compared to *** short tons of subject imports that oversold the domestic like product in 12 comparisons; underselling represented 66.7 of the quarterly price comparisons and *** percent of the sales volume of subject imports during the three full years of the POI.¹⁶⁵

During interim 2025, subject imports undersold the domestic like product in only 3 of 9 (or 33.3 percent of) quarterly comparisons, corresponding to reported subject import sales of *** short tons, representing *** percent of total reported subject import sales volume during the nine-month period.¹⁶⁶ This decline in subject import underselling coincided with a

¹⁵⁷ CR/PR at Table 5.15.

¹⁵⁸ CR/PR at Table 5.15.

¹⁵⁹ CR/PR at Table 5.15.

¹⁶⁰ CR/PR at Table 5.15.

¹⁶¹ CR/PR at Table 5.16.

¹⁶² CR/PR at Table 5.16.

¹⁶³ CR/PR at Table 5.16.

¹⁶⁴ CR/PR at Table 5.16.

¹⁶⁵ CR/PR at Table 5.16.

¹⁶⁶ CR/PR at Table 5.16.

substantial decline (***) percent) in shipments of subject imports during the interim period, with subject imports declining sharply beginning in February 2025.¹⁶⁷ Petitioner argues that the drop in subject imports in interim 2025 reflects the filing of the petition, while WCA, as noted above, argues that it reflects a decision to stop importing made well before the filing of the petition in response to its buildup of subject imports in 2024 in anticipation of “trade friction” in 2025.¹⁶⁸ As discussed above in section IV.C, *supra*, we find that subject import volume during interim 2025 was affected both the IEEPA tariffs (and the prospect thereof) and the filing of the petitions on MDI from China, and we therefore reduce the weight we place on data from this period, including the pricing comparisons.

We have also considered the lost sales and lost revenue information reported by purchasers in their questionnaires. Reported purchases by these purchasers accounted for *** million short tons of MDI or 58 percent of apparent U.S. consumption over the POI.¹⁶⁹ Of the 33 responding purchasers, 26 reported that, since 2022, they had purchased imported MDI from China instead of domestically produced product. Nine of these purchasers reported that subject import prices were lower than U.S.-produced product, and five of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than domestically produced product.¹⁷⁰ The volume of subject imports purchased because of their lower prices was *** short tons, equivalent to *** percent of responding purchasers’ total reported purchases of MDI from China during the POI.¹⁷¹

Based on the moderate-to-high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions, the predominant underselling during the POI, and reported lost sales, we find that subject imports undersold the domestic like product to a significant degree.

We have also examined whether subject imports depressed or suppressed domestic industry prices during the POI. Prices for all domestically produced pricing products were lower in the last quarter of the POI than in the first quarter.¹⁷² Between the first and last quarters of the POI, reported domestic sales prices declined by *** percent for product 1 in bulk, and *** percent for product 1 in systems; they declined by *** percent for product 2 in packages, and

¹⁶⁷ CR/PR at Tabel C.1; Official Import Statistics, EDIS Doc. No. 880343.

¹⁶⁸ Petitioner’s Posthearing Brief, Exhibit 1 at 66-68; WCA’s Posthearing Brief, Answers to Questions at 59-60, 62 and Exhibit 10.

¹⁶⁹ CR/PR at 5.28.

¹⁷⁰ CR/PR Table 5.17. Three of the four largest purchasers of subject imports during the POI (***) indicated that subject imports were lower-priced than the domestic product. *Id.*

¹⁷¹ CR/PR Table 5.18. *See also* Petitioner’s Posthearing Brief at Exhibit 3 (Todd Declaration) ¶ 7, 8 and Attachments 2-16 (***); Exhibit 4 (Ellerbusch Declaration) ¶ 24 and Attachments 2, 5-8 (***).

¹⁷² *See* CR/PR at Table 5.12. Of the 33 responding purchasers, two reported that U.S. producers had reduced prices in order to compete with lower-priced imports from China; 13 reported that U.S. producers had not, and 18 reported that they did not know. CR/PR at Table 5.19.

*** percent for product 2 in systems; and they declined by *** percent for product 3 in bulk, and *** percent for product 3 in systems.¹⁷³ Prices for the three domestically produced pricing products not sold in systems increased until the third quarter of 2022, then decreased until the first or second quarter of 2024, at which point they fluctuated until the end of the POI with product 1 fluctuating down and products 2 and 3 fluctuating up to a small degree.¹⁷⁴ Prices for the products sold as part of systems followed the same trends as those not in systems, but the overall declines were more modest.¹⁷⁵

Prices for pricing products imported from China followed the same general trend as prices for the domestic product, declining overall during the POI.¹⁷⁶ Between the first and last quarters of the POI, reported sales prices for subject imports declined *** percent for product 1 in bulk, *** percent for product 2 in packages, and *** percent for product 3 in bulk.¹⁷⁷

Over the POI, reflecting the declining market prices for MDI, the domestic industry's net sales AUVs declined. While the domestic industry's costs also declined over the POI, they did so to a lesser extent. Domestic producers' net sales AUVs decreased by 26.2 percent (\$780 per short ton) from 2022 to 2024,¹⁷⁸ while its cost of goods sold ("COGS") per short ton declined overall by only 13.6 percent (\$306 per short ton).¹⁷⁹ The decline in the industry's raw material costs was similar to the decline in unit COGS and also much smaller than the decline in net sales AUVs, such that the ratio of raw material costs to net sales increased from 57.2 percent in 2022 to 58.4 percent in 2023 and 63.6 percent in 2024.¹⁸⁰ Thus, the declines in the domestic industry's unit COGS and raw materials cost per short ton were substantially less than the decline in its unit net sales AUVs.¹⁸¹ Thus, declines in the industry's costs do not explain the extent of its price declines.

The resulting increases in the industry's COGS-to-net-sales ratio in 2023 and 2024 indicate that it suffered a cost-price squeeze. From 2022 to 2023, the domestic industry's

¹⁷³ CR/PR at Table 5.12.

¹⁷⁴ See CR/PR at Table 5.13, Fig 5.3.

¹⁷⁵ See CR/PR at Table 5.13, Fig 5.3.

¹⁷⁶ CR/PR at Table 5.12.

¹⁷⁷ CR/PR at Table 5.12.

¹⁷⁸ The domestic industry's net sales AUVs fell from \$2,974 per short ton in 2022 to \$2,425 per short ton in 2023 and \$2,194 per short ton in 2024. CR/PR at Tables 6.1 and C.1. They were \$2,130 per short ton in interim 2025 compared to \$2,185 per short ton in interim 2024. *Id.*

¹⁷⁹ The domestic industry's COGS fell from \$2,255 per short ton in 2022 to \$1,932 per short ton in 2023 and then increased to \$1,949 per short ton in 2024. Unit COGS were \$1,819 per short ton in interim 2025 compared to \$1,834 per short ton in interim 2024. CR/PR at Tables 6.1 and C.1.

¹⁸⁰ CR/PR at Table 6.1. The domestic industry's raw material costs fell 18.0 percent per short ton from 2022 to 2024, declining from \$1,702 per short ton in 2022 to \$1,416 per short ton in 2023 and \$1,396 per short ton in 2024. It was \$1,302 in interim 2025, compared to \$1,327 in interim 2024. *Id.*

¹⁸¹ See CR/PR at Table 6.2. Similarly, in interim 2025, the industry's net sales AUVs were 2.5 percent (\$55 per short ton) lower than in interim 2024, while unit COGS were only 0.8 percent lower and raw materials were only 1.9 percent (\$25 per short ton) lower than in interim 2024. See *id.*

COGS-to-net-sales ratio increased by 3.9 percentage points, from 75.8 percent to 79.7 percent.¹⁸² From 2023 to 2024, the domestic industry's COGS-to-net-sales ratio increased by 9.1 percentage points, from 79.7 percent to 88.8 percent.¹⁸³

Apparent U.S. consumption decreased by 2.3 percent from 2022 to 2024, falling by 7.8 percent from 2022 to 2023, but then increasing 5.9 percent from 2023 to 2024 and remaining stable across the interim periods.¹⁸⁴ These fluctuations do not explain the cost-price squeeze the industry experienced throughout the POI. Regardless of movements in consumption, the industry's net sales AUVs declined each year of the POI, and its COGS-to-net-sales ratio increased, in each full year of the POI and across the interim periods. Net sales AUVs declined 18.5 percent from 2022 to 2023 and then an additional 9.5 percent from 2023 to 2024; they were 2.5 percent lower in interim 2025 than in interim 2024.¹⁸⁵ Moreover, the industry reported the largest increase in its COGS-to-net-sales ratio – 9.1 percentage points from 2023 to 2024 – when apparent U.S. consumption increased 5.6 percent relative to 2023.¹⁸⁶ Thus, declining demand does not fully explain the declines in the industry's net sales AUVs or its increasing COGS-to-net-sales ratio.¹⁸⁷

In sum, based on the record in the final phase of these investigations, we find that subject imports significantly undersold the domestic like product and depressed prices for the domestic like product to a significant degree during the POI. Accordingly, we find that subject imports had significant price effects.

WCA argues that the industry's declining raw material costs explain its declining prices as prices and net sales AUVs declined to the same extent as the cost of certain raw materials.¹⁸⁸ It contends that the prices of two primary raw materials used to produce MDI, benzene and natural gas, declined by approximately 30 percent over the POI, leading to comparable declines in the domestic industry's prices and net sales values.¹⁸⁹ The record does not support this argument. The domestic industry's reported raw material costs did not decline to the same extent as the prices of benzene and natural gas relied upon by WCA.¹⁹⁰ Specifically, the

¹⁸² CR/PR at Table C.1.

¹⁸³ CR/PR at Table C.1. In interim 2025, when subject import volume declined but maintained significant markets share, and subject imports predominantly oversold domestic product, the ratio was only 1.5 percentage points higher at 85.4 percent, compared to 83.9 percent in interim 2024. *Id.*

¹⁸⁴ CR/PR at Table C.1.

¹⁸⁵ CR/PR at Table C.1.

¹⁸⁶ CR/PR at Table C.1.

¹⁸⁷ Petitioners also provided the Commission with anecdotal evidence of pricing pressure and lost sales from purchasers with specific reference to ***. *E.g.*, Petitioners' Posthearing Brief, Exhibit 2 at ¶ 23, Att. 4 (***) ; *id.*, Exhibit 2 at ¶ 24, Att. 5 (***) ; *id.*, Exhibit 2 at ¶ 34, Att. p (***) ; *id.*, Exhibit. 3 at ¶ 7.a.-l., Att. 2-17 (instances where ***) ; *id.*, Exhibit 4 at ¶ 24.a.-c. (instances where ***) .

¹⁸⁸ WCA's Posthearing Brief at 6-7 and Answers to Questions at 20, 27, 55.

¹⁸⁹ WCA's Posthearing Brief at 6-7 and Answers to Questions at 20, 27, 55.

¹⁹⁰ CR/PR at Table 6.2.

industry's raw material costs per short ton declined by 18.0 percent from 2022 to 2024, and they were 1.9 percent lower in interim 2025 than in interim 2024. Its unit COGS declined by 13.6 percent from 2022 to 2024 and was 0.8 percent lower in interim 2025 than in interim 2024.¹⁹¹ The decline in the industry's net sales AUVs, however, was 26.2 percent from 2022 to 2024, and they were 2.5 percent lower in interim 2025 than interim 2024.¹⁹² Thus, although we acknowledge that declines in the industry's costs, and particularly in its raw material costs, may have accounted for a portion of the declines in the industry's price over the POI, as observed in the pricing product price trends and the industry's overall net sales AUV, a substantial portion of these cannot be accounted for by decreasing costs.¹⁹³

WCA also argues that, in addition to declining costs, weak demand explains the domestic industry's price declines.¹⁹⁴ Relying upon public data for housing starts, as well as questionnaire responses from market participants as to market trends, WCA argues that demand generally fell from a peak in 2021-2022 and continued to weaken through 2024, and that this trend significantly impacted price trends over this time.¹⁹⁵ We disagree. Although we acknowledge some indication of decreasing demand during the POI that may have contributed to decreases in domestic prices, in particular as reflected in the housing starts data highlighted by WCA, we find that the balance of the record is considerably more mixed, and does not

¹⁹¹ CR/PR at Table 6.2.

¹⁹² CR/PR at Table 6.2. In terms of dollars per short ton, the domestic industry's net sales AUVs declined by more than twice as much (\$780) as the decline in its unit cost of raw materials (\$307) or unit COGS (\$306). *Id.*

¹⁹³ WCA also does not explain why the Commission should have relied solely on public prices for particular raw materials rather than the domestic industry's actual costs reported in its questionnaires, consistent with the Commission's usual approach in assessing an industry's financial performance. See WCA's Posthearing Brief at 6-7 (arguing MDI prices declined to a similar degree as prices for benzene and natural gas); WCA's Prehearing Brief, Exhibit 1 (Prusa Report) at 39 ("Benzene and natural gas are used to capture input costs.").

¹⁹⁴ See WCA's Posthearing Brief at 6-8 (discussing decreases in demand from 2023 through interim 2025, Answers to Questions at 21 (arguing demand was declining in 2024 based on new housing construction data); WCA's Prehearing Brief at 46-49, 67.

¹⁹⁵ See WCA's Posthearing Brief at 6-8, Answers to Questions at 21 (arguing demand was declining in 2024 based on new housing construction data); WCA's Prehearing Brief at 46-49, 67. WCA argues that apparent U.S. consumption is an inappropriate measure of demand in this market because of the domestic industry's purported supply constraints during the period. WCA's Posthearing Brief, Answers to Questions at 44-46. We disagree. As discussed below, we do not find that domestic producers' supply constraints significantly impacted the industry's ability to supply the market. Although individual producers reported supply constraints, we do not find that these limited supply constraints amounted to shortages that moved the market during the POI in terms of prices, and we similarly do not see record support for the contention that domestic supply constraints fundamentally undermined the utility of the apparent consumption data. In addition, as discussed below, the apparent U.S. consumption data are consistent with the questionnaire responses of market participants regarding broad demand trends during the POI. See CR/PR at Table 2.9. Accordingly, we decline to discount the apparent U.S. consumption along the lines advocated by WCA.

indicate that demand conditions placed significant downward pressure on prices during the POI. As reviewed above, apparent U.S. consumption was mixed over the POI, decreasing by 7.8 percent from 2022 to 2023 before increasing by 5.9 percent from 2023 to 2024, for an overall decrease of 2.3 percent.¹⁹⁶ Thus, apparent U.S. consumption fluctuated over the POI and overall exhibited a relatively small decrease.¹⁹⁷ Although housing starts are an indicator of future demand for MDI used in residential construction, housing starts are not an indicator of present demand in residential construction and, in any event, residential construction is not responsible for all MDI demand.¹⁹⁸ Further, the overall apparent U.S. consumption data, rather than the housing starts data, are generally consistent with the market participant responses regarding demand trends during the POI.¹⁹⁹ That is, overall, the responses of market participants, while skewed somewhat negative, are mixed, with market participants providing a large range of responses on demand trends over the period.²⁰⁰ We therefore reject WCA's argument that decreases in demand during the POI were particularly significant and a critical driver of decreases in domestic prices over this time.

We also have considered WCA's claim that supply constraints during the POI created a shortage in the market that caused prices to be abnormally high in 2022.²⁰¹ Although purchasers reported difficulties at times obtaining product from individual domestic producers and reported some constraints during 2022 and 2024, the constraints do not appear to have significantly reduced the industry's overall ability to supply the U.S. market.²⁰² The domestic industry increased its production, shipments, and market share over the POI,²⁰³ and domestic

¹⁹⁶ CR/PR at Table C.1.

¹⁹⁷ CR/PR at Table C.1.

¹⁹⁸ WCA argues that residential construction accounts for over half of U.S. commercial shipments of MDI because over half of MDI shipments are used to produce rigid foam. WCA's Prehearing Brief, Exhibit 1 at 14 (Prusa Report) (citing prehearing report Table 3.9 showing 55.0 percent of U.S. producers' shipments are used to produce rigid foam). Although rigid foam is used for residential construction, it is also used in commercial construction and many other applications. See WCA'S Postconference Brief, Exhibit 2 (2023 End-use Market Survey on the Polyurethanes Industry in the United States, Canada and Mexico) at 97 (table 41). Some polyurethane products produced from MDI are used at the beginning of the building process and others at the end, so housing completions are also an indicator of demand for MDI. See *Id.* at 253 (noting that housing starts decreased and completions increased in 2023).

¹⁹⁹ CR/PR at Table 2.9.

²⁰⁰ CR/PR at Table 2.9.

²⁰¹ WCA's Prehearing Brief at 46-51, 97; WCA's Posthearing Brief at 2, 12, Answers to Commission Questions at 4-16, 18-19.

²⁰² See CR/PR at 2.8-2.9. See also WCA's Prehearing Brief at 44-45.

²⁰³ CR/PR at Tables 3.3 and C.1. Reported supply constraints did not significantly affect the industry's overall production or, in most cases, individual producers' production. For instance, Dow produced *** short tons of MDI in 2022 (when it declared two *force majeure*s) and *** short tons of MDI in 2023 ***. CR/PR at Tables 3.7. *** in 2022 was only *** percent lower than it was in 2023. CR/PR at Table 3.7. Similarly, in 2022, *** short tons in 2023, when it did not have a *force majeure* in

producers appear to have compensated for each other's production shortfalls.²⁰⁴ The domestic industry reported substantial unused practical capacity each year of the POI, and individual domestic producers operated at low rates of capacity utilization during the POI.²⁰⁵ Moreover, the domestic industry's end-of-period inventories, from which most of its sales are made, increased 9.7 percent over the POI, indicating the domestic industry's supply was not insufficient to meet demand.²⁰⁶ Indeed, the predominant underselling by subject imports in each full year of the POI, including in 2022 and 2024, when domestic supply shortages were reported, is inconsistent with the claim that domestic supply constraints caused a shortage resulting in unusually high prices in 2022. Moreover, if shortages in 2022 caused higher prices that year as WCA claims, reported shortages in 2024 would also have led to higher prices, but there was no corresponding increase in prices in 2024. Accordingly, we find WCA's claim that shortages of MDI in 2022 led to abnormally high prices unavailing.

WCA also contends that the underselling does not explain the domestic industry's price declines because, in WCA's view, those declines occurred regardless of underselling by subject imports for particular pricing products.²⁰⁷ In particular, WCA contends that, because prices declined for domestic producers' sales of MDI in polyurethane systems which face no direct competition with subject imports, the record indicates that price declines were not due to subject imports.²⁰⁸ We are unpersuaded

effect. Thus, *** was only *** percent lower than it was in 2023. The industry's overall production declined by only 3.3 percent in 2023, while apparent consumption fell by 7.8 percent. The only instance of *** by a firm appears to be in 2024 when Dow's production decreased *** percent, yet the overall industry's production increased 4.2 percent. CR/PR at Tables 3.7 and C.1. In addition, Petitioner explained that even during the temporary *force majeure* declarations, the producers at issue continued to supply a substantial percentage of contracted volumes. Petitioner's Posthearing Brief, Exhibit 2 (Nespatti Declaration) ¶¶15-16 and Exhibit 3 (Todd Declaration) ¶¶12-13 (describing BASF's and Dow's fulfillment of contracts during their *force majeure* declarations).

²⁰⁴ The largest of the four domestic producers accounted for one third of production volume in 2024. See CR/PR at Fig. 6.1. Thus, there is not one dominant domestic producer in this market, and other producers have typically had capacity to cover a single producer's production shortfall.

²⁰⁵ CR/PR at Table 3.7.

²⁰⁶ See CR/PR at Table C.1.

²⁰⁷ See WCA's Prehearing Brief at 52-53.

²⁰⁸ WCA's Posthearing Brief at 10-11, Answers to Questions at 22-24. WCA also observes that prices declined for pricing product 3 despite subject imports generally overselling the domestic like product. WCA's Prehearing Brief at 52-53. However, prices for product 3 declined by a lesser amount than for product 1 in bulk and product 2 in packages, for which there was majority underselling. See CR/PR at Table 5.15. Moreover, subject imports undersold the domestic prices for product 3 in the first three months of the POI after which the domestic product's prices fell below that of subject imports for product 3, supporting a conclusion that the domestic industry had to reduce prices to maintain sales in the face of underselling by subject imports. See CR/PR at Table 5.10, Fig. 5.7.

WCA similarly argues that *** percent of domestic sales by volume did not face any underselling by subject imports, yet all domestic prices declined. WCA's Posthearing Brief at 8. However, more than

by this line of argument. The record shows that prices for MDI sold in systems are not divorced from prices for other forms of MDI, such that downward pricing pressure from subject imports not sold in systems may exert downward pricing pressure on MDI sold in systems. Specifically, system houses purchase low-priced subject imports to incorporate in systems, enabling them to lower their systems prices and place downward price pressure on domestic producers' sales of systems.²⁰⁹ Moreover, pricing in the MDI market is highly transparent because two industry publications, ICIS and Argus, regularly publish MDI prices.²¹⁰ Purchasers who buy MDI systems are therefore aware of market prices for MDI, which are affected by subject import pricing, and they can use these prices in negotiations with domestic producers.²¹¹ Finally, even accepting WCA's argument that there is some lesser degree of competition with subject imports for domestic producer sales of MDI in polyurethane systems, prices for MDI sold in systems declined substantially less than for MDI sold in bulk or in packages not as part of polyurethane systems, indicating that for the pricing products for which there were sales of subject imports these had the largest impact on domestic producer prices.²¹² Accordingly, we are not persuaded by WCA's position on this issue.

Next, WCA argues that intra-industry competition is responsible for the industry's declining prices during the POI.²¹³ It argues that one of the several domestic producers, rather than subject imports, had the lowest price during most quarters, and that most purchasers named domestic producers as the price leaders.²¹⁴ As an initial matter, we note that there usually is intra-industry competition in any competitive market, and the statute instructs the Commission to evaluate the industry as a whole and does not call for a disaggregated analysis to assess whether individual domestic producer's prices are lower than other domestic producers or subject imports.²¹⁵ Even considering WCA's argument, we observe that WCA was

half of the industry's sales volume reported for the pricing products was undersold by subject imports. See Petitioner's Final Comments at 12.

²⁰⁹ Petitioner's Posthearing Brief at 9-10 (citing Exhibit 2 (Nespatti Declaration), ¶128-29; Exhibit 3; (Todd Declaration) ¶16-17, 32-33; Exhibit 4 (Ellerbusch Declaration) ¶21, 26-27); Hearing Tr. at 69-70, 98 (Todd), 98 (Martin).

²¹⁰ Petitioner's Posthearing Brief at 9.

²¹¹ Petitioner's Posthearing Brief at 9. See also WCA's Posthearing Brief, Answers to Questions at 42 (MDI market is highly competitive and transparent); WCA's U.S. Importer Questionnaire at III-7 (***)).

²¹² CR/PR at Table 5.12 (declines of *** percent *** percent and *** percent for MDI sold in systems compared to declines of *** percent, *** percent, and *** percent for MDI sold separately).

²¹³ WCA's Prehearing Brief at 86-87; WCA's Posthearing Brief at 9, Answers to Commission Questions at 64-66.

²¹⁴ WCA's Prehearing Brief at 86-87; WCA's Posthearing Brief at 9, Answers to Commission Questions at 64-66. Thirteen purchasers reported that Dow was a price leader, 12 named BASF, 11 named Covestro, 11 named Huntsman, and eight named WCA. CR/PR at 5.7.

²¹⁵ See 19 U.S.C. § 1677(4)(A) (Commission is to consider material injury to a domestic industry defined as "producers as a whole of a domestic like product").

the lowest-price individual supplier in *** percent of the comparisons in the 2022-24 period, indicating that on an individual firm basis, WCA was most often the lowest-priced individual supplier into the U.S. market.²¹⁶ We also note that the record does not indicate that intra-industry competition became more intense over the POI, so as to explain the persistent decline in prices. Accordingly, we do not find that intra-industry competition was a significant driver of decreasing domestic prices during the POI.

Finally, WCA argues that the Commission should find that subject imports were not responsible for price declines during the POI based on an econometric model that it contends demonstrates that raw material costs and weak demand explain the entirety of price declines.²¹⁷ As discussed above, we acknowledge that changes in raw material costs and demand, particularly the former, played some role in price declines during the POI. However, as we explained above, we find that these factors do not fully account for the domestic price decreases that occurred given the cost-price squeeze reviewed above and the predominant underselling by subject imports. We are not persuaded otherwise by Respondent's model.²¹⁸

²¹⁶ Calculated from U.S. Importer and U.S. Producer Questionnaires.

²¹⁷ See WCA's Prehearing Brief at 68-77 and Exhibit 1; WCA's Posthearing Brief, Exhibit 1 (follow-up report). It argues that the Commission routinely relies on such models in conducting economic studies and the Commission previously relied upon its own econometric studies in making injury determinations in 1983 and 1987. See *Frozen Concentrated Orange Juice from Brazil*, USITC Pub. 1970 at G-2 and G-4-G-12 (April 1987) and *Fall-Harvested Round White Potatoes from Canada*, USITC Pub. 1463 at A-150-151 (December 1983). WCA's Prehearing Brief at 71. We disagree. Although the Commission considers all record evidence properly submitted by the interested parties in each proceeding, including econometric modeling along the lines submitted by WCA, the Commission nonetheless must follow its statutory directives and cannot allow such submissions to supplant the analysis that the Commission is required to engage in and has consistently conducted in Title VII investigations, which involves assessing all the evidence on the record.

²¹⁸ We note that the model relies on proxies – such as benzene prices and housing starts – for certain inputs, rather than the actual raw material costs and apparent consumption data derived from U.S. shipment data collected in these investigations. We also consider that Petitioner has demonstrated that the model is not robust, as changes in the lag times utilized for modeling the effects of changes in demand and WCA's prices results in large changes in the output. Petitioner's Posthearing Brief, Exhibit 1 at 48-52.

Moreover, there is substantial evidence in the record demonstrating the effects of subject imports on domestic prices. These include pricing data showing price declines across the POI despite fluctuation in demand and domestic industry data showing the domestic industry's net sales AUVs decline to a greater degree than its COGS, as well as testimony from market participants at the public hearing and declarations provided by domestic producers and communications with purchasers. See, e.g., Petitioner's Posthearing Brief, Exhibit 2 ¶¶23-34 & Attachments 4 & 5 (Nespatti Declaration); Exhibit 3 ¶¶7-8 & Attachments 2-16 (Todd Declaration); Exhibit 4 ¶¶24-25 & Attachments 2 & 5-8 ***; Hearing Tr. at 140 (Nespatti) ("There is no industry segment or application where I don't run into subject import product."), 141 (Todd) ("In '80 to 85 percent or higher of the applications that we participate in, there is a credible threat from Chinese materials that we have to compete against and react to relative to our pricing.").

E. Impact of the Subject Imports²¹⁹

Section 771(7)(C)(iii) of the Tariff Act provides that examining the impact of subject imports, the Commission “shall evaluate all relevant economic factors which have a bearing on the state of the industry.”²²⁰ These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debts, research and development, and factors affecting domestic prices. No single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”²²¹

The record indicates that the domestic industry, faced with increasing volumes of low-priced subject imports, reduced its prices to maintain its output and rate of capacity utilization.²²² As a result, the domestic industry’s output indicators were mixed during the three years of the POI. Its capacity and U.S. shipments declined, but its production and capacity utilization improved overall from 2022 to 2024, and its market share also increased overall.²²³ During interim 2025, the industry’s production, capacity utilization, and U.S. shipments

²¹⁹ The statute instructs the Commission to consider the “magnitude of the dumping margin” in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V).

In its final determination, Commerce found a dumping margin of 85.11 percent for producer/exporter Covestro Polymers (China) Co., Ltd. and the producer/exporter combination of Wanhua Chemical Group Co. Ltd. and Shandong Mingko Co., Ltd.; Commerce also found a dumping margin of 159.04 percent for the China-Wide entity based on facts available. CR/PR at Table 1.2; *see also Methylene Diphenyl Diisocyanate from the People’s Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 91 Fed. Reg. 18820, 18822 (April 13, 2026).

In addition, our impact analysis has considered other factors affecting domestic prices. Our analysis of the significant underselling and price depression, described in both the price effects discussion and below, is particularly probative to an assessment of the impact of the subject imports.

²²⁰ 19 U.S.C. § 1677(7)(C)(iii); *see also* SAA at 851 and 885 (“In material injury determinations, 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 also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.”).

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

²²² *See* Hearing Tr. at 29 (Nespatti) (“{W}hen they consistently and continuously undercut our prices, we must drop our prices to meet their competition and try to maintain our sales.”), 35 (Todd) (“{W}e’re forced to respond to the prices of unfairly traded MDI imports from China by lowering our prices to maintain sales volumes. The results were catastrophic.”), Martin 41 (“If we lose any sales of MDI, then there’s more pressure to lower prices on our remaining sales to maintain sustainable levels of capacity utilization.”). *See also* Petitioner’s Posthearing Brief at Exhibit 3 (Todd Declaration) ¶¶ 7, 8 and Attachments 2-16 (***) ; Exhibit 4 (Ellerbusch Declaration) ¶ 24 and Attachments 2, 5-8 (***) .

²²³ CR/PR at Tables 3.5, 3.8, C.1.

improved relative to interim 2024.²²⁴ Virtually all of the industry's employment and financial indicators deteriorated until interim 2025, with the declines in financial indicators due to declines in domestic prices for MDI.²²⁵

The domestic industry's practical capacity declined by 3.3 percent from 2022 to 2024, increasing from 1.68 million short tons in 2022 to 1.72 million short tons in 2023, and then declining to 1.62 million short tons in 2024.²²⁶ Its capacity was also 1.1 percent lower, at 1.23 million short tons, in interim 2025, compared to 1.25 million short tons in interim 2024.²²⁷ The industry's production quantity increased irregularly by 0.8 percent from 2022 to 2024, decreasing from 1.27 million short tons in 2022 to 1.23 million short tons in 2023, and then rising to 1.28 million short tons in 2024.²²⁸ Production was also 2.3 percent higher, at 1.03 million short tons, in interim 2025, compared to 1.01 million short tons in interim 2024.

The industry's capacity utilization followed the same trend as its production. It decreased from 75.8 percent in 2022 to 71.7 percent in 2023 and then increased to 79.0 percent in 2024.²²⁹ The industry's capacity utilization was also higher in interim 2025, at 83.7 percent, than in interim 2024, at 80.8 percent.²³⁰

The industry's U.S. shipments decreased by 0.6 percent over the POI, falling from 998,852 short tons in 2022 to 973,099 short tons in 2023 and then increasing to 992,582 short tons in 2024.²³¹ U.S. shipments were 6.2 percent higher, at 838,918 short tons, in interim 2025, compared to 789,834 short tons in interim 2024.²³² The domestic industry's market share increased irregularly by 1.3 percentage points between 2022 and 2024, increasing from 75.5 percent in 2022 to 79.7 percent in 2023, and then declining to 76.8 percent in 2024.²³³ It was 82.7 percent in interim 2025 compared to 77.8 percent in interim 2024.²³⁴

The domestic industry's end-of-period inventories increased irregularly by 10.2 percent over the POI, falling from 128,226 short tons in 2022 to 118,323 short tons in 2023, and then increasing to 141,319 short tons in 2024.²³⁵ They were 12.9 percent lower in interim 2025, at 121,153 short tons, compared to 139,080 short tons in interim 2024.²³⁶ As a ratio to U.S. shipments, the domestic industry's end-of-period inventories increased irregularly by 1.0

²²⁴ CR/PR at Tables 3.5, 3.8, C.1.

²²⁵ CR/PR at Tables 3.5, 3.8, C.1.

²²⁶ CR/PR at Tables 3.5, C.1.

²²⁷ CR/PR at Tables 3.5, C.1.

²²⁸ CR/PR at Tables 3.5, C.1.

²²⁹ CR/PR at Tables 3.5, C.1.

²³⁰ CR/PR at Tables 3.7, C.1.

²³¹ CR/PR at Tables 3.8, C.1.

²³² CR/PR at Tables 3.8, C.1.

²³³ CR/PR at Tables 4.11 and C.1.

²³⁴ CR/PR at Tables 4.11 and C.1.

²³⁵ CR/PR at Tables 3.12, C.1.

²³⁶ CR/PR at Tables 3.12, C.1.

percentage points over the three years, falling from 10.2 percent in 2022 to 9.5 percent in 2023, and then increasing to 11.2 percent in 2024.²³⁷ End-of-period inventories' ratio to U.S. shipments was 2.0 percentage points lower in interim 2025, at 8.6 percent, compared to 10.6 percent in interim 2024.²³⁸

The domestic industry's employment indicia mostly declined over the POI, with some improvement in interim 2025. The industry's number of production and related workers ("PRWs") fell by 13.1 percent over the three years of the POI, declining from 944 PRWs in 2022 to 786 PRWs in 2023 and 778 PRWs in 2024.²³⁹ Employment was 1.0 percent higher in interim 2025, at 789 PRWs, than in interim 2024, at 781 PRWs.²⁴⁰ Hours worked declined by 24.9 percent over the three years of the POI, decreasing from 2.57 million hours in 2022 to 1.93 million hours in 2023 and 2024.²⁴¹ Hours worked were 2.1 percent higher in interim 2025, at 1.54 million hours, than in interim 2024, at 1.51 million hours.²⁴² Wages paid declined irregularly by 25.5 percent, decreasing from \$ 175.6 million in 2022 to \$128.3 million in 2023, and then increasing to \$130.8 million in 2024.²⁴³ They were 4.1 percent higher, at \$102.3 million, in interim 2025, compared to \$98.2 million in interim 2024.²⁴⁴ Productivity (in short tons per 1,000 hours) increased during the POI, reflecting the decreasing number of employees. It increased by 34.2 percent over the three years of the POI, from 495.0 tons per thousand hours in 2022 to 638.8 in 2023 and 664.2 in 2024.²⁴⁵ Productivity was 0.3 percent higher, at 669.2 short tons per 1,000 hours, in interim 2025, compared to 667.4 short tons per 1,000 hours in interim 2024.²⁴⁶

The domestic industry's financial performance significantly deteriorated over the POI; the industry's sales revenues, gross profits, operating and net income declined from 2022 to 2024.²⁴⁷ The domestic industry's sales revenues declined by 25.8 percent over the three years of the POI, falling from \$3.7 billion in 2022 to \$3.0 billion in 2023 and \$2.8 billion in 2024.²⁴⁸ Sales revenues were 3.8 percent higher in interim 2025, at \$2.24 billion, than in interim 2024, at \$2.16 billion.²⁴⁹

²³⁷ CR/PR at Tables 3.12, C.1.

²³⁸ CR/PR at Tables 3.12, C.1.

²³⁹ CR/PR at Tables 3.19, C.1.

²⁴⁰ CR/PR at Tables 3.19, C.1.

²⁴¹ CR/PR at Tables 3.19, C.1.

²⁴² CR/PR at Tables 3.19, C.1.

²⁴³ CR/PR at Tables 3.19, C.1.

²⁴⁴ CR/PR at Tables 3.19, C.1.

²⁴⁵ CR/PR at Tables 3.19, C.1.

²⁴⁶ CR/PR at Tables 3.19, C.1.

²⁴⁷ See CR/PR at Table C.1.

²⁴⁸ CR/PR at Tables 6.1, C.1.

²⁴⁹ CR/PR at Tables 6.1, C.1.

Gross profit declined by 65.7 percent from 2022 to 2024, falling from \$900.0 million in 2022 to \$610.6 million in 2023 and \$308.8 million in 2024.²⁵⁰ Gross profits were 5.8 percent lower in interim 2025, at \$326.3 million, compared to \$346.2 million in interim 2024.²⁵¹

Operating income declined by 87.8 percent from 2022 to 2024, declining from \$675.4 million in 2022 to \$385.8 million in 2023 and \$82.4 million in 2024.²⁵² Operating income was 15.7 percent lower in interim 2025, at \$151.5 million, compared to \$179.8 million in interim 2024.²⁵³ Net income declined from \$*** in 2022 to \$*** in 2023 and *** in 2024.²⁵⁴ Net income was *** percent lower in interim 2025, at \$***, compared to \$*** in interim 2024.²⁵⁵

The industry's ratio of operating income to net sales fell from 18.1 percent in 2022 to 12.8 percent in 2023 and 3.0 percent in 2024.²⁵⁶ The ratio was 6.8 percent in interim 2025, compared to 8.3 percent in interim 2024.²⁵⁷ The industry's ratio of net income to net sales fell from *** percent in 2022 to *** percent in 2023 and *** percent in 2024.²⁵⁸ The ratio was *** percent in interim 2025, compared to *** percent in interim 2024.²⁵⁹

The domestic industry's capital expenditures increased by 22.3 percent over the three years of the POI, declining from \$314.0 million in 2022 to \$262.1 million in 2023 and then increasing to \$383.9 million in 2024.²⁶⁰ Capital expenditures were 11.6 percent higher in interim 2025, at \$244.3 million, than in interim 2024 at \$218.9 million.²⁶¹ The industry's research and development expenses decreased by 5.6 percent over the three years of the POI, declining from \$32.0 million in 2022 to \$30.6 million in 2023 and \$30.2 million in 2024. They were 5.5 percent higher in interim 2025, at \$22.8 million, than in interim 2024, at \$21.6 million.²⁶²

The industry's net assets declined by 2.8 percent over the three years of the POI, falling from \$2.8 billion in 2022 to \$2.6 billion in 2023 and then increasing to \$2.7 billion in 2024.²⁶³ The industry's return on assets also declined, falling from 24.2 percent in 2022 to 14.8 percent

²⁵⁰ CR/PR at Tables 6.1, C.1.

²⁵¹ CR/PR at Tables 6.1, C.1.

²⁵² CR/PR at Tables 6.1, C.1.

²⁵³ CR/PR at Tables 6.1, C.1.

²⁵⁴ CR/PR at Tables 6.1, C.1.

²⁵⁵ CR/PR at Tables 6.1, C.1. The industry reported processing *** short tons of MDI in 2022, *** short tons in 2023, *** short tons in 2024, *** short tons in interim 2024, and *** short tons in interim 2025. CR/PR at Table C.2. The industry reported operating income on its processing of \$*** in 2022, \$*** in 2023, \$*** in 2024, \$*** interim 2024, and \$*** in interim 2025. *Id.*

²⁵⁶ CR/PR at Tables 6.1, C.1.

²⁵⁷ CR/PR at Tables 6.1, C.1.

²⁵⁸ CR/PR at Tables 6.1, C.1.

²⁵⁹ CR/PR at Tables 6.1, C.1.

²⁶⁰ CR/PR at Tables 6.6, C.1.

²⁶¹ CR/PR at Tables 6.6, C.1.

²⁶² CR/PR at Tables 6.8, C.1.

²⁶³ CR/PR at Tables 6.10 C.1.

in 2023 to 3.0 percent in 2024.²⁶⁴ All four domestic producers reported negative effects on their investment from subject imports.²⁶⁵ In 2023, one domestic producer reported operating and net losses; during 2024, two producers reported operating losses, and three reported net losses.²⁶⁶

The record shows that subject imports that are moderately-to-highly substitutable for the domestic like product entered the U.S. market in increasing and significant volumes over the three years of the POI when subject import underselling predominated. Subject imports significantly undersold the domestic like product and depressed the domestic industry's sales prices to a significant degree, resulting in declining net sales AUVs. The industry's COGS-to-net-sales ratio increased throughout the POI as the industry's net sales AUVs fell more rapidly than its raw material and overall costs. As a consequence, the domestic industry's revenues, gross profit, operating income, net income, operating and net income ratios, and return on assets all deteriorated sharply over the POI. Accordingly, we find that subject imports had a significant impact on the domestic industry.

The domestic industry's performance improved in some respects in interim 2025. Although the industry's net sales AUVs continued to decline, its production, capacity utilization, and U.S. shipments were all higher in interim 2025 than interim 2024 and most of its employment indicators also improved.²⁶⁷ As discussed above, we have attributed the change in the volume and pricing of subject imports during interim 2025 to the filing of the petitions in February 2025 and to the effects of additional tariffs during the period, and place less weight on this period. Nonetheless, the industry remained in worse condition during interim 2025 than at the beginning of the POI, and subject imports continued to hold a significant share of the U.S. market in interim 2025. We do not find that any improvements in the condition of the industry in interim 2025 offset the injury that the domestic industry experienced prior to 2025.

We have also considered whether there are other factors that may have had an impact on the domestic industry to ensure that we are not attributing injury from such other factors to subject imports. We discuss in detail in section IV.D., *supra*, the role of raw material costs, demand, and intra-industry competition in decreasing domestic prices. We reiterate here that trends apparent U.S. consumption do not explain the deterioration in the industry's condition.

²⁶⁴ CR/PR at Table 6.11.

²⁶⁵ CR/PR at Tables 6.13 and 6.14

²⁶⁶ See CR/PR at Table 6.3. WCA argues that different methods of accounting for cost of inventory (*i.e.* FIFO versus LIFO) account for poor performance of certain domestic producers when prices declined but inventoried raw material costs remained high. WCA's Posthearing Brief, Answers to Questions at 42-44. The record does not support this allegation. The firms that WCA claims report inventories using ***, and all firms reported declining results in 2024 compared to 2023. CR/PR at Table 6.3. We thus do not find that individual firms' use of different accounting methods explains the industry's declining performance over the POI.

²⁶⁷ See CR/PR at Table C.1.

As discussed above, the moderate declines in apparent consumption do not explain the sharp drops in the domestic industry's prices and AUVs. Moreover, the industry's COGS-to-net-sales ratio and other financial indicators declined throughout the POI regardless of trends in apparent U.S. consumption, and the largest declines in the industry's financial indicators occurred during 2024, when apparent U.S. consumption increased but prices continued to decline.²⁶⁸ Accordingly, trends in apparent U.S. consumption do not explain decreasing domestic prices during the POI.

We also have considered the role of nonsubject imports. Unlike subject imports, they declined in absolute terms and in market share during the three full years of the POI.²⁶⁹ Their share of apparent U.S. consumption declined from *** percent in 2022 to *** percent in 2023, and then increased to *** percent in 2024.²⁷⁰ Their share was *** percent in interim 2025 compared to *** percent in interim 2024.²⁷¹ Domestic producers were responsible for the majority of nonsubject imports and indicated that they imported MDI primarily to meet demand that they temporarily could not satisfy or to supply particular products for specific customers.²⁷² The Commission also gathered pricing information for imports from nonsubject sources.²⁷³ The record indicates that while nonsubject imports were generally sold at prices lower than the domestic like product, they were predominantly higher-priced compared to subject imports.²⁷⁴ Accordingly, we find that nonsubject imports do not explain domestic price decreases during the POI. Moreover, any injury that may have been caused by nonsubject imports would not obviate that which we found caused by subject imports, which had a greater market share and lower prices over the POI.

We also have considered WCA's argument that the domestic industry was enjoying unusually high prices and profits during 2022 due to supply shortages, and therefore 2022 is not an appropriate base year for the Commission's analysis; WCA argues that declining prices

²⁶⁸ See CR/PR at Table C.1.

²⁶⁹ See CR/PR at Tables 4.2 and 4.11.

²⁷⁰ CR/PR at Tables 4.11 and C.1.

²⁷¹ CR/PR at Tables 4.11 and C.1.

²⁷² CR/PR at Tables 3.16 and 4.5.

²⁷³ CR/PR at Appendix F.

²⁷⁴ During the POI, there were reported sales of imports from nonsubject sources of *** short tons in the 25 quarters with overselling of subject imports by nonsubject imports, representing *** percent of reported import sales volume, compared to reported sales of imports from nonsubject sources of *** short tons in the 16 quarters with underselling of subject imports by nonsubject imports, representing *** percent of reported import sales volume. See CR/PR at Table F.7. There were reported sales of imports from nonsubject sources of *** short tons in the 61 quarters with underselling of the domestic product, representing *** percent of reported nonsubject import sales volume, compared to reported sales of imports from nonsubject sources of *** short tons in the 13 quarters with overselling of the domestic product, representing *** percent of reported import sales volume. See CR/PR at Table F.7.

and profits after 2022 reflects a return to more normal conditions.²⁷⁵ We disagree. We have already explained that prices during 2022 were not abnormally high due to the industry’s supply issues. Regardless, the domestic industry’s relatively greater profitability in 2022 does not preclude a finding that low-priced subject imports had a material adverse impact on the condition of the industry over the course of the POI.²⁷⁶ Irrespective of whether 2022 was “aberrational” year in terms of profitability levels, the statute directs the Commission to determine whether the domestic industry was materially injured by reason of subject imports. Here, the record indicates that subject imports significantly undersold the domestic product and depressed domestic prices to a significant degree, contributing to steep declines in the industry’s financial indicators. We also note that the record shows that domestic producers have enjoyed returns comparable to 2022 in some prior years in the recent past, indicating that 2022 levels are not without recent precedent.²⁷⁷ Moreover, the industry’s operating income ratio in 2024 was very low, at *** percent; given the capital-intensive nature of the industry, we cannot conclude that this is a “normal” level.

In sum, based on the record of the final phase of the investigation, we find that subject imports had a significant impact on the domestic industry. Consequently, we determine that an industry in the United States is materially injured by reason of subject imports from China.

²⁷⁵ WCA’s Prehearing Brief at 46-49, 90.

²⁷⁶ The statute provides that “{t}he Commission may not determine that there is no material injury or threat of material injury to an industry in the United States merely because that industry is profitable or because the performance of that industry has recently improved.” 19 U.S.C. § 1677(7)(J).

²⁷⁷ Petitioner provided evidence that the industry’s profitability in 2022 was consistent with historical rates of return for *** from 2015 to 2022. Petitioner’s Posthearing Brief at 5-7 and Exhibits 2 and 3.

SEPARATE AND CONCURRING VIEWS OF COMMISSIONER DAVID S. JOHANSON

I join sections I-IV.B. of the Commission's views (Background, Domestic Like Product, Domestic Industry, Legal Standards for Present Material Injury, and Conditions of Competition), except to the extent noted below.

I write separately because I find that an industry in the United States is threatened with material injury by reason of subject imports of MDI from China that are being sold in the United States at less than fair value.

Subject import shipment volume was significant and slightly increasing from 2022 to 2024, and underselling by subject imports of domestically produced MDI also increased to some degree. Subject imports thus likely had some effect on the price of domestically produced MDI in 2024. Yet, both subject import volume and underselling were much reduced in the first nine months of 2025. Moreover, I find that these downward trends in imports and underselling were not merely the result of the filing of the petition in February 2025 but reflected a previous decision by Respondent Wanhua Chemical America ("WCA") -- following the November 2024 U.S. election -- to suspend subject imports in 2025 due to uncertainty about the trade policy of the new administration, and, subsequently, to the imposition of IEEPA tariffs. I find that Respondents' decision to drastically curtail subject imports mitigated any impact that subject imports had in 2024 and renders any injury from them immaterial at this time.

On the other hand, IEEPA tariffs were struck down in February 2026, and in March 2025 the Administration commenced new section 301 investigations of imports from China, the European Union, and other countries. These section 301 reviews could result in new tariffs on subject and nonsubject imports of MDI, so there is once again incentive for WCA to rebuild its US inventory of subject merchandise as it did before. Moreover, I find the domestic industry is now vulnerable due to its very low profits, weak demand, and expected capacity expansions. Under these unique circumstances I find, on balance, that increased subject imports are more likely than not to result in material injury to the domestic industry in the imminent future.

I. Present Material Injury

A. Volume of Subject Imports

Section 771(7)(C)(i) of the Tariff Act provides that the “Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.”¹

Subject imports decreased from *** short tons in 2022 to *** short tons in 2023 and then increased to *** short tons in 2024, for an overall increase of *** percent.² Subject imports were *** percent lower in interim 2025 at *** short tons, compared to *** short tons in interim 2024.³ U.S. shipments of subject imports as a share of apparent U.S. consumption increased from *** percent of apparent U.S. consumption in 2022 to *** percent in 2023, before decreasing to *** percent in 2024, for an overall increase of *** percentage points.⁴ Their share was *** percent in interim 2025 compared to *** percent in interim 2024.⁵ Furthermore, the volume of new subject imports arriving in the United States fell sharply in February 2025 and dwindled to nearly zero in March and following months.⁶

I do not find that the filing of the petition on February 12, 2025, significantly contributed to the reduction in subject import volume that occurred in interim 2025 as I am persuaded that most if not all of that reduction would have occurred regardless of the filing of the petition.⁷ Given that the lead times for subject imports from China averaged *** days, it is unlikely that import volumes could have responded so quickly to the petition filing.⁸ Rather, WCA provides testimony and contemporary documentation indicating that shortly after the November 2024 election it decided that it would initially build up its U.S. inventory of subject merchandise and then stop importing MDI from China due to uncertainty about the future direction of U.S. trade policy, including tariffs.⁹ As described in ***¹⁰

The questionnaire responses of ***¹¹ I thus find that the sharp reduction of new imports of MDI from China after February 2025 was due to general uncertainty about trade policy and previous decisions about inventories and sourcing, and that the continued yet

¹ 19 U.S.C. § 1677(7)(C)(i).

