

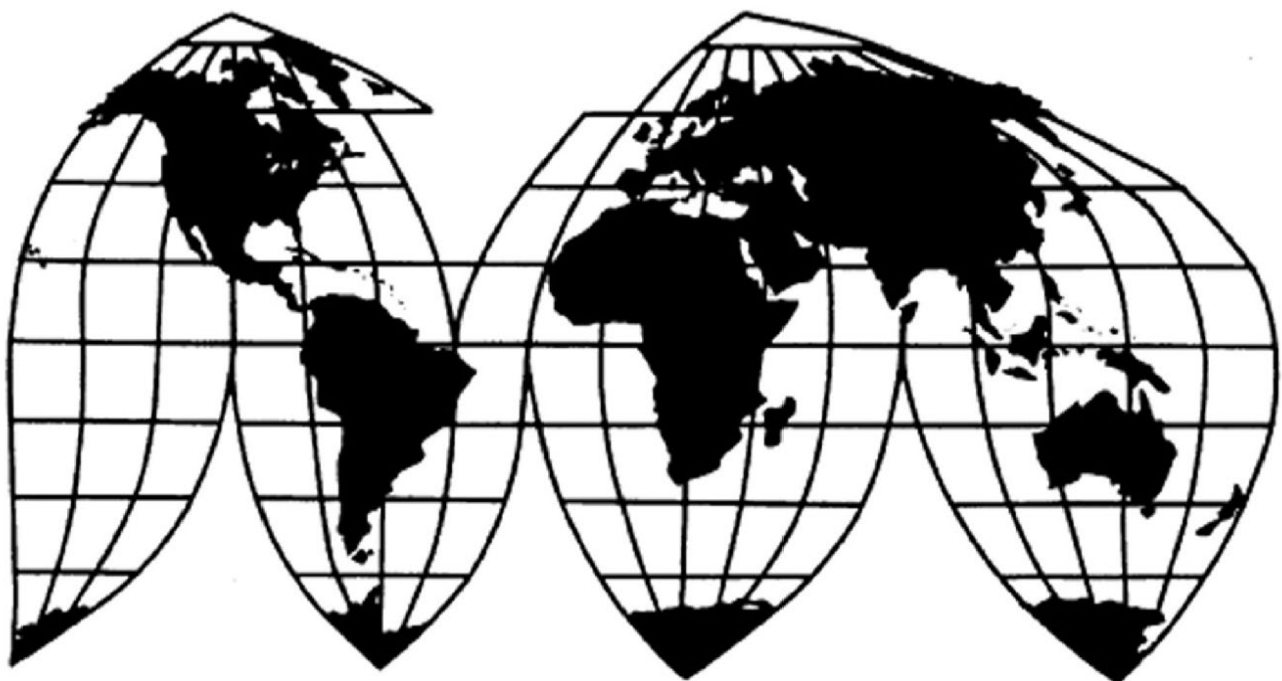
Fine Denier Polyester Staple Fiber

Investigation No. TA-201-78

Publication 5536

August 2024

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Note.—Information that would reveal confidential operations of individual concerns may not be published.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. TA-201-78

Fine Denier Polyester Staple Fiber

DETERMINATION

On the basis of information developed in the subject investigation, the Commission determined pursuant to section 202(b) of the Trade Act of 1974 that fine denier PSF is being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing an article like or directly competitive with the imported article.

Having made an affirmative injury determination pursuant to section 202(b) of the Trade Act of 1974, the Commission was required to make certain additional findings under the implementing statutes of certain free trade agreements (“FTAs”) or under statutory provisions related to certain preferential trade programs. Under section 301(a) of the United States-Mexico-Canada (“USMCA”) Implementation Act (19 U.S.C. § 4551(a)), the Commission found that imports of fine denier PSF from neither Canada nor Mexico account for a substantial share of total imports or contribute importantly to the serious injury caused by imports. The Commission further found that imports of fine denier PSF from Australia, the U.S.-Dominican Republic – Central America Free Trade Agreement (“CAFTA DR”) countries, Colombia, Jordan, South Korea, Panama, Peru, and Singapore, individually, are not a substantial cause of serious injury or threat thereof, under the relevant FTA implementing statutes. *See* 19 U.S.C. § 2112 note (Jordan); 19 U.S.C. § 3805 note (Australia, Colombia, South Korea, Panama, Peru, Singapore); 19 U.S.C. § 4101 (CAFTA-DR). The Commission also found that the serious injury substantially caused by imports to the domestic industry producing a like or directly competitive article does not result from the reduction or elimination of any duty provided for under the U.S.-Israel Free Trade Agreement or from duty-free treatment provided for under the Caribbean Basin Economic Recovery Act (“CBERA”) provisions of the Caribbean Basin Initiative Trade Program or the Generalized System of Preferences (“GSP”) program. *See* 19 U.S.C. § 2112 note (Israel); 19 U.S.C. § 2703(e) (CBERA); 19 U.S.C. § 2253(e)(6) (GSP).

REMEDY RECOMMENDATIONS

In order to address the serious injury to the domestic industry producing fine denier PSF and be most effective in facilitating the efforts of the domestic industry to make a positive

adjustment to import competition, the Commission recommends several actions.

The Commission unanimously recommends a four-year period of relief. It also unanimously recommends that a quantitative restriction (“QR”), to be set at zero in the first year of relief increasing by one million pounds in each subsequent year over the duration of the safeguard, be imposed on imports of fine denier PSF entered free under bond as articles to be processed for export under the Temporary Importation under Bond (TIB) program. All Commissioners additionally recommend a tariff-rate quota (“TRQ”) be imposed on imports of fine denier PSF from all countries covered by their affirmative injury determination.

Commissioners Johanson and Schmidlein recommend a TRQ with an in-quota volume level of 145,000,000 pounds (inclusive of any imports of the article under HTS statistical reporting number 9813.00.0520), with an in-quota tariff rate of 15 percent ad valorem and an out-of-quota tariff rate of 40 percent ad valorem. They recommend that the in-quota tariff rate decrease by 1 percentage point and the out-of-quota tariff rate decrease by 2 percentage points, in each subsequent year of the four-year relief period. Commissioners Johanson and Schmidlein recommend that any imports of the article under HTS statistical reporting number 9813.00.0520 entered after the tariff-rate quota has filled for the year would be subject to the over-quota duty rate.

Chair Karpel recommends a TRQ with an in-quota volume level of 114,820,000 pounds, with an in-quota tariff rate of 15 percent ad valorem and an out-of-quota tariff rate of 45 percent ad valorem. Chair Karpel recommends that the in-quota and out-of-quota tariff rates decrease by 1 percentage point in each subsequent year of the four-year relief period. Chair Karpel recommends that the TRQ’s in-quota volume level is inclusive of any imports of fine denier polyester staple fiber under HTS subheading 9813.00.05.

Commissioner Kearns recommends a TRQ with an in-quota volume level of 110,000,000 pounds (inclusive of any imports of the article under HTS statistical reporting number 9813.00.0520, with the exception of imports from countries that were not covered by the Commission’s injury determination), with an in-quota tariff rate of 22 percent ad valorem in the first year, reduced to 20 percent ad valorem in the second and third years, and reduced to 18 percent ad valorem in the fourth year. Commissioner Kearns recommends an out-of-quota tariff rate of 50 percent ad valorem, reduced by three percentage points in each subsequent year of the four-year relief period. Commissioner Kearns recommends that fine denier PSF imported under HTS statistical reporting number 9813.00.0520, with the exception of TIB entries from the FTA and trade preference countries that were not covered by the Commission’s injury determination, be subject to the in-quota and out-of-quota tariff rates.

Having made negative findings with respect to imports from Canada and Mexico under section 302 of the USMCA Implementation Act, and having made findings that imports from Australia, the CAFTA-DR countries, Colombia, Israel, Jordan, Panama, Peru, Singapore, South Korea, and the beneficiary countries under the Caribbean Basin Economic Recovery Act were not a substantial cause of the serious injury experienced by the domestic industry, the Commission recommends that the President exclude such countries from any form of the TRQ.

All Commissioners recommend that the QR imposed on imports of fine denier PSF entered under TIB under HTS statistical reporting number 9813.00.0520 apply to imports from all countries for which they recommend application of the TRQ. Chair Karpel and Commissioner Schmidtlein recommend that the QR also apply to imports from South Korea. Commissioner Kearns recommends that the QR be applied to all countries, including South Korea.

Summary of Commissioners' Recommended Actions on Fine Denier PSF				
	Year 1	Year 2	Year 3	Year 4
QR: Fine denier PSF entries under HTS statistical reporting number 9813.00.0520				
QR Level (pounds)				
All Commissioners	zero	1 million	2 million	3 million
Tariff Rate Quota				
In-Quota Volume Level (thousands of pounds)				
Johanson and Schmidtlein	145,000	145,000	145,000	145,000
Karpel	114,820	114,820	114,820	114,820
Kearns	110,000	110,000	110,000	110,000
In-Quota Tariff Rate (<i>ad valorem</i>)				
Karpel, Johanson, and Schmidtlein	15	14	13	12
Kearns	22	20	20	18
Out-of-Quota Tariff Rate (<i>ad valorem</i>)				
Johanson and Schmidtlein	40	38	36	34
Karpel	45	44	43	42
Kearns	50	47	44	41

The Commission further recommends that the President authorize the establishment of an exclusion process to allow for importation of covered imports without application of the remedy measures in the case of a demonstrated lack of production in the United States for a particularized fine denier polyester staple fiber product or in the case of a critical short supply of a particularized fine denier polyester staple fiber product from domestic sources.

Chair Karpel, Commissioner Johanson, and Commissioner Schmidtlein recommend that the President consider programs to assist downstream users of fine denier PSF and to mitigate the potential impact of the remedy on such users.

Chair Karpel and Commissioner Schmidtlein recommend that the President submit to Congress, pursuant to his authority under section 203(a)(3)(H), a legislative proposal that would permanently preclude the importation of fine denier PSF under TIB to avoid payment of cash deposits and assessed antidumping and countervailing duties that would otherwise apply to the product.