² CR/PR at Table 4.2.

³ CR/PR at Table 4.2.

⁴ CR/PR at Tables 4.11 and C.1.

⁵ CR/PR at Tables 4.11, C.1.

⁶ WCA’s Posthearing Brief, Answers to Questions at 62; Official Import Statistics, EDIS Doc. No. 880343.

⁷ CR/PR at 1.1.

⁸ CR/PR at 2.20.

⁹ WCA’s Posthearing Brief, Answers to Questions at 59-60, 62.

¹⁰ ***.

¹¹ ***

minimal levels of subject imports also were attributable to the IEEPA tariffs imposed in 2025. Further, WCA and its affiliates decided that subject imports could eventually resume depending on future changes to U.S. tariffs.¹²

In sum, I find that the volume of subject imports was significant throughout the POI both in absolute terms and relative to U.S. consumption. Yet I find that their significance was greatly reduced in interim 2025 because subject imports' U.S. shipment volume was less than half as great both in relative terms and as a share of U.S. apparent consumption relative to interim 2024.¹³

B. Price Effects of the Subject Imports

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

(I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.¹⁴

Over the course of the POI as a whole, subject imports undersold the domestic like product in 27 of 45 quarterly comparisons with underselling margins averaging *** percent, and oversold them in the remaining 18 comparisons with overselling margins averaging *** percent.¹⁵ That is, the average sale price of subject import pricing products in 60 percent of the quarters in which comparisons were possible was lower than the average price of sales of domestically produced pricing products and was higher in the other 40 percent. The volume of subject import sales in quarters in which the average price of subject imports was lower was *** short tons, representing *** percent of the total volume of subject imports reported for the pricing products, compared to *** short tons in the quarters in which the average price of those subject imports was higher.¹⁶

The extent of underselling varied over the course of the POI. In each year from 2022 through 2024, the majority of reported subject imports by volume was sold in quarters in which

¹² See Hrg. Tr. 176 (Sturgeon) (“WCA anticipated potential tariff escalation in early 2025 in the event of a second Trump term and, therefore, Wanhua had already, independently, decided to *suspend* further imports of Chinese MDI even before we knew about this case.”) (emphasis added).

¹³ CR/PR at Tables 4.11 & C.1.

¹⁴ 19 U.S.C. § 1677(7)(C)(ii).

¹⁵ CR/PR at Table 5.15.

¹⁶ CR/PR at Table 5.15.

the average price of reported sales of subject imports was lower than the average price of reported sales of the domestic like product.¹⁷ The opposite was true in interim 2025. During interim 2025, subject imports undersold the domestic like product in three of nine (or 33 percent) of quarterly comparisons, and in those three quarters only *** short tons of reported subject imports were sold representing only *** percent of reported subject import pricing product sales in interim 2025.¹⁸ Subject imports oversold the domestic like product in the remaining six of nine (or 67 percent) of quarterly comparisons in interim 2025, and in those 6 quarters *** short tons of reported subject imports were sold, representing *** percent of reported subject imports in interim 2025.¹⁹

Thus, while most subject import pricing product volume from 2022 through 2024 was sold in quarters in which subject imports undersold domestic pricing products on average, in interim 2025 the vast majority of pricing product imports by volume were sold in quarters in which subject imports on average were higher priced than domestic pricing products.

Again, I do not find that this sharp reduction in underselling in interim 2025 was the result of the filing of the petition. Rather, I attribute it to the decision by Respondent WCA to curtail subject imports as a result of tariff uncertainty and subsequent imposition of IEEPA tariffs on subject merchandise. With few or no new subject imports arriving, WCA's incentive to use underselling to increase or even to maintain its market share was reduced, and indeed it did not use underselling to do so. The imposition of new tariffs on subject MDI would also have made selling subject MDI at low prices less profitable, irrespective of the filing of the petition.²⁰

Notably, WCA also ***.²¹ In contrast, in interim 2025, WCA reported ***.²² Thus, while WCA's ***.²³ This reinforces my conclusion that WCA's decision to raise subject import prices and reduce underselling by subject imports in interim 2025 resulted primarily from general policy uncertainty and IEEPA tariffs as WCA documents.

¹⁷ CR/PR at Table 5.16.

¹⁸ CR/PR at Table 5.16.

¹⁹ CR/PR at Table 5.16.

²⁰ I recognize that the filing of an antidumping duty petition creates additional incentive to sell subject imports in the United States at higher prices because the prices of imports exported, entered, or sold in the United States following suspension of liquidation may be examined in an administrative review that will set duty rates. 19 CFR 351.213(e)(ii). In this case, Commerce published its preliminary antidumping duty determination and suspended liquidation on September 16, 2025, which was very near the end of the interim 2025 period. *MDI from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less-Than-Fair-Value, Postponement of Final Determination, and Extension of Provisional Measures*. 90 Fed. Reg. 44,269.

²¹ Calculated from ***

²² Calculated from ***

²³ In 2024, *** Calculated from CR/PR at Table 5.16; ***.

I also note that while a substantially lower percentage by volume of WCA's shipments of nonsubject imports undersold domestic like products in interim 2024 relative to 2025, other sources did not exhibit this same trend, as *** shipments of nonsubject imports by other suppliers undersold domestic like products in interim 2025.²⁴ Since *** nonsubject imports other than those imported by WCA were imported by domestic producers, to the extent that underselling by imports reduced prices in interim 2025 any resulting injury to the domestic industry was to a considerable degree self-inflicted.²⁵

The near cessation of subject imports and the reduction in subject import market share in interim 2025 would also have reduced the significance of such underselling by subject imports as did occur because domestic competitors would have had less need to match the price of significantly smaller and constrained volumes of subject imports. Thus, I find that whether or not the petition had been filed, the extent and significance of underselling by subject imports would have diminished significantly in interim 2025.

Accordingly, I find that underselling by subject imports was significant in 2022 through 2024 but not in interim 2025.

In examining whether subject import prices depressed or suppressed domestic industry prices during the POI, I note that reported prices of MDI decreased substantially from 2022 to late 2023 or early 2024, then fluctuated at a reduced level.²⁶ The average unit value of U.S. producers' U.S. shipments decreased 19.8 percent from 2022 to 2023, then decreased 9.1 percent from 2023 to 2024.²⁷ Coinciding with these price declines, the domestic industry's ability to cover its costs deteriorated, including its ability to cover the cost of raw materials. As one indication of this, the ratio between the domestic industry's COGS/net sales ratio increased from 75.8 percent in 2022 to 79.7 percent in 2023 and to 88.8 percent in 2024, while the ratio between the domestic industry's raw material costs and its net sales increased from 57.2 percent in 2022 to 58.4 percent in 2023 and to 63.6 percent in 2024.²⁸

Several factors put downward pressure on MDI prices from 2022 to 2023. First, demand for MDI decreased substantially. Demand for MDI is linked to new housing construction, which decreased over the POI, particularly in 2023.²⁹ As another indication of decreased demand, apparent consumption of MDI decreased 7.8 percent from 2022 to 2023, which likely

²⁴ In interim 2025, *** short tons of nonsubject imports from sources other than WCA undersold domestic like products, representing *** percent of shipments of nonsubject import pricing prices reported by these sources in interim 2025. *Calculated from* CR/PR at Table F.8; ***

²⁵ CR/PR at Table 4.1.

²⁶ CR/PR at Tables 5.13, 5.14 & Figure 5.3 & 5.4. In terms of the average unit value of U.S. shipments, unit values of the U.S. shipments of U.S. producers decreased

²⁷ CR/PR at Table C.1.

²⁸ CR/PR at Tables 6.1 & C.1.

²⁹ CR/PR at Table 2.7 & Figure 2.1.

understates the decrease in underlying demand in the sense of quantity demanded at a constant price because prices also decreased substantially in that period as described above.

Second, the prices of the major inputs to MDI decreased over the POI, with most or all of the decrease occurring from 2022 to 2023. For example, global benzene prices in 2023 were lower on a month-over-month basis in 2023 than in the same month of 2022 in every month of the year, while the domestic industry's reported unit cost of raw materials decreased by 16.8 percent from \$1,702 per short ton in 2022 to \$1,416 per short ton in 2023.³⁰

Decreases in MDI raw material costs would be likely to result in decreases in MDI prices not only because raw material benchmark prices are published, but also because domestic shipments, which accounted for a large majority of the market, are often made pursuant to annual or long-term contracts that expressly index MDI prices to raw material prices.³¹

Third, many domestic producers, importers, and purchasers reported they had experienced supply constraints particularly in 2022, while many fewer reported such constraints in 2023.³² These would have tended to increase prices in 2022 and reduce prices as the constraints later eased.

Finally, it is likely that competition among domestic producers, subject imports, and nonsubject imports also contributed to price decreases. Purchasers reported a competitive market with many price leaders, most often naming U.S. producers Dow (13 purchasers), BASF (12 purchasers), and Covestro and Huntsman (11 purchasers each), with eight purchasers identifying importer WCA as a price leader.³³ In 2023, both subject imports and domestic producers were competing for and gaining market share at the expense of nonsubject imports (4.2 percentage points gained by the domestic industry and *** percent gained by subject imports).³⁴ In 2023, *** shipped larger quantities of MDI in the United States than did WCA (exclusive of nonsubject imports), but subject imports undersold domestic pricing products in most instances in which comparisons were possible, while nonsubject imports, which accounted for the smallest volume and a declining market share, undersold domestic pricing products and subject import pricing products in *** instances in which comparisons were possible.³⁵

³⁰ CR/PR at Tables 5.1 & 6.1.

³¹ CR/PR at 5.6.

³² CR/PR at 2.9 & Table 2.6.

³³ CR/PR at 5.7. Subject imports were imported *** by WCA while nonsubject imports were imported almost entirely by ***. CR/PR Table 4.1.

³⁴ CR/PR at Table C.1.

³⁵ CR/PR at Tables 3.9, 5.16, F.8. WCA asserts that it has supplied an analysis showing that in 62 percent of instances in which comparisons between pricing products are possible, the AUV of domestically produced products offered by one or more domestic suppliers was lower than the AUV of subject imports, *i.e.*, that a domestic producer offered the lowest average price for a given pricing product in that quarter in most quarters. WCA Prehearing Brief Exhibit 7 & Posthearing Brief Answers at 65.

(Continued...)

Most of these same factors that depressed prices would also have tended to reduce the domestic MDI industry's ability to cover its costs. Falling demand would have had this effect, while falling raw material prices could also have done so to the extent that MDI prices were influenced by market prices of raw materials that fell faster than the raw material costs reflected in domestic producers' financial records which typically include more elements of historical cost. Price competition would of course also have had such a tendency.

In 2024, some of the factors that reduced price in 2023 diminished in importance or even reversed. Most significant, demand increased to some extent. While new housing construction decreased somewhat, the rate of decline slowed, and apparent consumption of MDI increased by 5.9 percent.³⁶ In its importer questionnaire response, ***.³⁷ GDP grew in all quarters of 2024.³⁸ The decrease in raw material prices also slowed or even reversed by most measures.³⁹

In contrast, market competition of course continued among domestically produced products, subject imports, and nonsubject imports. In 2024, both subject imports and domestic producers lost market share to nonsubject imports (2.9 percentage points of market share lost by domestic producers and *** percentage points lost by subject imports), and in 2024, both subject and nonsubject imports undersold the domestic like product in most instances. Specifically, in 2024, subject imports undersold domestic like products in eight of 12 quarters in which comparisons were possible and *** short tons of subject imports were sold in those quarters, while subject imports oversold domestic like products in the remaining four quarters and *** short tons of subject imports were sold in those quarters.⁴⁰ In terms of volume, *** short tons of nonsubject import pricing products were sold in quarters in which comparisons between nonsubject import and domestic prices were possible and in which the average price of nonsubject import pricing products was lower than domestically produced pricing

(...Continued)

Petitioner calculates that WCA was the lowest-price individual supplier in *** percent of the comparisons. Petitioner's Posthearing Brief at 12-13 and Exhibit 5. Yet, even if such an alternative analysis of pricing product data might shed some light on the relative intensity of pricing competition from different sources and which suppliers were leading prices downward, WCA's Prehearing Brief Exhibit 7 in EDIS appears to be fragmentary. Also, the available data suggest that while a domestic producer often had the lowest average transaction price in a quarter, WCA did so relatively more often than its small market share would suggest.

³⁶ CR/PR at Tables 2.7 & C.1. & Figure 2.1.

³⁷ ***

³⁸ CR/PR at Fig. 2.2.

³⁹ For example, monthly global benzene prices in 2024 were higher than in the same month of 2023 in nine months, though still generally lower than in 2022, and decreases in natural gas prices slowed, while the domestic industry's reported raw material cost in 2024 was only 1.4 percent lower than in 2023. CR/PR at Tables 5.1 and 5.3, and calculated from CR/PR at Table 6.1.

⁴⁰ CR/PR at Table 5.16.

products.⁴¹ That is, somewhat more nonsubject imports than subject imports undersold domestic products by volume.

On balance, I find that underselling by subject imports was only one of several factors that depressed prices over the 2022 to 2024 period, and not the most important. Yet, I also would not dismiss the price effects of subject imports as insignificant particularly in 2024 when underselling by subject imports increased somewhat, domestic producers' prices failed to increase in line with increases in apparent consumption and demand, and the domestic industry's overall COGS and raw materials cost-to-net-sales ratios continued to rise.

Be that as it may, however, I find that the price effects of subject imports were clearly not significant in interim 2025.

As described above, MDI from China nearly stopped being imported during the course of interim 2025. While WCA did continue to sell subject MDI out of U.S. inventories that WCA had built up at the end of 2024 and early 2025, subject imports' market share in interim 2025 of *** percent was less than half what it had been in interim 2024, *** percent.⁴² Importantly, U.S. sales of subject imports that WCA did continue to make were not the result of underselling. On a volume basis only *** percent of subject import pricing products undersold domestically produced pricing products in interim 2025; the remaining *** percent oversold them.⁴³

The sharp reduction in subject import shipments and the near elimination of subject import underselling did not allow the domestic industry to entirely escape its cost-price squeeze in interim 2025. The average unit value of the domestic industry's sales continued to decline, even though apparent consumption was stable.⁴⁴ At the same time, the domestic industry's raw-materials-to net sales and COGS-to-net-sales ratios in interim 2025 were higher than in interim 2024.⁴⁵

I find, however, that this continued deterioration in cost-to-net-sales ratios was readily explained by increased shipments and continued underselling by nonsubject imports. In interim 2025, underselling by nonsubject imports continued to be pervasive and nonsubject imports gained market share at the expense of subject imports. Specifically, nonsubject imports gained *** percentage points of market share at the expense of subject imports, and also undersold domestic like products in 10 out of 15 instances representing a volume of *** short tons, while overselling domestic like products in only five out of 15 instances representing a volume of just *** short tons.⁴⁶ I also note that ***.⁴⁷

⁴¹ CR/PR at Table F.8. Subject imports typically undersold nonsubject imports from 2022 to 2024, but in interim 2025, nonsubject imports more often also undersold imports from China. CR/PR at Table F.8.

⁴² CR/PR at Table C.1.

⁴³ CR/PR at Table 5.16.

⁴⁴ CR/PR at Table 6.1.

⁴⁵ CR/PR at Table 6.1.

⁴⁶ CR/PR at Tables C.1, F.8.

C. Impact of the Subject Imports

Section 771(7)(C)(iii) of the Tariff Act provides that in examining the impact of subject imports, the Commission “shall evaluate all relevant economic factors which have a bearing on the state of the industry.”⁴⁸ These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debts, research and development, and factors affecting domestic prices. No single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁴⁹ In evaluating the impact of subject imports on the domestic industry during the POI, I consider the trade and financial performance of the domestic industry but bear in mind that many factors other than subject imports were influencing that performance. I also bear in mind that the Commission’s impact analysis may focus on current imports “in accord with the remedial purpose of duties which are intended merely to prevent future harm to the domestic industry by reason of unfair imports that are presently causing material injury.”⁵⁰

The record indicates that the domestic industry reduced its prices from 2022 to 2024 in response to a variety of market forces as domestic producers sought to increase or at least maintain their output, rate of capacity utilization, and market share, with mixed success. The domestic industry’s capacity and U.S. shipments declined, but its production and capacity utilization improved overall from 2022 to 2024, and its market share increased irregularly from 75.5 percent in 2022 to 76.8 percent in 2024.⁵¹

Virtually all of the industry’s employment and financial indicators deteriorated steeply, with part of the decreases occurring in 2023 and part in 2024. For example, the number of production workers in the industry decreased 16.7 percent in 2023 and 1.0 percent in 2024,

(...Continued)

⁴⁷ Calculated from ***. In comparison, total shipments of nonsubject imports were *** short tons greater in interim 2025 than in interim 2024. Calculated from CR/PR at Table C.1.

⁴⁸ 19 U.S.C. § 1677(7)(C)(iii); *see also* SAA at 851 and 885 (“In material injury determinations, 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 also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.”).

⁴⁹ 19 U.S.C. § 1677(7)(C)(iii).

⁵⁰ *Nucor Corp. v. United States*, 414 F.3d 1331, 1336 (Fed. Cir. 2005) (quoting and affirming *Nucor Corp. v. United States*, 318 F. Supp. 2d 1207 (Ct. Int’l Trade 2004)).

⁵¹ CR/PR at Table C.1.

and its operating income to sales ratio decreased from 18.1 percent in 2022 to 12.8 percent in 2023 and to 3.0 percent in 2024.⁵²

All four U.S. producers reported some negative effects from subject imports on their investments, but the domestic industry's capital investments increased 22.3 percent, with all of the increase in 2024.⁵³ No U.S. producers reported rejection of loans or even reduced ability to service debt over the POI, although ***.⁵⁴ BASF reported that its long-planned plant expansion at Geismar, Louisiana has been delayed until 2026.⁵⁵ Several U.S. producers reported ***⁵⁶

During interim 2025, the domestic industry's performance was again mixed but with somewhat better trade and employment results. The industry's production, capacity utilization, and U.S. shipments improved relative to interim 2024, along with its market share. For example, the domestic industry's production increased 2.3 percent and its capacity utilization rate improved from 80.8 percent in interim 2024 to 83.7 percent in interim 2025, while its market share rose from 77.8 percent in interim 2024 to 82.7 percent in interim 2025.⁵⁷ Its employment indicators improved slightly, with its payroll improving by 1.0 percent and its total wages paid increasing by 4.1 percent.⁵⁸ Its capital expenditures were 11.6 percent greater in interim 2025 than in interim 2024.⁵⁹ On the other hand, its financial indicators continued to deteriorate somewhat relative to interim 2024. For example, its operating income to net sales ratio decreased from 8.3 percent in interim 2024 to 6.8 percent in interim 2025.⁶⁰

I find that the reductions in the domestic industry's profitability from 2022 to 2024 were steep and some of them were likely attributable to subject imports, even though the domestic industry managed to increase its market share, production, and capacity utilization in that period.

Yet, in context, I do not consider that any reduction in profitability attributable to subject imports in 2024 is continuing to have a significant impact on the domestic industry. Many of the problems that the domestic industry encountered in the POI would have been expected given decreased demand and other market forces, and domestic producers had a full three-quarter interim period to improve their performance without any significant underselling by subject imports. Any financial difficulties that continued in the interim 2025 period were attributable to underselling and increased volume of nonsubject imports.

⁵² CR/PR at Table C.1.

⁵³ CR/PR at Tables 6.13 & C.1.

⁵⁴ CR/PR at Tables 3.3, 3.4, 6.13 and 6.14.

⁵⁵ CR/PR at Table 6.14.

⁵⁶ CR/PR at Table 6.14.

⁵⁷ CR/PR at Table C.1.

⁵⁸ CR/PR at Table C.1.

⁵⁹ CR/PR at Table C.1.

⁶⁰ CR/PR at Table C.1.

Moreover, the domestic industry continued to dominate the market throughout the POI, no domestic producers reported serious setbacks to their credit or viability at any point during the POI, and, in fact, capital investment for the industry as a whole has been substantially increasing for nearly two years, indicating optimism about future performance. I recognize that *** percent of U.S. producers' shipments were by long-term contracts and *** percent were by annual contracts, and that the suppression or depression of prices in late 2024 could continue to influence prices in interim 2025.⁶¹ Yet, *** U.S. producers reported that such contracts allowed for renegotiations,⁶² and by 2026 any influence from continued underselling by subject imports in 2024 would be greatly reduced if not eliminated, even if underselling by nonsubject imports continues to have an effect. Delay of ***.

On balance, I do not find that subject imports had a significant adverse impact on the domestic MDI industry that is presently causing material injury to that industry.

II. Threat of Material Injury

A. Legal Standards

Section 771(7)(F) of the Tariff Act directs the Commission to determine whether the domestic industry is threatened with material injury by reason of the subject imports by analyzing whether “further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted.”⁶³ The Commission may not make such a determination “on the basis of mere conjecture or supposition” and considers the threat factors “as a whole” in making its determination whether dumped or subsidized imports are imminent and whether material injury by reason of subject imports would occur unless an order issues.⁶⁴ In considering the existence of threat of material injury, I consider all factors set forth as relevant in the statute.⁶⁵

⁶¹ CR/PR at Table 5.5.

⁶² CR/PR at 5.6.

⁶³ 19 USC 1677(7)(F)(ii).

⁶⁴ 19 USC 1677(7)(F)(ii).

⁶⁵ See 19 USC 1677(F)(i). These factors are as follows:

- (I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,
 - (II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,
 - (III) a significant rate of increase of the volume or market penetration of imports of the subject
- (Continued...)

B. Vulnerability of the Domestic Industry

As an initial matter, I find the domestic industry to be vulnerable. As noted above, its profit levels remain quite low, even if that is not significantly related to subject imports. Moreover, BASF is expanding its plant in Geismar, Louisiana and expects it to become operational ***⁶⁶ Since apparent consumption has not increased in interim 2025 relative to interim 2024, the addition of new domestic capacity will likely put further pressure on MDI prices and the industry's already-low profits.

C. Likely Volume

Subject imports' volume and market share was sharply lower in interim 2025 than in interim 2024. Yet, under the unusual circumstances of this case, I find that this reduction is not likely to continue. Rather, the volume of subject imports is likely to increase significantly in the imminent future.

The primary reason is that WCA now faces incentives to rapidly build U.S. inventories of subject merchandise in anticipation of new trade measures, just as it did at the end of 2024 and early 2025. As discussed above, in November 2024, WCA decided to increase its U.S. inventories of subject merchandise due to uncertainty about the incoming Administration's potentially more restrictive trade policy, and to rely more on imports from other sources such

(...Continued)

merchandise indicating the likelihood of substantially increased imports,

(IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices and are likely to increase demand for further imports,

(V) inventories of the subject merchandise,

(VI) the potential for product-shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products,

...

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

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

19 U.S.C. § 1677(7)(F)(i). To organize my analysis, I discuss the applicable statutory threat factors using the same volume/price/impact framework that applies to our material injury analysis. Thus, I discuss factors (I), (II), (III), (V), and (VI) in the analysis of subject import volume; factor (IV) in the analysis of import price effects; and factors (VIII) and (IX) in the analysis of impact. Factor (VII) concerning agricultural products does not apply in this investigation.

⁶⁶ CR/PR at Tables 3.3, 3.4, 6.14.

as the EU.⁶⁷ By the end of 2024, U.S. importers' U.S. inventories of subject merchandise had reached *** short tons, an increase of *** percent from their level at the end of 2023, and subject imports continued at elevated levels in January 2025 relative to January 2024, likely increasing U.S. inventories even more.⁶⁸ Although subject imports essentially stopped at that point, the record indicates that this cessation was only an indefinite *** and that it continued in large part due to the imposition of IEEPA tariffs starting in February 2025.⁶⁹ As summarized by WCA, "WCA implemented a plan under which it would import larger-than-usual quantities of MDI from China for the remainder of 2024 and early 2025 so it would be in a position to dramatically reduce imports from China by March 2025."⁷⁰

The IEEPA tariffs have now been terminated effective February 20, 2026.⁷¹ Moreover, on March 17, 2026, the Administration initiated new Section 301 investigations potentially targeting imports from China as well as the EU.⁷² The combination of these measures once again creates uncertainty about the direction of trade policy as it pertains to MDI and creates similar incentives to increase imports of MDI while IEEPA duties are lifted and before potential Section 301 measures are initiated – or, if they are not initiated, to continue subject imports on an ongoing basis. When WCA previously prepared for tariff measures in 2024, it expected to be able to replace its imports from China with imports from its Hungarian affiliate, which lessened the expected need to accumulate stockpiles of subject imports in the United States, but this time, the availability of Hungarian or other EU sources is not a foregone conclusion.⁷³

Other evidence indicates that the Chinese industry including WCA has the ability to rapidly increase subject imports in response to changes in U.S. trade policy, as it did at the end of 2024. The industry in China reported capacity of *** short tons in 2024 and production of *** short tons.⁷⁴ It projected capacity of *** short tons and production of *** short tons in 2025 and capacity of *** short tons in 2026 and production of *** short tons.⁷⁵ Thus, it

⁶⁷ WCA Posthearing Brief at Answers 59-62.

⁶⁸ CR/PR at Table C.1; WCA's Posthearing Brief, Answers to Questions at 62; Official Import Statistics, EDIS Doc. No. 880343.

⁶⁹ ***

⁷⁰ Respondent Posthearing Brief Answers 62.

⁷¹ CR/PR at 1.9.

⁷² *Initiation of Section 301 Investigations: Acts, Policies, and Practices of Certain Economies Relating to Structural Excess Capacity and Production in Manufacturing Sectors*, 91 Fed. Reg. 12,886 (March 17, 2026).

⁷³ WCA Posthearing Brief at Answers 62 ("WCA implemented a plan under which it would import larger-than-usual quantities of MDI from China for the remainder of 2024 and early 2025 so that it could be in a position to dramatically reduce imports from China by March 2025 while WCA transitioned to supply from Wanhua's MDI production operations in Hungary.").

⁷⁴ CR/PR at Table 7.10.

⁷⁵ CR/PR at Table 7.10.

expects to have large and increasing available capacity with which it can increase exports.

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Accordingly, I find it is likely there will be significantly increased imports of subject merchandise in the imminent future.

D. Likely Price Effects

For most of the POI, subject imports predominantly undersold the domestic like product, but such underselling virtually ceased in 2025. This raises the question of whether renewed subject imports would be more likely to result in significant underselling or not.

The answer is necessarily unclear and likely depends on the duration of the window of time in which subject imports are possible with relatively low tariffs and the resulting volume of subject imports. Since IEEPA tariffs were terminated in February 2026, several months have already passed in which renewed orders can have been placed, and hearings in the Section 301 proceedings concluded only this month.⁷⁷ Thus, if Section 301 duties do ultimately apply to MDI, there will have been time for significant inventories to be built.

The longer that tariff barriers are eased, and the more that U.S. inventories build, the greater the likelihood that subject imports will again significantly undersell the domestic like product. On balance, I conclude that significant underselling is more likely than not to occur in the imminent future absent an order.

E. Likely Impact

In interim 2025, subject imports remained present in the U.S. market absent significant underselling but at significantly reduced levels primarily being sold out of inventory. If subject imports were to resume and undersell domestic like products for a significant length of time, I would expect them again to contribute to some degree to price suppression or depression, or to gain significant market share at the expense of the domestic industry. While the impact of subject imports was limited during the POI, given my finding of vulnerability in my threat analysis, I would assess the impact of subject imports to be more significant in the imminent future even at similar volumes.

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⁷⁷ *Initiation of Section 301 Investigations: Acts, Policies, and Practices of Certain Economies Relating to Structural Excess Capacity and Production in Manufacturing Sectors*, 91 Fed. Reg. 12,886 (March 17, 2026).

III. Conclusion

For the foregoing reasons, and based on the record in the final phase of these investigations, I conclude that a domestic industry is threatened with material injury by reason of subject imports of MDI from China that Commerce has found to be subsidized and sold at less than fair value.

Part 1: Introduction

Background

This investigation results from a petition filed with the U.S. Department of Commerce (“Commerce”) and the U.S. International Trade Commission (“USITC” or “Commission”) by the Ad Hoc MDI Fair Trade Coalition consisting of BASF Corporation (“BASF”), Florham Park, New Jersey; and The Dow Chemical Company (“Dow”), Midland, Michigan, on February 12, 2025, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair-value (“LTFV”) imports of methylene diphenyl diisocyanate (“MDI”)¹ from China. Table 1.1 presents information relating to the background of this investigation. Table 1.1 presents information relating to the background of this investigation.^{2 3}

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

| Effective date | Action |
|--------------------|---|
| February 12, 2025 | Petition filed with Commerce and the Commission; institution of the Commission investigations (90 FR 9913, February 19, 2025) |
| March 5, 2025 | Commission’s conference |
| March 4, 2025 | Commerce’s notice of initiation (90 FR 11710, March 11, 2025) |
| September 10, 2025 | Commerce’s preliminary determination (90 FR 44629, September 16, 2025); scheduling of final phase of Commission investigation (90 FR 46253, September 25, 2025) |
| November 20, 2025 | Revised scheduling of final phase of Commission investigation (90 FR 54367, November 26, 2025) |
| December 9, 2025 | Revised scheduling of final phase of Commission investigation (90 FR 58054, December 15, 2025) |
| April 2, 2026 | Commission’s hearing |
| April 7, 2026 | Commerce’s final determination (91 FR 18820, April 13, 2026) |
| May 1, 2026 | Commission’s vote |
| May 22, 2026 | Commission’s views |

Note: Due to the lapse in appropriations and ensuing cessation of Commission operations, the Commission revised its schedule for this proceeding.

¹ See the section entitled “The subject merchandise” in Part 1 of this report for a complete description of the merchandise subject in this proceeding.

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

³ Appendix B presents the witnesses that appeared at the Commission’s hearing.

Statutory criteria

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

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

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

In evaluating the volume of imports of merchandise, the Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States is significant. . . . In evaluating the effect of imports of such merchandise on prices, the Commission shall consider whether. . . (I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and (II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree. . . . In examining the impact required to be considered under subparagraph (B)(i)(III), the Commission shall evaluate (within the context of the business cycle and conditions of competition that are distinctive to the affected industry) all relevant economic factors which have a bearing on the state of the industry in the United States, including, but not limited to. . . (I) actual and potential decline in output, sales, market share, gross profits, operating profits, net profits, ability to service debt, productivity, return on investments, return on assets, and utilization of capacity, (II) factors affecting domestic prices, (III) actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, (IV) actual and

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

potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and (V) in {an antidumping investigation}, the magnitude of the margin of dumping.

In addition, Section 771(7)(J) of the Act (19 U.S.C. § 1677(7)(J)) provides that—⁵

(J) EFFECT OF PROFITABILITY.—The Commission may not determine that there is no material injury or threat of material injury to an industry in the United States merely because that industry is profitable or because the performance of that industry has recently improved.

Organization of report

Part 1 of this report presents information on the subject merchandise, dumping margins, and domestic like product. Part 2 of this report presents information on conditions of competition and other relevant economic factors. Part 3 presents information on the condition of the U.S. industry, including data on capacity, production, shipments, inventories, and employment. Parts 4 and 5 present the volume of subject imports and pricing of domestic and imported products, respectively. Part 6 presents information on the financial experience of U.S. producers. Part 7 presents the statutory requirements and information obtained for use in the Commission’s consideration of the question of threat of material injury as well as information regarding nonsubject countries.

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

Market summary

MDI is a diverse class of isocyanates derived from aniline. MDI is typically reacted with the hydroxyl groups of polyols to form polyurethane products. The four U.S. producers of MDI are BASF, Dow, Covestro, LLC (“Covestro”), and Huntsman International, LLC, (“Huntsman”). Leading producers of MDI outside the United States include Wanhua Chemical (Ningbo) Co., Ltd., (“Wanhua Nigbo”) and Wanhua Chemical Group Co.,Ltd., (“Wanhua Shandong”). The leading U.S. importer of MDI from China is Wanhua Chemical (America) Co., Ltd. (“Wanhua America”), while the leading importers of MDI from nonsubject sources are ***. U.S. purchasers of MDI are firms that build in the construction industries; leading purchasers in 2024 include ***.

Apparent U.S. consumption of MDI totaled approximately 1.3 million short tons in quantity and (\$2.7 billion) in value in 2024. U.S. producers’ U.S. shipments of MDI totaled nearly 1.0 million short tons based on quantity and (\$2.2 billion) in 2024, and accounted for 76.8 percent of apparent U.S. consumption by quantity and 79.6 percent by value. U.S. shipments of U.S. imports from China totaled *** short tons (***) in 2024 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. shipments of U.S. imports from nonsubject sources totaled *** short tons (***) in 2024 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value.

Summary data and data sources

A summary of data collected in this investigation is presented in appendix C, tables C.1 (U.S. producers) and C.2 (U.S. producers and U.S. processors). The Commission’s questionnaires collected data for the years 2022 to 2024 and interim periods of January to September 2024 along with January to September 2025. Except as noted, U.S. industry data are based on questionnaire responses of four firms that accounted for *** U.S. production of MDI during 2024. U.S. imports are based on data compiled in response to Commission questionnaires, which includes two primary HTS statistical reporting numbers.⁶ Foreign industry data and related information are based on the questionnaire responses of eight Chinese producers and exporters of MDI.

⁶ There were nine additional HTS statistical reporting numbers identified in the petition that MDI may be imported into the United States.

Previous and related investigations

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

Nature and extent of sales at LTFV

Sales at LTFV

On April 13, 2026, Commerce published a notice in the Federal Register of its final determination of sales at LTFV with respect to imports from China.⁷ Tables 1.2 presents Commerce's dumping margins with respect to imports of product from China.

Table 1.2 MDI: Commerce's final weighted-average LTFV margins with respect to imports from China

| Exporter | Producer | Final dumping margin (percent) |
|-------------------------------------|-------------------------------------|--------------------------------|
| Covestro Polymers (China) Co., Ltd. | Covestro Polymers (China) Co., Ltd. | 85.11 |
| Wanhua Chemical Group Co., Ltd. | Shandong Mingko Co., Ltd. | 85.11 |
| China-wide entity | | 159.04 |

Source: 91 FR 18820, April 13, 2026.

⁷ 91 FR 18820, April 13, 2026.

The subject merchandise

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:⁸

The merchandise subject to this investigation is methylene diphenyl diisocyanate (MDI), which is an aromatic polyisocyanate material whose composition includes two or more isocyanate groups (*i.e.*, functional group containing a nitrogen atom, a carbon atom, and an oxygen atom bonded together (-NCO)) attached to one or more benzene rings (*i.e.*, flat, symmetrical molecule made up of six carbon atoms arranged in a hexagonal ring and has the chemical formula C₆ H₆) that are joined by methylene bridges (*i.e.*, a carbon atom bound to two hydrogen atoms (-CH₂-) and connected by single bonds to two other distinct atoms in the rest of the molecule). MDI is commonly called Polymeric, Monomeric, or Modified MDI and may also be referred to under other names, including Methylene bisphenyl isocyanate, 4,4'-Diphenylmethane diisocyanate, Methylene di-p-phenylene ester of isocyanic acid, Methylene bis(4-phenyl isocyanate), and polymethylene polyphenylene isocyanate. MDI is normally associated with Chemical Abstracts Service (CAS) registry numbers 9016-87-9, 101-68-8, 5873-54-1, 2536-05-2, 1689576-89-3, 25686-28-6, 26447-40-5, and 39310-05-9, but several others are also used.

MDI ranges in physical form from low viscosity liquids to solids. MDI is covered by the scope of this investigation irrespective of whether it has gone through a distillation process and regardless of acid content, reactivity, functionality, freeze stability, physical form, viscosity, grade, purity, molecular weight, or packaging.

MDI may contain additives, such as catalysts, solvents, plasticizers, antioxidants, fire retardants, colorants, pigments, diluents, thickeners, fillers, softeners, toughening agents. The scope does not include mixtures of MDI with other materials, when the combined MDI component comprises less than 40 percent of the total weight of the mixture.

MDI may be partially reacted with itself, polyol, or polyamines, and retain MDI component that has not fully chemically reacted so as to convert it

⁸ 90 FR 44629, September 16, 2025.

into a different product no longer containing isocyanate groups. These products are known as homopolymer, uretonimine MDI, carbodiimide MDI, or prepolymers. The scope does not include partially reacted MDI when its NCO content is less than 10 weight percentage.

For MDI that enter as part of a system with separately packaged resin consisting mostly of a chemical compound that has an OH reactive group, including polyol, only the MDI portion of the system is included in the scope. The scope does not include any separately packaged polyol that would not fall within the scope if entered on its own.

The scope includes merchandise matching the above description that has been processed in a third country, including by commingling, diluting, introducing or removing additives, or performing any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the subject country.

The scope also includes MDI that is commingled or blended with MDI from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

This merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 2929.10.8010 and 3909.31.0000. Subject merchandise may also be entered under subheadings 3824.99.2600, 3909.50.1000, 3909.50.2000, 3909.50.5000, 3824.99.2900, 3506.91.5000, 3911.90.4500, 3921.13.5000, and 3920.99.5000. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope is dispositive.

Tariff treatment

MDI are currently imported under Harmonized Tariff Schedule of the United States (“HTS”) statistical reporting numbers 2929.10.8010 and 3909.31.0000.⁹ The general rate of duty is 6.5 percent ad valorem for both numbers.¹⁰ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Below is a summary of additional tariffs applied to MDI during the period of investigation. See table 1.3 for a summary of additional tariffs in place as of March 2, 2026.

Table 1.3 MDI: Additional tariffs on imports originating in China as of March 2, 2026.

Duty rates in percent ad valorem

| Additional tariff | China (imported under HTS 2929.10.8010) | China (Imported under HTS 3909.31.0000) |
|----------------------------------|--|--|
| Section 301 | NA | 25 |
| Section 122 | 10 | 10 |
| Total additional ad valorem rate | 10 | 35 |

Source: Federal Register notices and other sources cited in this section (Tariff treatment).

Note: For the purposes of this table, “not applicable” is shown as “NA.” This applies when the subject product from that subject country is not subject to the tariff for any reason. Duty rates in the table reflect the duty rates as of the writing of this report. See the text above for historical changes to the additional tariffs.

Section 301 tariffs

Effective September 24, 2018, MDI originating in China imported under HTS statistical reporting number 3909.31.0000 were subject to an additional 10 percent ad valorem duty under section 301 of the Trade Act of 1974. Effective May 10, 2019, the section 301 duty for these MDI increased to 25 percent. MDI originating in China imported under HTS statistical reporting number 2929.10.8010 are not subject to an additional duty under section 301 of the Trade Act of 1974.¹¹

⁹ USITC, HTS (2026) Revision 4, Publication 5711, February 2026, pp. 29-105, 39-11.

¹⁰ The subject merchandise may also be imported under the following HTS statistical reporting numbers: 3506.91.5000, 3824.99.2600, 3824.99.2900, 3909.50.1000, 3909.50.2000, 3909.50.5000, 3911.90.4500, 3920.99.5000, and 3921.13.5000. USITC, HTS (2026) Revision 4, Publication 5711, February 2026, pp. 29.104, 35.4, 38.23, 39.11, 39.12, 39.26, and 39.28.

¹¹ 83 FR 47974, September 21, 2018; 84 FR 20459, May 9, 2019. See also HTS headings 9903.88.03 and 9903.88.04 and U.S. notes 20(e), 20(f), and 20(g) to subchapter 3 of chapter 99 and related tariff (continued...)

Section 122 tariffs

Effective February 24, 2026, MDI originating in China are subject to an additional 10 percent ad valorem duty under section 122 of the Trade Act of 1974.¹²

Tariffs initiated under the International Emergency Economic Powers Act (“IEEPA”)¹³

Effective February 20, 2026, all tariffs initiated under IEEPA were terminated. Below is a history of the IEEPA tariffs relevant to MDI originating in China that were in effect until February 20, 2026.¹⁴

Country specific IEEPA tariffs

Effective February 4, 2025, MDI originating in China were subject to an additional 10 percent ad valorem duty under IEEPA, and on March 4, 2025, that additional duty increased to 20 percent ad valorem. However, effective November 10, 2025, that additional duty was

(...continued)

provisions for this duty treatment. USITC, HTS (2026) Revision 4, Publication 5711, February 2026, pp. 99.3.90 to 99.3.91, and 99.3.101. Goods exported from China to the United States prior to May 10, 2019, and entering the United States prior to June 1, 2019, were not subject to the escalated 25 percent duty (84 FR 21892, May 15, 2019).

¹² Section 122 authorizes the President to impose a temporary import surcharge for a period not exceeding 150 days unless such period is extended by an Act of the Congress. 91 FR 9339, February 25, 2026. See also HTS heading 9903.03.01 and U.S. note 2(aa) to subchapter 3 of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2026) Revision 4, Publication 5711, February 2026, pp. 99.3.56 to 99.3.59, 99.3.411.

¹³ Multiple tariffs were enacted under the authority of the International Emergency Economic Powers Act (“IEEPA”), including tariffs that applied to countries that may not be subject in this proceeding. Tariffs specific to Canada, China, and Mexico were initiated in February 2025. Tariffs initiated in April 2025 under IEEPA were applied globally. Tariffs specific to Brazil were initiated in July 2025. Tariffs specific to India were initiated in August 2025 and terminated effective February 7, 2026. Tariffs under IEEPA were amended over time. All tariffs initiated under IEEPA were terminated effective February 20, 2026. 91 FR 9437, February 25, 2026.

¹⁴ 91 FR 9437, February 25, 2026.

reduced back to 10 percent.¹⁵ Effective February 20, 2026, tariffs initiated under IEEPA and the associated duties imposed under IEEPA were terminated.¹⁶

Tariffs initiated in April 2025 under IEEPA

Effective April 5, 2025, MDI originating in China were subject to an additional 10 percent ad valorem duty as part of tariffs initiated in April 2025 under IEEPA. That duty rose to 84 percent ad valorem effective April 9, 2025, and rose again to 125 percent effective April 10, 2025. However, effective May 14, 2025, the duty rate for tariffs initiated in April 2025 under IEEPA on products originating in China was reduced to 10 percent.¹⁷ Effective February 20, 2026, tariffs initiated under IEEPA and the associated duties imposed under IEEPA were terminated.¹⁸

The product

Description and applications

Methylene diphenyl diisocyanate (MDI) belongs to a class of chemical compounds known as aromatic isocyanates.¹⁹ MDI and its various forms are associated with the following Chemical Abstract Service (CAS) numbers: 9016-87-9, 101-68-8, 5873-54-1, 2536-05-2, 1689576-89-3, 25686-28-6, 26447-40-5, and 39310-05-9.²⁰ MDI contains two benzene rings separated by a methylene bridge, each bearing an isocyanate (-N=C=O) group. It is usually commercially available as a monomer, a starting material used to produce a variety of

¹⁵ 90 FR 9121, February 7, 2025; 90 FR 11426, March 6, 2025; 90 FR 11463, March 7, 2025; 90 FR 50725, November 7, 2025. See also HTS heading 9903.01.20 and U.S. note 2(s) and HTS heading 9903.01.24 and U.S. note 2(u) to subchapter 3 of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2026) Revision 4, Publication 5711, February 2026, pp. 99.3.4 to 99.3.5, 99.3.365 to 99.3.366.

¹⁶ 91 FR 9437, February 25, 2026.

¹⁷ For China, the duty as part of tariffs initiated in April 2025 under IEEPA was in addition to the 10 percent ad valorem duty under IEEPA that went into effect on November 10, 2025. 90 FR 15041, April 7, 2025; 90 FR 15509, April 14, 2025; 90 FR 15625, April 15, 2025; 90 FR 21831, May 21, 2025; 90 FR 39305, August 14, 2025; 90 FR 50729, November 7, 2025. See also HTS headings 9903.01.25 and 9903.01.63 and U.S. note 2(v) to subchapter 3 of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2026) Revision 5, Publication 5726, April 2026, pp. 99.3.4 to 99.3.41, 99.3.367, 99.3.374.

¹⁸ 91 FR 9437, February 25, 2026.

¹⁹ Petition, p. 11.

²⁰ Petition, p. 16.

isocyanate polymers.²¹ MDI may be reacted with itself, polyols, or polyamines to form a diverse range of polymers. Products containing MDI may be marketed in various forms depending on the desired performance characteristics in the final application. MDI is available in three forms: monomeric MDI (MMDI), polymeric MDI (PMDI), and modified MDI.²² MDI are usually packaged in 55-gallon steel drums, intermediate bulk containers (also called “totes”), 5-gallon plastic pails, or 1-liter or 4-liter aluminum containers.²³ To avoid water contamination, the containers can contain nitrogen blankets and should be tightly sealed.²⁴

The most common applications of the various forms of MDI are listed below:

MMDI: Pure 4,4’-MDI (CAS no. 9016-87-9) is a crystalline solid at room temperature but is generally used in liquid form.²⁵ Shipped frozen for safety concerns and to avoid formation of contaminants, the MMDI is melted for use via steam heat, ovens, or heated rooms.²⁶ ***—to enable safer handling.²⁷ The monomeric form is used in various thermoplastic and cast elastomer applications. It is also used in Coatings, Adhesives, Sealants and Elastomers, commonly referred to as “CASE” applications. The monomeric form is produced upon further purification of PMDI by distillation, and may contain 4,4’ and 2,4’ isomers (CAS no. 5873-54-1), shown below in figure 1.1.

²¹ A polymer is a large molecule formed by interlinking smaller units called monomers in a repeating fashion. “Polymer,” Encyclopedia Britannica, <https://www.britannica.com/science/polymer>. accessed on February 26, 2025.

²² BASF MDI Handbook-North America, pp. 5-7. https://polyurethanes.basf.us/files/pdf/2019-MDI-Handbook_EL.pdf, accessed on February 21, 2025.

²³ American Chemistry Council, “Disposal of Waste MDI and Used MDI Storage Containers,” <https://www.americanchemistry.com/industry-groups/diisocyanates-dii/environmental-health-and-safety/worker-industry-health-and-safety-guidance/disposal-of-waste-mdi-and-used-mdi-storage-containers>, accessed March 3, 2026. PMDI is also sometimes called “crude” MDI. Staff field trip report, Dow, February 26, 2026

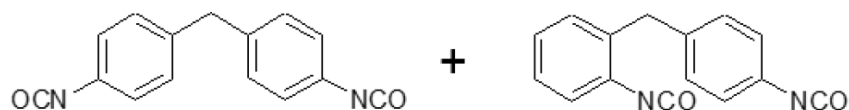
²⁴ Demilec, “A-PMDI: Safety Data Sheet,” <https://www.amddistribution.com/wp-content/uploads/2022/05/A-PMDI-SDS-2.pdf>, March 11, 2015.

²⁵ Gantrade, “Methylene Diphenyl Diisocyanate (MDI) - Essential Building Blocks for Polyurethanes,” <https://www.gantrade.com/blog/methylene-diphenyl-diisocyanate-mdi-essential-building-blocks-for-polyurethanes#:~:text=coatings%20and%20adhesives.-,Polymeric%20MDIs,%C2%B0C%20to%20avoid%20dimerization>, November 2, 2018.

²⁶ American Chemistry Council, “Guidance for Melting 4,4’-Methylene Diphenyl Diisocyanate (MDI) in Drums,” <https://www.americanchemistry.com/content/download/4795/file/Guidance-for-Melting-4,4%27-Methylene-Diphenyl-Diisocyanates-MDI-in-Drums.pdf>, January 2012.

²⁷ Staff field trip report, Dow, February 26, 2026.

Figure 1.1: Structures of 4,4' and 2,4' MDI isomers



Source: BASF MDI Handbook - North America, pp. 5-7. https://polyurethanes.basf.us/files/pdf/2019-MDI-Handbook_EL.pdf, accessed on February 21, 2025.

PMDI: A liquid used in the manufacture of flexible, rigid, and packaging polyurethane foams, as well as in non-foam applications such as carpet backing, adhesives, composite wood binder, plywood patching compounds, and foundry core binders. PMDI accounts for *** of global MDI consumption.²⁸ PMDI's structure is shown in figure 1.4.

Modified MDI: Partially reacted MDI is also called homopolymer, uretonimine MDI, carbodiimide MDI, or prepolymers.²⁹ For example, in carbodiimide-modified MDI, carbodiimide chemistry is used to modify and stabilize MMDI to avoid handling and storage difficulties associated with pure MMDI. The modification process yields liquids that are stable and clear at room temperature. A portion of MMDI is reacted to produce a carbodiimide-modified isocyanate with a free-NCO weight between 29.2 percent and 29.5 percent. Carbodiimide-modified MDI is used in the manufacture of flexible and semi-rigid foams, reaction injection molded polyurethane automotive body parts, microcellular elastomers, adhesives, coatings, sealants, and two-component cast elastomers.¹³

Manufacturing processes

The synthesis of MDI begins with a condensation reaction³⁰ between aniline and formaldehyde (figure 1.2). The reaction uses hydrochloric acid as a catalyst and yields diphenylmethane diamine ($C_{13}H_{14}N_2$, containing two benzene rings), also known as MDA. The resultant MDA mixture contains two-ring isomers as well as oligomers.³¹

²⁸ Staff field trip report, Dow, February 26, 2026.

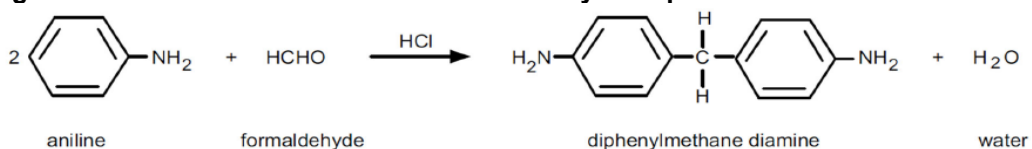
²⁹ Two of the CAS numbers presented in the scope are associated with the homopolymers of MDI. For more information on prepolymers, see Exhibit 7, Petitioner's Post-Conference Brief.

³⁰ A condensation reaction is a reaction in which two molecules combine to form a single molecule, usually with the loss of a small molecule like water.

[https://chem.libretexts.org/Bookshelves/Introductory_Chemistry/Introductory_Chemistry_\(CK-12\)/25%3A_Organic_Chemistry/25.18%3A_Condensation_Reactions](https://chem.libretexts.org/Bookshelves/Introductory_Chemistry/Introductory_Chemistry_(CK-12)/25%3A_Organic_Chemistry/25.18%3A_Condensation_Reactions), accessed on February 26, 2025.

³¹ An oligomer is a polymer or polymer intermediate containing relatively few structural units. <https://www.merriam-webster.com/dictionary/oligomer>, accessed on March 10, 2025; Petition, p. 13.

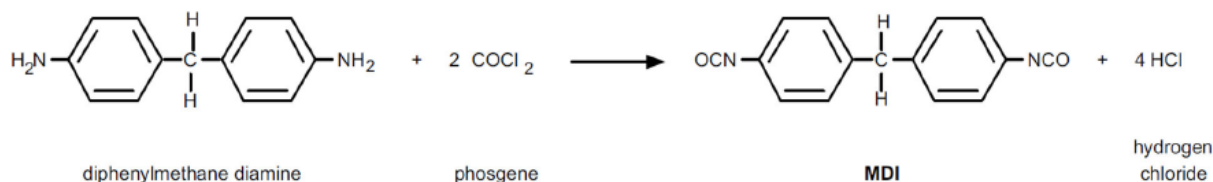
Figure 1.2: Treatment of aniline with formaldehyde to produce MDA



Source: Petition, p. 13.

MDA is then treated with phosgene (COCl_2) in a process known as phosgenation, which converts the amino ($-\text{NH}_2$) groups to isocyanate ($-\text{NCO}$) groups to yield MDI (figure 1.3). Only the $-\text{NH}_2$ groups are modified during this reaction, leaving the rest of the molecule intact. The resulting product is a mixture of MDI molecules consisting of two-ring isomers and higher-ring oligomers. Dow says ***³²

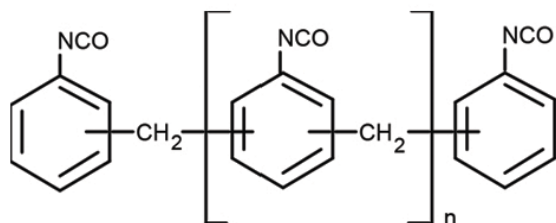
Figure 1.3: Treatment of MDA with phosgene to produce MDI



Source: Petition, p. 14.

The positions of the isocyanate groups remain identical to those as the amino groups in the starting MDA. The higher ring oligomers, commonly referred to as crude or polymeric MDI, may be represented as follows in figure 1.4:³³

Figure 1.4: Polymeric MDI



Source: Petition, p. 14.

The crude polymeric MDI mixture is then separated under a distillation column under vacuum into a top light fraction containing two-ring MDI molecules and a bottom-heavy

³² Staff field trip report, Dow, February 26, 2026.

³³ Staff field trip report, Dow, February 26, 2026.

fraction containing a mixture of two-ring MDI and longer-chain MDI molecules. A second distillation step of the light fraction is carried out to further separate the monomeric MDI (two-ring isomer mixture) into a pure 4,4' - MDI fraction and a second fraction composed of 50 percent 4,4' - MDI and 5 percent of a mixture of 2,2' - MDI and 2,4' - MDI isomers.³⁴ A schematic of the manufacturing process is shown in figure 1.5.³⁵

Figure 1.5: The MDI manufacturing process

* * * * *

Source: Staff field trip report, Dow, February 26, 2026. Reprinted with permission.

Domestic like product issues

In the preliminary phase of these investigations, the Commission defined a single domestic like product, coextensive with the scope. In the final phase of these investigations, no parties requested data or other information necessary for the analysis of the domestic like product.

³⁴ Petition, p. 14.

³⁵ Staff field trip report, Dow, February 26, 2026.

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

U.S. market characteristics

MDI is used to produce various polyurethane products, including foams (often for insulation), binders (often for wood products), elastomers, and adhesives. In turn, these downstream products are then used in a variety of industries, including housing, construction, bedding, automotive, and appliances. MDI is manufactured from natural gas and other chemicals produced from natural gas, and so U.S. production is located entirely in Texas and Louisiana. Four U.S. producers (BASF, Covestro, Dow, and Huntsman) supply a majority of the U.S. consumption of MDI. Chinese imports (mostly from Chinese producer Wanhua) and nonsubject imports (including from Wanhua facilities in Hungary) supply the rest.

Four U.S. producer/importers,^{1 2 3} 3 importers, and 8 of 32 responding purchasers indicated that the MDI market was subject to distinctive conditions of competition. Specifically, importer *** described such distinctive conditions as import competition, regional dynamics, and customer relationships. Importer *** described supply insecurity as a condition of competition. It continued that U.S. production is often interrupted due to Gulf Coast weather and also feedstock supply interruptions. It added that U.S. purchasers often add Chinese suppliers to mitigate these risks to relying solely on U.S. production. Importer *** stated that U.S. producers BASF and Dow consistently underestimate the size of the U.S. market and refuse to invest in additional capacity, resulting in demand exceeding domestic supply. U.S. producer/importer *** stated that, due to the capital-intensive nature of MDI production, it requires a high volume of utilization and production to justify additional investment. It also indicated that the presence of substantial imports had disrupted the U.S. market. U.S. producer/importer *** similarly described subject imports as pushing U.S. prices lower when they “flood” the U.S. market. U.S. producer/importer *** described distinctive conditions including production outages, force majeure, and other production disruptions. U.S. producer/importer *** stated that in the first quarter of each year, Chinese product often arrives in response to seasonal construction demand, sometimes adding an unplanned amount of supply to the U.S. market.

Among purchasers, 24 indicated that there were no distinctive conditions of competition beyond business cycles (discussed further below in Demand). The eight purchasers

¹ ***.

² Four firms *** submitted both U.S. producers’ and importers’ questionnaires. For purposes of this chapter, these firms are referred to either as U.S. producer/importers or U.S. producers depending on whether importers’ answers are reported separately in a table.

reporting distinctive conditions of competition described raw material costs (including benzene costs), the possibility (or limited possibility) of substituting other products for MDI or for MDI's downstream uses, the "oligopolistic" nature of MDI supply, availability, and weather impacts on domestic suppliers.

Three U.S. producer/importers and two importers stated that there had not been any significant changes in the product range, product mix or marketing of MDI products since January 1, 2022. U.S. producer/importer *** stated that its product mix shifted from ***. It added that the prices for boardstock crashed due to unfairly traded imports, pricing it out of that market. Importer *** stated that, in addition to ***.

Apparent U.S. consumption of MDI decreased by approximately 8 percent from 2022 to 2023 before rising by approximately 6 percent from 2023 to 2024. Overall, it decreased slightly (by about 2 percent) during 2022 to 2024. It was virtually unchanged from January 2024 to September 2024 to the same period in 2025.

U.S. purchasers

The Commission received 33 usable questionnaire responses from firms that had purchased MDI during January 2022 to September 2025.^{3 4 5} Twenty-two responding purchasers are end users, twelve are processors, one is a distributor, and one re-sells under a private label. Responding U.S. purchasers were located across the United States, including Ohio, Texas, Pennsylvania, Florida, Washington, Connecticut, Illinois, Colorado, New Jersey, and West Virginia. The responding purchasers represented firms in a variety of domestic industries, including furniture, bedding, construction, spray foam, and insulation. Large purchasers of MDI include ***.

Impact of tariffs

U.S. producers, importers, and purchasers were asked to report the impact of section 301 tariffs on overall demand, supply, prices, or raw material costs since January 1, 2022. As shown in table 2.1, two U.S. producer/importers, importer ***, and 13 purchasers indicated that these tariffs had an impact. U.S. producer/importer *** and seven purchasers

³ The following firms provided purchaser questionnaire responses: ***. ***.

⁴ Of the 33 responding purchasers, 33 purchased domestic MDI, 26 purchased imports of the subject merchandise from China, 9 purchased imports of or imported MDI from other sources (including Germany, Hungary, Japan, the Netherlands, and South Korea) and 6 purchased imports of MDI from unknown sources. Four firms purchasing imports of MDI from unknown source indicated that their supplier was Wanhua, which supplies from ***.

Because U.S. producers also import MDI, purchasers were asked, if they purchased MDI products from a domestic producer that also imports MDI products, do they inquire or are they aware of the country in which it was produced. Seventeen purchasers indicated that they did not inquire or were not aware, and fifteen indicated that they were. Some purchaser responses showed different experiences. For example, purchasers *** indicated that suppliers let them know the source of the MDI. However, purchasers *** indicated that they do not know or are not told. Purchaser *** stated that is sometimes is told, depending on producer transparency.

⁵ Thirty-three purchasers indicated they had marketing/pricing knowledge of domestic product, 30 of Chinese product, 10 of Belgian product, 21 of German product, 6 of Netherlands product, 4 of Portuguese product, 5 of Saudi Arabian product, 17 of South Korean product, 9 of Spanish product, and 11 of other nonsubject countries, including Hungary and Japan.

indicated that the section 301 tariffs had no impact. Two importers, U.S. producer/importer ***, and 12 purchasers indicated that they did not know. In additional comments, U.S. producer/importers *** described the section 301 tariffs as not discouraging Chinese imports since 2022, with *** describing importers as lowering prices even more in order to maintain market share. Importer *** stated that there was no new impact of the section 301 tariffs after January 1, 2022, as the tariffs were originally imposed in 2019 and remained unchanged since. Purchasers describing an impact indicated that the tariffs had led to shortages of material from Wanhua, increased prices of material from Wanhua, increased prices of material from domestic producers, lower MDI consumption, and/or imports from Canada or Mexico of downstream products using MDI.⁶

Table 2.1 MDI products: Count of firms' responses regarding impact of the 301 tariffs, by firm type

| Firm type | No | Yes | Don't know |
|-------------------------|----|-----|------------|
| U.S. producer/importers | 1 | 2 | 1 |
| Importers | 0 | 1 | 2 |
| Purchasers | 7 | 13 | 12 |

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

Note: U.S. producer/importers have their responses counted only under U.S. producer/importers.

U.S. producers, importers, and purchasers were asked to report the impact of tariff announcements associated with recent executive orders since January 1, 2025 on overall demand, supply, prices, or raw material costs. As shown in table 2.2, three U.S. producer/importers and 5 purchasers indicated that the tariffs had no impact, 2 importers (***) and 19 purchasers indicated that they had, and importer ***, U.S. producer/importer ***, and 8 purchasers indicated that they did not know. Purchasers describing an impact generally indicated the same effects as they had for the section 301 tariffs, i.e., that the tariffs had led to shortages of material from Wanhua, increased prices of material from Wanhua, increased prices of material from domestic producers, lower MDI consumption, and/or imports from Canada or Mexico of downstream products using MDI. In additional comments, U.S. producer/importers *** described these new tariffs as having less effect than the larger provisional antidumping duties. U.S. producer/importer Dow described Chinese importers as having built large inventories before the tariffs, allowing them to continue to sell at low prices after the tariff implementation. It also stated that it had received purchaser feedback reporting that Canadian firms are supplying the U.S. market with Chinese product but paying lower Canadian duties. Importer ***

⁶ Some purchaser comments likely did not distinguish between section 301 tariffs and other tariffs, as they referenced tariff changes in 2025.

reported increasing prices with each tariff announcement. Importer *** stated that the tariffs announced in February 2025 had resulted in suspension of the availability of MDI for spray foam. It described ***.⁷

Table 2.2 MDI products: Count of firms’ responses regarding impact of the new/modified tariffs, by firm type

| Firm type | No | Yes | Don’t know |
|-------------------------|----|-----|------------|
| U.S. producer/importers | 3 | 0 | 1 |
| Importers | 0 | 2 | 1 |
| Purchasers | 5 | 19 | 8 |

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

Note: U.S. producer/importers have their responses counted only under U.S. producer/importers.

Channels of distribution

U.S. producers and importers sold mainly to end users, as shown in table 2.3. Purchasers (including non-distributors such as processors and end users) indicated that they sold MDI to spray foam applicators and end users in the bedding, building materials, construction, furniture, and insulation industries. Distributor purchasers were asked if they compete for sales with the MDI suppliers from which they purchase MDI. While only one purchaser (***) indicated it was a distributor, 11 purchasers responded to the question, with five (including ***) indicating that they do compete with their suppliers. These five firms usually described competing with BASF, Dow, and/or Huntsman in supplying ***. Additionally, at the hearing, Wanhua described BASF, Huntsman, and Dow (though to a lesser extent) as also producing spray foam, so that some purchasers prefer purchasing from “independent” (i.e., not also producing spray foam) MDI suppliers, i.e. Covestro and Wanhua.⁸

⁷ This product corresponds to ***.

⁸ Hearing transcript, pp. 167-169 (Sturgeon).

Table 2.3 MDI: Share of U.S. shipments by source, channel of distribution, and period

Shares in percent; interim is January through September

| Source | Channel | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------------|-------------|------|------|------|--------------|--------------|
| United States | Distributor | *** | *** | *** | *** | *** |
| United States | Processors | *** | *** | *** | *** | *** |
| United States | End user | *** | *** | *** | *** | *** |
| China | Distributor | *** | *** | *** | *** | *** |
| China | Processors | *** | *** | *** | *** | *** |
| China | End user | *** | *** | *** | *** | *** |
| Nonsubject sources | Distributor | *** | *** | *** | *** | *** |
| Nonsubject sources | Processors | *** | *** | *** | *** | *** |
| Nonsubject sources | End user | *** | *** | *** | *** | *** |
| All import sources | Distributor | *** | *** | *** | *** | *** |
| All import sources | Processors | *** | *** | *** | *** | *** |
| All import sources | End user | *** | *** | *** | *** | *** |

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

Note: Processors refers to distillers and processors.

Geographic distribution

U.S. producers and importers reported selling MDI to all regions in the contiguous United States (table 2.4). For U.S. producers, 10.2 percent of sales were within 100 miles of their production facility, 54.4 percent were between 101 and 1,000 miles, and 35.4 percent were over 1,000 miles. Importers sold 29.9 percent within 100 miles of their U.S. point of shipment, 60.0 percent between 101 and 1,000 miles, and 10.0 percent over 1,000 miles.

Table 2.4 MDI: Count of U.S. producers' and U.S. importers' geographic markets

| Region | U.S. producers | China |
|----------------------------|----------------|-------|
| Northeast | 4 | 3 |
| Midwest | 4 | 3 |
| Southeast | 4 | 3 |
| Central Southwest | 4 | 3 |
| Mountain | 4 | 2 |
| Pacific Coast | 4 | 2 |
| Other | 1 | 0 |
| All regions (except Other) | 4 | 2 |
| Reporting firms | 4 | 3 |

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

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

Supply and demand considerations

U.S. supply

Table 2.5 provides a summary of the supply factors regarding MDI from U.S. producers and from subject countries. Chinese capacity rose approximately 17.6 percent from 2022 to 2024, while U.S. capacity fell slightly.

Table 2.5 MDI: Supply factors that affect the ability to increase shipments to the U.S. market, by country

Quantity in short tons; ratio and share in percent

| Factor | Measure | United States | China |
|---|----------|---------------|-------|
| Capacity 2022 | Quantity | 1,677,247 | *** |
| Capacity 2024 | Quantity | 1,621,805 | *** |
| Capacity utilization 2022 | Ratio | 75.8 | *** |
| Capacity utilization 2024 | Ratio | 79.0 | *** |
| Inventories to total shipments 2022 | Ratio | 10.2 | *** |
| Inventories to total shipments 2024 | Ratio | 11.2 | *** |
| Home market shipments 2024 | Share | 78.9 | *** |
| Non-US export market shipments 2024 | Share | 21.1 | *** |
| Ability to shift production (firms reporting “yes”) | Count | *** | *** |

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

Note: Responding U.S. producers accounted for all U.S. production of MDI in 2025. Responding foreign producer/exporter firms accounted for all or nearly all U.S. imports of MDI from China during 2025. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from each subject country, please refer to Parts 3 and 7.

Domestic production

Based on available information, U.S. producers of MDI have the ability to respond to changes in demand with moderate-to-large changes in the quantity of shipments of U.S.-produced MDI to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and the ability to shift shipments from alternate markets or inventories. However, there is little ability to shift production from other products. Additionally, purchasers sometimes reported supply constraints for various reasons (as described in Supply constraints below).

Seventeen purchasers stated that the availability of U.S.-produced MDI in the U.S. market had changed since January 1, 2022, and 16 stated that it had not. Among those describing changes in availability, six described U.S. producers as adding capacity, sometimes after experiencing shortages during the COVID-19 pandemic. Two purchasers described

domestic demand as exceeding domestic supply. Four purchasers described domestic suppliers as having supply interruptions due to weather-related events, force majeure, or BASF prioritizing production for internal use.

Subject imports from China

Based on available information, producers of MDI from China have the ability to respond to changes in demand with moderate-to-large changes in the quantity of shipments of MDI to the U.S. market. There is little availability of unused Chinese capacity or inventories, but the Chinese industry has shown an ability to raise capacity since 2022. Additionally, there are substantial shipments to non-U.S. markets.

Twenty-three purchasers stated that the availability of Chinese-produced MDI in the U.S. market had changed since January 1, 2022, and eight stated that it had not. Among those describing changes in availability, 16 indicated that the supply of Chinese MDI had decreased, attributing the decrease to various tariffs, including new tariffs in 2025 and potential tariffs from these investigations. However, four indicated that the supply of Chinese MDI had increased due to Wanhua's development of its sales infrastructure in the United States.

Imports from nonsubject sources

Sources for nonsubject imports include Belgium, Germany, Hungary, Japan, Mexico, the Netherlands, Portugal, South Korea, and Spain. Nonsubject imports accounted for *** percent of total U.S. imports in 2024.

Twelve purchasers stated that the availability of MDI produced in nonsubject countries in the U.S. market had changed since January 1, 2022, and 16 stated that it had not. Among those describing changes in availability, 11 reported increased availability of nonsubject-country MDI, attributing the increase to weak European demand diverting production, domestic producers and/or Wanhua importing from Europe, and/or nonsubject imports replacing Chinese product subject to tariffs. One importer described decreased availability of nonsubject-country imports due to the new tariffs in 2025.

Supply constraints

Three U.S. producers and four of seven importers reported that they had experienced supply constraints since January 1, 2022.⁹ (***)

⁹ ***.

***). U.S. producer *** and importer *** indicated that they had not experienced supply constraints. *** described frequent supply constraints at domestic producers, specifically BASF, Covestro and Dow, since January 1, 2022. Importer *** only reported constraints after January 1, 2025, due to Customs issues and new tariffs).

Of those firms that reported they had experienced supply constraints, three reported the constraints occurred during 2022, none reported they occurred during 2023, three during 2024, and one reported they occurred since January 2025 (table 2.6). Constraints reported by domestic producers included power losses, raw material shortages, and freeze events, sometimes leading to these firms declaring force majeure.

Twenty of 32 responding purchasers indicated that they had experienced supply constraints, with more constraints reported from domestic producers, in particular in 2022 (17 from domestic producers and 5 from importers) and 2024 (12 from domestic producers and 1 from importers). (In 2023, purchasers reported six constraints from domestic producers and one from importers.) Constraints purchasers experienced in 2022 were reported from every domestic supplier and (less commonly) from importers Wanhua and Tosoh as well. The constraints included allocations, shortages, shutdowns, and force majeures. Similar, but fewer, constraints were reported in 2023. In 2024, purchasers reported constraints of the same type they reported in 2022 (shutdowns, force majeure, etc.). Additionally, purchaser *** stated that some suppliers do not participate in the *** market, and purchaser *** stated that controversy over the Chinese government’s treatment of the Uyghurs made importing from Wanhua more difficult. In 2025, there were fewer purchaser reports of constraints (three from domestic producers and two from importers), but two of the reports centered on the new 2025 tariffs or Wanhua allegedly no longer exporting to the United States.

Table 2.6 MDI: Count of firms’ responses regarding timing of supply constraints, by firm type and source

| Firm type | Source | 2022 | 2023 | 2024 | January 1, 2025 - present |
|----------------|----------|------|------|------|---------------------------|
| U.S. producers | Domestic | 3 | 0 | 3 | 1 |
| Importers | Imported | 4 | 2 | 4 | 1 |
| Purchasers | Domestic | 17 | 6 | 12 | 3 |
| Purchasers | Imported | 5 | 1 | 1 | 2 |

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

Two U.S. producers, five importers (***), and 19 purchasers indicated that there were no

specific supply constraints related to the petition in this investigation. Two purchasers cited supply constraints, with *** stating that Wanhua has stopped bringing in material and *** stating that BASF and Dow were currently on allocation.

New suppliers

Thirty of 33 purchasers indicated that no new suppliers entered the U.S. market since January 1, 2022. Three purchasers indicated new suppliers had entered the market, citing South Korean supplier Kumho Mitsui or product from Canada and Mexico becoming more competitive due to tariff advantages from those countries.

U.S. demand

Based on available information, the overall demand for MDI products is likely to experience moderate-to-low changes in response to changes in price. The main contributing factors are the varying cost share for MDI products' downstream uses and the somewhat limited range of substitute products.

End uses and cost share

U.S. demand for MDI depends on the demand for U.S.-produced downstream products. Reported end uses include polyisocyanurate insulation ("polyiso"), woodbinder used to make oriented strand board ("OSB") and medium density fiberboard ("MDF"), spray foam insulation, appliances, coatings, automotive applications, and elastomers. Importer *** estimated that polyurethane foams accounted for 53 percent of U.S. demand. It submitted a ***. The survey also described North American polyurethane as being used predominantly in the *** industry.¹⁰

MDI accounts for a wide variety of shares of the cost of the end-use products in which it is used, in part depending on whether one is examining more immediate downstream products (such as foams) or further downstream products (such as appliances). U.S. producers and importers reported cost shares for some end uses as follows: polyiso (50-80 percent), elastomers (20 percent), OSB (5-30 percent), coatings (50 percent), woodbinder (10 percent),

¹⁰ See ***.

spray foam insulation (40-50 percent), and domestic appliances (10 percent). Purchasers reported cost shares for some end uses as follows: OSB (7-22 percent), polyiso insulation (40-60 percent), spray foam (13-50 percent), refrigerators and freezers (3 percent), carpet pads (18 percent), thermoplastic polyurethane (20 percent), coatings (4 to 40 percent), door insulation and panels (5 to 17 percent), adhesives (3 percent) and mattresses and pillows (6 to 9 percent).¹¹

Business cycles

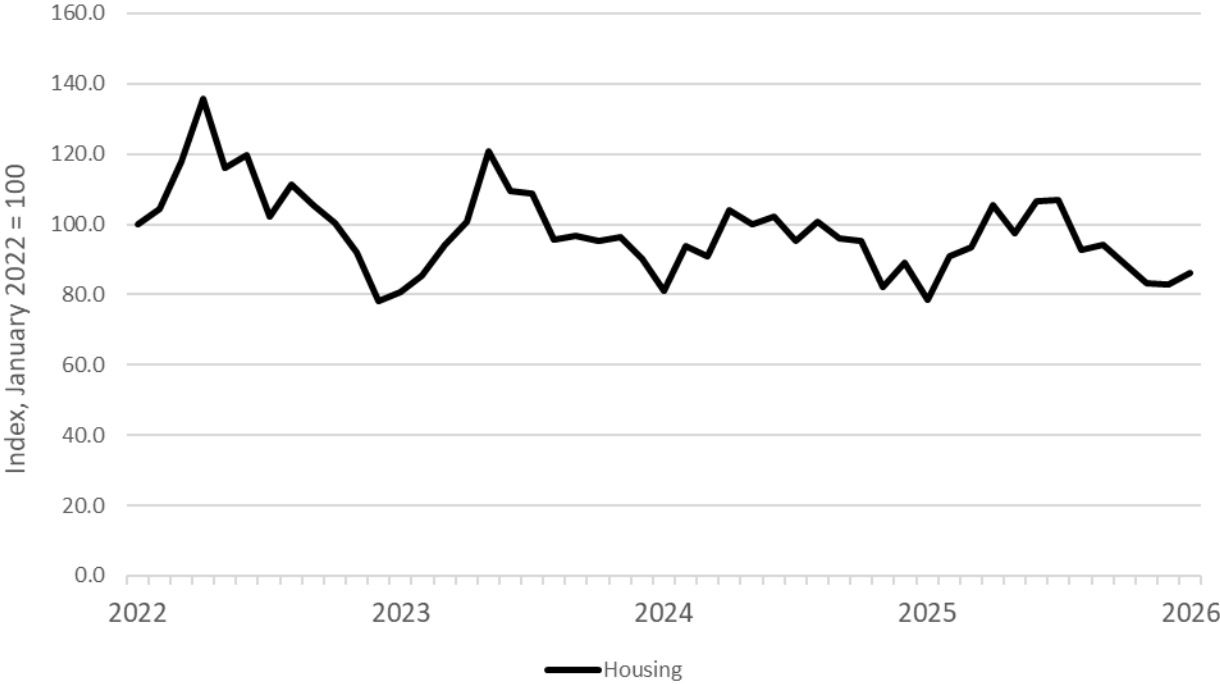
Four U.S. producer/importers, 3 importers, and 23 purchasers indicated that the MDI market was subject to business cycles. Most U.S. producers and importers cited the residential and/or commercial construction season in the warmer months as a period of higher demand, with importer *** elaborating that demand for some types of MDI can be twice as high in the summer as in the winter. It added that the business cycle for MDI is also affected across years by trends in residential construction. U.S. producer/importer *** and importer *** also stated that automotive demand cycles can affect MDI demand. Importer *** also stated that force majeure at MDI production facilities are a distinctive condition of competition in the MDI market. Purchasers also cited seasonal factors as distinctive conditions of competition. While different purchasers in different industries (bedding, insulation, roofing, carpets, packaging, etc.) described somewhat different drivers of business cycles (housing, construction, etc.), they generally described increasing demand in the summer and decreasing demand in the winter. Three purchasers also described macroeconomic factors (interest rates, overall economic activity, etc.) as influencing MDI demand.

Demand trends

As described by U.S. producers, importers, and purchasers, demand for MDI follows both specific economic sectors such as housing construction as well as broad macroeconomic trends. New housing construction declined about 14 percent from January 2022 to January 2026 (figure 2.1 and table 2.7). Real GDP experienced growth in most quarters of 2022 through 2025 except for the first quarters of 2022 and 2025 (figure 2.2 and table 2.8).

¹¹ Purchaser *** stated that the percents it provided could vary based on the foam grade.

Figure 2.1: New housing construction, January 2022 to January 2026



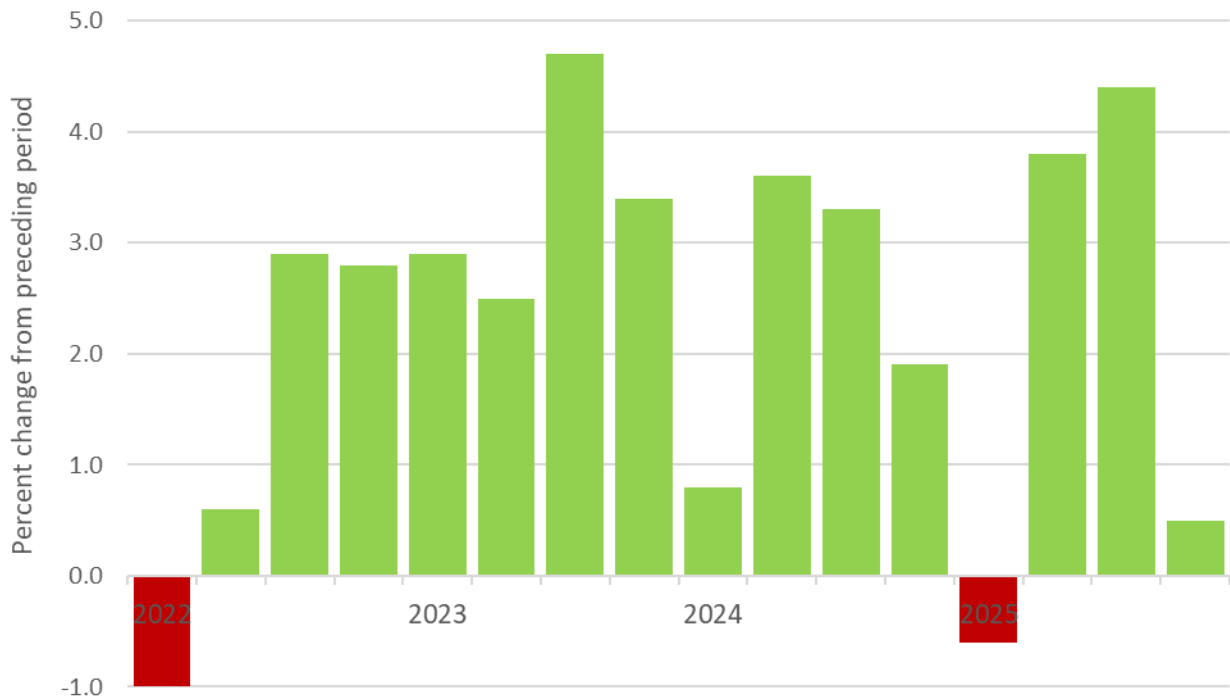
Source: Staff calculations on New Privately-Owned Housing Units Started, U.S. Census Bureau via Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/HOUSTNSA>, accessed February 27, March 12, and April 10, 2026.

Table 2.7 New housing construction, January 2022 to January 2026

| Month | 2022 | 2023 | 2024 | 2025 | 2026 |
|-----------|-------|-------|-------|-------|------|
| January | 100.0 | 80.7 | 80.9 | 78.5 | 86.2 |
| February | 104.2 | 85.3 | 94.0 | 90.7 | — |
| March | 117.9 | 94.2 | 90.7 | 93.3 | — |
| April | 135.8 | 100.6 | 103.9 | 105.5 | — |
| May | 116.2 | 120.7 | 99.9 | 97.4 | — |
| June | 119.8 | 109.6 | 102.1 | 106.7 | — |
| July | 102.2 | 108.6 | 95.3 | 106.9 | — |
| August | 111.2 | 95.7 | 100.7 | 92.7 | — |
| September | 105.4 | 96.7 | 96.0 | 94.3 | — |
| October | 100.5 | 95.1 | 95.1 | 88.8 | — |
| November | 91.8 | 96.3 | 82.0 | 83.4 | — |
| December | 78.3 | 90.0 | 89.3 | 83.1 | — |

Staff calculations on New Privately-Owned Housing Units Started, U.S. Census Bureau via Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/HOUSTNSA>, accessed February 27, March 12, and April 10, 2026.

Figure 2.2: GDP growth, percent change from previous period, seasonally adjusted annual rate, January 2022 to December 2025



Source: Real GDP growth, U.S. Bureau of Economic Analysis via Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/A191RL1Q225SBEA>, accessed February 27 and April 10, 2026.

Table 2.8: GDP growth, percent change from previous period, seasonally adjusted annual rate, by quarter, January 2022 to December 2025

| Quarter | 2022 | 2023 | 2024 | 2025 |
|---------|------|------|------|------|
| 1 | -1.0 | 2.9 | 0.8 | -0.6 |
| 2 | 0.6 | 2.5 | 3.6 | 3.8 |
| 3 | 2.9 | 4.7 | 3.3 | 4.4 |
| 4 | 2.8 | 3.4 | 1.9 | 0.5 |

Source: Real GDP growth, U.S. Bureau of Economic Analysis via Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/A191RL1Q225SBEA>, accessed February 27 and April 10, 2026.

U.S. producers and importers reported a variety of trends in U.S. demand for MDI since January 1, 2022, while most purchasers reported that demand had fluctuated downward or not changed (table 2.9). Specifically, importer *** stated that MDI demand from the spray foam insulation market grew steadily by about 8-15 percent annually. It added that U.S. suppliers chose to supply other segments, causing foreign suppliers to enter the U.S. market. U.S. producer/importer *** described demand as generally flat across most MDI market segments. U.S. producer/importer *** stated that high interest rates contributed to a decline in MDI demand in 2023. It added that MDI demand subsequently rebounded in 2024 as commercial construction returned. U.S. producer/importer *** stated that weaker demand from durable goods and construction led to lower demand for MDI. Importer *** stated that, typically, MDI demand grows roughly 2.5 times the rate of growth of GDP, but the COVID-19 pandemic’s impact on 2022 created “very high” demand for building products. It continued that this high demand resulted in downstream overstock by early 2023 when the pandemic eased. It added that in 2024, normal annual growth returned.

Purchasers described similar demand trends. Purchaser *** indicated that the slow housing market affected multiple MDI sectors, including wood products, spray foam, roofing, and appliances, and added that automotive demand had slowed also. Purchaser *** described demand slowing in similar sectors as well as in carpet pad, bedding, and furniture. Purchaser *** described MDI demand as following GDP generally, and purchasers *** described MDI demand as fluctuating or decreasing due to other macroeconomic variables such as interest rates, housing starts, and construction trends (for ***), and automobile builds and infrastructure (***). Multiple purchasers described MDI demand as having increased during the COVID-19 pandemic and/or as having fallen in recent years, with purchaser *** described MDI demand as down 30-35 percent in 2025.

In terms of foreign demand, U.S. producer/importer *** stated that demand in emerging markets and Asia was increasing. U.S. producer/importer *** described an increasing market share going to Chinese production. U.S. producer/importer *** stated

that, in Europe, high utility costs and regulations along with the Ukraine/Russia war are “stifling” demand. It added that demand in China and East Asia is decreasing due to a period of “recession.” Importer *** stated that MDI global demand usually grows annually, but was very high in 2022 due to the COVID-19 pandemic, and soft in 2023 as the COVID-19 pandemic eased. It added that, in 2024, normal growth returned globally. Among purchasers, *** described decreasing global demand due to inflation, higher interest rates, and economic slowing. Other purchasers also described the slowing global economy as driving slower foreign demand, with *** stating that demand had risen in Asia and decreased in Europe. However, purchaser *** stated that demand in Asia had risen as more downstream products using MDI are manufactured there.

Table 2.9 MDI: Count of firms’ responses regarding overall domestic and foreign demand, by firm type

| Market | Firm type | Steadily Increase | Fluctuate upward | No change | Fluctuate downward | Steadily decrease |
|-----------------|----------------|-------------------|------------------|-----------|--------------------|-------------------|
| Domestic demand | U.S. producers | 0 | 1 | 1 | 1 | 1 |
| Domestic demand | Importers | 1 | 1 | 2 | 3 | 1 |
| Domestic demand | Purchasers | 2 | 5 | 10 | 10 | 3 |
| Foreign demand | U.S. producers | 2 | 0 | 0 | 1 | 1 |
| Foreign demand | Importers | 3 | 1 | 0 | 1 | 1 |
| Foreign demand | Purchasers | 1 | 5 | 8 | 5 | 2 |

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

Note: Purchaser *** answered that domestic and foreign demand had both fluctuated upward and downward as part of normal economic conditions.

Regarding demand for their end-use products produced with MDI, purchasers reported a wide range of demand trends. Six reported such demand had steadily increased, 5 reported it had increased with fluctuations, 7 reported it was unchanged, 11 reported it had decreased with fluctuations, and 2 reported it had steadily decreased. Twenty purchasers stated that changes in demand for their end-use product caused similar changes in their demand for MDI. Eight purchasers stated that changes in demand for their end-use product did not cause changes in their demand for MDI. (One of these, ***, stated that because demand for its end-use products were constant, its demand for MDI had not changed.)

Substitute products

Substitutes for MDI are limited. Three U.S. producer/importers, three importers, and 25 purchasers stated that there were no substitutes. U.S. producer/importer *** indicated that expanded polystyrene, fiberglass, cellulose, formaldehyde-based resins, and mineral wool

were substitutes for MDI. However, it added that changes in the prices of those products have not affected the price of MDI. Six purchasers listed substitutes including phenolic resin (or PF resin) and other aromatic resins, including TDI (toluene diisocyanate). These purchasers indicated that PF resin can be used in OSB applications or TDI in polyurethane foam and coatings. However, in general, even these purchasers indicated that changes in the prices of substitutes had not changed the prices of MDI due to lack of PF resin supply, the superiority of MDI to PF resin in OSB, or differences in health warnings. However, purchaser *** indicated that MDI prices may need to fluctuate in order to maintain market share versus TDI in polyurethane foam applications.

Substitutability issues

This section assesses the degree to which U.S.-produced MDI and imports of MDI from subject countries can be substituted for one another by examining the importance of certain purchasing factors and the comparability of MDI from domestic and imported sources based on those factors. Based on available data, staff believes that there is a moderate to high degree of substitutability between domestically produced MDI and MDI imported from China.¹² Factors contributing to a high level of substitutability include generally high levels of interchangeability, with firms not widely reporting many factors other than price as significant. Factors contributing to a moderate level of substitutability include some purchasers reporting differences in availability between U.S. and subject product, describing U.S. product availability as sometimes restricted due to weather events. Additionally, a few purchasers reported other differences including in delivery time, logistics, lead times, quality, and reliability.¹³

¹² The degree of substitution between domestic and imported MDI depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced MDI to the MDI imported from subject countries (or vice versa) when prices change. The degree of substitution may include such factors as quality differences (e.g., grade standards, defect rates, etc.), and differences in sales conditions (e.g., lead times between order and delivery dates, reliability of supply, product services, etc.).

¹³ One aspect of substitutability is interchangeability. In its prehearing brief and at the conference, Wanhua described interchangeability of MDI from different sources as restricted due to issues of grades, delivery, and supplier specialization in certain grades, even if interchangeability is higher within grades. Prehearing brief of Wanhua, p. 13, and hearing transcript, pp. 163 to 166 (Sturgeon). However, Dow stated that some purchasers order MDI from multiple sources and use such MDI interchangeably in their operations. Hearing transcript, pp. 136 to 137 (Todd). In their posthearing brief, Petitioners described most U.S. sales of U.S. and Chinese product as directed to the same end uses, suggesting high interchangeability and high substitutability. Petitioners' posthearing brief, exhibit 1, pp. 6 to 10.

Factors affecting purchasing decisions

Purchaser decisions based on source

Twenty-seven purchasers stated that there were no differences in the availability of certain grades/types/sizes of MDI from certain country sources. Four purchasers stated that there were differences in availability. Two (***) described China as the only source for ***. Purchasers *** also indicated that some products were only available from certain sources but did not specify these sources. *** elaborated that not all MDI works with every spray foam formula.

Purchasers were asked if they or their customers ever prefer to order MDI products produced in a specific country or countries. Fourteen stated that they did, with nine indicating a preference for domestic product. These nine firms cited logistics, domestic preference, Buy America programs, supply chain risks, lead times, quality, and/or availability. One of these purchasers specified that customers sometimes have Buy America requirements, but it added that these requirements are not common. Additionally, purchasers *** stated a preference for product that is either not frozen or comes from a close plant location. *** stated that they would prefer to buy domestic MDI but sometimes needed to buy imported product due to a lack of availability. Purchaser *** stated it had a preference for product from Wanhua because of its high quality.

As shown in table 2.10, most purchasers and their customers sometimes or never make MDI purchasing decisions based on the MDI producer or country of origin of the MDI. However, 11 purchasers indicated that they always or usually make MDI purchasing decisions based on the MDI producer, and 8 indicated that they always or usually make such decisions on the basis of the country of origin of the MDI.

Purchasers indicating that they always or usually make decisions based the manufacturer cited numerous reasons for doing so, including service, delivery, price, reliability, qualifications (including approvals and registrations), and availability. Purchaser *** stated that it purchased from Wanhua for reasons of quality, while purchaser *** stated that it had a high comfort level with the quality of domestic MDI. Purchasers that reported their customers sometimes make decisions based on the producer stated that such preferences were often application specific. Two such purchasers indicated that their customers sometimes prefer Wanhua, and one stated that their customers sometimes prefer domestic producers due to Buy America programs.

Purchasers indicating that they always or usually make decisions based on country cited numerous reasons for doing so, including logistics, business relationships, availability, Buy America programs, and geopolitical considerations/tariffs. Three purchasers reported a preference for domestic product, although one of those purchasers (***) added that it also purchased imported product to mitigate supply risk. Purchasers that reported that their customers at least sometimes make decisions based on country cited occasional Buy America issues, geopolitical risk, and supply diversification as reasons.

Table 2.10 MDI: Count of purchasers’ responses regarding frequency of purchasing decisions based on producer and country of origin

| Firm making decision | Decision based on | Always | Usually | Sometimes | Never |
|----------------------|-------------------|--------|---------|-----------|-------|
| Purchaser | Producer | 8 | 3 | 8 | 13 |
| Customer | Producer | 0 | 1 | 6 | 19 |
| Purchaser | Country | 3 | 5 | 9 | 15 |
| Customer | Country | 0 | 1 | 5 | 19 |

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

Importance of purchasing domestic product

Twenty-seven purchasers reported that at least 98 percent of their purchases did not require purchasing U.S.-produced product. Five purchasers reported that domestic product was required by law (for one percent or less of their purchases), one purchaser reported it was required by their customers (for one percent of their purchases), and five reported other preferences for domestic product (for 25 to 100 percent of their purchases). These reasons cited for preferring domestic product included the purchaser’s preference for domestic product, security of supply, the short (10 day) shelf life of non-frozen MDI, and competitive U.S. pricing.

Most important purchase factors

The most often cited top three factors firms consider in their purchasing decisions for MDI were price/cost/total value (30 firms), availability/supply chain/reliability (29 firms), and quality/consistency (25 firms) as shown in table 2.11. Quality/consistency was the most frequently cited first-most important factor (cited by 14 firms), followed by availability/supply chain/reliability (12 firms); availability/supply chain/reliability was the most frequently reported second-most important factor (12 firms); and price/cost/total value was the most frequently reported third-most important factor (14 firms).¹⁴

¹⁴ Purchasers defined quality as meeting purchaser specification and functionality in purchasers’ products, as well as meeting other specifications in terms of color, viscosity, and purity.

Table 2.11 MDI: Count of ranking of factors used in purchasing decisions as reported by purchasers, by factor

| Factor | First | Second | Third | Total |
|---------------------------------------|-------|--------|-------|-------|
| Quality/consistency | 14 | 7 | 4 | 25 |
| Availability/supply chain/reliability | 12 | 12 | 5 | 29 |
| Price/cost/total value | 5 | 11 | 14 | 30 |
| Terms and conditions | 1 | 0 | 1 | 2 |
| Contracts | 0 | 0 | 2 | 2 |
| All other factors | 0 | 2 | 5 | 7 |

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

Note: Other factors include risk mitigation, delivery time, technical support, delivery time, extension of credit, reliability of delivery, relationship, and payment terms.

Sixteen purchasers reported that they usually purchase the lowest-priced MDI, 11 stated that they sometimes do, and 7 indicated that they always do.

Importance of specified purchase factors

Purchasers were asked to rate the importance of 16 factors in their purchasing decisions (table 2.12). The factors rated as very important by at least 25 responding purchasers were availability, quality meeting industry standards, reliability of supply, product consistency, price, and delivery time.

Table 2.12 MDI: Count of purchasers' responses regarding importance of purchase factors, by factor

| Factor | Very important | Somewhat important | Not important |
|------------------------------------|----------------|--------------------|---------------|
| Availability | 33 | 0 | 0 |
| Quality meets industry standards | 32 | 1 | 0 |
| Reliability of supply | 32 | 1 | 0 |
| Product consistency | 30 | 2 | 1 |
| Price | 29 | 4 | 0 |
| Delivery time | 25 | 9 | 0 |
| Delivery terms | 19 | 13 | 0 |
| U.S. transportation costs | 15 | 13 | 5 |
| Packaging | 11 | 12 | 10 |
| Payment terms | 10 | 21 | 2 |
| Quality exceeds industry standards | 10 | 16 | 6 |
| Discounts offered | 9 | 20 | 3 |
| Technical support/service | 9 | 18 | 6 |
| Proximity to bulk terminals | 4 | 9 | 20 |
| Product range | 3 | 19 | 11 |
| Minimum quantity requirements | 2 | 6 | 25 |

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

Lead times

MDI is primarily sold from inventory. U.S. producers reported that 70.8 percent of their commercial shipments were from inventory, with lead times averaging 14 days. The remaining 29.2 percent of their commercial shipments were produced to order, with lead times averaging 17 days. Importers reported that 80.3 percent of their commercial shipments were from U.S. inventory, with lead times averaging 14 days. The remaining 19.7 percent of their commercial shipments were from foreign inventories, with lead times averaging 75 days.

Supplier certification

Thirty of 33 responding purchasers require their suppliers to become certified or qualified to sell MDI to their firm. Twenty-two purchasers reported that the time to qualify a new supplier ranged somewhere between 30 to 180 days, with one purchaser reporting 10 days and three purchasers reporting more than 180 days. Qualification usually involves lab testing (either in-house or third party) and production trials to test factors including compliance to specifications, quality, reliability, and/or viscosity. Purchasers may also examine the reputation, capacity, and financial stability of suppliers.

Twenty-five purchasers reported that no domestic or foreign supplier had failed in its attempt to qualify MDI or had lost its approved status since January 1, 2022. Eight stated that some supplier had. Two of these purchasers listed Huntsman, two listed Wanhua, one listed BASF, one listed Covestro, one listed Dow, and one listed Korean producer Kumho as losing approved status. Reasons for losing approved status included quality in finished product and length of time since last supplying (***), substandard quality and inability to match currently sourced product (***), lack of Canadian certification for export of downstream products (Dow), lower shelf-life (***), and product not working (***) .

Minimum quality specifications

As can be seen from table 2.13, most responding purchasers reported that domestically produced MDI as well as product imported from China or nonsubject countries always or usually met minimum quality specifications. Purchasers describing MDI from nonsubject sources listed Germany, Hungary, Japan, South Korea, and/or Wanhua (which produces in China and Hungary) as nonsubject sources. The two purchasers providing “sometimes” ratings for MDI from nonsubject sources listed nonsubject sources as Hungary, Japan, South Korea, and/or Wanhua.

Table 2.13 MDI: Count of purchasers' responses regarding suppliers' ability to meet minimum quality specifications, by source

| Source of purchases | Always | Usually | Sometimes | Rarely or never | Don't Know |
|---------------------|--------|---------|-----------|-----------------|------------|
| United States | 16 | 16 | 1 | 0 | 0 |
| China | 14 | 12 | 1 | 0 | 6 |
| Nonsubject sources | 4 | 4 | 2 | 0 | 13 |

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

Note: Purchasers were asked how often domestically produced or imported MDI meets minimum quality specifications for their own or their customers' uses.

Product interchangeability

U.S. producers, importers, and purchasers were asked how often different types of MDI (crude, polymeric, monomeric, and other) are interchangeable (i.e., can be physically used in the same applications). U.S. producers usually reported that different types of MDI were sometimes or never interchangeable, and majorities of importers and purchasers indicated that different types were never interchangeable (tables 2.14 to 2.16).

In additional comments, U.S. producer *** stated that viscosity, isomer and monomer content are the determining factors in the interchangeability of different types of MDI. U.S. producer *** indicated that crude MDI could theoretically be used in certain applications. However, it added that crude and monomeric MDI are not interchangeable due to the molecular size, reactivity, and functionality of pure monomeric MDI. U.S. producer *** indicated that polymeric and monomeric MDI can be substituted in some applications, but not in many others. U.S. producer *** stated that crude MDI has different properties than other types of MDI and thus cannot be used interchangeably with them. Importer *** stated that it cannot substitute crude or polymeric MDI for other products for its applications. However, it added that monomeric MDI sometimes serves as the building block for other MDI products.

Importer *** described four reasons for the lack of interchangeability it reported among MDI products. First, it stated that MDI is not one product but rather a family of products with different properties and different end uses. Second, it stated that even within types of MDI segments (such as rigid polyurethane foams), there are further subdivisions that make MDI specifications for those subdivisions not interchangeable. Third, it stated that even within MDI meeting similar specifications there may be differences of quality between product of different producers, citing ***. Finally, it stated that some MDI suppliers do not compete in certain segments, citing ***.