Commissioner Kearns recommends that the President submit to Congress a legislative proposal to permanently preclude the ability to avoid payment of any antidumping or countervailing duty through the TIB provision provided for in HTS subheading 9813.00.0520.

Commissioner Kearns also recommends that the President submit to Congress a legislative proposal to distribute TRQ revenue generated by this action to downstream users of the article, to the extent necessary to reduce injury to domestic manufacturers of downstream products.

Commission's Views on Injury

Based on the facts in this investigation, we determine pursuant to section 202(b) of the Trade Act of 1974 ("Trade Act")¹ that fine denier polyester staple fiber ("fine denier PSF") is being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing an article like or directly competitive with the imported article.² Having made an affirmative determination in this global safeguard investigation, we are required to make certain additional findings under the implementing statutes of certain free trade agreements.³ We find that imports of fine denier PSF from neither Canada nor Mexico account for a substantial share of total imports or contribute importantly to the serious injury caused by imports. We also find that imports of fine denier PSF from Australia, CAFTA-DR countries, Colombia, Jordan, South Korea, Panama, Peru, and Singapore, individually, are not a substantial cause of serious injury or threat thereof, under the relevant FTA implementing statutes. Finally, we determine that the serious injury substantially caused by imports to the domestic industry producing a like or directly competitive article does not result from the reduction or elimination of any duty provided for under the U.S.-Israel Free Trade Agreement⁴ or from duty-free treatment provided for under the Caribbean Basin

¹ 19 U.S.C. § 2252(b).

² The Commission's affirmative serious injury determination was unanimous, reflecting the views of Chair Amy A. Karpel, and Commissioners David S. Johanson, Rhonda K. Schmidlein, and Jason E. Kearns.

³ Specifically, the Commission is required to make certain additional findings under the implementing statutes for the North American Free Trade Agreement ("NAFTA") (Canada and Mexico), the U.S.-Dominican Republic – Central America Free Trade Agreement ("CAFTA-DR") (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and the Dominican Republic), the U.S.-Australia Free Trade Agreement, the U.S.-Korea Free Trade Agreement ("KORUS"), the U.S.-Colombia Trade Promotion Agreement, the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, the U.S.-Panama Trade Promotion Agreement, the U.S.-Peru Free Trade Agreement, the U.S.-Singapore Free Trade Agreement, and the U.S.-Israel Free Trade Agreement or under statutory provisions related to preferential trade programs (Caribbean Basin Economic Recovery Act ("CBERA") and Generalized System of Preferences ("GSP")). See 19 U.S.C. § 2112 note (Jordan, Israel); 19 U.S.C. § 2253(e)(6) (GSP); 19 U.S.C. § 2703(e) (CBERA); 19 U.S.C. § 3371 (NAFTA); 19 U.S.C. § 3805 note (Australia, Colombia, KORUS, Panama, Peru, Singapore); 19 U.S.C. § 4101 (CAFTA-DR).

⁴ 19 U.S.C. § 2112 note, U.S.-Israel FTA Implementing Act §§ 403(b), 403(d).

Economic Recovery Act (“CBERA”) provisions of the Caribbean Basin Initiative Trade Program or the GSP program.⁵

I. Background

On February 28, 2024, the Commission instituted the present investigation, Inv. No. TA-201-78, in response to a petition filed on February 28, 2024, by three domestic producers of fine denier polyester staple fiber (“fine denier PSF”): (1) Fiber Industries LLC d/b/a Darling Fibers (“Darling”), (2) Nan Ya Plastics Corporation, America (“Nan Ya”), and (3) Sun Fiber LLC (“Sun Fiber”) (collectively, “Petitioners”).⁶ The Commission published notice of the investigation in the *Federal Register* on March 13, 2024.⁷ In the injury phase of the investigation, Petitioners submitted prehearing and posthearing briefs and participated in the hearing.

Several interested parties that oppose safeguard measures also participated in the injury phase of the investigation. U.S. importers Gildan Yarns LLC and Frontier Spinning, Inc. (collectively, “Gildan”) filed joint prehearing and posthearing briefs and participated in the hearing.⁸ Foreign producers Reliance Industries, Ltd., Reliance Polyester, Ltd., Alok Industries, Ltd., and Recron (Malaysia) Sdn Bhd (collectively, “RIL”) filed joint prehearing and posthearing briefs and participated in the hearing.⁹ Foreign producers SASA Dış Ticaret Aş and SASA Polyester Sanayi Aş (collectively, “SASA”) filed a joint prehearing brief and participated in the hearing.¹⁰ Foreign producer Toray Advanced Materials Korea, Inc. (South Korea) (“TAK”) filed a posthearing brief.¹¹ Foreign producers Polyester Industries Public Company, Ltd. (“IPI”) and PT Indorama-Synthetics Tbk (“IRS”) (collectively, “IPI/IRS”) participated in the hearing and filed a

⁵ 19 U.S.C. §§ 2253(e)(6), 2703(e)(2), 2703(e)(4). The GSP program expired on December 31, 2020, and is currently pending Congressional approval to pass legislation for the program’s approval. Therefore, the GSP program was only in effect during the first two years of the POI, *i.e.*, 2019 and 2020.

⁶ Confidential Staff Report, as modified by Revision Memo INV-WW-076 (July 1, 2024) (“CR”) at I-1; Public Staff Report (“PR”) at I-1.

⁷ 89 Fed. Reg. 18435 (March 13, 2024).

⁸ Gildan imports fine denier PSF into the United States primarily from ***. CR/PR at Table I-7. ***. CR/PR at I-5 n.16.

⁹ Reliance Industries and Reliance Polyester produce and export fine denier PSF from India. RIL ***. CR/PR at Table V-10. Recron produces and exports fine denier PSF from Malaysia. CR/PR at I-4 & V-13.

¹⁰ SASA produces and exports fine denier PSF from Turkey. CR/PR at V-13.

¹¹ TAK produces and exports fine denier PSF from South Korea. CR/PR at Table V-10.

posthearing brief.¹² The European Man-Made Fibres Association (“CIRFS”), a trade association, filed prehearing and posthearing briefs and participated in the hearing. INDA, another trade association, filed a posthearing brief.

Several governments have also participated in the injury phase of the investigation. The government of Turkey filed prehearing and posthearing briefs and made an oral statement at the hearing. The governments of Canada and India filed prehearing and posthearing briefs. The government of South Korea filed a prehearing brief.

U.S. industry data are based on questionnaire responses from six firms that are estimated to have accounted for *** percent of U.S. production of fine denier PSF in 2023.¹³ Information on imports is based on official U.S. Department of Commerce (“Commerce”) import statistics for imports for consumption (for purposes of calculating import volumes and apparent U.S. consumption) and questionnaire responses from 25 firms providing usable questionnaire responses that represented *** percent of U.S. imports from China, *** percent of U.S. imports from India, *** percent of U.S. imports from Indonesia, *** percent of U.S. imports from Mexico, *** percent of U.S. imports from South Korea, *** percent of U.S. imports from Taiwan, *** percent of U.S. imports from Thailand, *** percent of U.S. imports from Turkey, *** percent of U.S. imports from Vietnam, *** percent of U.S. imports from all other sources, and 98.0 percent of U.S. imports from all import sources in 2023.¹⁴ The Commission also received questionnaire responses from 17 foreign producers/exporters of fine denier PSF, which accounted for 70.2 percent of U.S. imports of fine denier PSF in 2023.¹⁵

II. Domestic Industry Producing a Product that is Like or Directly Competitive with the Imported Article

A. Like or Directly Competitive Domestic Product

In making determinations in global safeguard investigations, the Commission examines the three statutory criteria. Specifically, to make an affirmative determination, the Commission must find –

- (1) an article is being imported into the United States in increased quantities;

¹² IPI is a Thai producer and exporter of fine denier PSF. Hearing Tr. at 151 (Levinson). IRS is an Indonesian producer and exporter of fine denier PSF. *Id.*

¹³ CR/PR at I-3.

¹⁴ CR/PR at I-3 & n.13.

¹⁵ CR/PR at I-4.

- (2) the domestic industry producing an article that is like or directly competitive with the imported article is seriously injured or threatened with serious injury; and
- (3) the article is being imported in such increased quantities as to be a substantial cause of serious injury or threat of serious injury to the domestic industry.¹⁶

Before considering whether the three statutory criteria are satisfied, the Commission first defines the domestic industry. The statute defines the term “domestic industry” as “the producers as a whole of the like or directly competitive article or those producers whose collective production of the like or directly competitive article constitutes a major proportion of the total domestic production of such article.”¹⁷ The Commission defines the domestic industry in terms of each like or directly competitive product and evaluates the impact of the pertinent imports on the facilities and workers producing each article.¹⁸

The legislative history distinguishes between products that are “like” and products that are “directly competitive” with the imported articles, explaining that “like” articles are those that are “substantially identical in inherent or intrinsic characteristics (*i.e.*, materials from which made, appearance, quality, texture, etc.),” whereas “directly competitive” articles are those that “are substantially equivalent for commercial purposes, that is, are adapted to the same uses and are essentially interchangeable therefor.”¹⁹

In determining what constitutes the like or directly competitive product, the Commission has considered a number of factors. The list of factors considered is not fixed, and

¹⁶ See 19 U.S.C. § 2252(b)(1)(A).

¹⁷ 19 U.S.C. § 2252(c)(6)(A)(1).

¹⁸ See, e.g., *Steel*, Inv. No. TA-201-073, USITC Pub. 3479 (Dec. 2001) at 29 n.25; *Extruded Rubber Thread*, Inv. No. TA-201-072, USITC Pub. 3375 (Dec. 2000) at I-8; *Crabmeat from Swimming Crabs*, Inv. No. TA-201-71, USITC Pub. 3349 (Aug. 2000) at I-8 to I-9 ; *Circular Welded Carbon Quality Pipe*, Inv. No. TA-201-070, USITC Pub. 3261 (Dec. 1999) at I-12 to I-13; *Certain Steel Wire Rod*, Inv. No. TA-201-069, USITC Pub. 3207 (Jul. 1997) at I-10, I-36.