Among purchasers, additional comments emphasized that most purchasers could not use different types of MDI in their production of downstream products, generally describing different products as different formulations that would require reformulation for their uses.

Table 2.14 MDI: Count of U.S. producers' responses comparing types of MDI

| Factor | Always | Frequently | Sometimes | Never |
|---|--------|------------|-----------|-------|
| Crude MDI vs. Polymeric MDI (excluding crude) | 0 | 0 | 1 | 3 |
| Crude MDI vs. Monomeric MDI | 0 | 0 | 0 | 4 |
| Crude MDI vs. All other MDI | 0 | 0 | 1 | 3 |
| Polymeric MDI (excl. crude) vs Monomeric MDI. | 0 | 0 | 3 | 1 |
| Polymeric MDI (excl. crude) vs. all other MDI | 0 | 0 | 4 | 0 |
| Monomeric MDI vs. all other MDI | 0 | 0 | 4 | 0 |

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

Table 2.15 MDI: Count of importers' responses comparing types of MDI

| Factor | Always | Frequently | Sometimes | Never |
|---|--------|------------|-----------|-------|
| Crude MDI vs. Polymeric MDI (excluding crude) | 0 | 0 | 0 | 2 |
| Crude MDI vs. Monomeric MDI | 0 | 0 | 0 | 2 |
| Crude MDI vs. All other MDI | 0 | 0 | 0 | 2 |
| Polymeric MDI (excl. crude) vs Monomeric MDI. | 0 | 0 | 0 | 2 |
| Polymeric MDI (excl. crude) vs. all other MDI | 0 | 0 | 0 | 2 |
| Monomeric MDI vs. all other MDI | 0 | 0 | 1 | 1 |

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

Note: This table only includes responses by firms that submitted an importers' questionnaire and did not also submit a U.S. producers' questionnaire.

Table 2.16 MDI: Count of purchasers' responses comparing types of MDI

| Factor | Always | Frequently | Sometimes | Never |
|---|--------|------------|-----------|-------|
| Crude MDI vs. Polymeric MDI (excluding crude) | 1 | 1 | 1 | 15 |
| Crude MDI vs. Monomeric MDI | 0 | 0 | 1 | 12 |
| Crude MDI vs. All other MDI | 0 | 0 | 1 | 10 |
| Polymeric MDI (excl. crude) vs Monomeric MDI. | 0 | 2 | 1 | 22 |
| Polymeric MDI (excl. crude) vs. all other MDI | 0 | 1 | 2 | 15 |
| Monomeric MDI vs. all other MDI | 0 | 1 | 2 | 12 |

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

Changes in purchasing patterns

Purchasers were also asked about changes in their purchasing patterns from different countries since January 1, 2022 (table 2.17). A majority of purchasers reported increased purchases of U.S.-produced MDI and decreased purchases of Chinese MDI, with few purchasers reporting changes in their purchases of imports from nonsubject countries. Purchasers often described changes in demand or market conditions as driving their changes in purchases of domestic MDI. Some purchasers also described purchasing more domestic MDI for reasons of stable prices, better service, risk mitigation, and tariffs. Two purchasers described purchasing less domestic MDI for reasons of quality and lack of available volume in 2022, although the firm

with the latter issue later increased its purchases of domestic product. Purchasers reported changing purchases of Chinese product due to demand, market conditions generally, and also availability issues with U.S. producers (e.g., force majeure, supply outages, etc.), especially in 2022. Some purchasers indicated that high prices and/or tariffs drove declines in purchases of Chinese product more recently. Regarding nonsubject countries, purchasers had few comments, but two noted that there had been recent increases in product from Hungary. Purchasers also noted changing imports from South Korea due to price and availability issues.

Table 2.17 MDI: Count of purchasers’ responses regarding changes in purchase patterns from U.S., subject, and nonsubject countries

| Source of purchases | Steadily Increase | Fluctuate Up | No change | Fluctuate Down | Steadily Decrease | Did not purchase |
|---------------------|-------------------|--------------|-----------|----------------|-------------------|------------------|
| United States | 10 | 12 | 3 | 8 | 1 | 0 |
| China | 2 | 2 | 2 | 12 | 11 | 1 |
| Belgium | 0 | 0 | 4 | 0 | 0 | 17 |
| Germany | 0 | 0 | 5 | 0 | 0 | 16 |
| Netherlands | 0 | 0 | 4 | 0 | 0 | 17 |
| Portugal | 0 | 0 | 4 | 0 | 0 | 17 |
| Saudi Arabia | 0 | 0 | 4 | 0 | 0 | 17 |
| South Korea | 1 | 0 | 7 | 1 | 2 | 11 |
| Spain | 0 | 0 | 4 | 0 | 0 | 17 |
| All other sources | 1 | 1 | 8 | 0 | 0 | 12 |
| Sources unknown | 1 | 0 | 5 | 1 | 1 | 14 |

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

Eighteen purchasers stated that they had changed suppliers since January 1, 2022, while 15 stated that they had not. Seven of the purchasers reporting that they changed suppliers indicated that they had added at least one domestic supplier, and five indicated that they had dropped at least one domestic supplier. Two purchasers indicated that they had added Wanhua or a Chinese supplier, and 10 indicated that they had dropped Wanhua/Chinese suppliers. In describing why they switched suppliers, purchasers cited pricing, risk mitigation, supplier diversification, tariffs, and service.

Purchase factor comparisons of domestic products, subject imports, and nonsubject imports

Purchasers were asked a number of questions comparing MDI produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 16 factors (table 2.12) for which they were asked to rate the importance. Their responses are summarized in table 2.18.

A majority of purchasers reported that U.S.-produced MDI and MDI imported from China were comparable on most factors, while pluralities reported that U.S. and Chinese MDI were comparable on availability, delivery time, and reliability of supply. Majorities of

purchasers generally described U.S. and nonsubject-country MDI as comparable on most factors, although again availability, delivery time, and reliability of supply (as well as price for Belgium and proximity to bulk terminals for South Korea) sometimes showed different results.¹⁵ In comparing Chinese product to nonsubject-country product, a majority of purchasers described the products as comparable in all factors except availability, in which an equal number of purchasers described Chinese product as superior and comparable to nonsubject-country product.

Table 2.18 MDI: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

| Factor | Country pair | Superior | Comparable | Inferior |
|------------------------------------|---------------|----------|------------|----------|
| Availability | U.S. vs China | 10 | 12 | 8 |
| Quality meets industry standards | U.S. vs China | 2 | 28 | 0 |
| Reliability of supply | U.S. vs China | 7 | 13 | 10 |
| Product consistency | U.S. vs China | 4 | 24 | 2 |
| Price | U.S. vs China | 7 | 21 | 2 |
| Delivery time | U.S. vs China | 12 | 17 | 1 |
| Delivery terms | U.S. vs China | 4 | 26 | 0 |
| U.S. transportation costs | U.S. vs China | 7 | 22 | 0 |
| Packaging | U.S. vs China | 5 | 24 | 1 |
| Payment terms | U.S. vs China | 2 | 25 | 3 |
| Quality exceeds industry standards | U.S. vs China | 5 | 22 | 2 |
| Discounts offered | U.S. vs China | 5 | 22 | 2 |
| Technical support/service | U.S. vs China | 11 | 19 | 0 |
| Proximity to bulk terminals | U.S. vs China | 6 | 21 | 1 |
| Product range | U.S. vs China | 5 | 22 | 1 |
| Minimum quantity requirements | U.S. vs China | 4 | 25 | 1 |

Table continued.

¹⁵ Additionally, comparisons of U.S. product with product from Saudi Arabia, which had very few purchaser comparisons, showed equal responses in general for both U.S. product being superior and comparable to nonsubject-country product.

Table 2.18 (Continued) MDI: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

| Factor | Country pair | Superior | Comparable | Inferior |
|------------------------------------|---------------------|-----------------|-------------------|-----------------|
| Availability | U.S. vs Belgium | 3 | 3 | 0 |
| Quality meets industry standards | U.S. vs Belgium | 1 | 5 | 0 |
| Reliability of supply | U.S. vs Belgium | 2 | 4 | 0 |
| Product consistency | U.S. vs Belgium | 1 | 5 | 0 |
| Price | U.S. vs Belgium | 3 | 4 | 0 |
| Delivery time | U.S. vs Belgium | 4 | 2 | 0 |
| Delivery terms | U.S. vs Belgium | 2 | 4 | 0 |
| U.S. transportation costs | U.S. vs Belgium | 1 | 5 | 0 |
| Packaging | U.S. vs Belgium | 1 | 5 | 0 |
| Payment terms | U.S. vs Belgium | 1 | 5 | 0 |
| Quality exceeds industry standards | U.S. vs Belgium | 1 | 5 | 0 |
| Discounts offered | U.S. vs Belgium | 1 | 4 | 0 |
| Technical support/service | U.S. vs Belgium | 2 | 4 | 0 |
| Proximity to bulk terminals | U.S. vs Belgium | 1 | 4 | 0 |
| Product range | U.S. vs Belgium | 1 | 5 | 0 |
| Minimum quantity requirements | U.S. vs Belgium | 1 | 5 | 0 |

Table continued.

Table 2.18 (Continued) MDI: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

| Factor | Country pair | Superior | Comparable | Inferior |
|------------------------------------|---------------------|-----------------|-------------------|-----------------|
| Availability | U.S. vs Germany | 3 | 8 | 0 |
| Quality meets industry standards | U.S. vs Germany | 1 | 11 | 0 |
| Reliability of supply | U.S. vs Germany | 1 | 11 | 0 |
| Product consistency | U.S. vs Germany | 1 | 11 | 0 |
| Price | U.S. vs Germany | 3 | 9 | 0 |
| Delivery time | U.S. vs Germany | 5 | 6 | 0 |
| Delivery terms | U.S. vs Germany | 1 | 10 | 0 |
| U.S. transportation costs | U.S. vs Germany | 1 | 11 | 0 |
| Packaging | U.S. vs Germany | 1 | 10 | 0 |
| Payment terms | U.S. vs Germany | 1 | 10 | 0 |
| Quality exceeds industry standards | U.S. vs Germany | 1 | 11 | 0 |
| Discounts offered | U.S. vs Germany | 1 | 10 | 0 |
| Technical support/service | U.S. vs Germany | 1 | 11 | 0 |
| Proximity to bulk terminals | U.S. vs Germany | 2 | 10 | 0 |
| Product range | U.S. vs Germany | 1 | 11 | 0 |
| Minimum quantity requirements | U.S. vs Germany | 2 | 9 | 0 |

Table continued.

Table 2.18 (Continued) MDI: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

| Factor | Country pair | Superior | Comparable | Inferior |
|------------------------------------|---------------------|-----------------|-------------------|-----------------|
| Availability | U.S. vs Netherlands | 1 | 3 | 0 |
| Quality meets industry standards | U.S. vs Netherlands | 1 | 3 | 0 |
| Reliability of supply | U.S. vs Netherlands | 1 | 3 | 0 |
| Product consistency | U.S. vs Netherlands | 1 | 3 | 0 |
| Price | U.S. vs Netherlands | 1 | 3 | 0 |
| Delivery time | U.S. vs Netherlands | 2 | 2 | 0 |
| Delivery terms | U.S. vs Netherlands | 1 | 3 | 0 |
| U.S. transportation costs | U.S. vs Netherlands | 1 | 3 | 0 |
| Packaging | U.S. vs Netherlands | 1 | 3 | 0 |
| Payment terms | U.S. vs Netherlands | 1 | 3 | 0 |
| Quality exceeds industry standards | U.S. vs Netherlands | 1 | 3 | 0 |
| Discounts offered | U.S. vs Netherlands | 1 | 3 | 0 |
| Technical support/service | U.S. vs Netherlands | 1 | 3 | 0 |
| Proximity to bulk terminals | U.S. vs Netherlands | 1 | 3 | 0 |
| Product range | U.S. vs Netherlands | 1 | 3 | 0 |
| Minimum quantity requirements | U.S. vs Netherlands | 1 | 3 | 0 |

Table continued.

Table 2.18 (Continued) MDI: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

| Factor | Country pair | Superior | Comparable | Inferior |
|------------------------------------|---------------------|-----------------|-------------------|-----------------|
| Availability | U.S. vs Portugal | 1 | 2 | 0 |
| Quality meets industry standards | U.S. vs Portugal | 1 | 2 | 0 |
| Reliability of supply | U.S. vs Portugal | 1 | 2 | 0 |
| Product consistency | U.S. vs Portugal | 1 | 2 | 0 |
| Price | U.S. vs Portugal | 1 | 2 | 0 |
| Delivery time | U.S. vs Portugal | 1 | 2 | 0 |
| Delivery terms | U.S. vs Portugal | 1 | 2 | 0 |
| U.S. transportation costs | U.S. vs Portugal | 1 | 2 | 0 |
| Packaging | U.S. vs Portugal | 1 | 2 | 0 |
| Payment terms | U.S. vs Portugal | 1 | 2 | 0 |
| Quality exceeds industry standards | U.S. vs Portugal | 1 | 2 | 0 |
| Discounts offered | U.S. vs Portugal | 1 | 2 | 0 |
| Technical support/service | U.S. vs Portugal | 1 | 2 | 0 |
| Proximity to bulk terminals | U.S. vs Portugal | 1 | 2 | 0 |
| Product range | U.S. vs Portugal | 1 | 2 | 0 |
| Minimum quantity requirements | U.S. vs Portugal | 1 | 2 | 0 |

Table continued.

Table 2.18 (Continued) MDI: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

| Factor | Country pair | Superior | Comparable | Inferior |
|------------------------------------|----------------------|-----------------|-------------------|-----------------|
| Availability | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Quality meets industry standards | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Reliability of supply | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Product consistency | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Price | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Delivery time | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Delivery terms | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| U.S. transportation costs | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Packaging | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Payment terms | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Quality exceeds industry standards | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Discounts offered | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Technical support/service | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Proximity to bulk terminals | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Product range | U.S. vs Saudi Arabia | 1 | 1 | 0 |
| Minimum quantity requirements | U.S. vs Saudi Arabia | 1 | 1 | 0 |

Table continued.

Table 2.18 (Continued) MDI: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

| Factor | Country pair | Superior | Comparable | Inferior |
|------------------------------------|---------------------|-----------------|-------------------|-----------------|
| Availability | U.S. vs South Korea | 7 | 5 | 1 |
| Quality meets industry standards | U.S. vs South Korea | 2 | 11 | 0 |
| Reliability of supply | U.S. vs South Korea | 5 | 6 | 2 |
| Product consistency | U.S. vs South Korea | 3 | 10 | 0 |
| Price | U.S. vs South Korea | 2 | 10 | 1 |
| Delivery time | U.S. vs South Korea | 10 | 2 | 1 |
| Delivery terms | U.S. vs South Korea | 2 | 9 | 2 |
| U.S. transportation costs | U.S. vs South Korea | 4 | 8 | 1 |
| Packaging | U.S. vs South Korea | 5 | 7 | 1 |
| Payment terms | U.S. vs South Korea | 1 | 12 | 0 |
| Quality exceeds industry standards | U.S. vs South Korea | 3 | 10 | 0 |
| Discounts offered | U.S. vs South Korea | 2 | 11 | 0 |
| Technical support/service | U.S. vs South Korea | 4 | 9 | 0 |
| Proximity to bulk terminals | U.S. vs South Korea | 6 | 3 | 2 |
| Product range | U.S. vs South Korea | 3 | 9 | 1 |
| Minimum quantity requirements | U.S. vs South Korea | 3 | 9 | 0 |

Table continued.

Table 2.18 (Continued) MDI: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

| Factor | Country pair | Superior | Comparable | Inferior |
|------------------------------------|---------------|----------|------------|----------|
| Availability | U.S. vs Spain | 1 | 3 | 0 |
| Quality meets industry standards | U.S. vs Spain | 1 | 4 | 0 |
| Reliability of supply | U.S. vs Spain | 1 | 4 | 0 |
| Product consistency | U.S. vs Spain | 1 | 4 | 0 |
| Price | U.S. vs Spain | 1 | 4 | 0 |
| Delivery time | U.S. vs Spain | 2 | 3 | 0 |
| Delivery terms | U.S. vs Spain | 1 | 4 | 0 |
| U.S. transportation costs | U.S. vs Spain | 1 | 4 | 0 |
| Packaging | U.S. vs Spain | 1 | 4 | 0 |
| Payment terms | U.S. vs Spain | 1 | 3 | 0 |
| Quality exceeds industry standards | U.S. vs Spain | 1 | 4 | 0 |
| Discounts offered | U.S. vs Spain | 1 | 4 | 0 |
| Technical support/service | U.S. vs Spain | 1 | 4 | 0 |
| Proximity to bulk terminals | U.S. vs Spain | 1 | 3 | 0 |
| Product range | U.S. vs Spain | 1 | 4 | 0 |
| Minimum quantity requirements | U.S. vs Spain | 1 | 4 | 0 |

Table continued.

Table 2.18 (Continued) MDI: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

| Factor | Country pair | Superior | Comparable | Inferior |
|------------------------------------|-----------------------------|----------|------------|----------|
| Availability | China vs Nonsubject sources | 5 | 6 | 0 |
| Quality meets industry standards | China vs Nonsubject sources | 3 | 8 | 0 |
| Reliability of supply | China vs Nonsubject sources | 4 | 7 | 0 |
| Product consistency | China vs Nonsubject sources | 3 | 8 | 0 |
| Price | China vs Nonsubject sources | 1 | 8 | 2 |
| Delivery time | China vs Nonsubject sources | 1 | 10 | 0 |
| Delivery terms | China vs Nonsubject sources | 1 | 10 | 0 |
| U.S. transportation costs | China vs Nonsubject sources | 1 | 10 | 0 |
| Packaging | China vs Nonsubject sources | 1 | 10 | 0 |
| Payment terms | China vs Nonsubject sources | 1 | 10 | 0 |
| Quality exceeds industry standards | China vs Nonsubject sources | 2 | 9 | 0 |
| Discounts offered | China vs Nonsubject sources | 1 | 9 | 1 |
| Technical support/service | China vs Nonsubject sources | 2 | 9 | 0 |
| Proximity to bulk terminals | China vs Nonsubject sources | 1 | 10 | 0 |
| Product range | China vs Nonsubject sources | 2 | 9 | 0 |
| Minimum quantity requirements | China vs Nonsubject sources | 1 | 10 | 0 |

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

Note: With respect to cost/price factors, a rating of superior means that the cost/price for the first source in the country pair is generally lower. For example, if a firm reported "U.S. superior," it meant that the U.S. product was generally priced lower than the imported product.

Comparison of U.S.-produced and imported MDI

In order to determine whether U.S.-produced MDI can generally be used in the same applications as imports from China and several nonsubject countries, U.S. producers, importers, and purchasers were asked whether MDI from different countries can always, frequently, sometimes, or never be used interchangeably. As shown in tables 2.19 to 2.21, most U.S. producers and purchasers indicated that products from different countries were always or frequently interchangeable. Importers that did not submit a U.S. producers' questionnaire were more likely to describe comparisons as frequently or sometimes interchangeable.

In additional comments, U.S. producer *** described all MDI as a commodity product that is globally interchangeable except for minor shelf life or quality exceptions. Purchaser *** stated that domestic MDI is of higher quality than Chinese MDI, and German MDI is of similar quality to U.S. MDI. It added that the availability, lead times and customer service of domestic MDI are superior to that of MDI from China and Germany. In other comments, purchasers stated that quality, the absence of formaldehyde, and product range also helped determine interchangeability.

Table 2.19 MDI: Count of U.S. producers reporting the interchangeability between product produced in the United States and in other countries, by country pair

| Country pair | Always | Frequently | Sometimes | Never |
|------------------------|--------|------------|-----------|-------|
| U.S. vs. China | 3 | 1 | 0 | 0 |
| U.S. vs. Belgium | 3 | 1 | 0 | 0 |
| U.S. vs. Germany | 3 | 1 | 0 | 0 |
| U.S. vs. Netherlands | 3 | 1 | 0 | 0 |
| U.S. vs. Portugal | 3 | 1 | 0 | 0 |
| U.S. vs. Saudi Arabia | 3 | 1 | 0 | 0 |
| U.S. vs. South Korea | 3 | 1 | 0 | 0 |
| U.S. vs. Spain | 3 | 1 | 0 | 0 |
| U.S. vs. Other | 3 | 1 | 0 | 0 |
| China vs. Belgium | 3 | 1 | 0 | 0 |
| China vs. Germany | 3 | 1 | 0 | 0 |
| China vs. Netherlands | 3 | 1 | 0 | 0 |
| China vs. Portugal | 3 | 1 | 0 | 0 |
| China vs. Saudi Arabia | 3 | 1 | 0 | 0 |
| China vs. South Korea | 3 | 1 | 0 | 0 |
| China vs. Spain | 3 | 1 | 0 | 0 |
| China vs. Other | 3 | 1 | 0 | 0 |

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

Table 2.20 MDI: Count of importers reporting the interchangeability between product produced in the United States and in other countries, by country pair

| Country pair | Always | Frequently | Sometimes | Never |
|------------------------|--------|------------|-----------|-------|
| U.S. vs. China | 0 | 2 | 1 | 0 |
| U.S. vs. Belgium | 0 | 1 | 0 | 0 |
| U.S. vs. Germany | 0 | 1 | 1 | 0 |
| U.S. vs. Netherlands | 0 | 0 | 0 | 0 |
| U.S. vs. Portugal | 0 | 0 | 0 | 0 |
| U.S. vs. Saudi Arabia | 0 | 0 | 0 | 0 |
| U.S. vs. South Korea | 0 | 2 | 0 | 0 |
| U.S. vs. Spain | 0 | 0 | 1 | 0 |
| U.S. vs. Other | 0 | 2 | 1 | 0 |
| China vs. Belgium | 0 | 1 | 0 | 0 |
| China vs. Germany | 0 | 1 | 1 | 0 |
| China vs. Netherlands | 0 | 0 | 1 | 0 |
| China vs. Portugal | 0 | 0 | 1 | 0 |
| China vs. Saudi Arabia | 0 | 0 | 1 | 0 |
| China vs. South Korea | 0 | 1 | 1 | 0 |
| China vs. Spain | 0 | 0 | 1 | 0 |
| China vs. Other | 0 | 1 | 1 | 0 |

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

Note: This table only includes responses by firms that submitted an importers' questionnaire and did not also submit a U.S. producers' questionnaire.

Table 2.21 MDI: Count of purchasers reporting the interchangeability between product produced in the United States and in other countries, by country pair

| Country pair | Always | Frequently | Sometimes | Never |
|--------------------------------|--------|------------|-----------|-------|
| United States vs. China | 14 | 11 | 2 | 1 |
| United States vs. Belgium | 5 | 1 | 0 | 1 |
| United States vs. Germany | 10 | 3 | 2 | 1 |
| United States vs. Netherlands | 3 | 2 | 0 | 1 |
| United States vs. Portugal | 1 | 0 | 0 | 1 |
| United States vs. Saudi Arabia | 1 | 0 | 0 | 1 |
| United States vs. South Korea | 4 | 4 | 2 | 1 |
| United States vs. Spain | 6 | 2 | 0 | 1 |
| United States vs. Other | 4 | 4 | 1 | 1 |
| China vs. Belgium | 5 | 1 | 0 | 1 |
| China vs. Germany | 7 | 4 | 1 | 0 |
| China vs. Netherlands | 2 | 1 | 0 | 0 |
| China vs. Portugal | 0 | 1 | 0 | 0 |
| China vs. Saudi Arabia | 1 | 1 | 0 | 0 |
| China vs. South Korea | 2 | 5 | 1 | 0 |
| China vs. Spain | 5 | 2 | 0 | 0 |
| China vs. Other | 3 | 3 | 0 | 0 |

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

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of MDI from the United States, subject, or nonsubject countries. As seen in tables 2.22 to 2.24, most U.S. producers described factors other than price as sometimes or never significant in sales of MDI. Importers were more likely to report that factors other than price were frequently significant in sales of MDI between U.S. and Chinese as well as between U.S. and South Korean product. A plurality of purchasers indicated that factors other than price were sometimes significant in sales of MDI between U.S. and Chinese product.

In additional comments, U.S. producer *** described MDI as a commodity product and stated that price is the driving factor in sales. U.S. producer *** stated that some U.S. purchasers might prefer U.S. product because of shorter lead times or easier transportation for temperature-sensitive types of MDI, but it added that when the price difference between U.S. product and imported product is too high, purchasers buy imported MDI. Importer *** stated that U.S. MDI is not always available while South Korean MDI is. Importer *** described U.S. production as vulnerable to weather events on the Gulf Coast, leading purchasers to seek diversification of supply sources.

Among purchasers, six described quality, availability, logistics, reliability, and/or supplier diversity as important non-price factors, without specifying which country sources are

preferred. Three purchasers *** indicated that Wanhua’s MDI was superior in availability to domestic product, with *** describing Wanhua’s MDI product as “always” available. *** describing availability and transportation network as important and added that Chinese MDI has been available routinely even when U.S. producers face production obstacles such as hurricanes, raw material curtailments, or plant issues. Purchaser *** described Chinese monomeric MDI as superior in shelf-life to U.S. MDI and added that, for polymeric MDI, Wanhua has terminal tanks in a different geographical region from where U.S. producers store MDI. It explained that this different location helps mitigate against weather events and ensure continuous supply. Purchaser *** stated that, while price is an important factor, it requires a continuous supply of MDI, and so it only orders from sources that can provide quality, availability, and transportation reliability. Purchaser *** stated that lack of availability has prevented it from purchasing product from China. Purchaser *** stated that its customers sometimes prefer domestic MDI due to its slightly higher quality.

Table 2.22 MDI: Count of U.S. producers reporting the significance of differences other than price between product produced in the United States and in other countries, by country pair

| Country pair | Always | Frequently | Sometimes | Never |
|------------------------|--------|------------|-----------|-------|
| U.S. vs. China | 0 | 0 | 2 | 2 |
| U.S. vs. Belgium | 0 | 0 | 2 | 2 |
| U.S. vs. Germany | 0 | 0 | 2 | 2 |
| U.S. vs. Netherlands | 0 | 0 | 2 | 2 |
| U.S. vs. Portugal | 0 | 0 | 2 | 2 |
| U.S. vs. Saudi Arabia | 0 | 0 | 2 | 2 |
| U.S. vs. South Korea | 0 | 0 | 2 | 2 |
| U.S. vs. Spain | 0 | 0 | 2 | 2 |
| U.S. vs. Other | 0 | 0 | 2 | 2 |
| China vs. Belgium | 0 | 0 | 2 | 2 |
| China vs. Germany | 0 | 0 | 2 | 2 |
| China vs. Netherlands | 0 | 0 | 2 | 2 |
| China vs. Portugal | 0 | 0 | 2 | 2 |
| China vs. Saudi Arabia | 0 | 0 | 2 | 2 |
| China vs. South Korea | 0 | 0 | 2 | 2 |
| China vs. Spain | 0 | 0 | 2 | 2 |
| China vs. Other | 0 | 0 | 2 | 2 |

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

Table 2.23 MDI: Count of importers reporting the significance of differences between product produced in the United States and in other countries, by country pair

| Country pair | Always | Frequently | Sometimes | Never |
|------------------------|--------|------------|-----------|-------|
| U.S. vs. China | 0 | 1 | 0 | 0 |
| U.S. vs. Belgium | 0 | 0 | 0 | 0 |
| U.S. vs. Germany | 0 | 0 | 0 | 0 |
| U.S. vs. Netherlands | 0 | 0 | 0 | 0 |
| U.S. vs. Portugal | 0 | 0 | 0 | 0 |
| U.S. vs. Saudi Arabia | 0 | 0 | 0 | 0 |
| U.S. vs. South Korea | 1 | 0 | 0 | 0 |
| U.S. vs. Spain | 0 | 0 | 0 | 0 |
| U.S. vs. Other | 0 | 0 | 2 | 0 |
| China vs. Belgium | 0 | 0 | 1 | 0 |
| China vs. Germany | 0 | 0 | 1 | 0 |
| China vs. Netherlands | 0 | 0 | 0 | 0 |
| China vs. Portugal | 0 | 0 | 0 | 0 |
| China vs. Saudi Arabia | 0 | 0 | 0 | 0 |
| China vs. South Korea | 0 | 0 | 0 | 0 |
| China vs. Spain | 0 | 0 | 1 | 0 |
| China vs. Other | 0 | 1 | 1 | 0 |

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

Note: This table only includes responses by firms that submitted an importers' questionnaire and did not also submit a U.S. producers' questionnaire.

Table 2.24 MDI: Count of purchasers reporting the significance of differences between product produced in the United States and in other countries, by country pair

| Country pair | Always | Frequently | Sometimes | Never |
|------------------------|--------|------------|-----------|-------|
| U.S. vs. China | 7 | 4 | 13 | 5 |
| U.S. vs. Belgium | 0 | 0 | 2 | 6 |
| U.S. vs. Germany | 3 | 2 | 4 | 7 |
| U.S. vs. Netherlands | 0 | 0 | 2 | 5 |
| U.S. vs. Portugal | 0 | 0 | 1 | 2 |
| U.S. vs. Saudi Arabia | 0 | 0 | 1 | 2 |
| U.S. vs. South Korea | 2 | 1 | 4 | 5 |
| U.S. vs. Spain | 0 | 0 | 2 | 5 |
| U.S. vs. Other | 1 | 1 | 4 | 5 |
| China vs. Belgium | 0 | 0 | 2 | 6 |
| China vs. Germany | 2 | 2 | 3 | 6 |
| China vs. Netherlands | 0 | 0 | 1 | 4 |
| China vs. Portugal | 0 | 0 | 1 | 2 |
| China vs. Saudi Arabia | 0 | 0 | 2 | 2 |
| China vs. South Korea | 1 | 1 | 4 | 3 |
| China vs. Spain | 0 | 0 | 2 | 4 |
| China vs. Other | 1 | 1 | 2 | 3 |

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

Elasticity estimates

This section discusses elasticity estimates; parties were encouraged to comment on these estimates in their prehearing or posthearing briefs. Their comments are noted and incorporated below.

U.S. supply elasticity

The domestic supply elasticity for MDI measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of MDI. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which producers can alter capacity, producers' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced MDI. Analysis of these factors above indicates that the U.S. industry has the ability to increase or decrease shipments to the U.S. market; an estimate in the range of 4 to 8 is suggested. In its posthearing brief, Wanhua stated that the supply elasticity will be more inelastic during periods of production outages.¹⁶

¹⁶ Wanhua's posthearing brief, attachment 1, p. 17.

U.S. demand elasticity

The U.S. demand elasticity for MDI measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of MDI. This estimate depends on factors discussed above such as the existence, availability, and commercial viability of substitute products, as well as the component share of the MDI in the production of any downstream products. Based on the available information, the aggregate demand for MDI is likely to be inelastic; a range of -0.25 to -0.75 is suggested. In its posthearing brief, Wanhua stated that demand elasticity varies across the different end uses for MDI.¹⁷

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.¹⁸ Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/discounts/promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced MDI and imported MDI is likely to be in the range of 3 to 6. As noted earlier, parties differed over the interchangeability of MDI. In their posthearing brief, Petitioners stated that even though there are different grades of MDI, MDI from different sources is highly interchangeable, and issues such as availability and reliability do not restrict substitutability. It concluded that U.S. and subject product have a high degree of substitutability.¹⁹ However, in its prehearing brief and at the conference, Wanhua described interchangeability of MDI from different sources as restricted due to issues of grades, delivery, and supplier specialization in certain grades, even if interchangeability is higher within grades.²⁰

¹⁷ Wanhua's posthearing brief, attachment 1, p. 24.

¹⁸ The substitution elasticity measures the responsiveness of the relative U.S. consumption levels of the subject imports and the domestic like products to changes in their relative prices. This reflects how easily purchasers switch from the U.S. product to the subject products (or vice versa) when prices change.

¹⁹ Petitioners' posthearing brief, exhibit 1, pp. 6 to 11.

²⁰ Prehearing brief of Wanhua, p. 13, and hearing transcript, pp. 163 to 166 (Sturgeon).

Part 3: U.S. producers’ production, shipments, and employment

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the dumping margins was presented in Part 1 of this report and information on the volume and pricing of imports of the subject merchandise is presented in Part 4 and Part 5. Information on the other factors specified is presented in this section and/or Part 6 and (except as noted) is based on the questionnaire responses of four firms that accounted for all or nearly all of U.S. production of MDI during 2024.

U.S. producers

The Commission issued a U.S. producer questionnaire to 54 firms (including potential processors) based on information contained in the petition, and information provided by counsel. Four firms (BASF, Covestro, Dow, and Huntsman) provided usable data on their operations.¹ Table 3.1 lists U.S. producers of MDI, their production locations, positions on the petition, and shares of total production.

Table 3.1 MDI: U.S. producers, their positions on the petition, production locations, and shares of reported production, 2024

| Firm | Position on petition | Production location(s) | Share of production |
|--------------|----------------------|------------------------------|---------------------|
| BASF | Petitioner | Geismar, LA | *** |
| Covestro | *** | Baytown, TX | *** |
| Dow Chemical | Petitioner | Freeport, TX La Porte, TX | *** |
| Huntsman | *** | Geismar, LA | *** |
| All firms | Various | Various | 100.0 |

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

Table 3.2 presents information on U.S. producers’ ownership, related and/or affiliated firms. As indicated in table 3.2, three U.S. producers (***) are related to Chinese foreign producers of the subject merchandise *** and three U.S. producers (***) are related to U.S. importers of the subject merchandise (and individually import both subject and nonsubject merchandise). In addition, as discussed in greater detail below, three of the four U.S. producers

¹ Based on information provided by counsel, there were 50 potential firms that were identified as independent processors, solely. Of the 50 firms identified, none provided a questionnaire response or indicated that they were processors of MDI. *** produced and processed MDI.

Table 3.2 MDI (continued): U.S. producers' ownership, related and/or affiliated firms

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

Table 3.3 presents events in the U.S. industry since January 1, 2022.

Table 3.3 MDI: Important industry events since 2022

| Force majeure | MDI producers, including Covestro and Huntsman | Freezing weather in U.S. Gulf Coast led to electricity outages and force majeure in the 1 st quarter of 2021 which was then expanded through the 2 nd half of 2021 because of chlorine shortages. |
|-----------------|--|--|
| Force majeure | MDI producers, including BASF, Covestro, and Dow | Dow declared force majeure in February 2022 due to freezing weather, and again from June to August 2022 due to limited supplies of formaldehyde. BASF declared force majeure from March to July 2022 due to technical issues with one of its MDI units. Covestro had a six-day disruption in August 2022 due to a power loss and an outage in November 2022 because a freeze disrupted its operations. |
| Force majeure | MDI producers, including BASF, Covestro, and Dow | From May to September 2024, Dow declared force majeure due to limited supplies of carbon monoxide, Hurricane Beryl, and plant turnaround. BASF declared force majeure during April to May 2024 because it lost utilities due to a lightning strike. Covestro had a production outage in 2024 because of plugged systems and a limited supply of carbon dioxide. |
| Plant expansion | BASF | BASF noted as of March 2025 that its expansion of its MDI production capacity to about 600,000 MTPY at Geismar, Louisiana is underway and would be operational in 2026. |
| New Plant | Dow | In September 2023, Dow announced that its new production capacity for MDI and prepolymers has started up in Freeport, TX. The new capacity replaces production at its La Porte, TX production facility, and Dow has closed the La Porte facility. |

Source: Saxton, Daniel, "Changes to MDI Production Are Needed to Prevent Future MDI Supply Disruption," NexantECA Technoeconomics – Energy & Chemicals blog post, January 21, 2022, <https://www.nexanteca.com/blog/changes-mdi-production-are-needed-prevent-future-mdi-supply-disruption>; USITC, "Methylene Diphenyl Diisocyanate (MDI) from China," Investigation No. 731-TA-1733 (Preliminary). Publication 5606 April 2025, https://www.usitc.gov/publications/701_731/pub5606.pdf; BASF, "BASF Group Annual Report: 2024," March 21, 2025, <https://report.basf.com/2024/en/assets/downloads/entire-full-report-basf-ar24.pdf>; BASF, "BASF Breaks Ground on MDI Capacity Expansion Project at Geismar Site," press release, January 11, 2023, <https://www.basf.com/us/en/media/news-releases/2023/01/basf-breaks-ground-on-mdi-capacity-expansion-project-at-geismar->; CHEManager, "Dow Starts Operations at New Freeport MDI Plant," September 20, 2023, <https://chemanager-online.com/en/news/dow-starts-operations-at-new-freeport-mdi-plant>.

Producers in the United States were asked to report any change in the character of their operations or organization relating to the production of MDI since January 1, 2022. All of the U.S. producers indicated in their questionnaires that they had experienced such changes. Table 3.4 presents the changes identified by these producers.

Table 3.4 MDI: U.S. producers' reported changes in operations, since January 1, 2022

| Item | Firm name and narrative response on changes in operations |
|---|--|
| Plant openings | *** |
| Prolonged shutdowns | *** |
| Prolonged shutdowns | *** |
| Prolonged shutdowns | *** |
| Production curtailments | *** |
| Production curtailments | *** |
| Production curtailments | *** |
| Production curtailments | *** |
| Relocations | *** |
| Expansions | *** |
| Expansions | *** |
| Weather-related or force majeure events | *** |
| Weather-related or force majeure events | *** |
| Weather-related or force majeure events | *** |
| Weather-related or force majeure events | *** |
| Other | *** |

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

Table 3.4 MDI (continued): U.S. producers' reported changes in operations, since January 1, 2022

| Item | Firm name and narrative response on changes in operations |
|---|--|
| Weather-related or force majeure events | *** |
| Weather-related or force majeure events | *** |
| Weather-related or force majeure events | *** |
| Weather-related or force majeure events | *** |
| Other | *** |

U.S. production, capacity, and capacity utilization

Table 3.5 presents U.S. producers' installed and practical capacity and production on the same equipment. During 2022 to 2024, installed overall capacity fluctuated but slightly increased, practical overall capacity fluctuated but slightly decreased, and reported practical MDI production capacity also fluctuated and slightly decreased. During 2022 to 2024, overall production on the same equipment as MDI production fluctuated and slightly increased.³ During 2022 to 2024, installed overall capacity utilization slightly decreased, practical overall capacity utilization fluctuated but increased, and reported practical MDI capacity fluctuated but increased, as well. Installed overall, practical overall, and practical MDI capacity were all lower during interim 2025 compared to interim 2024. All three metrics for production were higher during interim 2025 compared to interim 2024, and capacity utilization was also higher for all three metrics during interim 2025 compared to interim 2024. At the Commission's hearing, the petitioners indicated that the domestic industry operated at approximately 75 to 78 percent capacity utilization during the period of investigation.⁴

³ From 2022 to 2024, *** installed overall capacity both remained the same. Additionally, *** installed overall, practical overall capacity, and MDI capacity all increased during 2022 to 2024. Three U.S. producers, ***, all reported increased production of MDI from 2022 to 2024, while *** indicated that its MDI production was lower than during 2022. *** U.S. producer questionnaire responses, section 2.3a.

⁴ Hearing transcript, p. 54 (Vaughn).

Table 3.5 MDI: U.S. producers' installed and practical capacity and production on the same equipment as in-scope production, by period

Capacity and production in short tons; utilization in percent; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|------------------------|-------------|-----------|-----------|-----------|--------------|--------------|
| Installed overall | Capacity | *** | *** | *** | *** | *** |
| Installed overall | Production | *** | *** | *** | *** | *** |
| Installed overall | Utilization | *** | *** | *** | *** | *** |
| Practical overall | Capacity | *** | *** | *** | *** | *** |
| Practical overall | Production | *** | *** | *** | *** | *** |
| Practical overall | Utilization | *** | *** | *** | *** | *** |
| Practical MDI products | Capacity | 1,677,247 | 1,715,186 | 1,621,805 | 1,245,932 | 1,231,871 |
| Practical MDI products | Production | 1,271,571 | 1,229,621 | 1,281,225 | 1,007,124 | 1,030,562 |
| Practical MDI products | Utilization | 75.8 | 71.7 | 79.0 | 80.8 | 83.7 |

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

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

Table 3.6 MDI: U.S. producers' reported capacity constraints since January 1, 2022

| Item | Firm name and narrative response on constraints to practical overall capacity |
|---------------------------|---|
| Production bottlenecks | *** |
| Production bottlenecks | *** |
| Production bottlenecks | *** |
| Production bottlenecks | *** |
| Supply of material inputs | *** |
| Supply of material inputs | *** |
| Supply of material inputs | *** |
| Fuel or energy | *** |
| Storage capacity | *** |
| Other constraints | *** |
| Other constraints | *** |
| Other constraints | *** |

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

Table 3.7 and figure 3.1 present U.S. producers' production, capacity, and capacity utilization. Practical capacity fluctuated but decreased from 2022 to 2024 and was lower during interim 2025 than interim 2024. MDI production fluctuated but increased from 2022 to 2024 and was higher during interim 2025 than during interim 2024. Capacity utilization increased by 3.2 percentage points from 2022 to 2024. From 2022 to 2024, *** capacity utilization fluctuated but decreased, and was higher during interim 2025 than during interim 2024. *** capacity utilization increased from 2022 to 2024, but was lower during interim 2025 than during interim

2024. From 2022 to 2024, *** increased its share of U.S. MDI production, while *** share of U.S. MDI production decreased. *** production of MDI decreased during 2022 to 2024, while *** increased modestly during the same period. *** production of MDI increased during 2022 to 2024. *** reported higher production of MDI during interim 2025 compared to interim 2024.

Table 3.7 MDI: U.S. producers' output, by firm and period

Practical capacity

Capacity in short tons; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-----------|-----------|-----------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 1,677,247 | 1,715,186 | 1,621,805 | 1,245,932 | 1,231,871 |

Table continued.

Table 3.7 (Continued) MDI: U.S. producers' output, by firm and period

Production

Production in short tons; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-----------|-----------|-----------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 1,271,571 | 1,229,621 | 1,281,225 | 1,007,124 | 1,030,562 |

Table continued.

Table 3.7 (Continued) MDI: U.S. producers' output, by firm and period

Capacity utilization

Capacity utilization in percent; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 75.8 | 71.7 | 79.0 | 80.8 | 83.7 |

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

Table continued.

Table 3.7 (Continued) MDI: U.S. producers' output, by firm and period

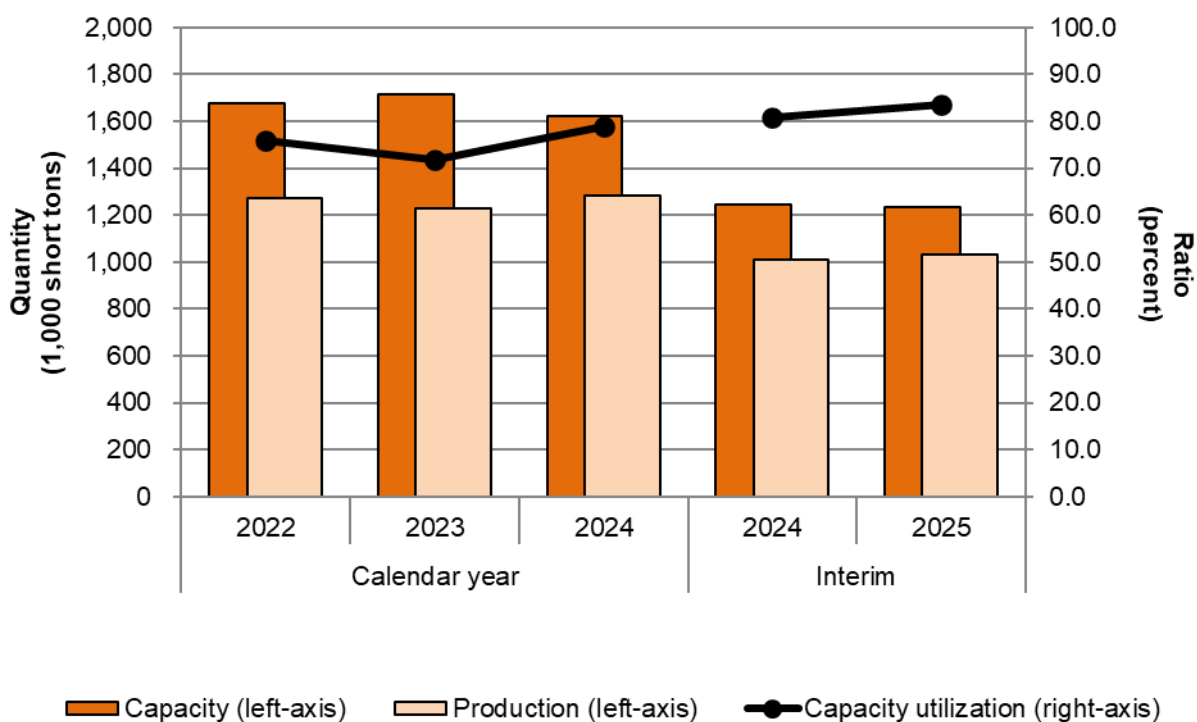
Share of production

Share in percent; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------|-------|-------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

Figure 3.1 MDI: U.S. producers' output, by period



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

Alternative products

*** reported production of any other products on the equipment used to produce MDI.

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

Table 3.8 presents U.S. producers' U.S. shipments, export shipments, and total shipments. U.S. shipments⁵ decreased by quantity from 2022 to 2024, but were higher during interim 2025 than during interim 2024. The unit value of U.S. shipments decreased from 2022 to 2024, and were lower during interim 2025 than during interim 2024. Export shipments by quantity accounted for 21.1 percent in 2024 of total U.S. shipments.⁶ U.S. shipments by quantity were at their highest levels in 2022, and they were at their highest levels by value in 2022.

Most of the total shipments were of U.S. shipments; in no period was the share of total shipments accounted for by U.S. shipments lower than 78.5 percent.

Table 3.9 presents U.S. producers' U.S. shipments by individual firm and period.

⁵ *** U.S. shipments decreased during 2022 to 2024, while *** U.S. shipments fluctuated but increased from 2022 to 2024.

⁶ All four firms reported export shipments (***, of which *** accounted for the largest shares of U.S. producers' exports during 2022 and 2024, while *** accounted for the largest share of export shipments to Canada during 2024.

Table 3.8 MDI: U.S. producers' shipments, by destination and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; shares in percent; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|------------------|-------------------|-----------|-----------|-----------|--------------|--------------|
| U.S. shipments | Quantity | 998,852 | 973,099 | 992,582 | 789,834 | 838,918 |
| Export shipments | Quantity | 252,942 | 266,424 | 265,647 | 196,533 | 211,809 |
| Total shipments | Quantity | 1,251,794 | 1,239,523 | 1,258,229 | 986,367 | 1,050,727 |
| U.S. shipments | Value | 3,024,183 | 2,361,423 | 2,188,517 | 1,761,420 | 1,841,538 |
| Export shipments | Value | 699,013 | 644,273 | 572,482 | 423,628 | 427,742 |
| Total shipments | Value | 3,723,196 | 3,005,696 | 2,760,999 | 2,185,048 | 2,269,280 |
| U.S. shipments | Unit value | 3,028 | 2,427 | 2,205 | 2,230 | 2,195 |
| Export shipments | Unit value | 2,764 | 2,418 | 2,155 | 2,156 | 2,019 |
| Total shipments | Unit value | 2,974 | 2,425 | 2,194 | 2,215 | 2,160 |
| U.S. shipments | Share of quantity | 79.8 | 78.5 | 78.9 | 80.1 | 79.8 |
| Export shipments | Share of quantity | 20.2 | 21.5 | 21.1 | 19.9 | 20.2 |
| Total shipments | Share of quantity | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| U.S. shipments | Share of value | 81.2 | 78.6 | 79.3 | 80.6 | 81.2 |
| Export shipments | Share of value | 18.8 | 21.4 | 20.7 | 19.4 | 18.8 |
| Total shipments | Share of value | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

Table 3.9 MDI: U.S. producers' U.S. shipment quantities, by firm and period

Quantity in short tons; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|---------|---------|---------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 998,852 | 973,099 | 992,582 | 789,834 | 838,918 |

Table continued

Table 3.9 MDI (Continued): U.S. producers' U.S. shipment values, by firm and period

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

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-----------|-----------|-----------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 3,024,183 | 2,361,423 | 2,188,517 | 1,761,420 | 1,841,538 |

Table continued

Table 3.9 MDI (Continued): U.S. producers' U.S. shipment unit values, by firm and period

Unit value in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------|-------|-------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 3,028 | 2,427 | 2,205 | 2,230 | 2,195 |

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

Figure 3.2 MDI: U.S. producers' U.S. shipments average unit values and subject AUVs, by firm (for producers), source, and period

* * * * *

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

Table 3.10 presents U.S. producers' U.S. shipments by product end use, including rigid foams, flexible foams, surface coating, adhesives/sealants, elastomers, other known uses, and unknown uses. Rigid foams accounted for the majority of U.S. shipments by product end use during 2024. *** accounted for the largest share of rigid foams shipments during 2024.

Table 3.10 MDI: U.S. producers' U.S. shipments in 2024, by product end use application

Quantity in short tons; shares in percent

| End use | Quantity | Share |
|--------------------|----------|-------|
| Rigid foams | 545,536 | 55.0 |
| Flexible foams | *** | *** |
| Surface coating | *** | *** |
| Adhesives/sealants | *** | *** |
| Elastomers | *** | *** |
| Other known uses | *** | *** |
| Unknown uses | *** | *** |
| For all end uses | 992,582 | 100.0 |

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

Table 3.11 presents U.S. producers' U.S. shipments by product form (crude polymeric, polymeric, monomeric, and all other product forms) during 2024. For U.S. producers during 2024, polymeric MDI had the largest share of quantity and value. *** was the largest producer of shipments of polymeric during 2024.

Table 3.11 MDI: U.S. producers' U.S. shipments in 2024, by product type

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

| Product form | Quantity | Value | Unit value | Share of quantity | Share of value |
|-------------------------|----------|-----------|------------|-------------------|----------------|
| Crude polymeric | *** | *** | *** | *** | *** |
| Polymeric | 732,656 | 1,663,562 | 2,271 | 73.8 | 76.0 |
| Monomeric | *** | *** | *** | *** | *** |
| All other product forms | *** | *** | *** | *** | *** |
| All product forms | 992,582 | 2,188,517 | 2,205 | 100.0 | 100.0 |

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

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

U.S. producers' inventories

Table 3.12 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. U.S. producers' inventories increased from 2022 to 2024, but were lower during interim 2025 than during interim 2024. Inventories as a ratio to U.S. production increased 0.9 percentage points from 2022 to 2024, but were lower during interim 2025 than during interim 2024. Inventories as a ratio to U.S. shipments and total shipments both increased by approximately one percentage point from 2022 to 2024, but both were lower during interim 2025 than during interim 2024. ***'s end-of-period inventories were individually *** during 2024.

Table 3.12 MDI: U.S. producers' inventories and their ratio to select items, by period

Quantity in short tons; ratio in percent; interim is January through September

| Item | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|------------------------------------|---------|---------|---------|--------------|--------------|
| End-of-period inventory quantity | 128,226 | 118,323 | 141,319 | 139,080 | 121,153 |
| Inventory ratio to U.S. production | 10.1 | 9.6 | 11.0 | 10.4 | 8.8 |
| Inventory ratio to U.S. shipments | 12.8 | 12.2 | 14.2 | 13.2 | 10.8 |
| Inventory ratio to total shipments | 10.2 | 9.5 | 11.2 | 10.6 | 8.6 |

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

U.S. producers' imports from subject sources

U.S. producers' imports of MDI are presented in tables 3.13, 3.14, and 3.15, and table 3.16 presents the reason U.S. producers imported subject merchandise. Table 3.13 presents *** production and imports from China and the subject imports ratio to U.S. production. ***. Table 3.14 presents *** production and imports from China and the subject imports ratio to U.S. production. ***. Table 3.15 presents *** production and imports of MDI from China. ***. Table 3.16 presents U.S. producers' reasons for importing.

Table 3.13 MDI: *'s U.S. production, subject imports, and ratio of subject imports to production, by source and period**

Quantity in short tons; ratio in percent; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|---------------------------------------|----------|------|------|------|--------------|--------------|
| U.S. production | Quantity | *** | *** | *** | *** | *** |
| Imports from China | Quantity | *** | *** | *** | *** | *** |
| Imports from China to U.S. production | Ratio | *** | *** | *** | *** | *** |

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

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

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

Quantity in short tons; ratio in percent; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|---------------------------------------|----------|------|------|------|--------------|--------------|
| U.S. production | Quantity | *** | *** | *** | *** | *** |
| Imports from China | Quantity | *** | *** | *** | *** | *** |
| Imports from China to U.S. production | Ratio | *** | *** | *** | *** | *** |

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

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

Table 3.15 MDI: *'s U.S. production, subject imports, and ratio of subject imports to production, by source and period**

Quantity in short tons; ratio in percent; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|---------------------------------------|----------|------|------|------|--------------|--------------|
| U.S. production | Quantity | *** | *** | *** | *** | *** |
| Imports from China | Quantity | *** | *** | *** | *** | *** |
| Imports from China to U.S. production | Ratio | *** | *** | *** | *** | *** |

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

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

Table 3.16 MDI: U.S. producers' reasons for importing

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

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

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

Table 3.17 presents *** purchases of imports of MDI from China, while table 3.18 presents *** reasons for purchasing.

Table 3.17 MDI: * purchases of imports from subject sources, by source, importer of record, and period**

Quantity in short tons; ratio in percent; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--|----------|------|------|------|--------------|--------------|
| ***'s U.S. production | Quantity | *** | *** | *** | *** | *** |
| ***'s purchases of imports from China, imported by *** | Quantity | *** | *** | *** | *** | *** |
| ***'s U.S. imports from China | Quantity | *** | *** | *** | *** | *** |
| Ratio 1: ***'s purchases of imports from China, imported by *** relative to ***'s imports from China | Ratio | *** | *** | *** | *** | *** |
| Overall imports from China | Quantity | *** | *** | *** | *** | *** |
| Ratio 2: ***'s imports from China relative to overall imports from China | Ratio | *** | *** | *** | *** | *** |
| Ratio 3: ***'s U.S. imports from China relative to ***'s U.S. production | Ratio | *** | *** | *** | *** | *** |

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

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

Table 3.18 MDI: * U.S. producers' reasons for purchasing**

| Item | Narrative response on reasons for purchasing |
|-----------------------------|--|
| ***'s reason for purchasing | *** |

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

U.S. employment, wages, and productivity

Table 3.19 shows U.S. producers' employment-related data. While most metrics showed declines from 2022 to 2024, all of the metrics were higher during interim 2025 than during interim 2024. During 2022 to 2024, productivity increased and unit labor costs decreased; at the same time hourly wages were fluctuating but decreased. PRWs⁷ decreased from 2022 to 2024, but were higher during interim 2025 than during interim 2024.⁸ Total hours worked decreased from 2022 to 2024, but were higher during interim 2025 than during interim 2024. Wages paid and hourly wages decreased, respectively from 2022 to 2024, but were higher during interim 2025 than during interim 2024. However, productivity increased by 34.2 percent from 2022 to 2024, and was higher during interim 2025 than during interim 2024. Unit labor costs decreased from 2022 to 2024, and were higher during interim 2025 than during interim 2024.

Table 3.19 MDI: U.S. producers' employment related information, by period

Interim is January through September

| Item | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--|---------|---------|---------|--------------|--------------|
| Production and related workers (PRWs) (number) | 944 | 786 | 778 | 781 | 789 |
| Total hours worked (1,000 hours) | 2,569 | 1,925 | 1,929 | 1,509 | 1,540 |
| Hours worked per PRW (hours) | 2,721 | 2,449 | 2,479 | 1,932 | 1,952 |
| Wages paid (\$1,000) | 175,557 | 128,279 | 130,792 | 98,193 | 102,261 |
| Hourly wages (dollars per hour) | \$68.34 | \$66.64 | \$67.80 | \$65.07 | \$66.40 |
| Productivity (short tons per 1,000 hours) | 495.0 | 638.8 | 664.2 | 667.4 | 669.2 |
| Unit labor costs (dollars per short ton) | \$138 | \$104 | \$102 | \$97 | \$99 |

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

⁷ At the Commission's hearing, the President of United Steel Workers indicated that there are approximately 400 workers employed by BASF at the MDI production facility in Geismar, Louisiana. Hearing transcript, p. 48 (Houseman).

⁸ ***.

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

U.S. importers

The Commission issued importer questionnaires to 10 firms believed to be importers of subject MDI, as well as to all U.S. producers of MDI.¹ Usable questionnaire responses were received from seven companies, representing *** percent of U.S. imports from China and *** percent of imports from nonsubject countries in 2024.² Table 4.1 lists all responding U.S. importers of MDI from China and other sources, their locations, and their shares of U.S. imports, in 2024.

Table 4.1 MDI: U.S. importers, their headquarters, and share of imports within each source, 2024

Share in percent

| Firm | Headquarters | China | Nonsubject sources | All import sources |
|--------------|----------------------|-------|--------------------|--------------------|
| BASF | Florham Park, NJ | *** | *** | *** |
| Covestro | Pittsburgh, PA | *** | *** | *** |
| Dow Chemical | Midland, MI | *** | *** | *** |
| Huntsman | The Woodlands, TX | *** | *** | *** |
| Polycoat USA | Santa Fe Springs, CA | *** | *** | *** |
| Tosoh | Alpharetta, GA | *** | *** | *** |
| Wanhua | Newtown Square, PA | *** | *** | *** |
| All firms | Various | 100.0 | 100.0 | 100.0 |

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

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

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

² Import coverage was calculated as a share of imports, as reported in questionnaire responses, divided by official import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2929.10.8010 and 3909.31.0000 (“primary HTS statistical reporting numbers”). There are 9 additional HTS statistical reporting numbers that MDI products may be imported under including: 3506.91.5000, 3824.99.2900, 3909.50.1000, 3909.50.2000, 3909.50.5000, 3911.90.4500, 3920.99.5000, 3921.13.5000, and 3824.99.2600. Less than *** of the reported imports of MDI products entered under these 9 HTS statistical reporting numbers, and the *** entered under the primary HTS numbers during 2022 to 2024, and during interim periods January to September 2024 and January to September 2025.

U.S. imports

Tables 4.2, 4.3, and figure 4.1 present data for U.S. imports of MDI from China and all other sources. U.S. imports from China by quantity fluctuated year to year, decreasing from 2022 to 2023 then increasing from 2023 to 2024, ending *** percent higher, compared to 2022 levels. U.S. imports from China were lower during interim 2025 compared to interim 2024, based on quantity. U.S. imports from China by value fluctuated year to year, decreasing from 2022 to 2023 then increasing from 2023 to 2024, ending *** percent lower, compared to 2022 levels. U.S. imports from China were lower during interim 2025 compared to interim 2024, based on value. The unit value of imports from China decreased in every year from 2022 to 2024, ending *** percent lower compared to 2022 levels. The unit value of imports from China were higher during interim 2025 compared to interim 2024.

U.S. imports from nonsubject sources by quantity fluctuated year to year, decreasing from 2022 to 2023 then increasing from 2023 to 2024, ending lower during 2024.³ U.S. imports from nonsubject sources were higher during interim 2025 compared to interim 2024, based on quantity. U.S. imports from nonsubject sources by value fluctuated year to year, decreasing from 2022 to 2023 then increasing from 2023 to 2024, ending lower than 2022 levels. U.S. imports from nonsubject sources were higher during interim 2025 compared to interim 2024, based on value. The unit value of imports from nonsubject sources decreased in each year, ending *** percent lower in 2024 than in 2022.⁴ The unit value of imports from nonsubject sources was higher during interim 2025 compared to interim 2024.

³ ***.

⁴ U.S. importer *** completed a U.S. importer questionnaire. In its questionnaire response, *** indicated that it had imported *** short tons of MDI products during 2024 from ***. These imports of MDI products were not included in the data set due ***. ***." Additionally, ***. *** U.S. importer questionnaire response, section 2.9 (response is from both its preliminary and final phase questionnaires).

Table 4.2 MDI: U.S. imports by source and period

Quantity in short tons; Value in 1,000 dollars; Unit values in dollars per short ton Share; Ratio in percent; Ratio represents the ratio to U.S. production; Interim period is January through September

| Source | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------------|-------------------|-----------|---------|---------|--------------|--------------|
| China | Quantity | *** | *** | *** | *** | *** |
| Nonsubject sources | Quantity | *** | *** | *** | *** | *** |
| All import sources | Quantity | 399,195 | 255,335 | 395,733 | 265,721 | 162,938 |
| China | Value | *** | *** | *** | *** | *** |
| Nonsubject sources | Value | *** | *** | *** | *** | *** |
| All import sources | Value | 1,044,420 | 462,256 | 704,256 | 450,933 | 335,884 |
| China | Unit value | *** | *** | *** | *** | *** |
| Nonsubject sources | Unit value | *** | *** | *** | *** | *** |
| All import sources | Unit value | 2,616 | 1,810 | 1,780 | 1,697 | 2,061 |
| China | Share of quantity | *** | *** | *** | *** | *** |
| Nonsubject sources | Share of quantity | *** | *** | *** | *** | *** |
| All import sources | Share of quantity | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| China | Share of value | *** | *** | *** | *** | *** |
| Nonsubject sources | Share of value | *** | *** | *** | *** | *** |
| All import sources | Share of value | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| China | Ratio | *** | *** | *** | *** | *** |
| Nonsubject sources | Ratio | *** | *** | *** | *** | *** |
| All import sources | Ratio | 31.4 | 20.8 | 30.9 | 26.4 | 15.8 |

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

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

* * * * *

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

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

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

| Source | Measure | 2022 to 2024 | 2022 to 2023 | 2023 to 2024 | Interim 2024 to 2025 |
|--------------------|-----------------------|--------------|--------------|--------------|----------------------|
| China | % Δ Quantity | ▲*** | ▼*** | ▲*** | ▼*** |
| Nonsubject sources | % Δ Quantity | ▼*** | ▼*** | ▲*** | ▲*** |
| All import sources | % Δ Quantity | ▼(0.9) | ▼(36.0) | ▲55.0 | ▼(38.7) |
| China | % Δ Value | ▼*** | ▼*** | ▲*** | ▼*** |
| Nonsubject sources | % Δ Value | ▼*** | ▼*** | ▲*** | ▲*** |
| All import sources | % Δ Value | ▼(32.6) | ▼(55.7) | ▲52.4 | ▼(25.5) |
| China | % Δ Unit value | ▼*** | ▼*** | ▼*** | ▲*** |
| Nonsubject sources | % Δ Unit value | ▼*** | ▼*** | ▼*** | ▲*** |
| All import sources | % Δ Unit value | ▼(32.0) | ▼(30.8) | ▼(1.7) | ▲21.5 |
| China | ppt Δ Quantity | ▲*** | ▲*** | ▼*** | ▼*** |
| Nonsubject sources | ppt Δ Quantity | ▼*** | ▼*** | ▲*** | ▲*** |
| All import sources | ppt Δ Quantity | — | — | — | — |
| China | ppt Δ Value | ▲*** | ▲*** | ▼*** | ▼*** |
| Nonsubject sources | ppt Δ Value | ▼*** | ▼*** | ▲*** | ▲*** |
| All import sources | ppt Δ Value | — | — | — | — |
| China | ppt Δ Ratio | ▲*** | ▲*** | ▲*** | ▼*** |
| Nonsubject sources | ppt Δ Ratio | ▼*** | ▼*** | ▲*** | ▲*** |
| All import sources | ppt Δ Ratio | ▼(0.5) | ▼(10.6) | ▲10.1 | ▼(10.6) |

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

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

Table 4.4 presents data for U.S. imports of MDI from nonsubject sources.

Table 4.4 MDI: U.S. imports from nonsubject sources by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; Interim period is January through September

| Source | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|------------------------|------------|------|------|------|--------------|--------------|
| Belgium | Quantity | *** | *** | *** | *** | *** |
| Germany | Quantity | *** | *** | *** | *** | *** |
| Spain | Quantity | *** | *** | *** | *** | *** |
| South Korea | Quantity | *** | *** | *** | *** | *** |
| All other sources | Quantity | *** | *** | *** | *** | *** |
| All nonsubject sources | Quantity | *** | *** | *** | *** | *** |
| Belgium | Value | *** | *** | *** | *** | *** |
| Germany | Value | *** | *** | *** | *** | *** |
| Spain | Value | *** | *** | *** | *** | *** |
| South Korea | Value | *** | *** | *** | *** | *** |
| All other sources | Value | *** | *** | *** | *** | *** |
| All nonsubject sources | Value | *** | *** | *** | *** | *** |
| Belgium | Unit value | *** | *** | *** | *** | *** |
| Germany | Unit value | *** | *** | *** | *** | *** |
| Spain | Unit value | *** | *** | *** | *** | *** |
| South Korea | Unit value | *** | *** | *** | *** | *** |
| All other sources | Unit value | *** | *** | *** | *** | *** |
| All nonsubject sources | Unit value | *** | *** | *** | *** | *** |

Table continued.

Table 4.4 MDI (continued): U.S. imports from nonsubject sources by source and period

Share in percent; Interim period is January through September; Shares represent the share of all import sources

| Source | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|------------------------|-------------------|------|------|------|--------------|--------------|
| Belgium | Share of quantity | *** | *** | *** | *** | *** |
| Germany | Share of quantity | *** | *** | *** | *** | *** |
| Spain | Share of quantity | *** | *** | *** | *** | *** |
| South Korea | Share of quantity | *** | *** | *** | *** | *** |
| All other sources | Share of quantity | *** | *** | *** | *** | *** |
| All nonsubject sources | Share of quantity | *** | *** | *** | *** | *** |
| Belgium | Share of value | *** | *** | *** | *** | *** |
| Germany | Share of value | *** | *** | *** | *** | *** |
| Spain | Share of value | *** | *** | *** | *** | *** |
| South Korea | Share of value | *** | *** | *** | *** | *** |
| All other sources | Share of value | *** | *** | *** | *** | *** |
| All nonsubject sources | Share of value | *** | *** | *** | *** | *** |

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

Note: Differences in the total nonsubject imports in this table compared to table 4.2 relate to unexplained differences in U.S. importer ***'s responses to question II-6e relative to II-6a.

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “—”. Share of quantity and share of value are calculated based upon all import sources in table 4.2.

Figure 4.2 MDI: U.S. imports' from China and nonsubject sources average unit values, by source and period

* * * * *

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

Table 4.5 presents data for U.S. producers' U.S. imports, by source and period.

Table 4.5 MDI: U.S. producers' and their affiliates' U.S. imports, by source and period

Quantity in short tons; share and ratio in percent; Interim period is January through September

| Source | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------------|----------|-------|-------|-------|--------------|--------------|
| China | Quantity | *** | *** | *** | *** | *** |
| Nonsubject sources | Quantity | *** | *** | *** | *** | *** |
| All import sources | Quantity | *** | *** | *** | *** | *** |
| China | Share | *** | *** | *** | *** | *** |
| Nonsubject sources | Share | *** | *** | *** | *** | *** |
| All import sources | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| China | Ratio | *** | *** | *** | *** | *** |
| Nonsubject sources | Ratio | *** | *** | *** | *** | *** |
| All import sources | Ratio | *** | *** | *** | *** | *** |

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

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

Table 4.6 presents U.S. importers' U.S. shipments of imports by product end use from China. In 2024, rigid foams comprised *** percent, flexible foams comprised *** percent, other known uses comprised *** percent, and unknown uses comprised *** percent of U.S. shipments from China, by quantity.

Table 4.6 MDI: U.S. importers' U.S. shipments of imports from China in 2024, by product end use

Quantity in short tons; shares in percent

| End Use | Quantity | Share |
|--------------------|----------|-------|
| Rigid foams | *** | *** |
| Flexible foams | *** | *** |
| Surface coating | *** | *** |
| Adhesives/sealants | *** | *** |
| Elastomers | *** | *** |
| Other known uses | *** | *** |
| Unknown uses | *** | *** |
| For all end uses | *** | 100.0 |

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

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

Table 4.7 presents U.S. importers' U.S. imports from China by product form and source. In 2024, polymeric forms comprised *** percent, and monomeric comprised *** percent of U.S. imports from China, by quantity. During the same year, all other product forms comprised *** percent, monomeric comprised *** percent of U.S. imports from China, by value. *** accounted for *** of the all-other product forms of MDI, which includes ***.

Table 4.7 MDI: U.S. importers' U.S. shipments from China in 2024, by product form

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

| Product form | Quantity | Value | Unit value | Share of quantity | Share of value |
|-------------------------|----------|-------|------------|-------------------|----------------|
| Crude polymeric | *** | *** | *** | *** | *** |
| Polymeric | *** | *** | *** | *** | *** |
| Monomeric | *** | *** | *** | *** | *** |
| All other product forms | *** | *** | *** | *** | *** |
| All product forms | *** | *** | *** | 100.0 | 100.0 |

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

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

Table 4.8 presents U.S. importers' U.S. shipments by product end use from nonsubject sources. In 2024, rigid foams comprised *** percent, adhesives/sealants comprised ***

percent, other known uses comprised *** percent, and unknown uses comprised *** percent of U.S. shipments from nonsubject sources, by quantity.

Table 4.8 MDI: U.S. importers' U.S. shipments of imports from nonsubject sources in 2024, by product end use

Quantity in short tons; shares in percent

| End Use | Quantity | Share |
|--------------------|----------|-------|
| Rigid foams | *** | *** |
| Flexible foams | *** | *** |
| Surface coating | *** | *** |
| Adhesives/sealants | *** | *** |
| Elastomers | *** | *** |
| Other known uses | *** | *** |
| Unknown uses | *** | *** |
| For all end uses | *** | 100.0 |

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

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

Table 4.9 presents U.S. importers' U.S. imports from nonsubject sources, by product form. In 2024, polymeric comprised *** percent, all other product forms comprised *** percent, and monomeric comprised *** percent of U.S. shipments from nonsubject sources, by quantity. During the same year, all other product forms comprised *** percent, monomeric comprised *** percent of U.S. shipments from nonsubject sources, by value.

Table 4.9 MDI: U.S. importers' imports from nonsubject sources in 2024, by product form

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

| Product form | Quantity | Value | Unit value | Share of quantity | Share of value |
|-------------------------|----------|-------|------------|-------------------|----------------|
| Crude polymeric | *** | *** | *** | *** | *** |
| Polymeric | *** | *** | *** | *** | *** |
| Monomeric | *** | *** | *** | *** | *** |
| All other product forms | *** | *** | *** | *** | *** |
| All product forms | *** | *** | *** | 100.0 | 100.0 |

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

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

Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.⁵ Negligible imports are generally defined in the Act, as amended, as imports from a country of merchandise corresponding to a domestic like product where such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petition or the initiation of the investigation. However, if there are imports of such merchandise from a number of countries subject to investigations initiated on the same day that individually account for less than 3 percent of the total volume of the subject merchandise, and if the imports from those countries collectively account for more than 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period, then imports from such countries are deemed not to be negligible.⁶ Imports from China accounted for *** percent of total imports of MDI by quantity from February 2024 through January 2025.

Table 4.10 MDI: U.S. imports in the twelve-month period preceding the filing of the petition, February 2024 to January 2025

Quantity in short tons; share in percent

| Source of imports | Quantity | Share of quantity |
|--------------------|----------|-------------------|
| China | *** | *** |
| Nonsubject sources | *** | *** |
| All import sources | 400,560 | 100.0 |

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

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

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

Apparent U.S. consumption and market shares

Quantity

Table 4.11 and figure 4.3 present data on apparent U.S. consumption and U.S. market shares by quantity for MDI. Apparent U.S. consumption quantity fluctuated year to year, decreasing from 2022 to 2023 then increasing from 2023 to 2024, ending 2.3 percent lower. Apparent consumption quantity was approximately the same during interim period 2025 compared to interim period 2024. The volume of shipments from U.S. producers decreased slightly from 2022 to 2024, while the volume of subject shipments from China were slightly higher during the same period. The volume of shipments from U.S. producers were higher during interim period 2025 compared to interim 2024, while the volume of shipments from China were *** during interim 2025 compared to interim 2024.

During 2022 to 2024, U.S. producers' market share increased by 1.3 percentage points, while the market share of U.S. shipments of imports from China increased by *** percentage points from 2022 to 2024. U.S. producers' market share was 4.8 percentage points higher during interim 2025 compared to interim 2024. The market share of U.S. shipments of imports from nonsubject sources decreased by *** percentage points from 2022 to 2024, but were *** percentage points higher during interim 2025 compared to interim 2024.

Table 4.11 MDI: Apparent U.S. consumption and market shares based on quantity, by source and period

Quantity in short tons; shares in percent; interim is January through September

| Source | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|---------------------------------|----------|-----------|-----------|-----------|--------------|--------------|
| U.S. producers: BASF | Quantity | *** | *** | *** | *** | *** |
| U.S. producers: Covestro | Quantity | *** | *** | *** | *** | *** |
| U.S. producers: Dow Chemical | Quantity | *** | *** | *** | *** | *** |
| U.S. producers: Huntsman | Quantity | *** | *** | *** | *** | *** |
| U.S. producers | Quantity | 998,852 | 973,099 | 992,582 | 789,834 | 838,918 |
| China | Quantity | *** | *** | *** | *** | *** |
| Nonsubject sources | Quantity | *** | *** | *** | *** | *** |
| All import sources | Quantity | 324,087 | 247,195 | 299,474 | 225,074 | 175,857 |
| All sources | Quantity | 1,322,939 | 1,220,294 | 1,292,056 | 1,014,908 | 1,014,775 |
| U.S. producers: BASF | Share | *** | *** | *** | *** | *** |
| U.S. producers: Covestro | Share | *** | *** | *** | *** | *** |
| U.S. producers: Dow Chemical | Share | *** | *** | *** | *** | *** |
| U.S. producers: Huntsman | Share | *** | *** | *** | *** | *** |
| U.S. producers | Share | 75.5 | 79.7 | 76.8 | 77.8 | 82.7 |
| China | Share | *** | *** | *** | *** | *** |
| Nonsubject sources | Share | *** | *** | *** | *** | *** |
| All import sources | Share | 24.5 | 20.3 | 23.2 | 22.2 | 17.3 |
| All sources | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

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

Figure 4.3 MDI: Apparent U.S. consumption based on quantity, by source and period

* * * * *

Source: Compiled from data submitted in response to Commission questionnaires

Value

Table 4.12 and figure 4.5 present data on apparent U.S. consumption and U.S. market shares by value for MDI. Apparent U.S. consumption, by value, decreased year to year between 2022 and 2024, ending lower in 2024, but was higher during interim 2025 than during interim 2024. The value of shipments by U.S. producers decreased, and the value of shipments from China also decreased. The value of shipments by U.S. producers was higher during interim 2025 compared to interim 2024, while the value of shipments from China were lower during the same period.

During 2022 to 2024, U.S. producers' market share increased by 1.8 percentage points and were 3.3 percentage points higher during interim 2025 than during interim 2024 by value. The market share of U.S. shipments of imports from China decreased by *** percentage points from 2022 to 2024, and were lower by *** percentage points during interim 2025 compared to interim 2024. The market share of U.S. shipments of imports from nonsubject sources decreased by *** percentage points from 2022 to 2024 and were higher during interim 2025 compared to interim 2024.

Table 4.12 MDI: Apparent U.S. consumption and market shares based on value, by source and period

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

| Source | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|---------------------------------|---------|-----------|-----------|-----------|--------------|--------------|
| U.S. producers: BASF | Value | *** | *** | *** | *** | *** |
| U.S. producers: Covestro | Value | *** | *** | *** | *** | *** |
| U.S. producers: Dow Chemical | Value | *** | *** | *** | *** | *** |
| U.S. producers: Huntsman | Value | *** | *** | *** | *** | *** |
| U.S. producers | Value | 3,024,183 | 2,361,423 | 2,188,517 | 1,761,420 | 1,841,538 |
| China | Value | *** | *** | *** | *** | *** |
| Nonsubject sources | Value | *** | *** | *** | *** | *** |
| All import sources | Value | 865,670 | 503,456 | 561,395 | 413,927 | 342,405 |
| All sources | Value | 3,889,853 | 2,864,879 | 2,749,912 | 2,175,347 | 2,183,943 |
| U.S. producers: BASF | Share | *** | *** | *** | *** | *** |
| U.S. producers: Covestro | Share | *** | *** | *** | *** | *** |
| U.S. producers: Dow Chemical | Share | *** | *** | *** | *** | *** |
| U.S. producers: Huntsman | Share | *** | *** | *** | *** | *** |
| U.S. producers | Share | 77.7 | 82.4 | 79.6 | 81.0 | 84.3 |
| China | Share | *** | *** | *** | *** | *** |
| Nonsubject sources | Share | *** | *** | *** | *** | *** |
| All import sources | Share | 22.3 | 17.6 | 20.4 | 19.0 | 15.7 |
| All sources | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

Figure 4.4 MDI: Apparent U.S. consumption based on value, by source and period

* * * * *

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

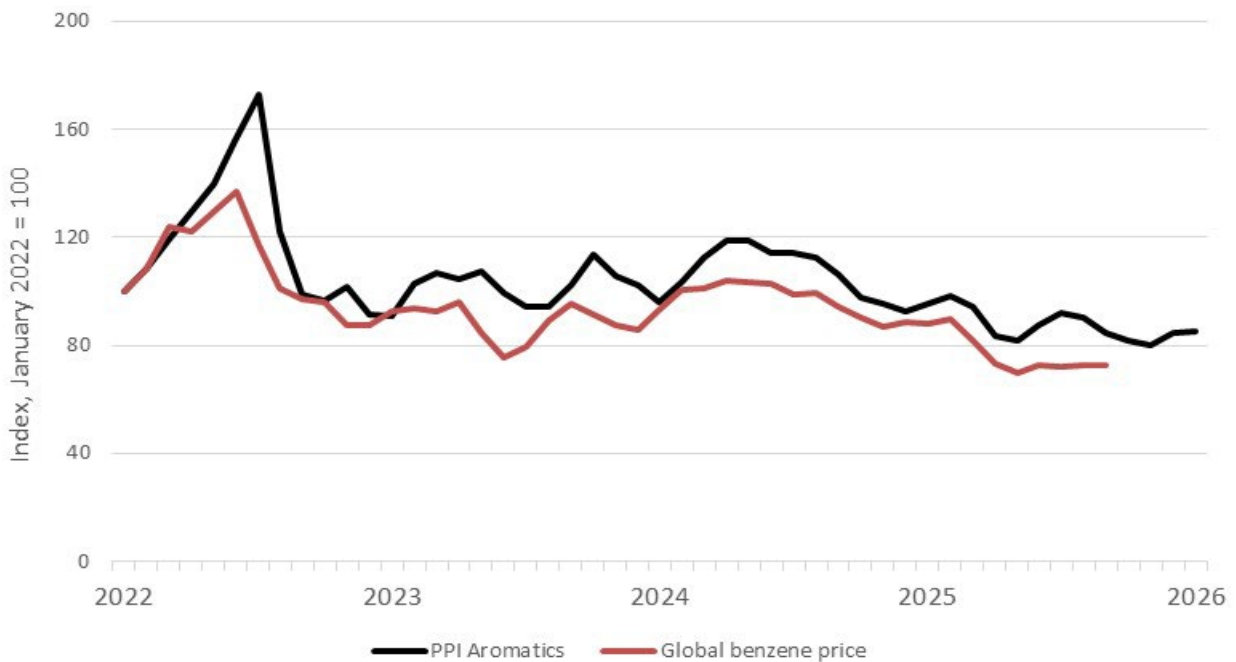
Part 5: Pricing data

Factors affecting prices

Raw material costs

The main raw materials used to produce MDI are benzene and natural gas (or materials made from natural gas). Global benzene prices rose 37 percent from January 2022 to June 2022, before declining with fluctuations to a level 28 percent below January 2022 levels in September 2025 (figure 5.1 and table 5.1). Benzene is an aromatic chemical, and the PPI for aromatics (available to a more recent month) rose 73 percent from January 2022 to July 2022 before falling irregularly over 50 percent through May 2025 (figure 5.1 and table 5.2). Levels in January 2026 were about 15 percent below their value in January 2022. Natural gas followed a broadly similar trend, rising over 100 percent from January 2022 to August 2022 and then falling irregularly over 80 percent through March 2024 (figure 5.2 and table 5.2). Natural gas prices were over 17 percent lower in February 2026 than in January 2022.

Figure 5.1: Raw material costs: Global price of benzene and PPI for aromatics, January 2022 to January 2026



Source: Staff calculations on PPI for aromatics, Bureau of Labor Statistics via Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/WPU06140197>, accessed February 18 and March 12, 2026 and staff calculations on global price of benzene, Krungsri Research via Bloomberg, <https://www.statista.com/statistics/1318336/monthly-price-benzene-worldwide/>, accessed February 27, 2026.

Table 5.1 Raw materials costs: Global benzene price, January 2022 to September 2025, January 2022 = 100

Index in percent, January 2022 = 100.0 percent

| Month | 2022 | 2023 | 2024 | 2025 | 2026 |
|-----------|-------|------|-------|------|------|
| January | 100.0 | 92.3 | 93.4 | 87.9 | |
| February | 108.3 | 93.8 | 100.8 | 89.7 | — |
| March | 124.0 | 92.7 | 101.4 | 81.6 | — |
| April | 122.0 | 96.2 | 104.1 | 72.9 | — |
| May | 129.7 | 84.6 | 103.2 | 69.7 | — |
| June | 137.0 | 75.6 | 102.7 | 72.6 | — |
| July | 117.0 | 79.6 | 99.0 | 71.9 | — |
| August | 101.2 | 89.2 | 99.2 | 72.3 | — |
| September | 97.1 | 95.5 | 94.5 | 72.3 | — |
| October | 96.2 | 91.3 | 90.4 | — | — |
| November | 87.7 | 87.6 | 87.1 | — | — |
| December | 87.5 | 85.9 | 88.6 | — | — |

Source: Staff calculations on global price of benzene, Krungsri Research via Bloomberg, <https://www.statista.com/statistics/1318336/monthly-price-benzene-worldwide/>, accessed February 27, 2026.

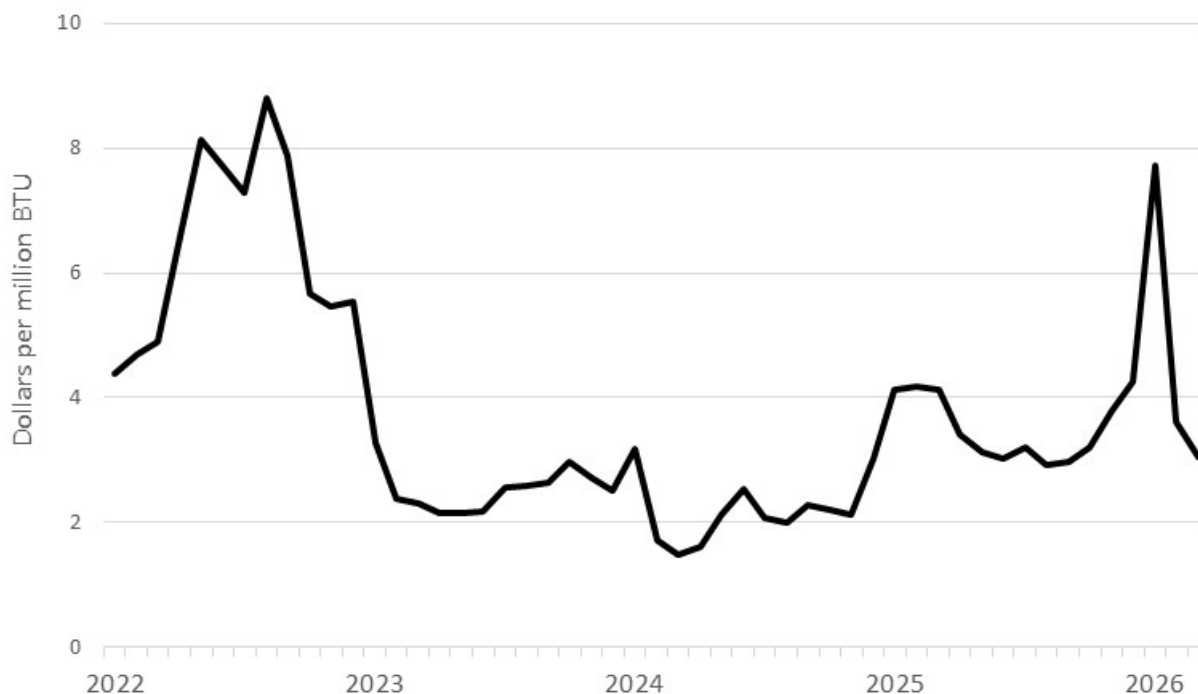
Table 5.2 Raw materials costs: PPI for aromatics, January 2022 to January 2026, January 2022 = 100

Index in percent, January 2022 = 100.0 percent

| Month | 2022 | 2023 | 2024 | 2025 | 2026 |
|-----------|-------|-------|-------|------|------|
| January | 100.0 | 91.0 | 95.8 | 95.6 | 85.1 |
| February | 108.8 | 102.8 | 103.2 | 98.0 | — |
| March | 119.4 | 106.7 | 112.3 | 94.1 | — |
| April | 129.5 | 104.3 | 118.9 | 83.2 | — |
| May | 139.7 | 107.3 | 118.6 | 81.7 | — |
| June | 156.9 | 99.6 | 114.3 | 87.4 | — |
| July | 173.0 | 94.5 | 114.3 | 92.2 | — |
| August | 122.1 | 94.4 | 112.3 | 90.5 | — |
| September | 98.5 | 102.2 | 106.3 | 84.5 | — |
| October | 96.4 | 113.5 | 97.8 | 81.7 | — |
| November | 101.8 | 105.9 | 95.4 | 79.9 | — |
| December | 91.2 | 102.3 | 92.7 | 84.4 | — |

Source: Staff calculations on PPI for aromatics, Bureau of Labor Statistics via Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/WPU06140197>, accessed February 18 and March 12, 2026.

Figure 5.2: Raw material costs: Natural gas costs, January 2022 to January 2026



Source: Staff calculations on Henry Hub Natural Gas Spot Price, Dollars per Million BTU, via Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/series/MHHNGSP>, accessed February 18, March 12, and April 21, 2026.

Table 5.3 Raw materials costs: Natural gas prices, January 2022 to January 2026

Prices in dollars per million BTU

| Month | 2022 | 2023 | 2024 | 2025 | 2026 |
|-----------|------|------|------|------|------|
| January | 4.38 | 3.27 | 3.18 | 4.13 | 7.72 |
| February | 4.69 | 2.38 | 1.72 | 4.19 | 3.62 |
| March | 4.90 | 2.31 | 1.49 | 4.12 | 3.04 |
| April | 6.60 | 2.16 | 1.60 | 3.42 | — |
| May | 8.14 | 2.15 | 2.12 | 3.12 | — |
| June | 7.70 | 2.18 | 2.54 | 3.02 | — |
| July | 7.28 | 2.55 | 2.07 | 3.20 | — |
| August | 8.81 | 2.58 | 1.99 | 2.91 | — |
| September | 7.88 | 2.64 | 2.28 | 2.97 | — |
| October | 5.66 | 2.98 | 2.20 | 3.19 | — |
| November | 5.45 | 2.71 | 2.12 | 3.79 | — |
| December | 5.53 | 2.52 | 3.01 | 4.26 | — |

Source: Staff calculations on Henry Hub Natural Gas Spot Price, Dollars per Million BTU, via Federal Reserve Bank of St. Louis <https://fred.stlouisfed.org/series/MHHNGSP>, accessed February 18, March 12, and April 21, 2026.

Raw materials, as a share of U.S. producers' cost of goods sold (COGS), declined slightly from *** percent in 2022 to *** percent in 2024, and were *** percent in January to September 2025.

Three U.S. producer/importers and two importers indicated that the raw material costs for MDI had fluctuated down. Importer *** described MDI prices as following the costs of benzene and aniline (usually made from benzene). U.S. producer/importer *** stated that chlorine costs were at all-time highs in 2022 and have decreased since then, although it added that chlorine costs do not have a significant impact on MDI prices. U.S. producer/importer *** stated that the principal raw material for MDI production is C6 Benzene. It continued that the cost of C6 benzene averaged 395 cents-per-gallon ("cpg") in 2022, 349 cpg in 2023, 362 cpg in 2024, and 276 cpg in 2025. Importer *** stated that the primary raw materials to produce MDI are benzene (60-70 percent of feedstock) and natural gas (used both as a feedstock and an energy source). It continued that benzene reached highs in the first half of 2022 before falling to historic levels in 2023 to 2025. It added that natural gas costs were also high in 2022, decreased in 2023 to 2024, and increased again in 2025. One U.S. producer/importer (***) indicated that raw material costs for MDI had increased, citing inflation and limited supply options.

Twenty-seven purchasers indicated that they were familiar with the costs of the raw materials used to manufacture MDI, and six indicated that they were not. Twenty purchasers stated that raw materials costs had affected their negotiations or contracts with suppliers. These purchasers generally described tracking the prices of feedstocks such as benzene and natural gas either in order to set their expectations for MDI prices or because those feedstocks are included in MDI pricing formulas within their purchasing contracts.

Transportation costs to the U.S. market

Transportation costs for MDI shipped from subject countries to the United States averaged 17.3 percent for China during 2025. This estimate was derived from official import data and represents the transportation and other charges on imports.¹

¹ The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2025 and then dividing by the customs value based on the HTS statistical reporting number 2929.10.8010 and 3909.31.0000, accessed December 12, 2025.

U.S. inland transportation costs

Four responding U.S. producers and six importers (***) reported that they typically arrange transportation to their customers. Most U.S. producers reported that their U.S. inland transportation costs ranged from 7.0 to 10.0 percent while importers *** reported costs of 7.0 to 16.0 percent. Importer *** indicated that its inland transportation costs were 6.0 percent. Three importers indicated that when selling their imports of Chinese product, the product is shipped from a storage facility.

Pricing practices

Pricing methods

U.S. producers and importers reported setting prices using transaction-by-transaction negotiations, contracts, set price lists and other methods, including *** (table 5.4). Additionally, importer ***. It added that ***.

Table 5.4 MDI: Count of U.S. producers' and importers' reported price setting methods

| Method | U.S. producers | Importers |
|----------------------------|----------------|-----------|
| Transaction-by-transaction | 3 | 6 |
| Contract | 4 | 6 |
| Set price list | 3 | 4 |
| Other | 2 | 3 |
| Responding firms | 4 | 7 |

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

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

U.S. producers and importers reported selling MDI under contracts of various lengths. U.S. producers reported a small share of short-term contracts and some spot sales, while subject importers reported *** spot sales (table 5.5).

Table 5.5 MDI: U.S. producers' and importers' shares of commercial U.S. shipments by type of sale, 2025

Share in percent

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

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

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

Regarding short-term contracts, *** indicated such contracts were for 90 days, did not allow price renegotiation, fixed price and quantity, and were not indexed to raw materials costs. Importer *** indicated such contracts were for 30 days, allowed price renegotiation, fixed price and quantity, and were not indexed to raw materials costs. Raw material costs used included benzene, natural gas, and/or chlorine, and *** indicated that it also used published MDI prices.

Regarding annual contracts, such contracts generally allowed price renegotiation (four U.S. producers and three importers). They could fix price, quantity, or price and quantity. Two U.S. producers and three importers indicated that annual contracts could be indexed to raw material costs while two U.S. producers and one importer indicated that they were not.

Regarding long-term contracts, U.S. producers and importers generally indicated that such contracts were similar to annual contracts, except that more (four) U.S. producers indicated that such contracts were indexed to raw material costs.

Fifteen purchasers reported that they purchase product weekly, ten purchase monthly, and nine purchase daily. Twenty-nine responding purchasers reported that their purchasing frequency had not changed since January 1, 2022, but four stated that it had, citing increases in demand. Eighteen purchasers have MDI delivered weekly, 13 have it delivered daily, and 3 have it delivered monthly. Thirty purchasers stated that this delivery frequency had not changed since January 1, 2022. Three stated that it had, citing increases in demand.

Twenty-four purchasers contact two to five suppliers before making a purchase, although seven purchasers may contact as few as one and four purchasers may contact six or seven. Thirty of 33 purchasers stated that their purchases of MDI products usually involve negotiations between their firm and suppliers of MDI products. Purchasers described these negotiations as covering numerous items, including price, payment, delivery, availability, packaging, commodity indexes, raw material trends, base prices for indexes, and logistics. Two

purchasers indicated that they do share competing suppliers' prices in negotiations, while four stated that they do not (although one stated it does share general trends).

Sales terms and discounts

U.S. producers and importers typically quote prices on a delivered basis. Four U.S. producers and four importers (including ***) indicated that they quoted prices on a delivered basis. One of those importers, ***, indicated it also had some "negligible" sales quoted on an f.o.b. basis, but that most of its sales were on a delivered basis.

U.S. producers and importers offer quantity, annual total volume, and early payment discounts. *** indicated that they offered quantity, annual total volume, and/or early payment discounts. Importer *** indicated that it offered annual total volume discounts and early payment discounts. Importers *** stated that they did not offer discounts.

Price leadership

Twenty-three purchasers reported that there were price leaders in the MDI market, and 14 of those purchasers named more than one such price leader. Thirteen purchasers reported that Dow was a price leader, 12 named BASF, 11 named Covestro, 11 named Huntsman, and 8 named Wanhua. Purchasers indicating the presence of price leaders indicated that these price leaders led by being the first to initiate a price change, sometimes by a pricing letter, usually followed by the other suppliers. Some purchasers described these initial price changes as increases, others as decreases, and still others as both. Purchaser *** described Dow as having the highest prices since 2022. Purchaser *** described *** as "very disciplined" and added that its price increases seem "arbitrary." Purchaser *** described Wanhua as a past price leader, but added that Wanhua is not a price leader anymore. Purchaser *** described Dow, Covestro and Huntsman as responding to other suppliers' price changes, while adding that Dow can also be a price leader. It added that Wanhua used to be price competitive before the recent tariffs, but is not anymore. Purchaser *** stated that importers typically only initiate price increases based on availability issues, i.e., shortages leading to price increases. Purchaser *** described Huntsman as a price leader in offering low prices to the *** market since 2022. Purchaser *** indicated that each U.S. producer had, at some point since 2022, offered low prices to gain market share, but also had increased prices to increase their own

profit margins. Two purchasers described U.S. producers as having raw materials based pricing formulas.

Price data

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following MDI products shipped to unrelated U.S. customers during January 2022 to September 2025.

Product 1.-- Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Product 2.-- Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Product 3.-- Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

At the request of Wanhua, each product was then further divided into MDI sold in bulk or in packages and MDI sold as part of a PU system.² Four U.S. producers and four importers (***) provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.³ Pricing data reported by these firms accounted for approximately 84.6 percent of U.S. producers' U.S. commercial shipments of MDI, *** percent of U.S. commercial shipments of subject imports from China in 2025.⁴ Price data for products 1 to 3 are presented in tables 5.6 to 5.11 and figures 5.3 to 5.8. Price data for products with all methods of sale combined are presented in Appendix E. Nonsubject country prices are presented in Appendix F.

² See Wanhua's Comments on the Draft Questionnaires, pp. 6 to 9.

³ Per-unit pricing data are calculated from total quantity and total value data provided by U.S. producers and importers. The precision and variation of these figures may be affected by rounding, limited quantities, and producer or importer estimates.

⁴ Pricing coverage is based on U.S. shipments reported in questionnaires.

Wanhua described product 1 as used mostly in the woodbinder market and is often priced with a formula based on feedstock costs. Wanhua also described product 2 (used mostly in spray foam applications) as often priced with monthly negotiated prices. Finally, Wanhua described product 3 as used almost exclusively in boardstock applications. It continued that customers in this segment demand multiyear contracts.⁵

Table 5.6 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 sold in bulk and margins of underselling/(overselling), by source and quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

| Period | U.S. price | U.S. quantity | China price | China quantity | China margin |
|---------|------------|---------------|-------------|----------------|--------------|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

⁵ Prehearing brief of Wanhua, p. 14 and hearing transcript, pp. 214 to 216 (Sturgeon).

Figure 5.3 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 sold in bulk, by source and quarter

Price of product 1 sold in bulk

* * * * *

Volume of product 1 sold in bulk

* * * * *

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Table 5.7 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 sold in bulk as part of a polyurethane system, and margins of underselling/(overselling), by source and quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

| Period | U.S. price | U.S. quantity | China price | China quantity | China margin |
|---------|------------|---------------|-------------|----------------|--------------|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Figure 5.4 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 sold in bulk as part of a polyurethane system, by source and quarter

Price of product 1 as part of a polyurethane system

* * * * *

Volume of product 1 as part of a polyurethane system

* * * * *

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Table 5.8 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 sold in packages (e.g., totes, drums) and margins of underselling/(overselling), by source and quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

| Period | U.S. price | U.S. quantity | China price | China quantity | China margin |
|---------|------------|---------------|-------------|----------------|--------------|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Figure 5.5 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 sold in packages (e.g., totes, drums), by source and quarter

Price of product 2 sold in packages (e.g., totes, drums)

* * * * *

Volume of product 2 sold in packages (e.g., totes, drums)

* * * * *

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Table 5.9 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 sold in packages as part of a polyurethane system, and margins of underselling/(overselling), by source and quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

| Period | U.S. price | U.S. quantity | China price | China quantity | China margin |
|---------|------------|---------------|-------------|----------------|--------------|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Figure 5.6 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 sold in packages as part of a polyurethane system, by source and quarter

Price of product 2 as part of a polyurethane system

* * * * *

Volume of product 2 as part of a polyurethane system

* * * * *

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Table 5.10 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 sold in bulk and margins of underselling/(overselling), by source and quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

| Period | U.S. price | U.S. quantity | China price | China quantity | China margin |
|---------|------------|---------------|-------------|----------------|--------------|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Figure 5.7 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 sold in bulk, by source and quarter

Price of product 3 sold in bulk

* * * * *

Volume of product 3 sold in bulk

* * * * *

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Table 5.11 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 sold as part of a polyurethane system, and margins of underselling/(overselling), by source and quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

| Period | U.S. price | U.S. quantity | China price | China quantity | China margin |
|---------|------------|---------------|-------------|----------------|--------------|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Figure 5.8 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 sold as part of a polyurethane system, by source and quarter

Price of product 3 as part of a polyurethane system

* * * * *

Volume of product 3 as part of a polyurethane system

* * * * *

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Price trends

In general, MDI prices decreased during January 2022 to September 2025. Table 5.12 summarizes the price trends, by country and by product. As shown in the table, during January 2022 to September 2025, domestic price decreases ranged from *** to *** percent for products sold as part of a polyurethane system and from *** percent to *** percent for products sold in bulk or in packages. Import price decreases for products sold in bulk or in packages ranged from *** to *** percent.