¹⁹ H.R. Rep. No. 571, 93rd Cong., 1st Sess. 45 (1973); Senate Finance Committee, Report on Trade Reform Act of 1974 H.R. 10710, S. Rep. No. 1298, 93rd Cong., 2d Sess. at 121-22 (1974). See, e.g., *Mushrooms*, Inv. No. TA-201-43, USITC Pub. 1089 (Aug. 1980) at 8, 11-12 (“the intent of the drafting committees was that ‘like’ has to do with the physical identity of the articles themselves, while ‘directly competitive’ relates more to the notion of commercial interchangeableness”); see also *United Shoe Workers of Am. v. Bedell*, 506 F.2d 174, 185-86, 190-91 (D.C. Cir. 1974) (discussing meaning of “like” and “directly competitive” in the context of request for adjustment assistance under the Trade Expansion Act).

the weight given to any one factor may vary from case to case depending upon the facts.²⁰ The list, which derives from Commission practice, has included the physical properties of the article, its customs treatment, its manufacturing process (where and how it is made, *e.g.*, in a separate facility, using what machines and labor skills), the product's uses, and the marketing channels through which the product is sold.²¹ The statute does not prescribe these specific factors nor does it limit the factors that the Commission may consider in making its determination.²² The Commission looks for clear dividing lines among possible products, and disregards minor variations.²³ Thus, in conducting its analysis, the Commission (1) considers the list of factors, (2) evaluates the factors in terms of the facts in the investigation, and (3) looks for clear dividing lines between products, disregarding minor variations.

1. The Imported Article

The notice of institution described the imported article(s) under investigation as follows:

The imported article covered by this investigation is fine denier polyester staple fiber (fine denier PSF), not carded or combed, measuring less than 3.3 decitex (3 denier) in diameter. The scope covers all fine denier PSF, whether coated or uncoated. The following products are excluded from the scope:

(1) PSF equal to or greater than 3.3 decitex (more than 3 denier, inclusive) currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 5503.20.0045 and 5503.20.0065.

(2) Low-melt PSF defined as a bi-component polyester fiber having a polyester fiber component that melts at a lower temperature than the other polyester

²⁰ See, *e.g.*, *Certain Steel Wire Rod*, Inv. No. TA-201-69, USITC Pub. 3207 (Jul. 1999) at I-8; *Lamb Meat*, Inv. No. TA-201-68, USITC Pub. 3176 (Apr. 1999) at I-10; *Wheat Gluten*, Inv. No. TA-201-67, USITC Pub. 3088 (Mar. 1998) at I-9.

²¹ See, *e.g.*, *Extruded Rubber Thread*, Inv. No. TA-201-72, USITC Pub. 3375 (Dec. 2000) at I-5 to I-6; *Circular Welded Carbon Quality Line Pipe*, Inv. No. TA-201-70, USITC Pub. 3261 (Dec. 1999) at I-10; *Apple Juice*, Inv. No. TA-201-69, USITC Pub. 1861 (June 1986) at 3-10; *Fresh Winter Tomatoes*, Inv. No. TA-201-64 (Provisional Relief Phase), USITC Pub. 2881 (Apr. 1995) at I-7 (Views of Watson, Crawford, and Bragg); *Broom Corn Brooms*, Inv. No. 302-NAFTA-1 (Provisional Relief Phase), USITC Pub. 2963 (May 1996) at I-14.

²² See, *e.g.*, *Crystalline Silicon Photovoltaic Cells*, Inv. No. TA-201-75, USITC Pub. 4739 (Nov. 2017) ("CSPVs, USITC Pub. 4739") at 11.

²³ See, *e.g.*, *Stainless Steel Table Flatware*, Inv. No. TA-201-49, USITC Pub. 1536 (June 1984) at 3-4.

fiber component, which is currently classifiable under HTSUS subheading 5503.20.0015.²⁴

The scope of this investigation is identical to that of the 2024 five-year reviews concerning *Fine Denier PSF from China, India, South Korea, and Taiwan*.²⁵

Fine denier PSF is a manmade fiber, similar in appearance to cotton or wool, that is used for knit, woven, and nonwoven applications.²⁶ It is converted either to yarn for knitting or weaving into a fabric, or into a nonwoven product through bonding by a chemical, mechanical, or heat process.²⁷ Knit and woven applications include the production of textiles, such as clothing and bed linens.²⁸ Nonwoven applications include household and hygiene products such as baby wipes, diapers, or coffee filters.²⁹ Distinguishing physical characteristics of fine denier PSF include the denier count, the length of the fiber, and the fiber's tenacity, or strength.³⁰ Other characteristics of fine denier PSF can be the finish applied to the fiber, and the "crimp" of the fiber, which affects the fiber's tenacity.³¹

Fine denier PSF is sold cut-to-length, which differentiates it from filament – a long continuous strand of fiber.³² After extrusion and stretching, fine denier PSF is cut in lengths, generally of five inches (125 mm) or less.³³ Some fine denier PSF is known as "short cut" fine denier PSF, which is cut to lengths of 10mm or below.³⁴ Finishes are also sprayed onto the fiber during the manufacturing process, and can include a silicone or a "slick" finish (known as "siliconized fine denier PSF"), an oil finish, or other finishes, depending on the end-use application.³⁵ Fine denier PSF can also be black or non-white in color.³⁶

²⁴ CR/PR at I-9.

²⁵ CR/PR at I-9; *Compare Fine Denier Polyester Staple Fiber from China, India, South Korea, and Taiwan*, Inv. Nos. 701-TA-579-580 and 731-TA-1369-1372 (Review), USITC Pub. 5500 (Mar. 2024) ("*First Reviews*, USITC Pub. 5500") at 5-6.

²⁶ CR/PR at I-10.

²⁷ CR/PR at I-11.

²⁸ CR/PR at I-11.

²⁹ CR/PR at I-11.

³⁰ CR/PR at I-10.

³¹ CR/PR at I-10.

³² CR/PR at I-10.

³³ CR/PR at I-10.

³⁴ CR/PR at II-10 & n.6.

³⁵ CR/PR at I-11.

³⁶ CR/PR at II-10 & Table II-4.

2. Parties' Arguments

Petitioners argue that the Commission should define a single domestic product that is like or directly competitive with imported fine denier PSF.³⁷ They argue that the Commission should define the domestic like product to encompass all fine denier PSF as described in the scope of the investigation, as it did in the 2018 original investigations and 2024 five-year reviews in *Fine Denier PSF from China, India, South Korea, and Taiwan*.³⁸ Such domestically produced fine denier PSF is “like” the imported articles described in the scope, Petitioners maintain, because they share the same physical characteristics and uses, are all produced using similar manufacturing processes, and are sold through the same channels of distribution.³⁹

No respondents argued for a different like product from that proposed by petitioners.⁴⁰

3. Analysis

We find that domestically produced fine denier PSF is like the imported fine denier PSF, based on the following analysis of the factors the Commission traditionally considers in defining the domestic product like or directly competitive with the imported article.

Physical properties and uses of the article. All fine denier PSF, both imported and domestic, is a manmade fiber similar in appearance to cotton or wool.⁴¹ Both domestic and imported fine denier PSF have the same basic chemical composition and they are both made primarily from the same two raw materials: (1) purified terephthalic acid (“PTA”) and (2) monoethylene glycol (“MEG”).⁴² Both domestic and imported fine denier PSF is cut-to-length and have thickness and tenacity as measured by the denier count.⁴³ Both domestic and imported fine denier PSF are used in knit or woven applications (*e.g.*, the production of textiles such as clothing and bed linens) and nonwoven applications (*e.g.*, household and hygiene products such as baby wipes, diapers, or coffee filters).⁴⁴

Manufacturing processes. The manufacturing processes for domestically produced fine denier PSF consists of two discrete stages: (1) polymer formation (or, if recycled materials are

³⁷ Petitioners Prehearing Injury Br. at 3-5, Petitioners Posthearing Injury Br., Answers to Commissioners’ Questions at 50.

³⁸ Petitioners Prehearing Injury Br. at 3-4.

³⁹ Petitioners Prehearing Injury Br. at 4-5.

⁴⁰ CR/PR at I-10.

⁴¹ CR/PR at I-10.

⁴² CR/PR at I-12.

⁴³ CR/PR at I-10.

⁴⁴ CR/PR at I-11, I-13.

used, melting polyester chips into a liquid); and (2) fiber formation, including extruding, stretching, cutting, and baling.⁴⁵ Although the record contains limited information on the specific manufacturing process used to produce imported fine denier PSF,⁴⁶ Petitioners argue that both domestic and imported fine denier PSF have “substantially identical” manufacturing processes and respondents have not argued otherwise for purposes of challenging Petitioners’ proposed like product definition.⁴⁷ Moreover, since both imported and domestic fine denier PSF consist of the same basic raw materials (PTA and MEG),⁴⁸ imported fine denier PSF would be produced using the same general manufacturing processes as other fine denier PSF at the polymer formation stage when recycled materials are not used.⁴⁹

Customs treatment. All imported fine denier PSF are classifiable in statistical reporting number 5503.20.0025 of the HTSUS.⁵⁰

Marketing channels. The vast majority of domestically produced fine denier PSF was sold to end-users during the POI while imported fine denier PSF was *** sold to or internally consumed by end-users.⁵¹

Based on the preponderance of similarities between domestically produced fine denier PSF and imported fine denier PSF, and in the absence of any arguments to the contrary in this safeguard investigation, we find that domestically produced fine denier PSF is like the imported fine denier PSF within the scope of the investigation. Accordingly, we define a single like product consisting of all fine denier PSF corresponding to the scope.⁵²

⁴⁵ CR/PR at I-11-12.

⁴⁶ CR/PR at I-12-13 & n.39.

⁴⁷ Petitioners Prehearing Injury Br. at 5; *see also* Petition at 11-13 & Exh. 8.

⁴⁸ CR/PR at IV-15 & Table IV-1.

⁴⁹ *See* CR/PR at I-11-12 .