Table 5.12 MDI: Summary of price data, by product and source, January 2022 to September 2025

Quantity in short tons, price in dollars per short ton

| Product | Source | Number of quarters | Quantity of shipments | Low price | High price | First quarter price | Last quarter price | Percent change in price over period |
|------------------------|---------------|--------------------|-----------------------|-----------|------------|---------------------|--------------------|-------------------------------------|
| Product 1 bulk | United States | 15 | *** | *** | *** | *** | *** | *** |
| Product 1 bulk | China | 15 | *** | *** | *** | *** | *** | *** |
| Product 1 in PE system | United States | 15 | *** | *** | *** | *** | *** | *** |
| Product 1 in PE system | China | — | *** | *** | *** | *** | *** | *** |
| Product 2 packages | United States | 15 | *** | *** | *** | *** | *** | *** |
| Product 2 packages | China | 15 | *** | *** | *** | *** | *** | *** |
| Product 2 in PE system | United States | 15 | *** | *** | *** | *** | *** | *** |
| Product 2 in PE system | China | — | *** | *** | *** | *** | *** | *** |
| Product 3 bulk | United States | 15 | *** | *** | *** | *** | *** | *** |
| Product 3 bulk | China | 15 | *** | *** | *** | *** | *** | *** |
| Product 3 in PE system | United States | 15 | *** | *** | *** | *** | *** | *** |
| Product 3 in PE system | China | — | *** | *** | *** | *** | *** | *** |

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

Note: Percent change column is percentage change from the first quarter 2022 to September 2025.

Table 5.13 MDI products: Indexed U.S. producer prices, by quarter

Index in percent, 2022 Q1= 100.0 percent

| Period | Product 1 bulk | Product 1 in PE system bulk | Product 2 totes/drums | Product 2 in PE system totes/drums | Product 3 bulk | Product 3 in PE system |
|---------|----------------|-----------------------------|-----------------------|------------------------------------|----------------|------------------------|
| 2022 Q1 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 2022 Q2 | *** | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** | *** |

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

Figure 5.3 MDI products: Indexed U.S. producer prices, by quarter

* * * * *

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

Table 5.14 MDI products: Indexed subject importer prices, by quarter

Index in percent, 2022 Q1= 100.0 percent

| Period | Product 1 bulk | Product 1 in PE system bulk | Product 2 totes/drums | Product 2 in PE system totes/drums | Product 3 bulk | Product 3 in PE system |
|---------|----------------|-----------------------------|-----------------------|------------------------------------|----------------|------------------------|
| 2022 Q1 | 100.0 | — | 100.0 | — | 100.0 | — |
| 2022 Q2 | *** | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** | *** |

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

Figure 5.3 MDI products: Indexed subject importer prices, by quarter

* * * * *

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

Price comparisons

As shown in table 5.15, prices for MDI imported from China were below those for U.S.-produced MDI in 27 of 45 instances (** short tons); margins of underselling ranged from ** to ** percent. In the remaining 18 instances (** short tons), prices for product from China were between ** and ** percent above prices for the domestic product.

In additional comments, importer ** stated that the February 2025 new tariffs had decreased the availability of its **.

Table 5.15 MDI: Instances of underselling and overselling and the range and average of margins, by product

Quantity in short tons; margin in percent

| Product | Type | Number of quarters | Quantity | Average margin | Min margin | Max margin |
|------------------------|--------------|--------------------|----------|----------------|------------|------------|
| Product 1 bulk | Underselling | 14 | ** | ** | ** | ** |
| Product 1 in PE system | Underselling | — | ** | ** | ** | ** |
| Product 2 in packages | Underselling | 10 | ** | ** | ** | ** |
| Product 2 in PE system | Underselling | — | ** | ** | ** | ** |
| Product 3 bulk | Underselling | 3 | ** | ** | ** | ** |
| Product 3 in PE system | Underselling | — | ** | ** | ** | ** |
| All products | Underselling | 27 | ** | ** | ** | ** |
| Product 1 bulk | Overselling | 1 | ** | ** | ** | ** |
| Product 1 in PE system | Overselling | — | ** | ** | ** | ** |
| Product 2 in packages | Overselling | 5 | ** | ** | ** | ** |
| Product 2 in PE system | Overselling | — | ** | ** | ** | ** |
| Product 3 bulk | Overselling | 12 | ** | ** | ** | ** |
| Product 3 in PE system | Overselling | — | ** | ** | ** | ** |
| All products | Overselling | 18 | ** | ** | ** | ** |

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

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

Table 5.16 MDI: Instances of underselling and overselling and the range and average of margins, by year

Quantity in short tons; margin in percent

| Year | Type | Number of quarters | Quantity | Average margin | Min margin | Max margin |
|--------------------------------|--------------|--------------------|----------|----------------|------------|------------|
| 2022 | Underselling | 8 | *** | *** | *** | *** |
| 2023 | Underselling | 8 | *** | *** | *** | *** |
| 2024 | Underselling | 8 | *** | *** | *** | *** |
| January through September 2025 | Underselling | 3 | *** | *** | *** | *** |
| Total, all years | Underselling | 27 | *** | *** | *** | *** |
| 2022 | Overselling | 4 | *** | *** | *** | *** |
| 2023 | Overselling | 4 | *** | *** | *** | *** |
| 2024 | Overselling | 4 | *** | *** | *** | *** |
| January through September 2025 | Overselling | 6 | *** | *** | *** | *** |
| Total, all years | Overselling | 18 | *** | *** | *** | *** |

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

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

Additional price data

In its prehearing brief, Wanhua supplied pricing data from Chemical Market Analytics, showing the price of MDI in North America as \$2,191 per metric ton in 2024 and \$2,179 in 2025, while the price of MDI in Asia was higher at \$2,388 in 2024 and \$2,219 in 2025.⁶

Lost sales and lost revenue

In the preliminary phase of the investigation, the Commission requested that U.S. producers of MDI report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of MDI from China during January 2022 to December 2024. Two U.S. producers submitted lost sales and lost revenue allegations. The two responding U.S. producers identified 22 firms with which they lost sales or revenue (6 consisting lost sales allegations, 9 consisting of lost revenue allegations, and 7 consisting of both types of allegations).

In the final phase of the investigation, of the four responding U.S. producers, four reported that they had to reduce prices, three reported that they had to roll back announced

⁶ Prehearing brief of Wanhua, pp. 110 to 111.

price increases, and four firms reported that they had lost sales. (U.S. producer ***, which stated that it had not had to roll back announced price increases, added that it had been unsuccessful implementing price increases.)

Staff contacted 66 purchasers and received responses from 33 purchasers.⁷ Responding purchasers reported purchasing 2.9 million short tons of MDI (approximately 58 percent of total consumption in the U.S. market) during January 2022 to September 2025 (table 5.17).

Of the 33 responding purchasers, 26 reported that, since 2022, they had purchased imported MDI from China instead of U.S.-produced product. Nine of these purchasers reported that subject import prices were lower than U.S.-produced product, and five of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than U.S.-produced product. Five purchasers estimated the quantity of MDI from China purchased instead of domestic product; quantities ranged from *** short tons to *** short tons (table 5.18). Purchasers identified supply security, availability, and domestic supply disruptions as non-price reasons for purchasing imported rather than U.S.-produced product.

Of the 33 responding purchasers, 2 reported that U.S. producers had reduced prices in order to compete with lower-priced imports from China; 13 reported that U.S. producers had not, and 18 reported that they did not know (table 5.19). The reported estimated price reduction ranged from 25 to 32 percent.

⁷ Three purchasers (***) submitted lost sales lost revenue survey responses in the preliminary phase, but did not submit purchaser questionnaire responses in the final phase.

Table 5.17 Continued

Quantity in short tons, share in percent

| Purchaser | Domestic quantity | Subject quantity | All other quantity | Change in domestic share | Change in subject country share |
|------------------|--------------------------|-------------------------|---------------------------|---------------------------------|--|
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| All firms | *** | *** | *** | *** | *** |

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

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

Table 5.18 MDI: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

| Purchaser | Purchased subject imports instead of domestic | Imports priced lower | Choice based on price | Quantity | Explanation |
|------------------|--|-----------------------------|------------------------------|-----------------|--------------------|
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |

Table continued.

Table 5.18 MDI (Continued): Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

| Purchaser | Purchased subject imports instead of domestic | Imports priced lower | Choice based on price | Quantity | Explanation |
|------------------|--|-----------------------------|------------------------------|-----------------|--------------------|
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |

Table continued.

Table 5.18 MDI (Continued): Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

| Purchaser | Purchased subject imports instead of domestic | Imports priced lower | Choice based on price | Quantity | Explanation |
|-----------|---|----------------------|-----------------------|----------|-------------|
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |

Table continued.

Table 5.18 MDI (Continued): Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

| Purchaser | Purchased subject imports instead of domestic | Imports priced lower | Choice based on price | Quantity | Explanation |
|-----------|---|----------------------|-----------------------|----------|-------------|
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |

Table continued.

Table 5.18 MDI (Continued): Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

| Purchaser | Purchased subject imports instead of domestic | Imports priced lower | Choice based on price | Quantity | Explanation |
|------------------|--|-----------------------------|------------------------------|-----------------|--------------------|
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** |
| All firms | Yes: 26; No: 7 | Yes: 9; No: 18 | Yes: 5; No: 16 | *** | NA |

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

Table 5.19 MDI (Continued): Purchasers' responses to U.S. producer price reductions, by firm

| Purchaser | Reported producers lowered prices | Estimated percent of U.S. price reduction | Explanation |
|-----------|-----------------------------------|---|-------------|
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| *** | *** | *** | *** |
| All firms | Yes: 2; No: 13 | *** | NA |

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

In responding to the lost sales and lost revenue survey, purchaser *** provided some additional comments. It stated that it shifted purchases of MDI from U.S. suppliers to Chinese suppliers since January 2022 due to contract expirations and new contract negotiations. However, it added that it did not purchase from China instead of domestic for its spot market purchases. It continued that it grew its own business with imported product through negotiations that took all factors (availability of material, quality, total value, transportation, and research and development) into consideration, not just price. It also stated that while sometimes import pricing might be favorable, imported product is not always less expensive than domestic. It elaborated that it does not, however, shift business quarter to quarter based on who has the lower price and instead negotiates multi-year agreements.

Part 6: Financial experience of U.S. producers

Background¹

Four U.S. producers (BASF, Covestro, Dow Chemical, and Huntsman) provided usable financial results on their MDI operations. *** U.S. producers reported financial data on a calendar year basis. *** provided data on the basis of IFRS, while *** provided theirs on the basis of GAAP.²

Figure 6.1 presents each responding firm's share of the total reported net sales quantity in 2024. Net sales consisted primarily of commercial sales, *** U.S. producers reported internal consumption and one reported transfers to related firms. Internal consumption and transfers to related firms accounted for 2.1 and 3.4 percent of total sales quantity, respectively, in 2024. Noncommercial sales are included in the financial data, but not shown separately in this section of the report.^{3 4 5}

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

² *** reported processing activity showed in appendix G. Petitioner stated that all U.S. producers have some sort of processing capacities that are in place to provide the types of solutions, products and blends that customers require. Petitioner further explained that processing activity is limited to the purchasing of MDI and doing further downstream processing with it, which is different than distilling crude MDI. Conference transcript, p. 40 (Nespatti) and p. 41 (Martin).

³ ***. Internal consumption was reported at fair market value. Email from ***, March 5, 2025, and email from ***, March 6, 2025.

⁴ ***. Transfer sales were reported at fair market value. U.S. Producers questionnaire response, section 2.13, and email from ***, March 6, 2025.

⁵ Staff conducted a verification of *** trade and financial data. All adjustments that resulted from the verification were incorporated into this report.

Figure 6.1 MDI: U.S. producers' share of net sales quantity in 2024, by firm

* * * * *

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

Operations on MDI

Table 6.1 presents aggregated data on U.S. producers' operations in relation to MDI, while table 6.2 presents corresponding changes in AUVs. Table 6.3 presents selected company-specific financial data.

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

Quantity in short tons; value in 1,000 dollars; ratios in percent; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|-------------------------------|-------------|-----------|-----------|-----------|--------------|--------------|
| Total net sales | Quantity | 1,251,794 | 1,239,523 | 1,258,229 | 986,401 | 1,050,727 |
| Total net sales | Value | 3,722,917 | 3,005,696 | 2,760,998 | 2,155,074 | 2,237,696 |
| COGS: Raw materials | Value | 2,130,827 | 1,755,477 | 1,755,969 | 1,309,288 | 1,368,497 |
| COGS: Direct labor | Value | 208,789 | 205,046 | 204,841 | 154,168 | 156,103 |
| COGS: Other factory | Value | 576,317 | 561,634 | 573,032 | 412,942 | 434,215 |
| COGS: Less by-product revenue | Value | 93,030 | 127,031 | 81,637 | 67,562 | 47,379 |
| COGS: Total | Value | 2,822,903 | 2,395,126 | 2,452,205 | 1,808,836 | 1,911,436 |
| Gross profit or (loss) | Value | 900,014 | 610,570 | 308,793 | 346,238 | 326,260 |
| SG&A expenses | Value | 224,601 | 224,797 | 226,415 | 166,460 | 174,762 |
| Operating income or (loss) | Value | 675,413 | 385,773 | 82,378 | 179,778 | 151,498 |
| Other expense/(income), net | Value | *** | *** | *** | *** | *** |
| Net income or (loss) | Value | *** | *** | *** | *** | *** |
| Depreciation/amortization | Value | 163,891 | 205,175 | 190,028 | 143,752 | 153,091 |
| Cash flow | Value | *** | *** | *** | *** | *** |
| COGS: Raw materials | Ratio to NS | 57.2 | 58.4 | 63.6 | 60.8 | 61.2 |
| COGS: Direct labor | Ratio to NS | 5.6 | 6.8 | 7.4 | 7.2 | 7.0 |
| COGS: Other factory | Ratio to NS | 15.5 | 18.7 | 20.8 | 19.2 | 19.4 |
| COGS: Total | Ratio to NS | 75.8 | 79.7 | 88.8 | 83.9 | 85.4 |
| Gross profit | Ratio to NS | 24.2 | 20.3 | 11.2 | 16.1 | 14.6 |
| SG&A expense | Ratio to NS | 6.0 | 7.5 | 8.2 | 7.7 | 7.8 |
| Operating income or (loss) | Ratio to NS | 18.1 | 12.8 | 3.0 | 8.3 | 6.8 |
| Net income or (loss) | Ratio to NS | *** | *** | *** | *** | *** |

Table continued.

Table 6.1 (Continued) MDI: U.S. producers' results of operations, by item and period

Shares in percent; unit values in dollars per short ton; count in number of firms reporting; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|-------------------------------|------------|-------|-------|-------|--------------|--------------|
| COGS: Raw materials | Share | 73.1 | 69.6 | 69.3 | 69.8 | 69.9 |
| COGS: Direct labor | Share | 7.2 | 8.1 | 8.1 | 8.2 | 8.0 |
| COGS: Other factory | Share | 19.8 | 22.3 | 22.6 | 22.0 | 22.2 |
| COGS: Total | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Total net sales | Unit value | 2,974 | 2,425 | 2,194 | 2,185 | 2,130 |
| COGS: Raw materials | Unit value | 1,702 | 1,416 | 1,396 | 1,327 | 1,302 |
| COGS: Direct labor | Unit value | 167 | 165 | 163 | 156 | 149 |
| COGS: Other factory | Unit value | 460 | 453 | 455 | 419 | 413 |
| COGS: Less by-product revenue | Unit value | 74 | 102 | 65 | 68 | 45 |
| COGS: Total | Unit value | 2,255 | 1,932 | 1,949 | 1,834 | 1,819 |
| Gross profit or (loss) | Unit value | 719 | 493 | 245 | 351 | 311 |
| SG&A expenses | Unit value | 179 | 181 | 180 | 169 | 166 |
| Operating income or (loss) | Unit value | 540 | 311 | 65 | 182 | 144 |
| Net income or (loss) | Unit value | *** | *** | *** | *** | *** |
| Operating losses | Count | 0 | 1 | 2 | 2 | 0 |
| Net losses | Count | 0 | 1 | 3 | 2 | 0 |
| Data | Count | 4 | 4 | 4 | 4 | 4 |

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

Note: Shares represent the share of COGS before by-product offset.

Table 6.2 MDI: Changes in AUVs between comparison periods

Changes in percent; interim is January through September

| Item | 2022 to 2024 | 2022 to 2023 | 2023 to 2024 | Interim 2024 to interim 2025 |
|-------------------------------|--------------|--------------|--------------|------------------------------|
| Total net sales | ▼(26.2) | ▼(18.5) | ▼(9.5) | ▼(2.5) |
| COGS: Raw materials | ▼(18.0) | ▼(16.8) | ▼(1.5) | ▼(1.9) |
| COGS: Direct labor | ▼(2.4) | ▼(0.8) | ▼(1.6) | ▼(4.9) |
| COGS: Other factory | ▼(1.1) | ▼(1.6) | ▲0.5 | ▼(1.3) |
| COGS: Less by-product revenue | ▼(12.7) | ▲37.9 | ▼(36.7) | ▼(34.2) |
| COGS: Total | ▼(13.6) | ▼(14.3) | ▲0.9 | ▼(0.8) |

Table continued.

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

Changes in dollars per short ton; interim is January through September

| Item | 2022 to 2024 | 2022 to 2023 | 2023 to 2024 | Interim 2024 to interim 2025 |
|-------------------------------|--------------|--------------|--------------|------------------------------|
| Total net sales | ▼(780) | ▼(549) | ▼(231) | ▼(55) |
| COGS: Raw materials | ▼(307) | ▼(286) | ▼(21) | ▼(25) |
| COGS: Direct labor | ▼(4) | ▼(1) | ▼(3) | ▼(8) |
| COGS: Other factory | ▼(5) | ▼(7) | ▲2 | ▼(5) |
| COGS: Less by-product revenue | ▼(9) | ▲28 | ▼(38) | ▼(23) |
| COGS: Total | ▼(306) | ▼(323) | ▲17 | ▼(15) |
| Gross profit or (loss) | ▼(474) | ▼(226) | ▼(247) | ▼(41) |
| SG&A expense | ▲1 | ▲2 | ▼(1) | ▼(2) |
| Operating income or (loss) | ▼(474) | ▼(228) | ▼(246) | ▼(38) |
| Net income or (loss) | ▼*** | ▼*** | ▼*** | ▼*** |

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

Note: Period changes preceded by a “▲” represent an increase, while period changes preceded by a “▼” represent a decrease.

Table 6.3 MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period**Net sales quantity**

Quantity in short tons; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 1,251,794 | 1,239,523 | 1,258,229 | 986,401 | 1,050,727 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period**Net sales value**

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

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 3,722,917 | 3,005,696 | 2,760,998 | 2,155,074 | 2,237,696 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period**COGS**

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

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 2,822,903 | 2,395,126 | 2,452,205 | 1,808,836 | 1,911,436 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Gross profit or (loss)

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

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 900,014 | 610,570 | 308,793 | 346,238 | 326,260 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

SG&A expenses

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

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 224,601 | 224,797 | 226,415 | 166,460 | 174,762 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Operating income or (loss)

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

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 675,413 | 385,773 | 82,378 | 179,778 | 151,498 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Net income or (loss)

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

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | *** | *** | *** | *** | *** |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

COGS to net sales ratio

Ratios in percent; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 75.8 | 79.7 | 88.8 | 83.9 | 85.4 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Gross profit or (loss) to net sales ratio

Ratios in percent; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 24.2 | 20.3 | 11.2 | 16.1 | 14.6 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

SG&A expenses to net sales ratio

Ratios in percent; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 6.0 | 7.5 | 8.2 | 7.7 | 7.8 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Operating income or (loss) to net sales ratio

Ratios in percent; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 18.1 | 12.8 | 3.0 | 8.3 | 6.8 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Net income or (loss) to net sales ratio

Ratios in percent; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | *** | *** | *** | *** | *** |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit net sales value

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 2,974 | 2,425 | 2,194 | 2,185 | 2,130 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit raw material costs

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 1,702 | 1,416 | 1,396 | 1,327 | 1,302 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit direct labor costs

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 167 | 165 | 163 | 156 | 149 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit other factory costs

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 460 | 453 | 455 | 419 | 413 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit by-product revenue

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 74 | 102 | 65 | 68 | 45 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit COGS

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 2,255 | 1,932 | 1,949 | 1,834 | 1,819 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit gross profit or (loss)

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 719 | 493 | 245 | 351 | 311 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit SG&A expenses

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 179 | 181 | 180 | 169 | 166 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit operating income or (loss)

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 540 | 311 | 65 | 182 | 144 |

Table continued.

Table 6.3 (Continued) MDI: U.S. producers' sales, costs/expenses, and profitability, by firm and period

Unit net income or (loss)

Unit values in dollars per short ton; interim is January through September

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | *** | *** | *** | *** | *** |

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

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

Net sales

As shown in table 6.1, sales quantity increased narrowly and irregularly from 2022 to 2024, while sales value decreased notably each year during the same period.^{6 7} Both sales quantity and value were higher in interim 2025 compared with interim 2024. As shown in table 6.3, *** U.S. producers except *** reported an increase in sales quantity from 2022 to 2023 followed by a decrease from 2023 to 2024. Overall, *** U.S. producers reported an increase in sales quantity from 2022 to 2024. For sales value, *** U.S. producers reported an overall decrease from 2022 to 2024, with the majority of the decrease occurring from 2022 to 2023. In interim 2025 compared with interim 2024, *** reported a higher sales quantity and value.⁸ On a per-short ton basis, sales value decreased each year from 2022 to 2024 and was somewhat lower in interim 2025 compared with interim 2024. *** U.S. producers showed an overall decrease of similar magnitude in their per-short ton sales values from 2022 to 2024, and lower unit values in interim 2025 compared with interim 2024 (see table 6.3).

⁶ ***. Email from ***, March 6, 2025.

⁷ ***. Email from ***, March 6, 2025.

⁸ ***. Email from ***, January 30, 2026.

Cost of goods sold and gross profit or loss

Raw material costs, direct labor, and other factory costs accounted for 69.3, 8.1, and 22.6 percent of total COGS, respectively, in 2024.

Raw material cost, the largest component of COGS in all years in which data were collected, decreased from 2022 to 2023, then narrowly increased from 2023 to 2024, and decreased overall from 2022 to 2024 (largely reflecting the cost of aniline).^{9 10} On a per-short ton basis, raw material costs decreased each year from 2022 to 2024. In interim 2025 compared with interim 2024, raw material costs were somewhat higher in value but lower on a per-short ton basis. As shown in table 6.3, *** U.S. producers reported an overall decrease in their per-short ton values from 2022 to 2024, with the majority of the decrease occurring from 2022 to 2023, and all but one reported lower per-short ton values in interim 2025 compared with interim 2024. As a ratio to net sales, raw materials cost increased each year from 2022 to 2024 and was somewhat higher in interim 2025 compared with interim 2024, reflecting the decline in sales value over this period.

Table 6.4 presents details on specific raw material inputs as a share of raw materials cost in 2024. The table shows that aniline is the primary raw material input for MDI accounting for 58.8 percent, followed by other material inputs such as *** accounting for 23.4 percent, and chlorine and formaldehyde accounting for the remaining 17.8 percent of total raw materials cost.¹¹

Table 6.4 MDI: U.S. producers' raw material costs in 2024

Value in 1,000 dollars; share of value in percent

| Item | Value | Share of value |
|-----------------------|-----------|----------------|
| Aniline | 1,031,808 | 58.8 |
| Formaldehyde | 120,986 | 6.9 |
| Chlorine | 192,155 | 10.9 |
| Other material inputs | 411,020 | 23.4 |
| All raw materials | 1,755,969 | 100.0 |

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

⁹ ***. U.S. producers' questionnaire responses, section 3.9d and postconference brief p.29.

¹⁰ ***. Emails from ***, March 10, 2026 and ***, March 11, 2026.

¹¹ U.S. producers' questionnaire response, section 3.9d.

Direct labor cost, the smallest component of COGS in all the years in which data were collected, decreased each year in value and fluctuated within a relatively narrow range on a per-short ton basis from 2022 to 2024. In interim 2025 compared with interim 2024, direct labor cost was higher in value but lower on a per-short ton basis. As shown in table 6.3, three of four U.S. producers reported an overall decrease in their per-short ton direct labor cost from 2022 to 2024, and lower per-short ton values in interim 2025 compared with interim 2024.

Other factory costs, the second largest component of COGS in all years in which data were collected, decreased irregularly in value and fluctuated within a relatively narrow range on a per-short ton basis from 2022 to 2024. In interim 2025 compared with interim 2024, other factory costs were higher in value but somewhat lower on a per-short ton basis. As shown in table 6.3, U.S. producers' other factory costs (per-short ton) varied in directional trends between 2022 and 2024 but were more uniform in the comparable interim periods.^{12 13}

By-product sales of hydraulic acid ("HCl"), generated during the production of MDI, ranged between 2.1 and 4.2 percent of total net sales during the period in which data were collected. As shown in table 6.1, by-product revenue decreased irregularly from 2022 to 2024 and was lower in interim 2025 compared with interim 2024.¹⁴

Total COGS net of by-product revenue decreased from 2022 to 2023 then increased from 2023 to 2024, with an overall decrease of 13.1 percent driven primarily by the decrease of raw material costs from 2022 to 2023. As shown in table 6.3, *** U.S. producers reported an overall decrease in their total COGS from 2022 to 2024, and *** reported a higher COGS in

¹² ***. Email from ***, March 11, 2025.

¹³ ***. Emails from ***, March 6 and March 13, 2025.

¹⁴ ***. Email from ***, March 6, 2025, and U.S. Producers questionnaire response, section 3.8b.

interim 2025 compared with interim 2024. As a ratio to net sales, total COGS increased each year and was higher in interim 2025 compared with interim 2024.¹⁵

As shown in table 6.1, sales value remained higher than total COGS from 2022 to 2024, resulting in positive profits, however it declined at a greater rate than total COGS during that same period, resulting in a decline in gross profits. Sales value was higher in interim 2025 compared with interim 2024 but total COGS outpaced sales leading to a lower gross profit. On a firm-by-firm basis, *** U.S. producers except *** reported an overall decrease in their gross profits from 2022 to 2024, and two of four reported a lower gross profit in interim 2025 compared with interim 2024 (see table 6.3). As a ratio to net sales, gross profit decreased from 2022 to 2024 and was lower in interim 2025 compared with interim 2024.

SG&A expenses and operating income or loss

As shown in table 6.1, the aggregate SG&A expenses increased each year (***) from 2022 to 2024 and were higher in interim 2025 compared with interim 2024 in value and as a ratio to net sales. On a firm-by-firm basis, *** U.S. producers except *** reported an overall decrease in their SG&A expenses in value from 2022 to 2024, and three of four reported higher SG&A expenses in interim 2025 compared with interim 2024 (see table 6.3).^{16 17}

Operating income decreased notably from 2022 to 2024 and was lower in interim 2025 compared with interim 2024. As shown in table 6.3, *** U.S. producers except ***

¹⁵ In response to Commission staff's inquiry about whether or not there were any different variations of MDI that would notably impact costs and pricing, petitioner stated that ***. Petitioner's postconference brief, p.30.

¹⁶ ***. Email from ***, March 6, 2025, and ***, February 4, 2026.

¹⁷ ***. Email from ***, March 6, 2025 and U.S. producers questionnaire response, section 2.2a.

reported an overall decrease in their operating income from 2022 to 2024, and two of four reported a lower operating income in interim 2025 compared with interim 2024. As a ratio to net sales, operating income decreased from 2022 to 2024 and was lower in interim 2025 compared with interim 2024.

All other expenses and net income or loss

Classified below the operating income level are interest expense, other expense, and other income items. In table 6.1, these items are aggregated and only the net amount is shown as “other expense/(income).”^{18 19} Total net other expenses/income increased notably from 2022 to 2024 (largely reflecting *** data) and was lower in interim 2025 compared with interim 2024.²⁰

Net income *** but declined from 2022 to 2023, and further declined *** in 2024. Net income was lower in interim 2025 compared with interim 2024. As compared to operating income, the level of net income reflects interest expenses and other expense items to the extent to which they were partially offset by other income.

¹⁸ ***. Emails from ***, and ***, March 6, 2025 and February 19, 2026.

¹⁹ ***. Email from ***, February 19, 2026.

²⁰ ***. Email from ***, February 19, 2026.

Variance analysis

A variance analysis for the operations of U.S. producers of MDI is presented in table 6.5.²¹ The information for this variance analysis is derived from table 6.1. The data shows that operating income decreased from 2022 to 2024 and was lower in interim 2025 compared with interim 2024, primarily because the unfavorable price variance (unit sales decreased) outweighed the favorable cost variance (unit COGS decreased), and favorable volume variance (sales volume increased).

Table 6.5 MDI: Variance analysis on the operations of U.S. producers between comparison periods

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

| Item | 2022 to 2024 | 2022 to 2023 | 2023 to 2024 | Interim 2024 to 2025 |
|----------------------------------|--------------|--------------|--------------|----------------------|
| Net sales price variance | (981,057) | (680,726) | (290,058) | (57,916) |
| Net sales volume variance | 19,138 | (36,495) | 45,360 | 140,538 |
| Net sales total variance | (961,919) | (717,221) | (244,698) | 82,622 |
| COGS cost variance | 385,209 | 400,105 | (20,933) | 15,359 |
| COGS volume variance | (14,511) | 27,672 | (36,146) | (117,959) |
| COGS total variance | 370,698 | 427,777 | (57,079) | (102,600) |
| Gross profit variance | (591,221) | (289,444) | (301,777) | (19,978) |
| SG&A cost variance | (659) | (2,398) | 1,774 | 2,553 |
| SG&A volume variance | (1,155) | 2,202 | (3,392) | (10,855) |
| SG&A total variance | (1,814) | (196) | (1,618) | (8,302) |
| Operating income price variance | (981,057) | (680,726) | (290,058) | (57,916) |
| Operating income cost variance | 384,550 | 397,707 | (19,159) | 17,913 |
| Operating income volume variance | 3,472 | (6,621) | 5,822 | 11,724 |
| Operating income total variance | (593,035) | (289,640) | (303,395) | (28,280) |

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

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

²¹ The Commission's variance analysis is calculated in three parts: Net sales variance, COGS variance, and SG&A expense variance. Each part consists of a price variance (in the case of the net sales variance) or a cost or expense variance (in the case of the COGS and SG&A expense variance), and a volume variance. The sales or cost/expense variances are calculated as the change in unit price or per-unit cost/expense, respectively, times the new volume, while the volume variance is calculated as the change in volume times the old unit price or per-unit cost/expense. Summarized at the bottom of the table, the operating income price variance is from sales; the operating income cost/expense variance is the sum of the cost components in the COGS and SG&A expense variances, and the operating income volume variance is the sum of the volume components of the net sales, COGS, and SG&A expense variances.

Capital expenditures and research and development expenses

Table 6.6 presents capital expenditures, by firm, and table 6.8 presents R&D expenses, by firm. Tables 6.7 and 6.9 present the firms' narrative explanations of the nature, focus, and significance of their capital expenditures and R&D expenses, respectively. Capital expenditures increased irregularly from 2022 to 2024 mainly driven by *** data. R&D expenses decreased from 2022 to 2024.²² Capital expenditures and R&D expenses were higher in interim 2025 compared with interim 2024.

Table 6.6 MDI: U.S. producers' capital expenditures, by firm and period

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

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|---------|---------|---------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 314,002 | 262,067 | 383,870 | 218,930 | 244,253 |

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

Table 6.7 MDI: U.S. producers' narrative descriptions of their capital expenditures, by firm

| Firm | Narrative on capital expenditures |
|--------------|-----------------------------------|
| BASF | *** |
| Covestro | *** |
| Dow Chemical | *** |
| Huntsman | *** |

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

²² ***. Email from ***, March 6, 2025.

Table 6.8 MDI: U.S. producers' R&D expenses, by firm and period

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

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|--------|--------|--------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Covestro | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 32,028 | 30,573 | 30,230 | 21,583 | 22,760 |

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

Table 6.9 MDI: U.S. producers' narrative descriptions of their R&D expenses, by firm

| Firm | Narrative on R&D expenses |
|--------------|---------------------------|
| BASF | *** |
| Covestro | *** |
| Dow Chemical | *** |
| Huntsman | *** |

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

Assets and return on assets

Table 6.10 presents data on the U.S. producers' total assets while table 6.11 presents their operating ROA.²³ Table 6.12 presents U.S. producers' narrative responses explaining their major asset categories and any significant changes in asset levels over time. Total assets decreased irregularly from 2022 to 2024, while ROA decreased each year during the same period.

Table 6.10 MDI: U.S. producers' total net assets, by firm and period

Value in 1,000 dollars

| Firm | 2022 | 2023 | 2024 |
|--------------|-----------|-----------|-----------|
| BASF | *** | *** | *** |
| Covestro | *** | *** | *** |
| Dow Chemical | *** | *** | *** |
| Huntsman | *** | *** | *** |
| All firms | 2,785,426 | 2,599,659 | 2,707,417 |

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

Table 6.11 MDI: U.S. producers' ROA, by firm and period

Ratio in percent

| Firm | 2022 | 2023 | 2024 |
|--------------|------|------|------|
| BASF | *** | *** | *** |
| Covestro | *** | *** | *** |
| Dow Chemical | *** | *** | *** |
| Huntsman | *** | *** | *** |
| All firms | 24.2 | 14.8 | 3.0 |

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

²³ The operating ROA is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations are generally required in order to report a total asset value on a product-specific basis.

Table 6.12 MDI: U.S. producers' narrative descriptions of their total net assets, by firm

| Firm | Narrative on assets |
|--------------|---------------------|
| BASF | *** |
| Covestro | *** |
| Dow Chemical | *** |
| Huntsman | *** |

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

Capital and investment

The Commission requested U.S. producers of MDI to describe any actual or potential negative effects of imports of MDI from China on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table 6.13 presents the number of firms reporting an impact in each category and table 6.14 provides the U.S. producers' narrative responses.

Table 6.13 MDI: Count of firms indicating actual and anticipated negative effects of imports from subject sources on investment, growth, and development since January 1, 2022, by effect

Number of firms reporting

| Effect | Category | Count |
|--|------------|-------|
| Cancellation, postponement, or rejection of expansion projects | Investment | 1 |
| Denial or rejection of investment proposal | Investment | 0 |
| Reduction in the size of capital investments | Investment | 1 |
| Return on specific investments negatively impacted | Investment | 3 |
| Other investment effects | Investment | 2 |
| Any negative effects on investment | Investment | 4 |
| Rejection of bank loans | Growth | 0 |
| Lowering of credit rating | Growth | 0 |
| Problem related to the issue of stocks or bonds | Growth | 1 |
| Ability to service debt | Growth | 0 |
| Other growth and development effects | Growth | 3 |
| Any negative effects on growth and development | Growth | 3 |
| Anticipated negative effects of imports | Future | 4 |

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

Note: *** responded "no" on effects of imports on growth and development.

Table 6.14 MDI: U.S. producers' narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2022, by firm and effect

| Item | Firm name and narrative on impact of imports |
|--|--|
| Cancellation, postponement, or rejection of expansion projects | *** |
| Reduction in the size of capital investments | *** |
| Return on specific investments negatively impacted | *** |
| Return on specific investments negatively impacted | *** |
| Return on specific investments negatively impacted | *** |
| Other negative effects on investments | *** |
| Other negative effects on investments | *** |
| Problem related to the issue of stocks or bonds | *** |
| Other effects on growth and development | *** |
| Other effects on growth and development | *** |

| Item | Firm name and narrative on impact of imports |
|---|--|
| Other effects on growth and development | *** |
| Anticipated effects of imports | *** |
| Anticipated effects of imports | *** |
| Anticipated effects of imports | *** |
| Anticipated effects of imports | *** |

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

Part 7: Threat considerations and information on nonsubject countries

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

In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic factors¹⁻⁻

- (I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,
- (II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,
- (III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,
- (IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports,
- (V) inventories of the subject merchandise,

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

- (VI) the potential for product-shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products,
- (VII) in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both),
- (VIII) the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and
- (IX) any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).²

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

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

The industry in China

The Commission issued foreign producers’ or exporters’ questionnaires to 10 firms believed to produce and/or export MDI from China.³ Usable responses to the Commission’s questionnaire were received from 8 firms: BASF Polyurethanes (Chongqing) Co., Ltd., (“BASF Chongqing”), Shanghai BASF Polyurethane Company Ltd., (“BASF Shanghai”), Huntsman Polyurethanes Shanghai Limited (“Huntsman Shanghai”), Covestro Polymers (China) Co., Ltd., (“Covestro China”), Wanhua Chemical (Fujian) Isocyanate Co., Ltd., (“Wanhua Fujian”), Wanhua Chemical (Guangdong) Co., Ltd., (“Wanhua Guangdong”), Wanhua Chemical (Ningbo) Co., Ltd., (“Wanhua Ningbo”), and Wanhua Chemical Group Co., Ltd. (“Wanhua Shandong”).

Table 7.1 presents the number of producers/exporters in China that responded to the Commission’s questionnaire, their exports to the United States as a share of U.S. imports by China in 2024, and their estimated share of total production of MDI in China during 2024.

Table 7.1 MDI: Number of responding producers/exporters, approximate share of production, and exports to the United States as a share of U.S. imports from China, 2024

| Subject foreign industry | Number of responding firms | Approximate share of production (percent) | Exports as a share of U.S. imports from subject country (percent) |
|--------------------------|----------------------------|---|---|
| China | 8 | *** | *** |

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

Note: “Approximate share of production” reflects the responding firms’ estimates of their production as a share of total China production of MDI in 2024. Since not all firms have perfect knowledge of the industry in their home market, different firms might use different denominators in estimating their firm’s share of the total requested. If more than one firm responded, the average denominator for reasonably reported estimates is used in the share presented. Approximate shares are rounded to the nearest whole number.

Note: “Exports as a share of U.S. imports” reflects a comparison of export data reported by firms in response to the Commission’s foreign producer/exporter questionnaire with official Commerce import statistics using HTS statistical reporting numbers 2929.10.8010 and 3909.31.0000, accessed February 25, 2025, adjusted to remove merchandise certified as out-of-scope in response to Commission questionnaires using proprietary, Census-edited Customs import records.

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

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

Table 7.2 presents information on the MDI operations of the responding producers and exporters in China (or the responding subject producers, by firm), and, table 7.3 presents summary information on responding resellers of subject MDI. *** reported no exports to the United States during 2024. Three firms reported being resellers of subject MDI during 2024.

Table 7.2 MDI: Summary data for producers in China in 2024

Quantity in short tons; share in percent

| Firm name | Production (short tons) | Share of reported production (percent) | Exports to the United States (short tons) | Share of reported exports to the United States (percent) | Total shipments (short tons) | Share of firm's total shipments exported to the United States (percent) |
|--------------------------|-------------------------|--|---|--|------------------------------|---|
| BASF Chongping | *** | *** | *** | *** | *** | *** |
| BASF Shanghai | *** | *** | *** | *** | *** | *** |
| Covestro Polymers | *** | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** | *** |
| Wanhua Fujian | *** | *** | *** | *** | *** | *** |
| Wanhua Guangdong | *** | *** | *** | *** | *** | *** |
| Wanhua Ningbo | *** | *** | *** | *** | *** | *** |
| Wanhua Shandong | *** | *** | *** | *** | *** | *** |
| All individual producers | *** | 100.0 | *** | 100.0 | *** | *** |

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

Table 7.3 MDI: Responding producers/exporters, approximate share of production, and exports to the United States as a share of U.S. imports from China, 2024

| Subject foreign industry and reseller name | Resales exported to the United States (short tons) | Share of resales exported to the United States (percent) |
|--|--|--|
| Wanhua Ningbo | *** | *** |
| Wanhua Shandong | *** | *** |
| All individual resellers | *** | 100.0 |

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

Table 7.4 presents events in the industry in China since January 1, 2022.

Table 7.4 MDI: Important industry events in China since 2022

| Item | Firm: Event |
|---------------------------------|---|
| Plant openings | Wanhua Chemical (Ningxia) Company: On May 8, 2022, Wanhua brought onstream its 300,000 metric tons per year (MTPY) separation facility in Ningdong to produce monomeric and polymeric MDI. |
| Prolonged maintenance shutdowns | Wanhua Chemical: As of June 5, 2025, Wanhua temporarily halted MDI production at its 800,000 MTPY facility in Fujian with the start of its planned 45-day maintenance and upgrade program. |
| Prolonged maintenance shutdowns | Wanhua Chemical (Yantai and Ningbo) and BASF (Chongqing and Shanghai): Maintenance and overhaul programs were announced between May and August 2024, temporarily halting MDI production and reducing supplies in Yantai for 45 days affecting 1.1 million MTPY, and in Chongqing for 14 days affecting 400,000 MTPY). |
| Expansions | Wanhua Chemical (Fujian) Isocyanate Co., Ltd.: On October 11, 2025, Wanhua received approval from the Fuzhou Ecological Environment Bureau to expand its existing MDI plant production capacity by 700,000 MTPY, increasing from 800,000 MTPY to 1.5 million MTPY. |
| Expansions | Xinjiang Heshan Juli Chemical Yantai: Approval sought in mid-2025 to add 0.4 MTPY production capacity at its Shandong MDI facility. The new production is expected to start in 2027. |

Source: Everchem Specialty Chemicals, "Wanhua MDI Expansion Approved," October 16, 2025, <https://everchem.com/wanhua-mdi-expansion-approved/>; SunSirs Commodity Data Group, "SunSirs: Wanhua Chemical Expands MDI Capacity to 1.5 Million Tons," October 17, 2025, <https://www.sunsirs.com/commodity-news/detail-27197.html>; ECHEMI, "Wanhua, BASF and Covestro Work Together! The New Production Capacity of this High-barrier Raw Material is Nearly 3 Million Tons!," May 20, 2022, [https://www.echemi.com/cms/668953.html#:~:text=Xinjiang%20Heshan%20Juli%20\(a%20subsidiary,of%20aggregated%20MDI%20market%20demand](https://www.echemi.com/cms/668953.html#:~:text=Xinjiang%20Heshan%20Juli%20(a%20subsidiary,of%20aggregated%20MDI%20market%20demand); ECHEMI, "4 Major Plants Halted as Wanhua Launches Dual-Site Overhaul Impacting 2.56 Million Tons Capacity," May 28, 2025, <https://www.echemi.com/cms/2418471.html>; Engineer News Network, "China to Lead Global Methylene Diphenyl Diisocyanate Capacity Additions Through 2030," August 26, 2025, <https://www.engineernewsnetwork.com/blog/china-to-lead-global-methylene-diphenyl-diisocyanate-capacity-additions-through-2030/>; PUdaily, "MDI Facility Disruptions Resurface? China PMDI Market Review - April 2024," April 29, 2024, <https://www.pudaily.com/Home/NewsDetails/46766#:~:text=In%20terms%20of%20supply%2C%20MDI,support%20for%20Chinese%20PMDI%20market>; ECHEMI, "MDI Market Storm! Supply Gap Exceeds 2 Million Tons, Price Surges 22%! Multiple Giants Suspend Production for Maintenance, Impact May Last Until 2025," August 27, 2024, <https://www.echemi.com/cms/2017844.html#:~:text=Then%2C%20in%20April%202024%2C%20the%20US%20chemical,400%2C000%20tons%20was%20forced%20to%20stop%20production>

Changes in operations

Producers in China were asked to report any change in the character of their operations or organization relating to the production of MDI since January 1, 2022. Six of 8 responding Chinese producers indicated in their questionnaires that they had experienced such changes. Tables 7.5 and 7.6 present the changes identified by these producers.

Table 7.5 MDI: Reported changes in operations in China since January 1, 2022, by firm

| Item | China |
|---|-------|
| Plant openings | 2 |
| Plant closings | 0 |
| Prolonged shutdowns | 1 |
| Production curtailments | 2 |
| Relocations | 0 |
| Expansions | 3 |
| Acquisitions | 1 |
| Consolidations | 0 |
| Weather-related or force majeure events | 0 |
| Anticipated changes | 4 |
| Other | 1 |
| Any change | 6 |

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

Table 7.6 presents anticipated changes in operations identified by producers in China.

Table 7.6 MDI: Reported anticipated changes in ops in China since Jan. 1, 2022, by firm

| Item | Firm name and accompanying narrative response regarding changes in operations |
|-------------------------|---|
| Plant openings | *** |
| Plant openings | *** |
| Prolonged shutdowns | *** |
| Production curtailments | *** |
| Production curtailments | *** |
| Expansions | *** |
| Expansions | *** |
| Expansions | *** |
| Acquisitions | *** |
| Anticipated changes | *** |
| Anticipated changes | *** |
| Anticipated changes | *** |
| Anticipated changes | *** |
| Other | *** |

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

Installed and practical overall capacity

Table 7.7 presents data on producers' installed capacity, practical overall capacity, and practical MDI capacity and production on the same equipment in China. Between 2022 and 2024, installed overall, installed practical, and practical MDI capacity increased. Following a similar trend, practical overall, installed overall, and practical MDI production along with capacity utilization all increased from 2022 to 2024.⁴

Table 7.7 MDI: Producers' installed and practical capacity and production on the same equipment as in-scope production in China, by period

Capacity and production in short tons; Utilization in percent; Interim period is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|-------------------|-------------|------|------|------|--------------|--------------|
| Installed overall | Capacity | *** | *** | *** | *** | *** |
| Installed overall | Production | *** | *** | *** | *** | *** |
| Installed overall | Utilization | *** | *** | *** | *** | *** |
| Practical overall | Capacity | *** | *** | *** | *** | *** |
| Practical overall | Production | *** | *** | *** | *** | *** |
| Practical overall | Utilization | *** | *** | *** | *** | *** |
| Practical MDI | Capacity | *** | *** | *** | *** | *** |
| Practical MDI | Production | *** | *** | *** | *** | *** |
| Practical MDI | Utilization | *** | *** | *** | *** | *** |

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

⁴ ***. *** foreign producer questionnaire response, section II-9.

Constraints on capacity

Tables 7.8 and 7.9 presents subject producers' reported production and capacity constraints since January 1, 2022. The most commonly reported capacity constraint was production bottlenecks (reported by seven firms), while five firms reported supply of material inputs, as capacity constraints. Of the eight responding firms, ***.

Table 7.8 MDI: Producers' reported constraints to practical overall capacity in China since January 1, 2022, by constraint and firm

| Type of constraint | China |
|---------------------------|-------|
| Production bottlenecks | 6 |
| Existing labor force | 1 |
| Supply of material inputs | 4 |
| Fuel or energy | 0 |
| Storage capacity | 1 |
| Logistics/transportation | 0 |
| Other constraints | 5 |

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

Table 7.9 MDI: Producers' reported constraints to practical overall capacity in China since January 1, 2022, by constraint and firm

| Type of constraint | Subject foreign industry, firm name, and narrative response on constraints to practical overall capacity |
|---------------------------|--|
| Production bottlenecks | *** |
| Production bottlenecks | *** |
| Production bottlenecks | *** |
| Production bottlenecks | *** |
| Production bottlenecks | *** |
| Production bottlenecks | *** |
| Existing labor force | *** |
| Supply of material inputs | *** |
| Supply of material inputs | *** |
| Supply of material inputs | *** |
| Supply of material inputs | *** |
| Storage capacity | *** |
| Other constraints | *** |
| Other constraints | *** |
| Other constraints | *** |
| Other constraints | *** |
| Other constraints | *** |

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

Operations on MDI

Table 7.10 presents information on the MDI operations of the responding producers/exporters from 2022 to 2024 and projections for full years 2025 and 2026. Between 2022 and 2024, subject producers' combined capacity and production of MDI increased by *** and *** percent, respectively. Subject producers' capacity utilization increased by *** percentage points from 2022 to 2024. Exports to the United States and to all other markets both increased from 2022 to 2024, by *** and *** percent respectively. While home market shipments and end-of-period inventories both increased, by *** and *** percent.

Subject producers' exports to the United States, which accounted for less than *** percent from 2022 to 2024, as a share of total shipments, increased overall and were projected to be slightly lower during 2025 and 2026. The leading exporter of MDI from the subject countries to the United States was ***.

Exports to all other markets (other than the United States) accounted for a large portion (***) as a share of subject producers' total shipments of MDI from 2022 to 2024. Subject producers' exports accounted for between *** and *** percent, respectively during 2022 and 2024 and declined as a share of their total shipments, while home market shipments accounted for the *** as a share of total shipments from 2022 to 2024. At the Commission's hearing, the respondents indicated that Chinese producers' exports of MDI to the United States represents a "tiny" fraction of its total shipments.⁵

Projections for subject producers in 2025 and 2026 include projected increases in capacity, production, exports shipments, and exports to all other markets.

⁵ Hearing transcript, p. 198 (Purling).

Table 7.10 MDI: Data on industry in China, by period

Quantity in short tons; ratio and share in percent; January to September interim periods

| Item | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 | Projection 2025 | Projection 2026 |
|---------------------------------------|------|------|------|--------------|--------------|-----------------|-----------------|
| Capacity | *** | *** | *** | *** | *** | *** | *** |
| Production | *** | *** | *** | *** | *** | *** | *** |
| End-of-period inventories | *** | *** | *** | *** | *** | *** | *** |
| Internal consumption | *** | *** | *** | *** | *** | *** | *** |
| Commercial home market shipments | *** | *** | *** | *** | *** | *** | *** |
| Home market shipments | *** | *** | *** | *** | *** | *** | *** |
| Exports to the United States | *** | *** | *** | *** | *** | *** | *** |
| Exports to all other markets | *** | *** | *** | *** | *** | *** | *** |
| Export shipments | *** | *** | *** | *** | *** | *** | *** |
| Total shipments | *** | *** | *** | *** | *** | *** | *** |
| Resales exported to the United States | *** | *** | *** | *** | *** | *** | *** |
| Total exports to the United States | *** | *** | *** | *** | *** | *** | *** |

Table continued

Table 7.10 MDI (Continued): Data on industry in China, by period

Quantity in short tons; ratio and share in percent; January to September interim periods

| Item | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 | Projection 2025 | Projection 2026 |
|--|-------|-------|-------|--------------|--------------|-----------------|-----------------|
| Capacity utilization ratio | *** | *** | *** | *** | *** | *** | *** |
| Inventory ratio to production | *** | *** | *** | *** | *** | *** | *** |
| Inventory ratio to total shipments | *** | *** | *** | *** | *** | *** | *** |
| Internal consumption share | *** | *** | *** | *** | *** | *** | *** |
| Commercial home market shipments share | *** | *** | *** | *** | *** | *** | *** |
| Home market shipments share | *** | *** | *** | *** | *** | *** | *** |
| Exports to the United States share | *** | *** | *** | *** | *** | *** | *** |
| Exports to all other markets share | *** | *** | *** | *** | *** | *** | *** |
| Export shipments share | *** | *** | *** | *** | *** | *** | *** |
| Total shipments share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Share of total exports to the U.S. by producers | *** | *** | *** | *** | *** | *** | *** |
| Share of total exports to the U.S. by resellers | *** | *** | *** | *** | *** | *** | *** |
| Adjusted shares of total shipments exported to the United States | *** | *** | *** | *** | *** | *** | *** |

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

Alternative products

Table 7.11 presents information on subject producers' for responding firms in the subject country produced other products on the same equipment and machinery used to produce MDI. MDI production accounted for the *** of subject producers' overall production from 2022 to 2024. Three responding producers/exporters (***) reported the production of other products such as TDI products from 2022 to 2024.

Table 7.11 MDI: Producers' overall production on the same equipment as in-scope production in China, by period

Quantity in short tons; share in percent

| Product type | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|----------------|----------|-------|-------|-------|--------------|--------------|
| MDI | Quantity | *** | *** | *** | *** | *** |
| Other products | Quantity | *** | *** | *** | *** | *** |
| All products | Quantity | *** | *** | *** | *** | *** |
| MDI | Share | *** | *** | *** | *** | *** |
| Other products | Share | *** | *** | *** | *** | *** |
| All products | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

Exports

According to GTA, the leading export markets for MDI from China are the United States, Russia, and the Netherlands, during 2023 (table 7.12). During 2023, the United States was the top export market for MDI from China, accounting for 22.3 percent, followed by the Netherlands, accounting for 10.7 percent.

Table 7.12 MDI: Exports from China, by period

Quantity in short tons; value in 1,000 dollars

| Destination market | Measure | 2022 | 2023 | 2024 |
|-------------------------------|----------|-----------|-----------|-----------|
| United States | Quantity | 248,691 | 253,742 | 295,420 |
| Netherlands | Quantity | 159,912 | 101,105 | 142,405 |
| Russia | Quantity | 72,006 | 120,538 | 122,972 |
| Turkey | Quantity | 51,390 | 77,131 | 92,097 |
| South Korea | Quantity | 75,580 | 74,300 | 81,019 |
| United Arab Emirates | Quantity | 45,190 | 48,029 | 63,932 |
| Canada | Quantity | 32,974 | 27,603 | 59,388 |
| India | Quantity | 52,413 | 54,951 | 49,994 |
| Vietnam | Quantity | 40,730 | 41,918 | 47,709 |
| All other destination markets | Quantity | 310,496 | 351,340 | 372,269 |
| Non-U.S. destination markets | Quantity | 840,691 | 896,916 | 1,031,786 |
| All destination markets | Quantity | 1,089,382 | 1,150,658 | 1,327,206 |
| United States | Value | 473,001 | 319,548 | 391,812 |
| Netherlands | Value | 302,737 | 121,431 | 169,242 |
| Russia | Value | 166,391 | 220,570 | 246,842 |
| Turkey | Value | 97,073 | 108,331 | 138,346 |
| South Korea | Value | 139,080 | 111,814 | 126,107 |
| United Arab Emirates | Value | 111,897 | 105,370 | 120,398 |
| Canada | Value | 64,242 | 32,467 | 86,722 |
| India | Value | 102,681 | 77,784 | 78,932 |
| Vietnam | Value | 83,168 | 66,530 | 82,281 |
| All other destination markets | Value | 602,813 | 517,657 | 572,180 |
| Non-U.S. destination markets | Value | 1,670,081 | 1,361,954 | 1,621,051 |
| All destination markets | Value | 2,143,082 | 1,681,502 | 2,012,863 |

Table continued

Table 7.12 MDI (Continued): Exports from China, by period

Unit value in dollars per short ton; share in percent

| Destination market | Measure | 2022 | 2023 | 2024 |
|-------------------------------|-------------------|-------------|-------------|-------------|
| United States | Unit value | 1,902 | 1,259 | 1,326 |
| Netherlands | Unit value | 1,893 | 1,201 | 1,188 |
| Russia | Unit value | 2,311 | 1,830 | 2,007 |
| Turkey | Unit value | 1,889 | 1,405 | 1,502 |
| South Korea | Unit value | 1,840 | 1,505 | 1,557 |
| United Arab Emirates | Unit value | 2,476 | 2,194 | 1,883 |
| Canada | Unit value | 1,948 | 1,176 | 1,460 |
| India | Unit value | 1,959 | 1,415 | 1,579 |
| Vietnam | Unit value | 2,042 | 1,587 | 1,725 |
| All other destination markets | Unit value | 1,941 | 1,473 | 1,537 |
| Non-U.S. destination markets | Unit value | 1,987 | 1,518 | 1,571 |
| All destination markets | Unit value | 1,967 | 1,461 | 1,517 |
| United States | Share of quantity | 22.8 | 22.1 | 22.3 |
| Netherlands | Share of quantity | 14.7 | 8.8 | 10.7 |
| Russia | Share of quantity | 6.6 | 10.5 | 9.3 |
| Turkey | Share of quantity | 4.7 | 6.7 | 6.9 |
| South Korea | Share of quantity | 6.9 | 6.5 | 6.1 |
| United Arab Emirates | Share of quantity | 4.1 | 4.2 | 4.8 |
| Canada | Share of quantity | 3.0 | 2.4 | 4.5 |
| India | Share of quantity | 4.8 | 4.8 | 3.8 |
| Vietnam | Share of quantity | 3.7 | 3.6 | 3.6 |
| All other destination markets | Share of quantity | 28.5 | 30.5 | 28.0 |
| Non-U.S. destination markets | Share of quantity | 77.2 | 77.9 | 77.7 |
| All destination markets | Share of quantity | 100.0 | 100.0 | 100.0 |

Source: Official exports statistics under HS subheading 390931 as reported by various national statistical authorities in the Global Trade Atlas Suite database, accessed March 6, 2025.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—". United States is shown at the top followed by the countries under investigation, all remaining top exporting countries in descending order of 2024 data.

U.S. inventories of imported merchandise

Table 7.13 presents data on U.S. importers' reported inventories of MDI. U.S. importers' inventories of imports from China increased *** from 2022 to 2024, but were lower during interim period 2025 compared to interim period 2024. U.S. importers' inventories of imports from nonsubject sources *** from 2022 levels to 2024 levels, but were higher in interim 2025 compared to interim 2024.⁶

Table 7.13 MDI: U.S. importers' inventories and their ratio to select items, by source and period

Quantity in short tons; ratio in percent

| Measure | Source | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|-------------------------------------|--------------------|------|------|------|--------------|--------------|
| Inventories quantity | China | *** | *** | *** | *** | *** |
| Ratio to imports | China | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | China | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | China | *** | *** | *** | *** | *** |
| Inventories quantity | Nonsubject sources | *** | *** | *** | *** | *** |
| Ratio to imports | Nonsubject sources | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | Nonsubject sources | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | Nonsubject sources | *** | *** | *** | *** | *** |
| Inventories quantity | All import sources | *** | *** | *** | *** | *** |
| Ratio to imports | All import sources | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | All import sources | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | All import sources | *** | *** | *** | *** | *** |

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

⁶ ***

U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of MDI from China after September 30, 2025. Their reported data are presented in table 7.14. Nonsubject sources accounted for *** of U.S. importers' arranged imports of MDI. The leading individual sources of U.S. importers' total arranged imports for nonsubject sources were ***, which accounted for *** of the arranged imports of MDI from nonsubject sources.

Table 7.14 MDI: U.S. importers' arranged imports, by source and period

Quantity in short tons

| Source | Q4 2025 | Q1 2026 | Q2 2026 | Q3 2026 | Total |
|--------------------|---------|---------|---------|---------|-------|
| China | *** | *** | *** | *** | *** |
| Nonsubject sources | *** | *** | *** | *** | *** |
| All import sources | *** | *** | *** | *** | *** |

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

Third-country trade actions

Available information indicates that there are no third-country trade actions currently in effect.⁷

⁷ India reduced its duties on imports of MDI from 7.5 percent ad valorem to 5.0 percent as of July 24, 2024, reportedly part of a broad-based effort to enhance the competitiveness of its textile exports, particularly cloth and products that use spandex yarn (MDI is said to be an important input in the manufacture of spandex yarn). The reduction, which is expected to be reviewed in March 2026, has since been consolidated under Notification No. 45/2025–Customs, which became effective as of November 1, 2025. The Economic Times, “31 Customs Notifications Consolidated into 1 to Enhance Ease of Doing Business,” October 25, 2025, <https://economictimes.indiatimes.com/news/economy/policy/31-customs-notifications-consolidated-into-1-to-enhance-ease-of-doing-business/articleshow/124803829.cms>; Fibre2Fashion, “India Cuts Import Duties to Boost Garment Exports Amid US Tariffs,” October 27, 2025, <https://www.fibre2fashion.com/news/textile-news/india-cuts-import-duties-to-boost-garment-exports-amid-us-tariffs-306059-newsdetails.htm#:~:text=Similarly%2C%20real%20down%2Dfilling%20materials,in%20key%20raw%20material%20capacities.>

Information on nonsubject countries

Table 7.15 reports global export data for MDI under HS subheading 3909.31 (crude and polymeric MDI). The biggest non-subject exporters of MDI are Belgium, Germany and the Netherlands. In 2024, Belgium represented 14.5 percent of global exports by value, followed by Germany (12.4 percent) and the Netherlands (9.3 percent).

Table 7.15 MDI (crude and polymeric products): Global exports, by reporting country and by period

Quantity in short tons; Value in 1,000 dollars

| Exporting country | Measure | 2022 | 2023 | 2024 |
|-------------------------|----------|------------|-----------|-----------|
| United States | Quantity | 280,532 | 298,533 | 279,484 |
| China | Quantity | 1,089,382 | 1,150,658 | 1,327,206 |
| Belgium | Quantity | 624,301 | 546,574 | 728,980 |
| Germany | Quantity | 555,857 | 511,421 | 626,207 |
| Netherlands | Quantity | 476,055 | 431,928 | 430,436 |
| South Korea | Quantity | 341,663 | 349,394 | 418,990 |
| Saudi Arabia | Quantity | 386,474 | 360,428 | 346,340 |
| Hungary | Quantity | 204,727 | 189,025 | 246,515 |
| Japan | Quantity | 211,178 | 217,586 | 242,494 |
| Portugal | Quantity | 157,423 | 172,098 | 187,298 |
| Spain | Quantity | 128,920 | 101,883 | 131,861 |
| Turkey | Quantity | 37,567 | 47,116 | 67,513 |
| All other exporters | Quantity | 374,189 | 480,032 | 214,014 |
| All reporting exporters | Quantity | 4,868,268 | 4,856,676 | 5,247,338 |
| United States | Value | 675,711 | 659,981 | 569,338 |
| China | Value | 2,143,082 | 1,681,502 | 2,012,863 |
| Belgium | Value | 1,492,676 | 1,036,237 | 1,285,764 |
| Germany | Value | 1,242,050 | 1,000,070 | 1,099,342 |
| Netherlands | Value | 1,160,348 | 857,717 | 822,076 |
| South Korea | Value | 684,178 | 587,494 | 716,385 |
| Saudi Arabia | Value | 883,531 | 727,987 | 614,825 |
| Hungary | Value | 505,247 | 362,737 | 464,240 |
| Japan | Value | 337,844 | 295,843 | 349,837 |
| Portugal | Value | 291,554 | 277,931 | 241,237 |
| Spain | Value | 301,584 | 221,272 | 253,713 |
| Turkey | Value | 93,596 | 92,724 | 142,305 |
| All other exporters | Value | 415,124 | 361,243 | 269,265 |
| All reporting exporters | Value | 10,226,525 | 8,162,741 | 8,841,188 |

Table continued.

Table 7.15 MDI (crude and polymeric products) (Continued): Global exports, by reporting country and by period

Unit values in dollars per short ton; Shares in percent

| Exporting country | Measure | 2022 | 2023 | 2024 |
|-------------------------|-------------------|-------|-------|-------|
| United States | Unit value | 2,409 | 2,211 | 2,037 |
| China | Unit value | 1,967 | 1,461 | 1,517 |
| Belgium | Unit value | 2,391 | 1,896 | 1,764 |
| Germany | Unit value | 2,234 | 1,955 | 1,756 |
| Netherlands | Unit value | 2,437 | 1,986 | 1,910 |
| South Korea | Unit value | 2,002 | 1,681 | 1,710 |
| Saudi Arabia | Unit value | 2,286 | 2,020 | 1,775 |
| Hungary | Unit value | 2,468 | 1,919 | 1,883 |
| Japan | Unit value | 1,600 | 1,360 | 1,443 |
| Portugal | Unit value | 1,852 | 1,615 | 1,288 |
| Spain | Unit value | 2,339 | 2,172 | 1,924 |
| Turkey | Unit value | 2,491 | 1,968 | 2,108 |
| All other exporters | Unit value | 1,109 | 753 | 1,258 |
| All reporting exporters | Unit value | 2,101 | 1,681 | 1,685 |
| United States | Share of quantity | 5.8 | 6.1 | 5.3 |
| China | Share of quantity | 22.4 | 23.7 | 25.3 |
| Belgium | Share of quantity | 12.8 | 11.3 | 13.9 |
| Germany | Share of quantity | 11.4 | 10.5 | 11.9 |
| Netherlands | Share of quantity | 9.8 | 8.9 | 8.2 |
| South Korea | Share of quantity | 7.0 | 7.2 | 8.0 |
| Saudi Arabia | Share of quantity | 7.9 | 7.4 | 6.6 |
| Hungary | Share of quantity | 4.2 | 3.9 | 4.7 |
| Japan | Share of quantity | 4.3 | 4.5 | 4.6 |
| Portugal | Share of quantity | 3.2 | 3.5 | 3.6 |
| Spain | Share of quantity | 2.6 | 2.1 | 2.5 |
| Turkey | Share of quantity | 0.8 | 1.0 | 1.3 |
| All other exporters | Share of quantity | 7.7 | 9.9 | 4.1 |
| All reporting exporters | Share of quantity | 100.0 | 100.0 | 100.0 |

Source: Official export statistics under HS subheading 3909.31 as reported in the Global Trade Atlas Suite database, accessed January 21, 2026.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—". United States is shown at the top followed by the countries under investigation, all remaining top exporting countries in descending order of 2024 data.

APPENDIX A
FEDERAL REGISTER NOTICES

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

| Citation | Title | Link |
|---------------------------------------|--|---|
| 90 FR 9913, February 19, 2025 | <i>Methylene Diphenyl Diisocyanate (MDI) From China; Institution of Antidumping Duty Investigation and Scheduling of Preliminary Phase Investigation</i> | https://www.govinfo.gov/content/pkg/FR-2025-02-19/pdf/2025-02760.pdf |
| 90 FR 11710, March 11, 2025 | <i>Methylene Diphenyl Diisocyanate From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation</i> | https://www.govinfo.gov/content/pkg/FR-2025-03-11/pdf/2025-03823.pdf |
| 90 FR 44629, September 16, 2025 | <i>Methylene Diphenyl Diisocyanate From the People's Republic of China: Preliminary Affirmative Determination of Sales at Less-Than-Fair-Value, Postponement of Final Determination, and Extension of Provisional Measures</i> | https://www.govinfo.gov/content/pkg/FR-2025-09-16/pdf/2025-17904.pdf |
| 90 FR 46253, September 25, 2025 | <i>Methylene Diphenyl Diisocyanate (MDI) From China; Scheduling of the Final Phase of an Antidumping Duty Investigation</i> | https://www.govinfo.gov/content/pkg/FR-2025-09-25/pdf/2025-18666.pdf |
| 90 FR 54367, November 26, 2025 | <i>Methylene Diphenyl Diisocyanate (MDI) From China; Revised Schedule for the Subject Proceeding</i> | https://www.govinfo.gov/content/pkg/FR-2025-11-26/pdf/2025-21214.pdf |
| 90 FR 58054, December 15, 2025 | <i>Methylene Diphenyl Diisocyanate (MDI) From China; Revised Schedule for the Subject Proceeding</i> | https://www.govinfo.gov/content/pkg/FR-2025-12-15/pdf/2025-22747.pdf |
| 91 FR 18820, April 13, 2026 | <i>Methylene Diphenyl Diisocyanate From the People's Republic of China: Final Affirmative Determination of Sales at Less-Than-Fair-Value,</i> | https://www.govinfo.gov/content/pkg/FR-2026-04-13/pdf/2026-07055.pdf |

APPENDIX B

LIST OF HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

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

Subject: Methylene Diphenyl Diisocyanate (MDI) from China

Inv. No.: 731-TA-1733 (Final)

Date and Time: April 2, 2026 – 9:30 a.m.

Sessions were held in connection with this investigation in the Main Hearing Room (Room 101), 500 E Street, SW., Washington, DC.

OPENING REMARKS:

In Support of Imposition (**Stephen J. Orava**, King & Spalding LLP)

In Opposition to Imposition (**Daniel L. Porter**, Pillsbury Winthrop Shaw,
Pittman LLP)

In Support of the Imposition of the Antidumping Order:

King & Spalding LLP
Washington, DC
on behalf of

Ad Hoc MDI Fair Trade Coalition

Marcio Nespatti, Vice President Isocyanates & Inorganics Business
Management NA, Monomers, BASF Corporation

Stephen Donald Martin, Sr., Product Steward – Chemical Monomers, Global
Business Services, North America, BASF Corporation

Gregory Mohr, MDI Asset Manager - Monomers, BASF Corporation

Doug Todd, NAA Polyurethanes Product Director & Global Business Strategy-
Formulated Systems, The Dow Chemical Company

**In Support of the Imposition of the
Antidumping Order (continued):**

Camille Toney, Senior Counsel, Commercial Transactions, Polyurethanes,
CAV,
Construction Chemicals, Mobility Science, The Dow Chemical Company

Roy Houseman, Legislative Director, United Steelworkers

Andrew Szamosszegi, Principal, Capital Trade

Stephen J. Orava)
Stephen P. Vaughn)
) – OF COUNSEL
Neal J. Reynolds)
Barbara Medrado)

**In Opposition to the Imposition of
Antidumping Order:**

Pillsbury Winthrop Shaw Pittman LLP
Washington, DC
on behalf of

Wanhua Chemical America (WCA)

Jacob Sturgeon, Chief Executive Officer, Wanhua Chemical America

Ernest Liu, General Counsel, Wanhua Chemical America

James Shao, Chief Financial Officer, Wanhua Chemical America

Robert Smith, Marketing and Business Director, Wanhua Chemical America

Thomas Prusa, Professor, Rutgers University

Daniel L. Porter)
James P. Durling) – OF COUNSEL
Gina M. Colarusso)

REBUTTAL/CLOSING REMARKS:

In Support of Imposition (**Stephen P. Vaughn**, King & Spalding LLP)

In Opposition to Imposition (**James P. Durling**, Pillsbury Winthrop Shaw Pittman LLP)

APPENDIX C
SUMMARY DATA

Table C.1: MDI: Summary data concerning U.S. producers..... C.3
Table C.2: MDI: Summary data concerning U.S. producers and processors C.5

U.S. producers

Table C.1

MDI products: Summary data concerning the U.S. market defining the domestic industry as U.S. producers, by item and period

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

| Item | Reported data | | | | | Period change comparisons | | | | |
|--|---------------|-----------|-----------|-----------|-----------|---------------------------|---------|---------|---------|--|
| | Calendar year | | | Interim | | Calendar year | | Interim | | |
| | 2022 | 2023 | 2024 | 2024 | 2025 | 2022-24 | 2022-23 | 2023-24 | 2024-25 | |
| U.S. consumption quantity: | | | | | | | | | | |
| Amount..... | 1,322,939 | 1,220,294 | 1,292,056 | 1,014,908 | 1,014,775 | ▼(2.3) | ▼(7.8) | ▲5.9 | ▼(0.0) | |
| Producers' share (fn1)..... | 75.5 | 79.7 | 76.8 | 77.8 | 82.7 | ▲1.3 | ▲4.2 | ▼(2.9) | ▲4.8 | |
| Importers' share (fn1): | | | | | | | | | | |
| China..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▼*** | ▼*** | |
| Nonsubject sources..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| All import sources..... | 24.5 | 20.3 | 23.2 | 22.2 | 17.3 | ▼(1.3) | ▼(4.2) | ▲2.9 | ▼(4.8) | |
| U.S. consumption value: | | | | | | | | | | |
| Amount..... | 3,889,853 | 2,864,879 | 2,749,912 | 2,175,347 | 2,183,943 | ▼(29.3) | ▼(26.3) | ▼(4.0) | ▲0.4 | |
| Producers' share (fn1)..... | 77.7 | 82.4 | 79.6 | 81.0 | 84.3 | ▲1.8 | ▲4.7 | ▼(2.8) | ▲3.3 | |
| Importers' share (fn1): | | | | | | | | | | |
| China..... | *** | *** | *** | *** | *** | ▼*** | ▲*** | ▼*** | ▼*** | |
| Nonsubject sources..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| All import sources..... | 22.3 | 17.6 | 20.4 | 19.0 | 15.7 | ▼(1.8) | ▼(4.7) | ▲2.8 | ▼(3.3) | |
| U.S. importers' U.S. shipments of imports from: | | | | | | | | | | |
| China: | | | | | | | | | | |
| Quantity..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▼*** | ▼*** | |
| Value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | |
| Unit value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** | |
| Ending inventory quantity..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | |
| Nonsubject sources: | | | | | | | | | | |
| Quantity..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| Value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| Unit value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** | |
| Ending inventory quantity..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| All import sources: | | | | | | | | | | |
| Quantity..... | 324,087 | 247,195 | 299,474 | 225,074 | 175,857 | ▼(7.6) | ▼(23.7) | ▲21.1 | ▼(21.9) | |
| Value..... | 865,670 | 503,456 | 561,395 | 413,927 | 342,405 | ▼(35.1) | ▼(41.8) | ▲11.5 | ▼(17.3) | |
| Unit value..... | \$2,671 | \$2,037 | \$1,875 | \$1,839 | \$1,947 | ▼(29.8) | ▼(23.8) | ▼(8.0) | ▲5.9 | |
| Ending inventory quantity..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | |
| U.S. producers': | | | | | | | | | | |
| Practical capacity quantity..... | 1,677,247 | 1,715,186 | 1,621,805 | 1,245,932 | 1,231,871 | ▼(3.3) | ▲2.3 | ▼(5.4) | ▼(1.1) | |
| Production quantity..... | 1,271,571 | 1,229,621 | 1,281,225 | 1,007,124 | 1,030,562 | ▲0.8 | ▼(3.3) | ▲4.2 | ▲2.3 | |
| Capacity utilization (fn1)..... | 75.8 | 71.7 | 79.0 | 80.8 | 83.7 | ▲3.2 | ▼(4.1) | ▲7.3 | ▲2.8 | |
| U.S. shipments: | | | | | | | | | | |
| Quantity..... | 998,852 | 973,099 | 992,582 | 789,834 | 838,918 | ▼(0.6) | ▼(2.6) | ▲2.0 | ▲6.2 | |
| Value..... | 3,024,183 | 2,361,423 | 2,188,517 | 1,761,420 | 1,841,538 | ▼(27.6) | ▼(21.9) | ▼(7.3) | ▲4.5 | |
| Unit value..... | \$3,028 | \$2,427 | \$2,205 | \$2,230 | \$2,195 | ▼(27.2) | ▼(19.8) | ▼(9.1) | ▼(1.6) | |
| Export shipments: | | | | | | | | | | |
| Quantity..... | 252,942 | 266,424 | 265,647 | 196,533 | 211,809 | ▲5.0 | ▲5.3 | ▼(0.3) | ▲7.8 | |
| Value..... | 699,013 | 644,273 | 572,482 | 423,628 | 427,742 | ▼(18.1) | ▼(7.8) | ▼(11.1) | ▲1.0 | |
| Unit value..... | \$2,764 | \$2,418 | \$2,155 | \$2,156 | \$2,019 | ▼(22.0) | ▼(12.5) | ▼(10.9) | ▼(6.3) | |
| Ending inventory quantity..... | 128,226 | 118,323 | 141,319 | 139,080 | 121,153 | ▲10.2 | ▼(7.7) | ▲19.4 | ▼(12.9) | |
| Inventories/total shipments (fn1)..... | 10.2 | 9.5 | 11.2 | 10.6 | 8.6 | ▲1.0 | ▼(0.7) | ▲1.7 | ▼(1.9) | |

Table continued.

Table C.1 Continued

MDI products: Summary data concerning the U.S. market defining the domestic industry as U.S. producers, by item and period

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

| Item | Reported data | | | | | Period change comparisons | | | |
|--|---------------|-----------|-----------|-----------|-----------|---------------------------|---------|---------|---------|
| | Calendar year | | | Interim | | Calendar year | | Interim | |
| | 2022 | 2023 | 2024 | 2024 | 2025 | 2022-24 | 2022-23 | 2023-24 | 2024-25 |
| U.S. producers': | | | | | | | | | |
| Production workers..... | 944 | 786 | 778 | 781 | 789 | ▼(17.6) | ▼(16.7) | ▼(1.0) | ▲1.0 |
| Hours worked (1,000s)..... | 2,569 | 1,925 | 1,929 | 1,509 | 1,540 | ▼(24.9) | ▼(25.1) | ▲0.2 | ▲2.1 |
| Wages paid (\$1,000)..... | 175,557 | 128,279 | 130,792 | 98,193 | 102,261 | ▼(25.5) | ▼(26.9) | ▲2.0 | ▲4.1 |
| Hourly wages (dollars per hour)..... | \$68.34 | \$66.64 | \$67.80 | \$65.07 | \$66.40 | ▼(0.8) | ▼(2.5) | ▲1.7 | ▲2.0 |
| Productivity (short tons per 1,000 hours)..... | 495.0 | 638.8 | 664.2 | 667.4 | 669.2 | ▲34.2 | ▲29.1 | ▲4.0 | ▲0.3 |
| Unit labor costs..... | \$138 | \$104 | \$102 | \$97 | \$99 | ▼(26.1) | ▼(24.4) | ▼(2.1) | ▲1.8 |
| Net sales: | | | | | | | | | |
| Quantity..... | 1,251,794 | 1,239,523 | 1,258,229 | 986,401 | 1,050,727 | ▲0.5 | ▼(1.0) | ▲1.5 | ▲6.5 |
| Value..... | 3,722,917 | 3,005,696 | 2,760,998 | 2,155,074 | 2,237,696 | ▼(25.8) | ▼(19.3) | ▼(8.1) | ▲3.8 |
| Unit value..... | \$2,974 | \$2,425 | \$2,194 | \$2,185 | \$2,130 | ▼(26.2) | ▼(18.5) | ▼(9.5) | ▼(2.5) |
| Cost of goods sold (COGS)..... | 2,822,903 | 2,395,126 | 2,452,205 | 1,808,836 | 1,911,436 | ▼(13.1) | ▼(15.2) | ▲2.4 | ▲5.7 |
| Gross profit or (loss) (fn2)..... | 900,014 | 610,570 | 308,793 | 346,238 | 326,260 | ▼(65.7) | ▼(32.2) | ▼(49.4) | ▼(5.8) |
| SG&A expenses..... | 224,601 | 224,797 | 226,415 | 166,460 | 174,762 | ▲0.8 | ▲0.1 | ▲0.7 | ▲5.0 |
| Operating income or (loss) (fn2)..... | 675,413 | 385,773 | 82,378 | 179,778 | 151,498 | ▼(87.8) | ▼(42.9) | ▼(78.6) | ▼(15.7) |
| Net income or (loss) (fn2)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** |
| Unit COGS..... | \$2,255 | \$1,932 | \$1,949 | \$1,834 | \$1,819 | ▼(13.6) | ▼(14.3) | ▲0.9 | ▼(0.8) |
| Unit SG&A expenses..... | \$179 | \$181 | \$180 | \$169 | \$166 | ▲0.3 | ▲1.1 | ▼(0.8) | ▼(1.4) |
| Unit operating income or (loss) (fn2)..... | \$540 | \$311 | \$65 | \$182 | \$144 | ▼(87.9) | ▼(42.3) | ▼(79.0) | ▼(20.9) |
| Unit net income or (loss) (fn2)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** |
| COGS/sales (fn1)..... | 75.8 | 79.7 | 88.8 | 83.9 | 85.4 | ▲13.0 | ▲3.9 | ▲9.1 | ▲1.5 |
| Operating income or (loss)/sales (fn1)..... | 18.1 | 12.8 | 3.0 | 8.3 | 6.8 | ▼(15.2) | ▼(5.3) | ▼(9.9) | ▼(1.6) |
| Net income or (loss)/sales (fn1)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** |
| Capital expenditures..... | 314,002 | 262,067 | 383,870 | 218,930 | 244,253 | ▲22.3 | ▼(16.5) | ▲46.5 | ▲11.6 |
| Research and development expenses..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** |
| Total assets..... | 2,785,426 | 2,599,659 | 2,707,417 | NA | NA | ▼(2.8) | ▼(6.7) | ▲4.1 | NA |

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

fn1.--Reported data are in percent and period changes are in percentage points.

fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

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

U.S. producers and processors

Table C.2

MDI products: Summary data concerning the U.S. market defining the domestic industry as U.S. producers and processors, by item and period

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

| Item | Reported data | | | | | Period change comparisons | | | | |
|--|---------------|-----------|-----------|-----------|-----------|---------------------------|---------|---------|---------|--|
| | Calendar year | | | Interim | | Calendar year | | Interim | | |
| | 2022 | 2023 | 2024 | 2024 | 2025 | 2022-24 | 2022-23 | 2023-24 | 2024-25 | |
| U.S. consumption quantity: | | | | | | | | | | |
| Amount..... | 1,322,939 | 1,220,294 | 1,292,056 | 1,014,908 | 1,014,775 | ▼(2.3) | ▼(7.8) | ▲5.9 | ▼(0.0) | |
| Producers' share (fn1)..... | 75.5 | 79.7 | 76.8 | 77.8 | 82.7 | ▲1.3 | ▲4.2 | ▼(2.9) | ▲4.8 | |
| Importers' share (fn1): | | | | | | | | | | |
| China..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▼*** | ▼*** | |
| Nonsubject sources..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| All import sources..... | 24.5 | 20.3 | 23.2 | 22.2 | 17.3 | ▼(1.3) | ▼(4.2) | ▲2.9 | ▼(4.8) | |
| U.S. consumption value: | | | | | | | | | | |
| Amount..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | |
| Producers' share (fn1): | | | | | | | | | | |
| Fully domestic value..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▼*** | ▲*** | |
| Incremental value added to imports..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | |
| Total value..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▼*** | ▲*** | |
| Importers' share (fn1): | | | | | | | | | | |
| China..... | *** | *** | *** | *** | *** | ▼*** | ▲*** | ▼*** | ▼*** | |
| Nonsubject sources..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| All import sources..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▼*** | |
| U.S. importers' U.S. shipments of imports from: | | | | | | | | | | |
| China: | | | | | | | | | | |
| Quantity..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▼*** | ▼*** | |
| Value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | |
| Unit value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** | |
| Ending inventory quantity..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | |
| Nonsubject sources: | | | | | | | | | | |
| Quantity..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| Value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| Unit value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** | |
| Ending inventory quantity..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | |
| All import sources: | | | | | | | | | | |
| Quantity..... | 324,087 | 247,195 | 299,474 | 225,074 | 175,857 | ▼(7.6) | ▼(23.7) | ▲21.1 | ▼(21.9) | |
| Value..... | 865,670 | 503,456 | 561,395 | 413,927 | 342,405 | ▼(35.1) | ▼(41.8) | ▲11.5 | ▼(17.3) | |
| Unit value..... | \$2,671 | \$2,037 | \$1,875 | \$1,839 | \$1,947 | ▼(29.8) | ▼(23.8) | ▼(8.0) | ▲5.9 | |
| Ending inventory quantity..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | |
| U.S. producers' and processors: | | | | | | | | | | |
| Producers: Practical capacity quantity..... | 1,677,247 | 1,715,186 | 1,621,805 | 1,245,932 | 1,231,871 | ▼(3.3) | ▲2.3 | ▼(5.4) | ▼(1.1) | |
| Producers: Production quantity..... | 1,271,571 | 1,229,621 | 1,281,225 | 1,007,124 | 1,030,562 | ▲0.8 | ▼(3.3) | ▲4.2 | ▲2.3 | |
| Producers: Capacity utilization (fn1)..... | 75.8 | 71.7 | 79.0 | 80.8 | 83.7 | ▲3.2 | ▼(4.1) | ▲7.3 | ▲2.8 | |
| Processors: Practical capacity quantity..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | |
| Processors: Production quantity..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | |
| Processors: Capacity utilization (fn1)..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | |
| U.S. shipments (fn2): | | | | | | | | | | |
| Quantity..... | 998,852 | 973,099 | 992,582 | 789,834 | 838,918 | ▼(0.6) | ▼(2.6) | ▲2.0 | ▲6.2 | |
| Value: | | | | | | | | | | |
| Fully domestic value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** | |
| Incremental value added to imports..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | |
| Total value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** | |
| Unit value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | |

Table continued.

Table C.2 Continued

MDI products: Summary data concerning the U.S. market defining the domestic industry as U.S. producers and processors, by item and period
 Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Productivity=dollars per 1,000 short tons; Period changes=percent--exceptions noted; Interim period is January through September

| Item | Reported data | | | | | Period change comparisons | | | |
|---|---------------|-----------|-----------|-----------|-----------|---------------------------|---------|---------|---------|
| | Calendar year | | 2024 | Interim | | Calendar year | | Interim | |
| | 2022 | 2023 | | 2024 | 2025 | 2022-24 | 2022-23 | 2023-24 | 2024-25 |
| U.S. producers' and processors': Continued | | | | | | | | | |
| Export shipments: | | | | | | | | | |
| Quantity..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▲*** | ▲*** |
| Value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** |
| Unit value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** |
| Producers: Ending inventory quantity..... | 128,226 | 118,323 | 141,319 | 139,080 | 121,153 | ▲10.2 | ▼(7.7) | ▲19.4 | ▼(12.9) |
| Producers: Inv./total shipments (fn1)..... | 10.2 | 9.5 | 11.2 | 10.6 | 8.6 | ▲1.0 | ▼(0.7) | ▲1.7 | ▼(1.9) |
| Processors: Ending inventory quantity..... | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Processors: Inv./total shipments (fn1)..... | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Production workers..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** |
| Hours worked (1,000s)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** |
| Wages paid (\$1,000)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** |
| Hourly wages (dollars per hour)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** |
| Producers: Productivity..... | 495.0 | 638.8 | 664.2 | 667.4 | 669.2 | ▲34.2 | ▲29.1 | ▲4.0 | ▲0.3 |
| Producers: Unit labor costs..... | \$138 | \$104 | \$102 | \$97 | \$99 | ▼(26.1) | ▼(24.4) | ▼(2.1) | ▲1.8 |
| Processors: Productivity..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** |
| Processors: Unit labor costs..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▼*** | ▲*** |
| U.S. producers': | | | | | | | | | |
| Net sales: | | | | | | | | | |
| Quantity..... | 1,251,794 | 1,239,523 | 1,258,229 | 986,401 | 1,050,727 | ▲0.5 | ▼(1.0) | ▲1.5 | ▲6.5 |
| Value..... | 3,722,917 | 3,005,696 | 2,760,998 | 2,155,074 | 2,237,696 | ▼(25.8) | ▼(19.3) | ▼(8.1) | ▲3.8 |
| Unit value..... | \$2,974 | \$2,425 | \$2,194 | \$2,185 | \$2,130 | ▼(26.2) | ▼(18.5) | ▼(9.5) | ▼(2.5) |
| Cost of goods sold (COGS)..... | 2,822,903 | 2,395,126 | 2,452,205 | 1,808,836 | 1,911,436 | ▼(13.1) | ▼(15.2) | ▲2.4 | ▲5.7 |
| Gross profit or (loss) (fn2)..... | 900,014 | 610,570 | 308,793 | 346,238 | 326,260 | ▼(65.7) | ▼(32.2) | ▼(49.4) | ▼(5.8) |
| SG&A expenses..... | 224,601 | 224,797 | 226,415 | 166,460 | 174,762 | ▲0.8 | ▲0.1 | ▲0.7 | ▲5.0 |
| Operating income or (loss) (fn2)..... | 675,413 | 385,773 | 82,378 | 179,778 | 151,498 | ▼(87.8) | ▼(42.9) | ▼(78.6) | ▼(15.7) |
| Net income or (loss) (fn2)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** |
| Unit COGS..... | \$2,255 | \$1,932 | \$1,949 | \$1,834 | \$1,819 | ▼(13.6) | ▼(14.3) | ▲0.9 | ▼(0.8) |
| Unit SG&A expenses..... | \$179 | \$181 | \$180 | \$169 | \$166 | ▲0.3 | ▲1.1 | ▼(0.8) | ▼(1.4) |
| Unit operating income or (loss) (fn2)..... | \$540 | \$311 | \$65 | \$182 | \$144 | ▼(87.9) | ▼(42.3) | ▼(79.0) | ▼(20.9) |
| Unit net income or (loss) (fn2)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** |
| COGS/sales (fn1)..... | 75.8 | 79.7 | 88.8 | 83.9 | 85.4 | ▲13.0 | ▲3.9 | ▲9.1 | ▲1.5 |
| Operating income or (loss)/sales (fn1)..... | 18.1 | 12.8 | 3.0 | 8.3 | 6.8 | ▼(15.2) | ▼(5.3) | ▼(9.9) | ▼(1.6) |
| Net income or (loss)/sales (fn1)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** |
| Capital expenditures..... | 314,002 | 262,067 | 383,870 | 218,930 | 244,253 | ▲22.3 | ▼(16.5) | ▲46.5 | ▲11.6 |
| Research and development expenses..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** |
| Total assets..... | 2,785,426 | 2,599,659 | 2,707,417 | NA | NA | ▼(2.8) | ▼(6.7) | ▲4.1 | NA |

Table continued.

Table C.2 Continued

MDI products: Summary data concerning the U.S. market defining the domestic industry as U.S. producers and processors, by item and period

Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Productivity=short tons per 1,000 hours; Period changes=percent--exceptions noted

| Item | Reported data | | | | | Period change comparisons | | | | |
|---|---------------|------|------|---------|------|---------------------------|---------|---------|---------|------|
| | Calendar year | | | Interim | 2025 | Calendar year | | | Interim | |
| | 2022 | 2023 | 2024 | 2024 | | 2022-24 | 2022-23 | 2023-24 | 2024-25 | |
| U.S. processors': | | | | | | | | | | |
| Net sales: | | | | | | | | | | |
| Quantity..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | ▲*** |
| Value..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | ▲*** |
| Unit value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** | ▲*** |
| Cost of goods sold (COGS)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▼*** | ▼*** |
| Gross profit or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | ▼*** |
| SG&A expenses..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | ▼*** |
| Operating income or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | ▼*** |
| Net income or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | ▼*** |
| Unit COGS..... | *** | *** | *** | *** | *** | ▼*** | ▲*** | ▼*** | ▼*** | ▼*** |
| Unit SG&A expenses..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▼*** | ▼*** | ▲*** |
| Unit operating income or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | ▲*** |
| Unit net income or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | ▲*** |
| COGS/sales (fn1)..... | *** | *** | *** | *** | *** | ▼*** | ▲*** | ▼*** | ▼*** | ▼*** |
| Operating income or (loss)/sales (fn1)..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▼*** | ▼*** |
| Net income or (loss)/sales (fn1)..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▲*** | ▲*** |
| Capital expenditures..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▼*** | ▼*** |
| Research and development expenses..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▼*** | ▼*** |
| Total assets..... | *** | *** | *** | NA | NA | ▲*** | ▼*** | ▲*** | NA | NA |
| U.S. producers' and processors': | | | | | | | | | | |
| Net sales: | | | | | | | | | | |
| Quantity..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▲*** | ▲*** |
| Value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** | ▲*** |
| Unit value..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | ▼*** |
| Cost of goods sold (COGS)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | ▲*** | ▲*** |
| Gross profit or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | ▼*** |
| SG&A expenses..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▲*** | ▲*** | ▲*** |
| Operating income or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | ▼*** |
| Net income or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | ▼*** |
| Unit COGS..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | ▼*** |
| Unit SG&A expenses..... | *** | *** | *** | *** | *** | ▼*** | ▲*** | ▼*** | ▼*** | ▼*** |
| Unit operating income or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | ▼*** |
| Unit net income or (loss) (fn3)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | ▼*** |
| COGS/sales (fn1)..... | *** | *** | *** | *** | *** | ▲*** | ▲*** | ▲*** | ▲*** | ▲*** |
| Operating income or (loss)/sales (fn1)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | ▼*** |
| Net income or (loss)/sales (fn1)..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▼*** | ▼*** |
| Capital expenditures..... | *** | *** | *** | *** | *** | ▲*** | ▼*** | ▲*** | ▲*** | ▲*** |
| Research and development expenses..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▼*** | ▲*** | ▲*** |
| Total assets..... | *** | *** | *** | *** | *** | ▼*** | ▼*** | ▲*** | *** | *** |

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

fn1.--Reported data are in percent and period changes are in percentage points.

fn2.--Quantity for U.S. shipments reflects U.S. producers' U.S. shipment quantities. Value for U.S. shipments reflects MDI products sold in the United States from domestically manufactured MDI products (including the value added by U.S. processors to domestic MDI products), as well as the incremental value added by U.S. processors to imported MDI products. In measuring consumption and market share this methodology avoids reclassifying and/or double counting merchandise already reported as an import. Unit value reflects the fully domestic value.

fn3.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

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

APPENDIX D

SUFFICIENT PRODUCTION RELATED ACTIVITIES AND U.S. PROCESSOR DATA

Table D.1 MDI: U.S. processors, their positions on the petition, processing locations, and shares of reported processing, 2024

Shares in percent

| Firm | Position on petition | Location(s) | Share of processing |
|--------------|-----------------------------|------------------------------|----------------------------|
| BASF | Petitioner | Baytown, TX | *** |
| Dow Chemical | Petitioner | Geismar, LA | *** |
| Huntsman | *** | Freeport, TX La Porte, TX | *** |
| All firms | Various | Various | 100.0 |

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

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

Table D.2 MDI: U.S. producers' and processors' narratives on their domestic activities

| Item | Firm name and narrative response |
|--------------|---|
| BASF | *** |
| Huntsman | *** |
| Dow Chemical | *** |

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

Table D.3 MDI: U.S. producers' and processors' reported complexity and importance of operations

Ratings of 1 are minimally complex, intense, or important; Ratings of 5 are extremely complex, intense, or important

| Firm | Rating | Narrative response on complexity and importance rating |
|--------------|---------------|---|
| BASF | *** | *** |
| Huntsman | *** | *** |
| Dow Chemical | *** | *** |

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

Table D.4 MDI: U.S. producers' reported domestic operations, by factor

Value as noted in the table, Value added in percent, employment in average number of PRWs

| Factor | BASF | Covestro | Dow | Huntsman | All U.S. producer |
|---|-------------|-----------------|-------------|-----------------|--------------------------|
| Greenfield capital investment costs | *** | *** | *** | *** | *** |
| Capital investments: Assets | *** | *** | *** | *** | *** |
| Capital investments: Capital expenditures | *** | *** | *** | *** | *** |
| Technical expertise: R & D expenses | *** | *** | *** | *** | *** |
| Value added | *** percent | *** percent | *** percent | *** percent | *** percent |
| Employment | *** PRWs | *** PRWs | *** PRWs | *** PRWs | *** PRWs |
| Quantity, type, and source of parts | *** | *** | *** | *** | N.A. |

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

Table D.5 MDI: U.S. processors' reported domestic operations, by factor

Value as noted in the table, Value added in percent, employment in average number of PRWs

| Factor | BASF (Processor) | Dow (Processor) | Huntsman (Processor) | All U.S. processors |
|--|-----------------------------|------------------------|---------------------------------|--------------------------------|
| Greenfield capital investment costs | *** | *** | *** | *** |
| Capital investments: Assets | *** | *** | *** | *** |
| Capital investments: Capital expenditures | *** | *** | *** | *** |
| Technical expertise: R & D expenses | *** | *** | *** | *** |
| Value added | *** percent | *** percent | *** percent | *** percent |
| Employment | *** PRWs | *** PRWs | *** PRWs | *** PRWs |
| Quantity, type, and source of parts | *** | *** | *** | N.A. |

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

Table D.6 MDI: U.S. producers' source of raw materials, by firm and source of raw materials inputs into production, 2024

Value in 1,000 dollars; Shares in percent

| Source of raw material inputs | Measure | BASF | Covestro | Dow | Huntsman | All U.S. producers |
|--------------------------------------|----------------|-------------|-----------------|------------|-----------------|---------------------------|
| Domestic inputs | Value | *** | *** | *** | *** | 753,851 |
| Importer inputs | Value | *** | *** | *** | *** | 2,021 |
| All raw material inputs | Value | *** | *** | *** | *** | 1,755,969 |
| Domestic inputs | Share | *** | *** | *** | *** | 42.9 |
| Importer inputs | Share | *** | *** | *** | *** | 0.1 |
| All raw material inputs | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

Table D.7 MDI: U.S. producers' and processors' narratives on their domestic activities, by item

| Item | Firm name and narrative response |
|-------------------------------------|---|
| Capital investments | *** |
| Capital investments | *** |
| Capital investments | *** |
| Technical expertise | *** |
| Technical expertise | *** |
| Technical expertise | *** |
| Value added | *** |
| Value added | *** |
| Value added | *** |
| Employment | *** |
| Employment | *** |
| Employment | *** |
| Quantity, type, and source of parts | *** |
| Quantity, type, and source of parts | *** |
| Quantity, type, and source of parts | *** |
| Costs and activities | *** |
| Costs and activities | *** |
| Costs and activities | *** |

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

Table D.8 MDI: U.S. processors' output: Practical capacity, by firm and period

Capacity in short tons

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | *** | *** | *** | *** | *** |

Table continued.

Table D.8 MDI (continued): U.S. processors' output: Production, by firm and period

Production in short tons

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | *** | *** | *** | *** | *** |

Table continued.

Table D.8 MDI (continued): U.S. processors' output: Capacity utilization, by firm and period

Capacity utilization ratios in percent

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|------|------|------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | *** | *** | *** | *** | *** |

Table continued.