⁵⁰ CR/PR at I-14. Petitioners observe that domestically produced fine denier PSF, if it were imported, would be classified under the same statistical reporting number. Petitioners Prehearing Injury Br. at 4.

⁵¹ CR/PR at I-13 & Table I-5. In 2023, 87.8 percent of commercial U.S. shipments of domestically produced fine denier PSF were sold to end users and *** percent of U.S. shipments of imported fine denier PSF were to end users. CR/PR at Table I-5.

⁵² Although, as discussed above, the like product factors that the Commission typically considers in safeguard investigations are somewhat different from those it considers in Title VII investigations and reviews, we note that finding a single like product in this safeguard investigation is consistent with the Commission’s like product analysis in the 2018 original investigations and 2024 five-year reviews concerning *Fine Denier PSF from China, India, South Korea, and Taiwan*. The scope in the original investigations and five-year reviews were substantively identical to the scope in this safeguard investigation. CR/PR at I-9; *Original Determinations*, USITC Pub. 4765 at 5-6; *First Reviews*, USITC Pub. 5500 at 6-7. In the preliminary phase of the original investigations, the Commission rejected the (Continued...)

B. Domestic Industry

1. Legal Standards and Statutory Requirements

The term “domestic industry” is defined in section 202(c)(6)(A)(i) of the Trade Act to mean:

with respect to an article, the domestic producers as a whole of the like or directly competitive article or those producers whose collective production of the like or directly competitive article constitutes a major proportion of the total domestic production of such article.⁵³

This definition was added by the Uruguay Round Agreements Act (“URAA”) and codified existing Commission practice.⁵⁴

The Commission has broad discretion to determine what constitutes the domestic industry producing a like or directly competitive article in global safeguard investigations, generally adhering to the principal that “{t}he industry should be defined in a manner which allows for a meaningful analysis of the statutory criteria in light of the legislative history of section 201.”⁵⁵ The concept of industry employed in section 201 of the Trade Act is not the

argument by respondents that the Commission should define as separate like products four different types of fine denier PSF that were within the scope of the investigations: (1) post-consumer recycled fine denier PSF; (2) short cut fine denier PSF; (3) siliconized fine denier PSF; and (4) black fine denier PSF. *Original Determinations*, USITC Pub. 4765 at 7-10. In defining a single domestic like product coextensive with the scope, the Commission found that there were only limited distinctions in terms of the six like product factors among all in-scope domestically produced fine denier PSF products. *Id.* at 7-9. In the final phase of the original investigations, the Commission again defined a single domestic like product consisting of fine denier PSF coextensive with the scope. *Id.* at 9-10. In the final phase of the original investigations, the Commission also rejected the argument by respondent Reliance that three niche fine denier PSF products (short cut PSF, black dyed PSF, and siliconized PSF) should be defined as separate domestic like products. *Id.* at 9. In the 2024 five-year reviews concerning *Fine Denier PSF from China, India, South Korea, and Taiwan*, the domestic producers argued that the Commission should define a single domestic like product as it did in the original investigations, no party argued to the contrary, and the Commission again defined a single domestic like product consisting of all fine denier PSF. *First Reviews*, USITC Pub. 5500 at 8. In finding a single domestic like product, the Commission also observed that there was no new information on the record indicating that the pertinent characteristics and uses of fine denier PSF had changed since the original investigations. *Id.*

⁵³ 19 U.S.C. § 2252(c)(6)(A)(i).

⁵⁴ Uruguay Round Agreements Act Statement of Administrative Action (“URAA SAA”), H. Doc. 103-316, vol. I (103rd Cong. 2nd Sess.) at 961.

⁵⁵ *Steel*, Inv. No. TA-201-075, USITC Pub. 3479 at 30 (quoting *Stainless Steel and Alloy Tool Steel*, 201-TA-048, USITC Pub. 1377 (May 1983) at 12).

same as that used in the antidumping and countervailing duty provisions of Title VII.⁵⁶ As the Commission has stated,

Title VII is narrowly aimed at remedying the specific advantages imports may be receiving from unfair trade practices. The purpose of section 201 either is to prevent or remedy serious injury to domestic productive resources from all imports. In light of the purpose of section 201 and in contrast to Title VII, the sharing of productive processes and facilities is a fundamental concern in defining the scope of the domestic industry under section 201.⁵⁷

The legislative history to the Trade Act indicates that the concern in a safeguard investigation is “the question of serious injury to the productive resources (*e.g.*, employees, physical facilities, and capital) employed in the divisions or plants in which the article in question is produced.”⁵⁸

2. Parties’ Arguments

Gildan argues that Alpek and Darling should be excluded from the domestic industry and that the Commission should not include the data for either firm in its injury analysis.⁵⁹ Gildan maintains that Alpek imported large amounts of fine denier PSF during the POI, that Alpek had not produced domestically for more than three years, and that Alpek exited the U.S. market for reasons unrelated to import competition.⁶⁰ Gildan alleges that Darling ceased domestic production of fine denier PSF after 2022 and cannot re-enter the U.S. market within a reasonable time, and that Darling exited the U.S. market for reasons unrelated to import competition.⁶¹ Gildan asserts that excluding both Alpek and Darling from the domestic industry is consistent with the plain language of the safeguard statute that defines the domestic industry as those firms “producing” the domestic like product, and that safeguard relief is inappropriate

⁵⁶ The statutory definitions of “domestic industry” are different. *Compare* 19 U.S.C. § 2252(c)(6)(A)(1) (defining the term for purposes of global safeguard investigations as “domestic producers as a whole of the like or directly competitive article ...”) with 19 U.S.C. §§ 1677(4)(A), 1677(10) (defining “domestic industry” in antidumping and countervailing duty investigations as “the producers as a whole of a domestic like product ...,” and in turn is defining “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses” with the imports subject to investigation).

⁵⁷ *Steel*, Inv. No. TA-201-075, USITC Pub. 3479 at 30 (quoting *Stainless Steel and Alloy Tool Steel*, 201-TA-048, USITC Pub. 1377 (May 1983) at 16 n.21).

⁵⁸ H.R. Rep. 93-71 (1973) at 46; *see also* H.R. Rep. 100-576 (1988) at 661-62; S. Rep. 100-71 (1987) at 46-47; H.R. Rep. 100-40 (1987) at 86-96.

⁵⁹ Gildan Posthearing Injury Br. at 5-8.

⁶⁰ Gildan Posthearing Injury Br. at 5-7.

⁶¹ Gildan Posthearing Injury Br. at 5-7.

for domestic producers that have fully exited the U.S. market.⁶² Alternatively, Gildan contends that, if Alpek and Darling are included in the domestic industry, the Commission should give less weight to the data for these two domestic producers in its injury analysis.⁶³

Petitioners argue that there is a single domestic industry, consisting of all domestic producers of fine denier PSF.⁶⁴ They argue the Commission should not exclude any domestic producer.⁶⁵ Petitioners emphasize that both Alpek and Darling produced the domestic like product during the POI, and that there is no related parties provision in the safeguard statute for excluding domestic producers from the domestic industry.⁶⁶ Alternatively, in addition to their argument that there is no statutory basis for excluding Alpek from the domestic industry in this Section 201 proceeding, Petitioners argue that, even using guidance from the Title VII related party provision, exclusion of Alpek would be inappropriate.⁶⁷ In this regard, Petitioners emphasize that Alpek's trade and financial performance suffered even as it imported and that Alpek was a significant producer of fine denier PSF during the POI, so that not including it in the domestic industry would skew the data.⁶⁸

3. Analysis

Consistent with our definition of the like or directly competitive domestic product as all fine denier PSF corresponding to the scope, we define the domestic industry as all U.S. producers of fine denier PSF, which consists of the following six firms: (1) Alpek, (2) Auriga, (3) Darling, (4) Nan Ya, (5) Palmetto, and (6) Sun Fiber.⁶⁹

While Gildan argues that the Commission should exclude the data for domestic producers that are also major importers or that are no longer in production of the like or directly competitive product, the safeguard statute does not have a "related party" provision for excluding individual domestic producers from the domestic industry and there is no statutory basis to disregard these firms' domestic producer data.⁷⁰ Moreover, the safeguards

⁶² Gildan Posthearing Injury Br. at 7-8.

⁶³ Gildan Posthearing Injury Br. at 8-9.

⁶⁴ See Petition at 14 & Petitioners Posthearing Injury Br. at 4-5 & Answers to Commissioners' Questions at 1-4.

⁶⁵ Petitioners Posthearing Injury Br. at 4.

⁶⁶ Petitioners Posthearing Injury Br. at 4-5 & Answers to Commissioners' Questions at 2-4.

⁶⁷ Petitioners Posthearing Injury Br. at 4-5 & Answers to Commissioners' Questions at 4-10.

⁶⁸ Petitioners Posthearing Injury Br. at 4-5 & Answers to Commissioners' Questions at 4-10.

⁶⁹ CR/PR at Table I-6.

⁷⁰ See 19 U.S.C. § 2252(c)(4)(A). As discussed above in section II.B.1, unlike the statutory provision governing Title VII investigations, 19 U.S.C. § 1677(4)(B)), the safeguard statute does not (Continued...)

statute in defining the term “domestic industry” refers to the “producers ... of the like or directly competitive article.”⁷¹ There is no question that Alpek and Darling were producers of fine denier PSF during the POI. Moreover, there is no requirement in the safeguard statute that firms must produce continuously throughout the POI in order to qualify as domestic producers. To the contrary, the safeguard statute requires the Commission to take into account in its injury analysis, among other enumerated factors, “the significant idling of productive facilities in the domestic industry,” which specifically include “the closing of plants or the underutilization of production capacity.”⁷² Therefore, the statute does not support Gildan’s contention that only U.S. firms with continuous U.S. production during the POI are eligible for inclusion in the definition of the domestic industry.

For example, in the 2017 safeguard investigation in *CSPV*, the Commission included several domestic producers that ceased production during the POI in the domestic industry and included these firms’ data in the domestic industry data.⁷³ In the recent five-year antidumping and countervailing duty reviews concerning *Fine Denier PSF from China, India, South Korea, and Taiwan*, the Commission included both Alpek and Darling in the domestic industry and used the available data for both firms in its injury analysis even though they had ceased production during the period of review.⁷⁴ It is even more compelling to include shuttered facilities in the

contain a “related parties” provision addressing exclusion of certain domestic producers from the domestic industry when certain conditions are present. See 19 U.S.C. §§ 2252, 2253, 2254.

⁷¹ 19 U.S.C. § 2252(c)(6)(A)(i).

⁷² 19 U.S.C. §§ 2252(c)(1)(A)(i), 2252(c)(6)(B).

⁷³ See *CSPVs*, USITC Pub. 4739 at 17-18 & 31-32.

⁷⁴ *First Reviews*, USITC Pub. 5500 at 8-12. Likewise, in other Title VII investigations the Commission has considered all firms that produced the domestic like product during the period examined as domestic producers even if they ceased domestic production during the period. See, e.g., *Low Enriched Uranium from France*, Inv. No. 731-TA-909, USITC Pub. 4436 (Dec. 2013) at 10-11 (“As an initial matter, the Commission generally does not exclude a firm that produced the domestic like product during the period of investigation or review from its definition of the domestic industry because the firm ceased domestic production during the period. Rather, the Commission typically incorporates data reported by such firms into domestic industry data, if possible, and then considers the relevance of the firms’ exit from the domestic industry to its injury or likely injury analysis.”) (citing *Certain Large Residential Washers from Korea and Mexico*, Inv. Nos. 701-TA-488 and 731-TA-1199-1200 (Final), USITC Pub. 4378 (Feb. 2013) at 11-12, 40; *Porcelain-On-Steel Cooking Ware from China, Mexico, and Taiwan*, Inv. Nos. 701-TA-267 and 268 and 731-TA-297-299, 304, and 305 (Review), USITC Pub. 3286 (Mar. 2000) at 11, 34). The Court of International Trade (“CIT”) has affirmed this approach. See, e.g., *Low Enriched Uranium from France*, Inv. No. 731-TA-909, USITC Pub. 4436 (Dec. 2013) at 11 (“Indeed, the U.S. Court of International Trade has held that the Commission must base its analysis of the likely impact of the subject imports on the domestic industry ‘as a whole’ and should include in that analysis producers that (Continued...)”).

injury analysis in a safeguard investigation, given the focus on the effects of imports on production facilities and workers. Given that the purpose of section 201 is to either prevent or remedy serious injury to domestic productive resources, the closure of production facilities is a fundamental concern in defining the scope of the domestic industry under section 201.⁷⁵

Based on the foregoing, we define the domestic industry as all U.S. producers of fine denier PSF.⁷⁶

III. Increased Imports

The Commission next examines whether imports are entering in “increased quantities.” Under section 202 of the Trade Act, the Commission is to consider whether imports have increased “either actual or relative to domestic production.”⁷⁷ Consistent with its past practice,⁷⁸ the Commission in this safeguard investigation considered import trends over the most recent five-year period as the framework for its analysis. We note that the period of investigation (“POI”) in this safeguard investigation, January 2019 through December 2023, overlaps with the period of review in the first five-year review of *Fine Denier PSF from China, India, South Korea, and Taiwan*, which was January 2017 through September 2023.⁷⁹

A threshold question when considering increased imports is whether to include certain imports of fine denier PSF that enter the United States under the Temporary Importation Under Bond (“TIB”) program. The TIB program provides for the temporary importation of goods under bond, not imported for sale or sale on approval, without payment of duty with the intent to export or destroy the goods within a certain period of time not to exceed three years from the

exited the industry during the period of review.”) (*citing NSK Corp. v. United States*, 712 F. Supp. 2d 1356, 1364 n.13 (Ct. Int’l Trade 2010), rev’d on other grounds, 716 F.3d 1352 (Fed. Cir. 2013); *Nevinnomysskiy Azot v. United States*, 565 F. Supp. 2d 1357, 1373-74 (Ct. Int’l Trade 2008)).

⁷⁵ See *Steel*, Inv. No. TA-201-75, USITC Pub. 3479 at 30 (“The purpose of section 201 either is to prevent or remedy serious injury to domestic productive resources from all imports. In light of the purpose of section 201 and in contrast to Title VII, the sharing of productive processes and facilities is a fundamental concern in defining the scope of the domestic industry under section 201.” (quoting *Stainless Steel and Alloy Tool Steel*, 201-TA-048, USITC Pub. 1377 (May 1983) at 16 n.21).

⁷⁶ CR/PR at Table I-5.

⁷⁷ 19 U.S.C. § 2252(b)(1)(A) (requiring the Commission to determine whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof); see also 19 U.S.C. § 2252(c)(1)(C) (in turn requiring with respect to substantial cause, that the Commission take into account an increase in imports (either actual or relative to domestic production)).

⁷⁸ See, e.g., *Steel*, Inv. No. TA-201-73, USITC Pub. 3479 (Dec. 2001) at 32-33; *Extruded Rubber Thread*, Inv. No. TA-201-72, USITC Pub. 3375 (Dec. 2000) at I-8.

⁷⁹ CR/PR at Table C-1; *First Reviews*, USITC Pub. 5500 at Table C-1.

date of importation.⁸⁰ Imports of fine denier PSF that comply with the TIB program requirements are not assessed antidumping and countervailing duties.⁸¹ Respondents argue that TIB imports of fine denier PSF cannot be considered by the Commission for analyzing whether imports have increased, because the safeguard statute requires that any such increased imports must be “like or directly competitive” with the domestic product and fine denier PSF imports under TIB could never be directed to a U.S. end use.⁸² They emphasize that, by law, imports of fine denier PSF entering under the TIB program must be processed by the U.S. purchaser into downstream products for export to markets outside the United States.⁸³ They maintain that fine denier PSF entering under the TIB program are not imports for consumption in the United States and should only be considered export sales since TIB entries compete only with the U.S. producers of fine denier PSF in export markets outside the United States.⁸⁴

We are not persuaded by respondents’ argument.⁸⁵ The record in this safeguard investigation indicates that imports of fine denier PSF entering under the TIB program compete

⁸⁰ 19 C.F.R. § 10.31 through 10.40. U.S. importers may avoid the payment of antidumping or countervailing duties on their imports of products subject to such duties by using the TIB program if they can document to CBP that the U.S.-produced downstream product that uses the imported input subject to duties is exported and not sold in the United States. *Id.* We discuss imports of fine denier PSF entering under the TIB program more fully below in section IV.C.4 concerning the pertinent conditions of competition.

⁸¹ CR/PR at I-5 n.16.

⁸² Gildan Posthearing Injury Br., Exh. 1, Answers to Commissioners’ Questions at 20-21; India Posthearing Injury Br. at 6; Turkey Posthearing Injury Br. at 6.

⁸³ Gildan Posthearing Injury Br., Exh. 1, Answers to Commissioners’ Questions at 20-21; India Posthearing Injury Br. at 6; Turkey Posthearing Injury Br. at 6. Respondents contend that if a TIB importer were to violate the statutory and regulatory conditions of the TIB program, the goods would become subject to liquidated damages that would be double the amount of any duties owed, including AD and CVD duties, plus additional penalties. *See, e.g.,* Gildan Posthearing Injury Br., Exh. 1, Answers to Commissioners’ Questions at 20-21; India Posthearing Injury Br. at 6; Turkey Posthearing Injury Br. at 6.

⁸⁴ Gildan Posthearing Injury Br., Exh. 1, Answers to Commissioners’ Questions at 20-21; Indian Parties Posthearing Injury Br. at 6; Turkey Posthearing Injury Br. at 6.

⁸⁵ The parties have not cited nor have we found any prior determinations by the Commission or decisions by the CIT specifically addressing the treatment of TIB entries in section 201 safeguard proceedings. Although Petitioners cite the Commission’s prior safeguard determinations in *Steel* and *Wheat Gluten*, neither of those involved TIB entries. *See, e.g., Steel*, Inv. No. TA-201-73, USITC Pub. 3479 (Dec. 2001); *Wheat Gluten*, Inv. No. TA-201-67, USITC Pub. 3088 (Mar. 1998).

We note that in the 2024 five-year reviews concerning *Fine Denier PSF from China, India, South Korea, and Taiwan*, domestic producers argued and the Commission agreed that TIB imports of fine denier PSF and domestically produced fine denier PSF competed for sales to the same U.S. purchaser (Continued...)

directly with domestically produced fine denier PSF for sales to the same U.S. customer ***, which uses fine denier PSF to produce downstream products including yarn.⁸⁶ Accordingly, we have included TIB imports in our data for all imports.⁸⁷

We find that the statutory criterion is satisfied because imports increased during the POI, both in absolute terms and relative to domestic production. In absolute terms, imports fluctuated but increased overall by 44.6 percent from 2019 to 2023.⁸⁸ Imports declined from 195.2 million pounds in 2019 to 127.1 million pounds in 2020, but then increased to 211.5 million pounds in 2021, 262.1 million pounds in 2022, and 282.3 million pounds in 2023.⁸⁹

As a share relative to the domestic industry's production, imports fluctuated but increased overall by *** percentage points from 2019 to 2023.⁹⁰ The ratio of imports to domestic production declined from *** percent in 2019 to 39.6 percent in 2020, but then increased to 56.4 percent in 2021, 87.5 percent in 2022, and 236.7 percent in 2023.⁹¹

IV. Substantial Cause of Serious Injury or Threat of Serious Injury

A. Legal Standards and Statutory Requirements

The second of the three statutory criteria concerns whether the domestic industry is seriously injured or threatened with serious injury. Section 202(c)(6)(C) of the Trade Act defines the term "serious injury" as "a significant overall impairment in the position of a domestic industry," and section 202(c)(6)(D) defines the term "threat of serious injury" as "serious injury that is clearly imminent."⁹²

(i.e., ***), which uses fine denier PSF to produce downstream products including yarn. *First Reviews*, USITC Pub. 5500 at 42-43 & n.261.

⁸⁶ See, e.g., Hearing Tr. at 206 (Maness) & 208-09 (Doyon); Petitioners Posthearing Injury Br. at Exh. 3; Gildan's Posthearing Injury Br. at 10.

⁸⁷ Thus, we have relied on the import data set out in CR/PR at Table C-1. Although we have not considered them separately for purposes of our injury analysis, the volume of TIB imports are presented separately in Appendix G of the Staff Report.

⁸⁸ CR/PR at Table C-1.

⁸⁹ CR/PR at Tables II-1 & C-1.

⁹⁰ Derived from CR/PR at Tables II-1 & C-1.

⁹¹ CR/PR at Tables II-1 & C-1. The ratio of imports to apparent U.S. consumption was *** percent in 2019, 29.0 percent in 2020, 37.0 percent in 2021, 48.1 percent in 2022, and 71.2 percent in 2023. CR/PR at Table C-1.

⁹² 19 U.S.C. §§ 2252(c)(6)(C), 2252(c)(6)(D).

In determining whether serious injury or threat of serious injury exists, the Commission considers “all economic factors which it considers relevant, including (but not limited to) . . .”:

(A) with respect to serious injury –

- (i) the significant idling of productive facilities in the domestic industry,⁹³
- (ii) the inability of a significant number of firms to carry out domestic production operations at a reasonable level of profit, and
- (iii) significant unemployment or underemployment within the domestic industry ...;⁹⁴

(B) with respect to threat of serious injury –

- (i) a decline in sales or market share, a higher and growing inventory (whether maintained by domestic producers, importers, wholesalers, or retailers), and a downward trend in production, profits, wages, productivity, or employment (or increasing underemployment) in the domestic industry,
- (ii) the extent to which firms in the domestic industry are unable to generate adequate capital to finance the modernization of their domestic plants and equipment, or are unable to maintain existing levels of expenditures for research and development, and
- (iii) the extent to which the United States market is the focal point for the diversion of exports of the article concerned by reason of restraints on exports of such article to, or on imports of such article into, third country markets.⁹⁵

The presence or absence of any of these factors is not “necessarily dispositive” of whether increased imports are a substantial cause of serious injury, or threat of serious injury, to the industry.⁹⁶ As part of its analysis, the Commission must “consider the condition of the domestic industry over the course of the relevant business cycle.”⁹⁷

The third statutory criterion also requires a finding that the article is being imported in such increased quantities as to be a “substantial cause” of serious injury or threat of serious injury. Section 202(b)(1)(B) defines “substantial cause” as “a cause which is important and not less than any other cause.”⁹⁸ Thus, the increased imports must be both an important cause of the serious injury or threat and a cause that is equal to or greater than any other cause.

⁹³ The statute further provides that the term “significant idling of productive facilities” includes the closing of plants or the underutilization of production capacity. 19 U.S.C. § 2252(c)(6)(B).

⁹⁴ 19 U.S.C. § 2252(c)(1)(A).

⁹⁵ 19 U.S.C. § 2252(c)(1)(B).

⁹⁶ 19 U.S.C. § 2252(c)(3).

⁹⁷ 19 U.S.C. § 2252(c)(2)(A).

⁹⁸ 19 U.S.C. § 2252(b)(1)(B).

In determining whether increased imports are a substantial cause of serious injury or threat of serious injury, the statute directs the Commission to take into account all economic factors that it finds relevant, including but not limited to – “... an increase in imports (either actual or relative to domestic production) and a decline in the proportion of the domestic market supplied by domestic producers.”⁹⁹ The statute directs the Commission to consider “the condition of the domestic industry over the course of the relevant business cycle,” but it provides that the Commission “may not aggregate the causes of declining demand associated with a recession or economic downturn in the United States economy into a single cause of serious injury or threat of injury.”¹⁰⁰ The legislative history states that the provision is meant to clarify that import relief should be available during a recession or economic downturn.¹⁰¹

The statute also directs the Commission to “examine factors other than imports” that may be a cause of serious injury or threat to the domestic industry and include the results of its examination in its report.¹⁰² Thus, the Commission is required to (1) examine factors other than increased imports and (2) make findings with respect to these other factors. The legislative history states that the purpose of this provision “is to assure that all factors injuring the domestic industry are identified.”¹⁰³

B. Existing Antidumping and Countervailing Duty Orders

Commerce imposed countervailing duty orders on imports of fine denier PSF from China and India in March 2018 and antidumping duty orders on imports of fine denier PSF from China, India, South Korea, and Taiwan in July 2018.¹⁰⁴ Those antidumping and countervailing duty orders remain in place following the Commission’s affirmative determinations in the five-year

⁹⁹ 19 U.S.C. § 2252(c)(1)(C).

¹⁰⁰ 19 U.S.C. § 2252(c)(2)(A).

¹⁰¹ Senate Finance Committee, Omnibus Trade and Competitiveness Act of 1987: Report on S. 490, Rept. 100-71, 100th Cong., 1st Sess. at 50 (1987).

¹⁰² 19 U.S.C. § 2252(c)(2)(B).

¹⁰³ Senate Finance Committee, Omnibus Trade and Competitiveness Act of 1987: Report on S. 490, Rept. 100-71, 100th Cong., 1st Sess. (1987) at 50. The legislative history of the Trade Act includes examples of other causes “such as changes in technology or consumer tastes, domestic competition from substitute products, plant obsolescence, or poor management,” which, if found to be more important causes of injury than increased imports, would require a negative determination. Senate Finance Committee, Trade Reform Act of 1974 Report on H.R. 10710, S. Rept. 1298, 93rd Cong., 2nd Sess. (1974) at 121.

¹⁰⁴ CR/PR at I-5-6.

reviews in March 2024 concerning fine denier PSF from China, India, South Korea, and Taiwan, and Commerce's continuation of the orders in April 2024.¹⁰⁵

Several past Commission global safeguard investigations likewise included articles covered by one or more antidumping or countervailing duty orders in the scope of the investigation, and the inclusion of such articles in the scope of existing orders, alone, did not dictate any particular outcome for the Commission's serious injury analysis. As we did in those past investigations, we have taken the antidumping and countervailing duty orders into account in our injury analysis and in fashioning our remedy proposals.¹⁰⁶ Similarly, we have taken TIB entries from countries subject to those investigations into account in our injury analysis and in fashioning our remedy proposals.

C. Conditions of Competition and the Business Cycle

The following conditions of competition inform our analysis of whether fine denier PSF is being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing an article like or directly competitive with the imported article.¹⁰⁷

1. Demand Conditions

Demand for fine denier PSF is driven by demand for downstream products, including apparel, wipes, filters, pillows and cushions, fiberfill, bedding and furniture, medical gowns and drapes, sterilization wraps, nonwoven fabrics, mop yarn, and insulation.¹⁰⁸ Most U.S.

¹⁰⁵ CR/PR at I-6.

¹⁰⁶ For example, the Commission's investigation in *LRWs* included various types of large residential washers subject to existing orders. The Commission took the orders into account in its injury analysis and in fashioning its remedy proposal, including the fact that some of these measures already provided some degree of protection to the domestic industry. *LRWs*, Inv. No. 2021-TA-76, USITC Pub. 4745 (Dec. 2017) at 22-23; *see also Steel*, Inv. No. TA-201-73, USITC Pub. 3479 (Dec. 2001) at 364 n.59 (noting that antidumping and countervailing duty orders were already in effect on several of the products subject to the investigation); *Carbon and Certain Steel Alloy Products*, Inv. No. TA-201-51, USITC Pub. 1553 (Jul. 1984) at a-24 (noting that antidumping and countervailing duty orders were already in effect on several of the products subject to the investigation and that other covered products were the subject of suspension agreements); *see also Nucor Corp. v. United States*, 318 F. Supp. 2d 1207, 1236 (Ct. Int'l Trade 2004), *aff'd*, 414 F.3d 1331 (Fed. Cir. 2005) and *Wheatland Tube Co. v. United States*, 495 F.3d 1355, 1363-67 (Fed. Cir. 2007) (recognizing in the context of antidumping and countervailing duty investigations that safeguard measures may be imposed on imports that are subject to antidumping or countervailing duty orders).

¹⁰⁷ We also take these conditions of competition into consideration in our analysis of imports from individual countries in section V below.

¹⁰⁸ CR/PR at VI-6.

producers and importers reported that demand for fine denier PSF in the U.S. market fluctuated down or steadily decreased since January 1, 2019.¹⁰⁹ While a plurality of purchasers reported that U.S. demand for fine denier PSF fluctuated up or steadily increased, a large minority of purchasers reported either no change in demand or that demand fluctuated down since January 1, 2019.¹¹⁰

Apparent U.S. consumption of fine denier PSF decreased irregularly during the POR, ending *** percent lower in 2023 than in 2019.¹¹¹ Apparent U.S. consumption declined from *** pounds in 2019 to 438.4 million pounds in 2020, increased to 571.3 million pounds in 2021, and then declined to 545.1 million pounds in 2022 and 396.4 million pounds in 2023.¹¹²

2. Supply Conditions

The domestic industry was the largest supplier to the U.S. market from 2019 to 2022, while in 2023 imports overtook the domestic industry as the largest source.¹¹³ The domestic industry's market share by quantity fluctuated, but declined overall by *** percentage points from 2019 to 2023: it was *** percent in 2019, 71.0 percent in 2020, 63.0 percent in 2021, 51.9 percent in 2022, and 28.8 percent in 2023.¹¹⁴

During the POI, Darling opened a new plant in Darlington, South Carolina, that started producing in December 2020, and it also invested approximately \$30 million to expand production capabilities in 2022.¹¹⁵ However, there were also plant closings, including that of Alpek Polyester, which closed its production facility near Charleston, South Carolina, in 2021, and of Darling, which suspended production operations and announced layoffs at its Darlington, South Carolina, facility in 2022.¹¹⁶ Further, *** all reported prolonged shutdowns and production curtailments during the POR.¹¹⁷

At the beginning of the POI, the domestic industry consisted of six domestic producers: Alpek, Auriga, Darling, Nan Ya, Palmetto, and Sun Fiber.¹¹⁸ Following the plant closures and idlings by Alpek and Darling in 2021 and 2022, the domestic industry consisted of the remaining

¹⁰⁹ CR/PR at Table VI-3.

¹¹⁰ CR/PR at Table VI-3.

¹¹¹ CR/PR at Table C-1.

¹¹² CR/PR at Table C-1.

¹¹³ CR/PR at Tables V-1 & C-1.

¹¹⁴ CR/PR at Tables V-1 & C-1.

¹¹⁵ CR/PR at Table III-2.

¹¹⁶ CR/PR at Tables III-2 & III-3.

¹¹⁷ CR/PR at Tables III-2 & III-3.

¹¹⁸ CR/PR at Tables III-6 & C-1.

four producers, with Nan Ya accounting for the *** of domestic production in 2023.¹¹⁹ As a result of the plant openings and closings, expansions, and prolonged shutdowns and production curtailments, the domestic industry's practical capacity declined irregularly by *** percent from 2019 to 2023, declining from *** pounds in 2019 to 301.7 million pounds in 2023.¹²⁰ The domestic industry's reported practical capacity utilization decreased irregularly by *** percentage points from 2019 to 2023, declining from *** percent in 2019 to 39.5 percent in 2023.¹²¹

Imports' market share by quantity fluctuated, but increased overall by *** percentage points from 2019 to 2023: their market share was *** percent in 2019 to 29.0 percent in 2020, 37.0 percent in 2021, 48.1 percent in 2022, and 71.2 percent in 2023.¹²²

Three of six responding U.S. producers, 13 of 24 responding U.S. importers, and 9 of 20 responding U.S. purchasers reported supply constraints during the POI.¹²³ Most responding purchasers (12 of 20) reported changes in the availability of supply for U.S.-produced fine denier PSF, while only approximately one-third of responding purchasers (5 of 16) reported changes in the availability of supply for imports of fine denier PSF during the POI.¹²⁴

As discussed above, Commerce imposed countervailing duty orders on imports of fine denier PSF from China and India in March 2018 and antidumping duty orders on imports of fine denier PSF from China, India, South Korea, and Taiwan in July 2018, which remain in place following Commerce's continuation of the orders in April 2024.¹²⁵ We note, however, that the only producer/exporter of fine denier PSF in South Korea that submitted a questionnaire response in this safeguard investigation, TAK, has been excluded from the antidumping order since July 2018.¹²⁶

3. Substitutability and Importance of Price in Purchasing Decisions

Based on the record in this safeguard investigation, we find that there is a high degree of substitutability between domestically produced fine denier PSF and imports of fine denier PSF for product types in which domestic producers and importers compete in substantial

¹¹⁹ CR/PR at Table I-6.

¹²⁰ CR/PR at Table C-1.

¹²¹ CR/PR at Table C-1.

¹²² CR/PR at Tables V-1 & C-1.

¹²³ CR/PR at VI-5.

¹²⁴ CR/PR at VI-4-5.

¹²⁵ CR/PR at I-5-6.

¹²⁶ CR/PR at I-6 n.20.

volumes.¹²⁷ All responding domestic producers reported that fine denier PSF from the United States is always or frequently interchangeable with imports of fine denier PSF.¹²⁸ Although the responses of U.S. purchasers and importers were mixed, the majority of responding purchasers and a substantial number of responding importers reported that domestically produced fine denier PSF and imports are always or frequently interchangeable, while the remaining purchasers and importers reported that they were sometimes interchangeable.¹²⁹ Moreover, a majority of responding purchasers reported that domestically produced fine denier PSF was comparable to imports of fine denier PSF with respect to 17 of 20 purchase factors.¹³⁰ The record also indicates that domestically produced fine denier PSF and imports overlapped in terms of product type during the POI. U.S. producers reported substantial volumes of all types of fine denier PSF in 2023, with non-specialty fine denier PSF products accounting for at least *** percent of their total U.S. shipments that year.¹³¹ In 2023, the vast majority of U.S. shipments of imports – at least *** percent – also consisted of non-specialty fine denier PSF products.¹³² As detailed below in section IV.F, fine denier PSF specialty products accounted for substantial shares of both U.S. producers’ U.S. shipments and U.S. importers’ U.S. shipments of imports throughout the POI, and domestic producers have provided sworn statements attesting that they directly competed with, and lost sales to, lower-priced fine denier PSF imports of specialty products.

We also find that price is an important factor in purchasing decisions for fine denier PSF, although non-price factors are also important.¹³³ Responding purchasers most frequently cited

¹²⁷ CR/PR at VI-8. To the extent that some products are not available from either domestic or import sources, substitutability may be more limited. *Id.*

¹²⁸ CR/PR at Table VI-12.

¹²⁹ CR/PR at Table VI-12.

¹³⁰ CR/PR at Table VI-11. The majority of responding purchasers reported that domestically produced fine denier PSF was superior to imports of fine denier PSF with respect to two of 20 purchase factors. *Id.* For delivery time, 16 of 18 responding purchasers reported that domestically produced fine denier PSF was superior to imports. *Id.* For delivery terms, 13 of 18 responding purchasers reported that domestically produced fine denier PSF was superior to imports. *Id.* Fourteen of 18 responding purchasers reported that the U.S.-produced product was inferior to imports with respect to price (i.e., higher priced). *Id.*

¹³¹ *Derived from* CR/PR at Tables III-9-14.

¹³² *Derived from* CR/PR at Tables II-2-7. Generally, “specialty” fine denier PSF products include: fine denier PSF containing greater than 50 percent post-consumer recycled (PCR) content; “short cut,” defined as fine denier PSF cut to lengths of 10 mm or less; black or colored fine denier PSF; “micro denier,” defined as PSF equal to or less than 1.0 denier; and “biodegradable,” defined as fine denier PSF that can biodegrade by at least 50 percent within 400 days. CR/PR at II-10.

¹³³ *See, e.g.,* CR/PR at Tables VI-5 & VI-6.

price (19 firms), quality (16 firms), and availability/supply (12 firms) as the top three factors influencing their purchasing decisions.¹³⁴ Quality was the most frequently reported first-most important factor (10 firms), followed by price (6 firms).¹³⁵ Price was the most frequently reported second-most and third-most important factor.¹³⁶ All responding U.S. producers reported that differences other than price were never significant when comparing the domestic like product with imports of fine denier PSF.¹³⁷ Although responses from importers and purchasers were mixed, a majority of responding importers (12 of 22) and almost half of responding purchasers (8 of 17) reported that differences other than price were sometimes or never significant between domestic and imported fine denier PSF.¹³⁸

4. Other Conditions of Competition

a. TIB program

During the POI, imports of fine denier PSF were made under the TIB program by ***.¹³⁹ As noted, the TIB program provides for the temporary importation of goods under bond, not imported for sale or sale on approval, without payment of duty with the intent to export or destroy the goods within a certain period of time not to exceed three years from the date of importation.¹⁴⁰ Importers using the TIB program must post a bond equal to twice the dutiable amount owed on the product if it was imported permanently, including antidumping and countervailing duties, to be paid as liquidated damages if the terms of the TIB regulations are violated.¹⁴¹

Under the TIB program, ***.¹⁴² U.S. importers (***) may avoid the payment of cash deposits and antidumping or countervailing duties on their imports of products that would otherwise be subject to antidumping or countervailing duty orders by using the TIB program if they can document to U.S. Customs and Border Protection (“CBP” or “Customs”) that the U.S.-

¹³⁴ CR/PR at Table VI-5.

¹³⁵ CR/PR at Table VI-5. Responding purchasers most frequently reported availability (20 firms), product consistency (20 firms), reliability of supply (20 firms), quality meets industry standards (18 firms), price (17 firms), delivery time (17 firms), and cut length (15 firms) as very important to their purchasing decisions. CR/PR at Table VI-6.

¹³⁶ CR/PR at Table VI-5.

¹³⁷ CR/PR at Table VI-12.

¹³⁸ CR/PR at Table VI-12.

¹³⁹ CR/PR at I-5 n.16.

¹⁴⁰ CR/PR at I-5 n.16; *see also* 19 C.F.R. § 10.31 through 10.40.

¹⁴¹ *First Reviews*, USITC Pub. 5500 at 42.

¹⁴² CR/PR at I-5 n.16.

produced downstream product that uses the imported input subject to AD/CVD orders is exported and not sold in the United States.¹⁴³ Imports of fine denier PSF from other foreign sources (including Indonesia, Taiwan, Thailand, and Vietnam) also included reported TIB entries.¹⁴⁴ As discussed above in section III, we have included the volume of imports entering under the TIB program in the total volume of imports during the POI.¹⁴⁵

During the POI, the largest sources of imports of fine denier PSF entering under the TIB program were India followed by Taiwan and Indonesia, with smaller volumes of TIB imports from Thailand and Vietnam.¹⁴⁶ Notably, while the TIB program existed well before the beginning of the POI, there were no TIB entries of fine denier PSF prior to 2021 and imports of fine denier PSF entering under the TIB program substantially increased during 2021-2023.¹⁴⁷ As discussed above in section III, the evidence in the record in this safeguard investigation indicates that imports of fine denier PSF entering via the TIB program compete directly with domestically produced fine denier PSF for sales to the same U.S. customer (***), which uses fine denier PSF to produce downstream products such as yarn.

b. Channels of Distribution

Domestic producers sold a large majority of their fine denier PSF to end users during the POI (ranging from 87.7 to *** percent), with lesser but appreciable quantities going to distributors (ranging from *** to 12.3 percent).¹⁴⁸ Importers sold their fine denier PSF almost exclusively to end users during the POR (ranging from *** to *** percent), with very small quantities going to distributors (ranging from *** to *** percent).¹⁴⁹

Domestically produced fine denier PSF and imports of fine denier PSF are sold predominantly from inventories.¹⁵⁰ U.S. producers reported that *** percent of their commercial shipments were from U.S. inventories, with lead times averaging *** days, while

¹⁴³ CR/PR at I-5 n.16.

¹⁴⁴ CR/PR at Appendix G, Table G-1.

¹⁴⁵ The data for TIB imports are presented in Appendix G of the Staff Report. Table C-1 of the Staff Report includes the data for all imports of fine denier PSF, including TIB imports of fine denier PSF.

¹⁴⁶ CR/PR at Appendix G, Table G-1.

¹⁴⁷ CR/PR at Appendix G, Table G-1. The volume of TIB entries of fine denier PSF increased from 32.6 million pounds in 2021 to 90.3 million pounds in 2023, an increase of 177.2 percent. *Id.*

¹⁴⁸ CR/PR at I-14, Table I-5. A majority of the domestic industry's shipments to end users were made to end users for woven applications in each year of the POI. *Id.*

¹⁴⁹ CR/PR at Table I-5. Importers shipped the majority of their fine denier PSF to end users for nonwoven applications in all years except for 2019, with substantial quantities sold to end users for woven applications. *Id.* at I-15, Table I-5.

¹⁵⁰ CR/PR at VI-11.

the remaining *** percent of their commercial shipments were produced-to-order, with lead times averaging 7 days.¹⁵¹ Importers reported that *** percent of their commercial shipments were from U.S. inventories, with lead times averaging *** days, while *** percent were produced-to-order, with lead times averaging *** days, and the remaining *** percent were from foreign inventories, with lead times averaging *** days.¹⁵²

c. Costs, pricing, and sales terms

Most responding U.S. producers (5 of 6) reported setting prices using transaction-by-transaction negotiations, while half of U.S. producers (3 of 6) also reported setting prices using contracts.¹⁵³ Twelve of 14 responding U.S. importers reported using transaction-by-transaction negotiations to set prices, while almost half of responding importers (6 of 14) reported using contracts for setting prices.¹⁵⁴ A majority of U.S. producers' commercial shipments in 2023 were sold via annual contracts (*** percent) with spot sales accounting for the next largest share of shipments (*** percent) followed by short-term contracts (*** percent); a majority of imports were sold through short-term contracts (*** percent) followed by spot sales (*** percent) and annual contracts (*** percent).¹⁵⁵ Annual contracts for fine denier PSF are typically indexed to raw material costs.¹⁵⁶ An industry witness testifying on behalf of ***, which was the largest domestic producer and accounted for *** percent of U.S. production in 2023, reported that *** prices for fine denier PSF are sometimes indexed to raw material costs where the price is determined by raw material costs plus an "adder" that encompasses manufacturing, packaging, and delivery costs, plus profit.¹⁵⁷

The primary raw material inputs for fine denier PSF are MEG and PTA.¹⁵⁸ Raw materials costs represent the largest component of total cost-of-goods-sold ("COGS"); as a percentage of total COGS, raw material costs declined irregularly by *** percentage points from 2019 to 2023, declining from *** percent of the domestic industry's COGS in 2019 to 60.1 percent in 2020, increasing to 65.4 percent in 2021 and 68.9 percent in 2022, and then declining to 58.1 percent in 2023.¹⁵⁹ On a per pound basis, U.S. producers' raw material costs increased irregularly from

¹⁵¹ CR/PR at VI-11.

¹⁵² CR/PR at VI-11.

¹⁵³ CR/PR at Table VI-14.

¹⁵⁴ CR/PR at Table VI-14.

¹⁵⁵ CR/PR at Table VI-14.

¹⁵⁶ CR/PR at VI-24.

¹⁵⁷ CR/PR at VI-20-21, VI-24, and Revised Table I-6.

¹⁵⁸ CR/PR at VI-20.

¹⁵⁹ CR/PR at Table IV-1.

\$*** per pound in 2019 to \$0.55 per pound in 2023.¹⁶⁰ Prices for MEG increased irregularly by *** overall between January 2019 and December 2023, while prices for PTA increased irregularly by *** percent over the same period.¹⁶¹

Twelve of 19 responding purchasers reported that they require their fine denier PSF suppliers to undergo a certification or qualification process.¹⁶² Purchasers reported that such processes ranged from 10 to 500 days.¹⁶³ Six purchasers reported that a domestic or foreign supplier had failed in its attempt to qualify fine denier PSF or had lost its approved status since 2019. Suppliers that reportedly failed in their attempts to qualify included Nan Ya, Fibertex, Standard Fiber, and Consolidated.¹⁶⁴

d. Section 301 duties

Effective September 24, 2018, fine denier PSF originating in China became subject to an additional 10 percent *ad valorem* duty under section 301 of the Trade Act of 1974, as amended (“section 301 tariffs”).¹⁶⁵ Effective May 10, 2019, section 301 tariffs on fine denier PSF from China were increased to 25 percent *ad valorem*.¹⁶⁶

D. The Domestic Industry is Seriously Injured

1. Significant Idling of Productive Facilities

In assessing whether the domestic industry is seriously injured, we first examined whether there has been a significant idling of U.S. productive facilities in terms of plant closures and/or underutilization of productive capacity to manufacture fine denier PSF products. Six domestic producers operated in the United States in the beginning of the POI, but only four of those domestic producers remained open by December 31, 2023.¹⁶⁷ As discussed above, two domestic producers – Alpek and Darling – closed or idled their production facilities in 2021 and 2022, respectively.¹⁶⁸ As further discussed in section IV.F., below, we find that the closure of

¹⁶⁰ CR/PR at Table IV-1.

¹⁶¹ CR/PR at VI-20, Figure VI-1, and Table VI-13.

¹⁶² CR/PR at VI-11-12.

¹⁶³ CR/PR at VI-11.

¹⁶⁴ CR/PR at VI-11-12.

¹⁶⁵ CR/PR at I-14.

¹⁶⁶ CR/PR at I-14. As noted above, imports of fine denier PSF from China have also been subject to AD/CVD orders since 2018. Imports from China were minimal over the POI in this safeguard proceeding.

¹⁶⁷ CR/PR at Tables III-2-3 & III-6.

¹⁶⁸ CR/PR at Tables III-2 & III-3.

the plants is reflective of the injury caused by the imports. Prior to their closures, Alpek accounted for more than half of domestic production of fine denier PSF in 2019 and almost half in 2020, Alpek and Darling collectively accounted for almost half of domestic production in 2021, and Darling accounted for almost one-third of domestic production in 2022.¹⁶⁹ Moreover, *** all reported prolonged shutdowns and production curtailments during the POI.¹⁷⁰

The domestic industry's installed capacity declined by 9.9 percent from 2019 to 2023, increasing from 907.0 million pounds in 2019 to 1,083.7 million pounds in 2020 and 1,119.0 million pounds in 2021, before declining to 829.0 million pounds in 2022 and 817.3 million pounds in 2023.¹⁷¹ The domestic industry's practical capacity declined overall by *** percent from 2019 to 2023, increasing from *** pounds in 2019 to 609.5 million pounds in 2020 and 714.1 million pounds in 2021, before declining to 485.8 million pounds in 2022, and 301.7 million pounds in 2023.¹⁷² During this period, its production declined by a higher percentage of *** percent from 2019 to 2023, declining from *** pounds in 2019 to 320.9 million pounds in 2020, increasing to 374.7 million pounds in 2021, and then declining to 299.4 million pounds in 2022 and 119.3 million pounds in 2023.¹⁷³ Consequently, its practical capacity utilization declined overall by *** percentage points from 2019 to 2023, declining from *** percent in 2019 to 52.6 percent in 2020 and 52.5 percent in 2021, increasing to 61.6 percent in 2022, and then declining to 39.5 percent in 2023.¹⁷⁴ Information on the record indicates that the domestic industry must operate at high levels of capacity utilization in order to remain profitable, but instead its practical capacity utilization rates were low after 2019, declining overall by *** percentage points, and never exceeding 61.6 percent during 2020-2023.¹⁷⁵ Moreover, the overall declines in the domestic industry's practical capacity and production were of such magnitude that they both significantly exceeded the overall *** percent decline in apparent U.S. consumption from 2019 to 2023.¹⁷⁶

In sum, two large domestic producers accounting for approximately one-third to one-half of domestic production during 2019-2022 closed their U.S. facilities and exited the U.S.

¹⁶⁹ CR/PR at Table III-6.

¹⁷⁰ CR/PR at Tables III-2 & III-3.

¹⁷¹ CR/PR at Table III-4.

¹⁷² CR/PR at Tables III-6 & C-1.

¹⁷³ CR/PR at Tables III-6 & C-1.

¹⁷⁴ CR/PR at Tables III-6 & C-1.

¹⁷⁵ CR/PR at Tables III-6 & C-1; CR/PR at II-7, fn. 3, *citing to* Hearing Tr. at 18 (Sparkman).

¹⁷⁶ CR/PR at Table C-1.

market during the POI, while several other producers reported prolonged shutdowns and production curtailments. Moreover, the domestic industry experienced large, double-digit percentage declines in its capacity and production during 2019-2023, which significantly exceeded the decline in apparent U.S. consumption for fine denier PSF over the same period.¹⁷⁷ Based on this evidence, we find a significant idling of domestic productive facilities during the POI.

2. Significant Unemployment or Underemployment

We next examined whether there has been significant unemployment or underemployment in the domestic industry. The facility closures by Alpek and Darling described above resulted in extensive layoffs.¹⁷⁸ Moreover, *** all reported prolonged shutdowns and production curtailments during the POI, which also led to layoffs and/or underemployment.¹⁷⁹ Sun Fiber also reported a significant layoff of its workforce in 2022.¹⁸⁰

Virtually all of the domestic industry's employment indicia declined overall during the POI. The domestic industry's number of production and related workers ("PRWs") and total hours worked fluctuated but declined by 42.4 percent and 57.1 percent, respectively, overall from 2019 to 2023.¹⁸¹ Although hourly wages increased overall by 21.6 percent from 2019 to 2023, total wages paid declined overall by 47.9 percent over the same period.¹⁸² Productivity fluctuated but decreased overall by *** percent from 2019 to 2023.¹⁸³

¹⁷⁷ CR/PR at Table C-1.

¹⁷⁸ CR/PR at III-16, Tables III-18 & C-1.

¹⁷⁹ CR/PR at