Table D.8 MDI (continued): U.S. processors' output: Share of production, by firm and period

Share of production in percent

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------|-------|-------|--------------|--------------|
| BASF | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Table continued.

Table D.8 MDI (continued): U.S. processors' output: Ratio of processing operations to their U.S. production operations, by firm and period

Ratio in percent

| Firm | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|-------------|-------------|-------------|---------------------|---------------------|
| BASF | *** | *** | *** | *** | *** |
| Dow Chemical | *** | *** | *** | *** | *** |
| Huntsman | *** | *** | *** | *** | *** |
| All firms | *** | *** | *** | *** | *** |

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

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

Figure D.1 MDI: U.S. processors' capacity, production, and capacity utilization, by period

* * * * *

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

Table D.9 MDI: U.S. processors' production, by production input type and period

Quantity in short tons; shares in percent

| Production input type | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|-----------------------|----------|-------|-------|-------|--------------|--------------|
| Domestic MDI | Quantity | *** | *** | *** | *** | *** |
| Subject MDI | Quantity | *** | *** | *** | *** | *** |
| Nonsubject MDI | Quantity | *** | *** | *** | *** | *** |
| All imported MDI | Quantity | *** | *** | *** | *** | *** |
| MDI from all sources | Quantity | *** | *** | *** | *** | *** |
| Domestic MDI | Share | *** | *** | *** | *** | *** |
| Subject MDI | Share | *** | *** | *** | *** | *** |
| Nonsubject MDI | Share | *** | *** | *** | *** | *** |
| All imported MDI | Share | *** | *** | *** | *** | *** |
| MDI from all sources | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

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

Table D.10 MDI: U.S. processors' total shipments by destination and period

Quantity in short tons; Value in 1,000 dollars; Unit values in dollars per short ton; Shares in percent

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|------------------|-------------------|-------|-------|-------|--------------|--------------|
| U.S. shipments | Quantity | *** | *** | *** | *** | *** |
| Export shipments | Quantity | *** | *** | *** | *** | *** |
| Total shipments | Quantity | *** | *** | *** | *** | *** |
| U.S. shipments | Value | *** | *** | *** | *** | *** |
| Export shipments | Value | *** | *** | *** | *** | *** |
| Total shipments | Value | *** | *** | *** | *** | *** |
| U.S. shipments | Unit value | *** | *** | *** | *** | *** |
| Export shipments | Unit value | *** | *** | *** | *** | *** |
| Total shipments | Unit value | *** | *** | *** | *** | *** |
| U.S. shipments | Share of quantity | *** | *** | *** | *** | *** |
| Export shipments | Share of quantity | *** | *** | *** | *** | *** |
| Total shipments | Share of quantity | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| U.S. shipments | Share of value | *** | *** | *** | *** | *** |
| Export shipments | Share of value | *** | *** | *** | *** | *** |
| Total shipments | Share of value | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

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

Table D.11 MDI: Share of U.S. processors' U.S. shipments by channel of distribution and period

Quantity in short tons; Shares in percent

| Channel | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------|----------|------|------|------|--------------|--------------|
| Distributors | Quantity | *** | *** | *** | *** | *** |
| Processors | Quantity | *** | *** | *** | *** | *** |
| End users | Quantity | *** | *** | *** | *** | *** |
| All channels | Quantity | *** | *** | *** | *** | *** |
| Distributors | Share | *** | *** | *** | *** | *** |
| Processors | Share | *** | *** | *** | *** | *** |
| End users | Share | *** | *** | *** | *** | *** |
| All channels | Share | *** | *** | *** | *** | *** |

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

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

Table D.12 MDI: U.S. producers' and U.S. processors' U.S. shipments for use in apparent consumption, by period

Quantity in short tons; Value in 1,000 dollars

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|---|----------|-----------|-----------|-----------|--------------|--------------|
| U.S. producers | Quantity | 998,852 | 973,099 | 992,582 | 789,834 | 838,918 |
| U.S. producers | Value | 3,024,183 | 2,361,423 | 2,188,517 | 1,761,420 | 1,841,538 |
| U.S. processors: Value added to domestic | Value | *** | *** | *** | *** | *** |
| U.S. producers and processors: Fully domestic | Value | *** | *** | *** | *** | *** |
| U.S. processors: Valued added to imports | Value | *** | *** | *** | *** | *** |
| U.S. producers and processors: Total | Value | *** | *** | *** | *** | *** |

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

Note: Quantity for U.S. shipments reflects only producers' U.S. shipment quantities. Value for U.S. shipments reflects MDI sold in the United States from domestically manufactured MDI (including the value added by U.S. processors to domestic MDI), as well as the incremental value added by U.S. processors to imported MDI. In measuring consumption and market share this methodology avoids reclassifying and/or double counting merchandise already reported as an import. Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—".

Table D.13 MDI: U.S. processors' U.S. shipments, by product end use, 2024

Quantity in short tons; shares in percent

| End Use | Quantity | Share |
|--------------------|----------|-------|
| Rigid foams | *** | *** |
| Flexible foams | *** | *** |
| Surface coating | *** | *** |
| Adhesives/sealants | *** | *** |
| Elastomers | *** | *** |
| Other known uses | *** | *** |
| Unknown uses | *** | *** |
| For all end uses | *** | 100.0 |

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

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

Table D.14 MDI: U.S. processors' U.S. shipments, by product form, 2024

Quantity in short tons; Value in 1,000 dollars, unit values dollars per short ton, shares in percent

| Product form | Quantity | Value | Unit value | Share of quantity | Share of value |
|-------------------------|----------|-------|------------|-------------------|----------------|
| Crude polymeric | *** | *** | *** | *** | *** |
| Polymeric | *** | *** | *** | *** | *** |
| Monomeric | *** | *** | *** | *** | *** |
| All other product forms | *** | *** | *** | *** | *** |
| All product forms | *** | *** | *** | *** | *** |

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

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

Table D.15 MDI: * U.S. processing source comparison**

Quantity in short tons; ratios in percent

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------------------|----------|-------|-------|-------|--------------|--------------|
| Domestic MDI | Quantity | *** | *** | *** | *** | *** |
| Subject MDI | Quantity | *** | *** | *** | *** | *** |
| Nonsubject MDI | Quantity | *** | *** | *** | *** | *** |
| Production using all MDI | Quantity | *** | *** | *** | *** | *** |
| Domestic MDI | Share | *** | *** | *** | *** | *** |
| Subject MDI | Share | *** | *** | *** | *** | *** |
| Nonsubject MDI | Share | *** | *** | *** | *** | *** |
| Production using all MDI | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

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

Table D.16 MDI: * U.S. processing source comparison**

Quantity in short tons; ratios in percent

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------------------|----------|-------|------|-------|--------------|--------------|
| Domestic MDI | Quantity | *** | *** | *** | *** | *** |
| Subject MDI | Quantity | *** | *** | *** | *** | *** |
| Nonsubject MDI | Quantity | *** | *** | *** | *** | *** |
| Production using all MDI | Quantity | *** | *** | *** | *** | *** |
| Domestic MDI | Share | *** | *** | *** | *** | *** |
| Subject MDI | Share | *** | *** | *** | *** | *** |
| Nonsubject MDI | Share | *** | *** | *** | *** | *** |
| Production using all MDI | Share | 100.0 | — | 100.0 | 100.0 | — |

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

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

Table D.17 MDI: * U.S. processing source comparison**

Quantity in short tons; ratios in percent

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------------------|----------|-------|-------|------|--------------|--------------|
| Domestic MDI | Quantity | *** | *** | *** | *** | *** |
| Subject MDI | Quantity | *** | *** | *** | *** | *** |
| Nonsubject MDI | Quantity | *** | *** | *** | *** | *** |
| Production using all MDI | Quantity | *** | *** | *** | *** | *** |
| Domestic MDI | Share | *** | *** | *** | *** | *** |
| Subject MDI | Share | *** | *** | *** | *** | *** |
| Nonsubject MDI | Share | *** | *** | *** | *** | *** |
| Production using all MDI | Share | 100.0 | 100.0 | — | — | — |

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

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

Table D.18 MDI: U.S. processor's employment related information, by item and period

| Item | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--|------|------|------|--------------|--------------|
| Production and related workers (PRWs) (number) | *** | *** | *** | *** | *** |
| Total hours worked (1,000 hours) | *** | *** | *** | *** | *** |
| Hours worked per PRW (hours) | *** | *** | *** | *** | *** |
| Wages paid (\$1,000) | *** | *** | *** | *** | *** |
| Hourly wages (dollars per hour) | *** | *** | *** | *** | *** |
| Productivity (short tons per hours) | *** | *** | *** | *** | *** |
| Unit labor costs (dollars per short ton) | *** | *** | *** | *** | *** |

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

Table D.19 MDI: U.S. producers' and U.S. processor's combined employment related information, by item and period

| Item | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--|------|------|------|--------------|--------------|
| Production and related workers (PRWs) (number) | *** | *** | *** | *** | *** |
| Total hours worked (1,000 hours) | *** | *** | *** | *** | *** |
| Hours worked per PRW (hours) | *** | *** | *** | *** | *** |
| Wages paid (\$1,000) | *** | *** | *** | *** | *** |
| Hourly wages (dollars per hour) | *** | *** | *** | *** | *** |

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

Table D.20 MDI: Apparent consumption and market shares based on quantity, by source and period

Quantity in short tons; shares in percent

| Source | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|--------------------|----------|-----------|-----------|-----------|--------------|--------------|
| U.S. producers | Quantity | 998,852 | 973,099 | 992,582 | 789,834 | 838,918 |
| China | Quantity | *** | *** | *** | *** | *** |
| Nonsubject sources | Quantity | *** | *** | *** | *** | *** |
| All import sources | Quantity | 324,087 | 247,195 | 299,474 | 225,074 | 175,857 |
| All sources | Quantity | 1,322,939 | 1,220,294 | 1,292,056 | 1,014,908 | 1,014,775 |
| U.S. producers | Share | 75.5 | 79.7 | 76.8 | 77.8 | 82.7 |
| China | Share | *** | *** | *** | *** | *** |
| Nonsubject sources | Share | *** | *** | *** | *** | *** |
| All import sources | Share | 24.5 | 20.3 | 23.2 | 22.2 | 17.3 |
| All sources | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—". Quantity for U.S. shipments reflects U.S. producers' U.S. shipment quantities. In measuring consumption and market share this methodology avoids reclassifying and/or double counting merchandise already reported as an import.

Figure D.2 MDI: Apparent consumption and market shares based on quantity, by source and period

* * * * *

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

Table D.21 MDI: Apparent consumption and market shares based on value, by source and period

Value in 1,000 dollars; shares in percent

| Source | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|---|---------|---------|---------|---------|--------------|--------------|
| U.S. producers and processors: Fully domestic | Value | *** | *** | *** | *** | *** |
| U.S. processors: Valued added to imports | Value | *** | *** | *** | *** | *** |
| U.S. producers and processors: Total | Value | *** | *** | *** | *** | *** |
| China | Value | *** | *** | *** | *** | *** |
| Nonsubject sources | Value | *** | *** | *** | *** | *** |
| All import sources | Value | 865,670 | 503,456 | 561,395 | 413,927 | 342,405 |
| All sources | Value | *** | *** | *** | *** | *** |
| U.S. producers and processors: Fully domestic | Share | *** | *** | *** | *** | *** |
| U.S. processors: Valued added to imports | Share | *** | *** | *** | *** | *** |
| U.S. producers and processors: Total | Share | *** | *** | *** | *** | *** |
| China | Share | *** | *** | *** | *** | *** |
| Nonsubject sources | Share | *** | *** | *** | *** | *** |
| All import sources | Share | *** | *** | *** | *** | *** |
| All sources | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—". Value for U.S. shipments reflects MDI sold in the United States from domestically manufactured MDI (including the value added by U.S. processors to domestic MDI), as well as the incremental value added by U.S. processors to imported MDI. In measuring consumption and market share this methodology avoids reclassifying and/or double counting merchandise already reported as an import.

Figure D.3 MDI: Apparent consumption and market shares based on value, by source and period

* * * * *

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

Figure D.4 MDI: U.S. producers' and U.S. importers' U.S. shipments, by product form and source, 2024

* * * * *

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

Note: The shares represent the share in the overall dataset, exclusive of processor data. Certain product forms and sources are not separately labeled in the figure if they are relatively small.

Figure D.5 MDI: U.S. producers' and U.S. importers' U.S. shipments, by end use and source, 2024

* * * * *

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

Note: The shares represent the share in the overall dataset, exclusive of processor data. Certain uses and sources are not separately labeled in the figure if they are relatively small. Some labels have been truncated due to their relatively small size in the overall combined data, exclusive of processor data.

APPENDIX E

PRICE DATA FOR PRODUCTS COMBINED BY METHOD OF SALE

In the preliminary phase of these investigations, questionnaires did not separate pricing products by method of sale (e.g., “sold in bulk,” “sold as part of a polyurethane system,” etc.). Wanhua requested that final-phase questionnaires separate pricing data by method of sale.¹ Data were collected for pricing products separated by method of sale and were presented in this form in Part 5. In this appendix, data for pricing products are presented for each product combined for all methods of sale.

Tables E.1 to E.3 and figures E.1 to E.3 present the pricing data for all methods of sale. Tables E.4 and E.5 and figure E.4 present trends in the combined-method U.S. pricing data. (Since there are no Chinese data for products sold as part of a polyurethane system, the Chinese data do not change from part 5.) Tables E.6 and E.7 show instances of underselling and overselling in the combined-method pricing data. Table E.8 compares underselling and overselling for the pricing data separated by method of sale (as in Part 5) and combined for all methods of sale (as in this appendix).

¹ See Wanhua’s Comments on the Draft Questionnaires, pp. 6 to 9.

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

Price in dollars per short ton, quantity in short tons, margin in percent.

| Period | U.S. price | U.S. quantity | China price | China quantity | China margin |
|---------|------------|---------------|-------------|----------------|--------------|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Figure E.1 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, by source and quarter

Price of product 1

* * * * *

Volume of product 1

* * * * *

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

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

Price in dollars per short ton, quantity in short tons, margin in percent.

| Period | U.S. price | U.S. quantity | China price | China quantity | China margin |
|---------|------------|---------------|-------------|----------------|--------------|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Figure E.2 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 2, by source and quarter

Price of product 2

* * * * *

Volume of product 2

* * * * *

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

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

Price in dollars per short ton, quantity in short tons, margin in percent.

| Period | U.S. price | U.S. quantity | China price | China quantity | China margin |
|---------|------------|---------------|-------------|----------------|--------------|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Figure E.3 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, by source and quarter

Price of product 3

* * * * *

Volume of product 3

* * * * *

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Table E.4 MDI: Summary of price data, by product and source, January 2022 through September 2025

Quantity in short tons, price in dollars per short ton

| Product | Source | Number of quarters | Quantity of shipments | Low price | High price | First quarter price | Last quarter price | Percent change in price over period |
|-----------|---------------|--------------------|-----------------------|-----------|------------|---------------------|--------------------|-------------------------------------|
| Product 1 | United States | 15 | *** | *** | *** | *** | *** | *** |
| Product 2 | United States | 15 | *** | *** | *** | *** | *** | *** |
| Product 3 | United States | 15 | *** | *** | *** | *** | *** | *** |

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

Note: Percent change column is percentage change from the first quarter 2022 to September 2025. Data for China are the same as in Part 5.

Table E.5 MDI: Indexed U.S. producer prices, by quarter

Index in percent, 2022 Q1= 100.0 percent

| Period | Product 1 | Product 2 | Product 3 |
|---------|-----------|-----------|-----------|
| 2022 Q1 | 100.0 | 100.0 | 100.0 |
| 2022 Q2 | *** | *** | *** |
| 2022 Q3 | *** | *** | *** |
| 2022 Q4 | *** | *** | *** |
| 2023 Q1 | *** | *** | *** |
| 2023 Q2 | *** | *** | *** |
| 2023 Q3 | *** | *** | *** |
| 2023 Q4 | *** | *** | *** |
| 2024 Q1 | *** | *** | *** |
| 2024 Q2 | *** | *** | *** |
| 2024 Q3 | *** | *** | *** |
| 2024 Q4 | *** | *** | *** |
| 2025 Q1 | *** | *** | *** |
| 2025 Q2 | *** | *** | *** |
| 2025 Q3 | *** | *** | *** |

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

Figure E.4 MDI: Indexed U.S. producer prices, by quarter

* * * * *

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

Table E.6 MDI: Instances of underselling and overselling and the range and average of margins, by product

Quantity in short tons; margin in percent

| Product | Type | Number of quarters | Quantity | Average margin | Min margin | Max margin |
|---------------------|--------------|--------------------|----------|----------------|------------|------------|
| Product 1 | Underselling | 14 | *** | *** | *** | *** |
| Product 2 | Underselling | 15 | *** | *** | *** | *** |
| Product 3 | Underselling | 3 | *** | *** | *** | *** |
| Total, all products | Underselling | 32 | *** | *** | *** | *** |
| Product 1 | Overselling | 1 | *** | *** | *** | *** |
| Product 2 | Overselling | — | *** | *** | *** | *** |
| Product 3 | Overselling | 12 | *** | *** | *** | *** |
| Total, all products | Overselling | 13 | *** | *** | *** | *** |

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

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

Table E.7 MDI: Instances of underselling and overselling and the range and average of margins, by year

Quantity in short tons; margin in percent

| Year | Type | Number of quarters | Quantity | Average margin | Min margin | Max margin |
|--------------------------------|--------------|--------------------|----------|----------------|------------|------------|
| 2022 | Underselling | 10 | *** | *** | *** | *** |
| 2023 | Underselling | 8 | *** | *** | *** | *** |
| 2024 | Underselling | 8 | *** | *** | *** | *** |
| January through September 2025 | Underselling | 6 | *** | *** | *** | *** |
| Total, all years | Underselling | 32 | *** | *** | *** | *** |
| 2022 | Overselling | 2 | *** | *** | *** | *** |
| 2023 | Overselling | 4 | *** | *** | *** | *** |
| 2024 | Overselling | 4 | *** | *** | *** | *** |
| January through September 2025 | Overselling | 3 | *** | *** | *** | *** |
| Total, all years | Overselling | 13 | *** | *** | *** | *** |

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

Table E.8 MDI: Quantities of underselling/overselling by period and whether separated or combined by method of sale

| Category | Measure | 2022 | 2023 | 2024 | Interim 2025 | Full period |
|------------------------------------|----------|-------|-------|-------|--------------|-------------|
| Separated: Underselling | Quantity | *** | *** | *** | *** | *** |
| Separated: Overselling | Quantity | *** | *** | *** | *** | *** |
| Separated: All pricing comparisons | Quantity | *** | *** | *** | *** | *** |
| Separated: Underselling | Share | *** | *** | *** | *** | *** |
| Separated: Overselling | Share | *** | *** | *** | *** | *** |
| Separated: All pricing comparisons | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Combined: Underselling | Quantity | *** | *** | *** | *** | *** |
| Combined: Overselling | Quantity | *** | *** | *** | *** | *** |
| Combined: All pricing comparisons | Quantity | *** | *** | *** | *** | *** |
| Combined: Underselling | Share | *** | *** | *** | *** | *** |
| Combined: Overselling | Share | *** | *** | *** | *** | *** |
| Combined: All pricing comparisons | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

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

Note: Separated refers to the pricing data as presented in Part 5, separated by whether sold in bulk or packages compared to sold as part of a polyurethane system. Combined refers to the pricing data as presented in this appendix, e.g., all data for product 1 (whether or not sold as part of a polyurethane system).

APPENDIX F

NONSUBJECT COUNTRY PRICE DATA

Four importers reported price data for nonsubject countries for products 1-3. Price data reported by these firms accounted for 91.8 percent of U.S. commercial shipments from nonsubject countries. Price and quantity data for nonsubject countries are shown in tables F.1 to F.11 and in figure F.1 to F.9 (with domestic and subject sources). Tables F.1 to F.6 and figures F.1 to F.6 present data comparable to those presented in tables 5.6 to 5.11 (i.e., for products separated by whether sold in bulk/packages or as part of a polyurethane system), with tables F.7 and F.8 comparing U.S. and Chinese prices with nonsubject prices. Tables F.9 to F.11 and figures F.7 to F.9 present data comparable to those presented in tables E.1 to E.3 (i.e., for products 1, 2, and 3 combined for all methods of sale), with tables F.12 and F.13 comparing U.S. and nonsubject prices.¹

As shown in in table F.7 and F.8, in comparing nonsubject country pricing data for separated pricing data with U.S. producer pricing data, prices for product imported from nonsubject countries were lower than prices for U.S.-produced product in 61 instances and higher in 13 instances. In comparing nonsubject country pricing data with subject country pricing data, prices for product imported from nonsubject countries were lower than prices for product imported from China in 16 instances and higher in 25 instances.

As shown in in tables F.12 and F.13, in comparing nonsubject country pricing data for combined pricing data with U.S. producer pricing data, prices for product imported from nonsubject countries were lower than prices for U.S.-produced product in 36 instances and higher in 5 instances. In comparing nonsubject country pricing data with subject country pricing data, prices for product imported from nonsubject countries were lower than prices for product imported from China in 13 instances and higher in 28 instances.

¹ Note that because there were no data for Chinese importers of products sold in systems, the Chinese data do not change whether presented combined or separated by method of sale.

Table F.1 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 sold in bulk, and percent price differences, by source and quarter

Price in dollars per short ton, quantity in short tons, price comparisons in percent.

| Period | U.S. price | U.S. quantity | Nonsubject price | Nonsubject quantity | Nonsubject price percent lower/(higher) |
|---------------|-------------------|----------------------|-------------------------|----------------------------|--|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Figure F.1 MDI: Weighted-average prices and quantities of domestic and imported product 1 sold in bulk, by quarter

Price of product 1 sold in bulk

* * * * *

Volume of product 1 sold in bulk

* * * * *

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Table F.2 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 sold in bulk as part of a polyurethane system, and percent price differences, by source and quarter

Price in dollars per short ton, quantity in short tons, price comparisons in percent.

| Period | U.S. price | U.S. quantity | Nonsubject price | Nonsubject quantity | Nonsubject price percent lower/(higher) |
|---------|------------|---------------|------------------|---------------------|---|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Figure F.2 MDI: Weighted-average prices and quantities of domestic and imported product 1, sold in bulk as part of a polyurethane system, by quarter

Price of product 1 sold as part of a polyurethane system

* * * * *

Volume of product 1 sold as part of a polyurethane system

* * * * *

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Table F.3 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 sold in packages (e.g., totes, drums), and percent price differences, by source and quarter

Price in dollars per short ton, quantity in short tons, price comparisons in percent.

| Period | U.S. price | U.S. quantity | Nonsubject price | Nonsubject quantity | Nonsubject price percent lower/(higher) |
|---------------|-------------------|----------------------|-------------------------|----------------------------|--|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Figure F.3 MDI: Weighted-average prices and quantities of domestic and imported product 2 in packages (e.g., totes, drums), by quarter

Price of product 2 sold in packages (e.g., totes, drums)

* * * * *

Volume of product 2 sold in packages (e.g., totes, drums)

* * * * *

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Table F.4 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 sold in packages as part of a polyurethane system, and percent price differences, by source and quarter

Price in dollars per short ton, quantity in short tons, price comparisons in percent.

| Period | U.S. price | U.S. quantity | Nonsubject price | Nonsubject quantity | Nonsubject price percent lower/(higher) |
|---------|------------|---------------|------------------|---------------------|---|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Figure F.4 MDI: Weighted-average prices and quantities of domestic and imported product 2, sold in packages as part of a polyurethane system, by quarter

Price of product 2 sold as part of a polyurethane system

* * * * *

Volume of product 2 sold as part of a polyurethane system

* * * * *

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Table F.5 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 sold in bulk and percent price differences, by source and quarter

Price in dollars per short ton, quantity in short tons, price comparisons in percent.

| Period | U.S. price | U.S. quantity | Nonsubject price | Nonsubject quantity | Nonsubject price percent lower/(higher) |
|---------|------------|---------------|------------------|---------------------|---|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Figure F.5 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 sold in bulk, by source and quarter

Price of product 3 sold in bulk

* * * * *

Volume of product 3 sold in bulk

* * * * *

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Table F.6 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 sold as part of a polyurethane system, and percent price differences, by source and quarter

Price in dollars per short ton, quantity in short tons, price comparisons in percent.

| Period | U.S. price | U.S. quantity | Nonsubject price | Nonsubject quantity | Nonsubject price percent lower/(higher) |
|---------|------------|---------------|------------------|---------------------|---|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Figure F.6 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 sold as part of a polyurethane system, by source and quarter

Price of product 3 as part of a polyurethane system

* * * * *

Volume of product 3 as part of a polyurethane system

* * * * *

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Table F.7 MDI: Instances and quantities of lower/higher nonsubject prices, and the range and average of lower/higher prices, by product, for pricing data separated by method of sale

Quantity in short tons; price comparisons in percent

| Product | Nonsubject price comparison | Number of instances | Quantity | Average percent lower/ (higher) | Min percent lower/ (higher) | Max percent lower/ (higher) |
|------------------------|------------------------------------|----------------------------|-----------------|--|------------------------------------|------------------------------------|
| Product 1 bulk | Lower priced than U.S. | 13 | *** | *** | *** | *** |
| Product 1 in PE system | Lower priced than U.S. | 11 | *** | *** | *** | *** |
| Product 2 bulk | Lower priced than U.S. | 14 | *** | *** | *** | *** |
| Product 2 in PE system | Lower priced than U.S. | 14 | *** | *** | *** | *** |
| Product 3 bulk | Lower priced than U.S. | 6 | *** | *** | *** | *** |
| Product 3 in PE system | Lower priced than U.S. | 3 | *** | *** | *** | *** |
| All products | Lower priced than U.S. | 61 | *** | *** | *** | *** |
| Product 1 bulk | Higher priced than U.S. | 2 | *** | *** | *** | *** |
| Product 1 in PE system | Higher priced than U.S. | 3 | *** | *** | *** | *** |
| Product 2 bulk | Higher priced than U.S. | 1 | *** | *** | *** | *** |
| Product 2 in PE system | Higher priced than U.S. | — | *** | *** | *** | *** |
| Product 3 bulk | Higher priced than U.S. | 5 | *** | *** | *** | *** |
| Product 3 in PE system | Higher priced than U.S. | 2 | *** | *** | *** | *** |
| All products | Higher priced than U.S. | 13 | *** | *** | *** | *** |
| Product 1 bulk | Lower priced than China | 4 | *** | *** | *** | *** |
| Product 1 in PE system | Lower priced than China | — | *** | *** | *** | *** |
| Product 2 bulk | Lower priced than China | 7 | *** | *** | *** | *** |
| Product 2 in PE system | Lower priced than China | — | *** | *** | *** | *** |
| Product 3 bulk | Lower priced than China | 5 | *** | *** | *** | *** |
| Product 3 in PE system | Lower priced than China | — | *** | *** | *** | *** |
| All products | Lower priced than China | 16 | *** | *** | *** | *** |
| Product 1 bulk | Higher priced than China | 11 | *** | *** | *** | *** |
| Product 1 in PE system | Higher priced than China | — | *** | *** | *** | *** |
| Product 2 bulk | Higher priced than China | 8 | *** | *** | *** | *** |
| Product 2 in PE system | Higher priced than China | — | *** | *** | *** | *** |
| Product 3 bulk | Higher priced than China | 6 | *** | *** | *** | *** |
| Product 3 in PE system | Higher priced than China | — | *** | *** | *** | *** |
| All products | Higher priced than China | 25 | *** | *** | *** | *** |

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

Table F.8 MDI: Instances and quantities of lower/higher nonsubject prices, and the range and average of lower/higher prices, by period, for pricing data separated by method of sale

Quantity in short tons; price comparisons in percent

| Product | Nonsubject price comparison | Number of instances | Quantity | Average percent lower/ (higher) | Min percent lower/ (higher) | Max percent lower/ (higher) |
|--------------------------------|-----------------------------|---------------------|----------|---------------------------------|-----------------------------|-----------------------------|
| 2022 | Lower priced than U.S. | 16 | *** | *** | *** | *** |
| 2023 | Lower priced than U.S. | 15 | *** | *** | *** | *** |
| 2024 | Lower priced than U.S. | 20 | *** | *** | *** | *** |
| January through September 2025 | Lower priced than U.S. | 10 | *** | *** | *** | *** |
| All periods | Lower priced than U.S. | 61 | *** | *** | *** | *** |
| 2022 | Higher priced than U.S. | 6 | *** | *** | *** | *** |
| 2023 | Higher priced than U.S. | 1 | *** | *** | *** | *** |
| 2024 | Higher priced than U.S. | 1 | *** | *** | *** | *** |
| January through September 2025 | Higher priced than U.S. | 5 | *** | *** | *** | *** |
| All periods | Higher priced than U.S. | 13 | *** | *** | *** | *** |
| 2022 | Lower priced than China | 2 | *** | *** | *** | *** |
| 2023 | Lower priced than China | 6 | *** | *** | *** | *** |
| 2024 | Lower priced than China | 3 | *** | *** | *** | *** |
| January through September 2025 | Lower priced than China | 5 | *** | *** | *** | *** |
| All periods | Lower priced than China | 16 | *** | *** | *** | *** |
| 2022 | Higher priced than China | 10 | *** | *** | *** | *** |
| 2023 | Higher priced than China | 3 | *** | *** | *** | *** |
| 2024 | Higher priced than China | 8 | *** | *** | *** | *** |
| January through September 2025 | Higher priced than China | 4 | *** | *** | *** | *** |
| All periods | Higher priced than China | 25 | *** | *** | *** | *** |

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

Table F.9 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, and percent price differences, by source and quarter

Price in dollars per short ton, quantity in short tons, price comparisons in percent.

| Period | U.S. price | U.S. quantity | Nonsubject price | Nonsubject quantity | Nonsubject price percent lower/(higher) |
|---------|------------|---------------|------------------|---------------------|---|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Figure F.7 MDI: Weighted-average prices and quantities of domestic and imported product 1, by quarter

Price of product 1

* * * * *

Volume of product 1

* * * * *

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

Note: Product 1: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in bulk (e.g., trucks, rail car, ISO tanks, isotainer).

Table F.10 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 2, and percent price differences, by source and quarter

Price in dollars per short ton, quantity in short tons, price comparisons in percent.

| Period | U.S. price | U.S. quantity | Nonsubject price | Nonsubject quantity | Nonsubject price percent lower/(higher) |
|---------------|-------------------|----------------------|-------------------------|----------------------------|--|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Figure F.8 MDI: Weighted-average prices and quantities of domestic and imported product 2, by quarter

Price of product 2

* * * * *

Volume of product 2

* * * * *

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

Note: Product 2: Polymeric MDI, 150-250 centipoise viscosity at 25o C, 30.2-32.5 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-200, PM-200S, Papi 27, Isobind 1088, Lupranate M20, Rubinate 1840, Rubinate M), sold in packages (e.g., totes, drums).

Table F.11 MDI: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, and percent price differences, by source and quarter

Price in dollars per short ton, quantity in short tons, price comparisons in percent.

| Period | U.S. price | U.S. quantity | Nonsubject price | Nonsubject quantity | Nonsubject price percent lower/(higher) |
|---------------|-------------------|----------------------|-------------------------|----------------------------|--|
| 2022 Q1 | *** | *** | *** | *** | *** |
| 2022 Q2 | *** | *** | *** | *** | *** |
| 2022 Q3 | *** | *** | *** | *** | *** |
| 2022 Q4 | *** | *** | *** | *** | *** |
| 2023 Q1 | *** | *** | *** | *** | *** |
| 2023 Q2 | *** | *** | *** | *** | *** |
| 2023 Q3 | *** | *** | *** | *** | *** |
| 2023 Q4 | *** | *** | *** | *** | *** |
| 2024 Q1 | *** | *** | *** | *** | *** |
| 2024 Q2 | *** | *** | *** | *** | *** |
| 2024 Q3 | *** | *** | *** | *** | *** |
| 2024 Q4 | *** | *** | *** | *** | *** |
| 2025 Q1 | *** | *** | *** | *** | *** |
| 2025 Q2 | *** | *** | *** | *** | *** |
| 2025 Q3 | *** | *** | *** | *** | *** |

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Figure F.9 MDI: Weighted-average prices and quantities of domestic and imported product 3, by quarter

Price of product 3

* * * * *

Volume of product 3

* * * * *

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

Note: Product 3: Polymeric MDI, 585-900 centipoise viscosity at 25o C, 30.3-32.0 Isocyanate content in weight percentage, basic commodity grade (e.g., PM-700, Papi 580N, Lupranate M70, Rubinate 1850).

Table F.12 MDI: Instances and quantities of lower/higher nonsubject prices, and the range and average of lower/higher prices, by product, for pricing data combined by method of sale

| Product | Nonsubject price comparison | Number of instances | Quantity | Average percent lower/ (higher) | Min percent lower/ (higher) | Max percent lower/ (higher) |
|--------------|-----------------------------|---------------------|----------|---------------------------------|-----------------------------|-----------------------------|
| Product 1 | Lower priced than U.S. | 14 | *** | *** | *** | *** |
| Product 2 | Lower priced than U.S. | 15 | *** | *** | *** | *** |
| Product 3 | Lower priced than U.S. | 7 | *** | *** | *** | *** |
| All products | Lower priced than U.S. | 36 | *** | *** | *** | *** |
| Product 1 | Higher priced than U.S. | 1 | *** | *** | *** | *** |
| Product 2 | Higher priced than U.S. | — | *** | *** | *** | *** |
| Product 3 | Higher priced than U.S. | 4 | *** | *** | *** | *** |
| All products | Higher priced than U.S. | 5 | *** | *** | *** | *** |
| Product 1 | Lower priced than China | 3 | *** | *** | *** | *** |
| Product 2 | Lower priced than China | 5 | *** | *** | *** | *** |
| Product 3 | Lower priced than China | 5 | *** | *** | *** | *** |
| All products | Lower priced than China | 13 | *** | *** | *** | *** |
| Product 1 | Higher priced than China | 12 | *** | *** | *** | *** |
| Product 2 | Higher priced than China | 10 | *** | *** | *** | *** |
| Product 3 | Higher priced than China | 6 | *** | *** | *** | *** |
| All products | Higher priced than China | 28 | *** | *** | *** | *** |

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

Table F.13 MDI: Instances and quantities of lower/higher nonsubject prices, and the range and average of lower/higher prices, by period, for pricing data combined by method of sale

Quantity in short tons; price comparisons in percent

| Product | Nonsubject price comparison | Number of instances | Quantity | Average percent lower/ (higher) | Min percent lower/ (higher) | Max percent lower/ (higher) |
|--------------------------------|-----------------------------|---------------------|----------|---------------------------------|-----------------------------|-----------------------------|
| 2022 | Lower priced than U.S. | 10 | *** | *** | *** | *** |
| 2023 | Lower priced than U.S. | 9 | *** | *** | *** | *** |
| 2024 | Lower priced than U.S. | 10 | *** | *** | *** | *** |
| January through September 2025 | Lower priced than U.S. | 7 | *** | *** | *** | *** |
| All periods | Lower priced than U.S. | 36 | *** | *** | *** | *** |
| 2022 | Higher priced than U.S. | 2 | *** | *** | *** | *** |
| 2023 | Higher priced than U.S. | — | *** | *** | *** | *** |
| 2024 | Higher priced than U.S. | 1 | *** | *** | *** | *** |
| January through September 2025 | Higher priced than U.S. | 2 | *** | *** | *** | *** |
| All periods | Higher priced than U.S. | 5 | *** | *** | *** | *** |
| 2022 | Lower priced than China | 2 | *** | *** | *** | *** |
| 2023 | Lower priced than China | 5 | *** | *** | *** | *** |
| 2024 | Lower priced than China | 3 | *** | *** | *** | *** |
| January through September 2025 | Lower priced than China | 3 | *** | *** | *** | *** |
| All periods | Lower priced than China | 13 | *** | *** | *** | *** |
| 2022 | Higher priced than China | 10 | *** | *** | *** | *** |
| 2023 | Higher priced than China | 4 | *** | *** | *** | *** |
| 2024 | Higher priced than China | 8 | *** | *** | *** | *** |
| January through September 2025 | Higher priced than China | 6 | *** | *** | *** | *** |
| All periods | Higher priced than China | 28 | *** | *** | *** | *** |

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

APPENDIX G

**U.S. PROCESSORS' AND COMBINED U.S. PRODUCERS' AND PROCESSORS'
FINANCIAL DATA**

Table G.1 MDI: U.S. processors' results of operations, by item and period

Quantity in short tons; value in 1,000 dollars; ratios in percent; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|-------------------------------------|-------------|------|------|------|--------------|--------------|
| Total net sales | Quantity | *** | *** | *** | *** | *** |
| Total net sales | Value | *** | *** | *** | *** | *** |
| COGS: Domestically manufactured MDI | Value | *** | *** | *** | *** | *** |
| COGS: Subject sources MDI | Value | *** | *** | *** | *** | *** |
| COGS: Nonsubject sources MDI | Value | *** | *** | *** | *** | *** |
| COGS: Total raw MDI | Value | *** | *** | *** | *** | *** |
| COGS: Other raw materials | Value | *** | *** | *** | *** | *** |
| COGS: Total raw materials | Value | *** | *** | *** | *** | *** |
| COGS: Direct labor | Value | *** | *** | *** | *** | *** |
| COGS: Other factory | Value | *** | *** | *** | *** | *** |
| COGS: Total | Value | *** | *** | *** | *** | *** |
| Gross profit or (loss) | Value | *** | *** | *** | *** | *** |
| SG&A expenses | Value | *** | *** | *** | *** | *** |
| Operating income or (loss) | Value | *** | *** | *** | *** | *** |
| Other expense or (income), net | Value | *** | *** | *** | *** | *** |
| Net income or (loss) | Value | *** | *** | *** | *** | *** |
| Depreciation/amortization | Value | *** | *** | *** | *** | *** |
| Cash flow | Value | *** | *** | *** | *** | *** |
| COGS: Domestically manufactured MDI | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Subject sources MDI | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Nonsubject sources MDI | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Total raw MDI | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Other raw materials | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Total raw materials | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Direct labor | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Other factory | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Total | Ratio to NS | *** | *** | *** | *** | *** |
| Gross profit | Ratio to NS | *** | *** | *** | *** | *** |
| SG&A expense | Ratio to NS | *** | *** | *** | *** | *** |
| Operating income or (loss) | Ratio to NS | *** | *** | *** | *** | *** |
| Net income or (loss) | Ratio to NS | *** | *** | *** | *** | *** |

Table continued.

Table G.1 (Continued) MDI: U.S. processors' results of operations, by item and period

Shares in percent; unit values in dollars per short ton; count in number of firms reporting; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|-------------------------------------|------------|-------|-------|-------|--------------|--------------|
| COGS: Domestically manufactured MDI | Share | *** | *** | *** | *** | *** |
| COGS: Subject sources MDI | Share | *** | *** | *** | *** | *** |
| COGS: Nonsubject sources MDI | Share | *** | *** | *** | *** | *** |
| COGS: Total raw MDI | Share | *** | *** | *** | *** | *** |
| COGS: Other raw materials | Share | *** | *** | *** | *** | *** |
| COGS: Total raw materials | Share | *** | *** | *** | *** | *** |
| COGS: Direct labor | Share | *** | *** | *** | *** | *** |
| COGS: Other factory | Share | *** | *** | *** | *** | *** |
| COGS: Total | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Total net sales | Unit value | *** | *** | *** | *** | *** |
| COGS: Domestically manufactured MDI | Unit value | *** | *** | *** | *** | *** |
| COGS: Subject sources MDI | Unit value | *** | *** | *** | *** | *** |
| COGS: Nonsubject sources MDI | Unit value | *** | *** | *** | *** | *** |
| COGS: Total raw MDI | Unit value | *** | *** | *** | *** | *** |
| COGS: Other raw materials | Unit value | *** | *** | *** | *** | *** |
| COGS: Total raw materials | Unit value | *** | *** | *** | *** | *** |
| COGS: Direct labor | Unit value | *** | *** | *** | *** | *** |
| COGS: Other factory | Unit value | *** | *** | *** | *** | *** |
| COGS: Total | Unit value | *** | *** | *** | *** | *** |
| Gross profit or (loss) | Unit value | *** | *** | *** | *** | *** |
| SG&A expenses | Unit value | *** | *** | *** | *** | *** |
| Operating income or (loss) | Unit value | *** | *** | *** | *** | *** |
| Net income or (loss) | Unit value | *** | *** | *** | *** | *** |
| Operating losses | Count | *** | *** | *** | *** | *** |
| Net losses | Count | *** | *** | *** | *** | *** |
| Data | Count | *** | *** | *** | *** | *** |

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

Note: ***.

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “—”. Shares represent the share of COGS.

Table G.2 MDI: U.S. processors' changes in AUVs between comparison periods

Changes in percent, interim is January through September;

| Item | 2022 to 2024 | 2022 to 2023 | 2023 to 2024 | Interim 2024 to interim 2025 |
|-------------------------------------|--------------|--------------|--------------|------------------------------|
| Total net sales | ▼*** | ▼*** | ▼*** | ▲*** |
| COGS: Domestically manufactured MDI | ▼*** | ▲*** | ▼*** | ▲*** |
| COGS: Subject sources MDI | ▼*** | ▼*** | *** | *** |
| COGS: Nonsubject sources MDI | ▼*** | ▼*** | ▼*** | ▼*** |
| COGS: Total raw MDI | ▼*** | ▼*** | ▼*** | ▲*** |
| COGS: Other raw materials | *** | *** | *** | *** |
| COGS: Total raw materials | ▼*** | ▼*** | ▼*** | ▲*** |
| COGS: Direct labor | ▼*** | ▲*** | ▼*** | ▲*** |
| COGS: Other factory | ▲*** | ▲*** | ▼*** | ▼*** |
| COGS: Total | ▼*** | ▲*** | ▼*** | ▼*** |

Table continued.

Table G.2 (Continued) MDI: U.S. processors' changes in AUVs between comparison periods

Changes in dollars per short ton; interim is January through September

| Item | 2022 to 2024 | 2022 to 2023 | 2023 to 2024 | Interim 2024 to interim 2025 |
|-------------------------------------|--------------|--------------|--------------|------------------------------|
| Total net sales | ▼*** | ▼*** | ▼*** | ▲*** |
| COGS: Domestically manufactured MDI | ▼*** | ▲*** | ▼*** | ▲*** |
| COGS: Subject sources MDI | ▼*** | ▼*** | *** | *** |
| COGS: Nonsubject sources MDI | ▼*** | ▼*** | ▼*** | ▼*** |
| COGS: Total raw MDI | ▼*** | ▼*** | ▼*** | ▲*** |
| COGS: Other raw materials | *** | *** | *** | *** |
| COGS: Total raw materials | ▼*** | ▼*** | ▼*** | ▲*** |
| COGS: Direct labor | ▼*** | ▲*** | ▼*** | ▲*** |
| COGS: Other factory | ▲*** | ▲*** | ▼*** | ▼*** |
| COGS: Total | ▼*** | ▲*** | ▼*** | ▼*** |
| Gross profit or (loss) | ▲*** | ▼*** | ▲*** | ▲*** |
| SG&A expense | ▲*** | ▲*** | ▼*** | ▲*** |
| Operating income or (loss) | ▲*** | ▼*** | ▲*** | ▲*** |
| Net income or (loss) | ▼*** | ▼*** | ▲*** | ▲*** |

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “—”. Period changes preceded by a “▲” represent an increase, while period changes preceded by a “▼” represent a decrease.

Table G.3 MDI: U.S. producers' and processors' results of operations, by item and period

Quantity in short tons; value in 1,000 dollars; ratios in percent; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|-------------------------------|-------------|------|------|------|--------------|--------------|
| Total net sales | Quantity | *** | *** | *** | *** | *** |
| Total net sales | Value | *** | *** | *** | *** | *** |
| COGS: Raw materials | Value | *** | *** | *** | *** | *** |
| COGS: Direct labor | Value | *** | *** | *** | *** | *** |
| COGS: Other factory | Value | *** | *** | *** | *** | *** |
| COGS: Less by-product revenue | Value | *** | *** | *** | *** | *** |
| COGS: Total | Value | *** | *** | *** | *** | *** |
| Gross profit or (loss) | Value | *** | *** | *** | *** | *** |
| SG&A expenses | Value | *** | *** | *** | *** | *** |
| Operating income or (loss) | Value | *** | *** | *** | *** | *** |
| Other expense or (income) | Value | *** | *** | *** | *** | *** |
| Net income or (loss) | Value | *** | *** | *** | *** | *** |
| Depreciation/amortization | Value | *** | *** | *** | *** | *** |
| Cash flow | Value | *** | *** | *** | *** | *** |
| COGS: Raw materials | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Direct labor | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Other factory | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Less by-product revenue | Ratio to NS | *** | *** | *** | *** | *** |
| COGS: Total | Ratio to NS | *** | *** | *** | *** | *** |
| Gross profit | Ratio to NS | *** | *** | *** | *** | *** |
| SG&A expense | Ratio to NS | *** | *** | *** | *** | *** |
| Operating income or (loss) | Ratio to NS | *** | *** | *** | *** | *** |
| Net income or (loss) | Ratio to NS | *** | *** | *** | *** | *** |

Table continued.

Table G.3 (Continued) MDI: U.S. producers' and processors' results of operations, by item and period

Shares in percent; unit values in dollars per short ton; count in number of firms reporting; interim is January through September

| Item | Measure | 2022 | 2023 | 2024 | Interim 2024 | Interim 2025 |
|-------------------------------|------------|-------|-------|-------|--------------|--------------|
| COGS: Raw materials | Share | *** | *** | *** | *** | *** |
| COGS: Direct labor | Share | *** | *** | *** | *** | *** |
| COGS: Other factory | Share | *** | *** | *** | *** | *** |
| COGS: Total | Share | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Total net sales | Unit value | *** | *** | *** | *** | *** |
| COGS: Raw materials | Unit value | *** | *** | *** | *** | *** |
| COGS: Direct labor | Unit value | *** | *** | *** | *** | *** |
| COGS: Other factory | Unit value | *** | *** | *** | *** | *** |
| COGS: Less by-product revenue | Unit value | *** | *** | *** | *** | *** |
| COGS: Total | Unit value | *** | *** | *** | *** | *** |
| Gross profit or (loss) | Unit value | *** | *** | *** | *** | *** |
| SG&A expenses | Unit value | *** | *** | *** | *** | *** |
| Operating income or (loss) | Unit value | *** | *** | *** | *** | *** |
| Net income or (loss) | Unit value | *** | *** | *** | *** | *** |
| Operating losses | Count | *** | *** | *** | *** | *** |
| Net losses | Count | *** | *** | *** | *** | *** |
| Data | Count | *** | *** | *** | *** | *** |

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

Note: ***.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "—". Shares represent the share of COGS before the by-product revenue offset. Only U.S. producers were asked for their by-product revenue.

Table G.4 MDI: U.S. producers' and processors' combined changes in AUVs between comparison periods

Changes in percent; interim is January through September

| Item | 2022 to 2024 | 2022 to 2023 | 2023 to 2024 | Interim 2024 to interim 2025 |
|-------------------------------|--------------|--------------|--------------|------------------------------|
| Total net sales | ▼*** | ▼*** | ▼*** | ▼*** |
| COGS: Raw materials | ▼*** | ▼*** | ▼*** | ▼*** |
| COGS: Direct labor | ▼*** | ▲*** | ▼*** | ▼*** |
| COGS: Other factory | ▼*** | ▲*** | ▼*** | ▼*** |
| COGS: Less by-product revenue | ▼*** | ▲*** | ▼*** | ▼*** |
| COGS: Total | ▼*** | ▼*** | ▼*** | ▼*** |

Table continued.

Table G.4 (Continued) MDI: U.S. producers' and processors' combined changes in AUVs between comparison periods

Changes in dollars per short ton; interim is January through September

| Item | 2022 to 2024 | 2022 to 2023 | 2023 to 2024 | Interim 2024 to interim 2025 |
|-------------------------------|--------------|--------------|--------------|------------------------------|
| Total net sales | ▼*** | ▼*** | ▼*** | ▼*** |
| COGS: Raw materials | ▼*** | ▼*** | ▼*** | ▼*** |
| COGS: Direct labor | ▼*** | ▲*** | ▼*** | ▼*** |
| COGS: Other factory | ▼*** | ▲*** | ▼*** | ▼*** |
| COGS: Less by-product revenue | ▼*** | ▲*** | ▼*** | ▼*** |
| COGS: Total | ▼*** | ▼*** | ▼*** | ▼*** |
| Gross profit or (loss) | ▼*** | ▼*** | ▼*** | ▼*** |
| SG&A expense | ▼*** | ▲*** | ▼*** | ▼*** |
| Operating income or (loss) | ▼*** | ▼*** | ▼*** | ▼*** |
| Net income or (loss) | ▼*** | ▼*** | ▼*** | ▼*** |

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

Note: Shares and ratios shown as "0" represent values greater than zero, but less than "0.5" percent. Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

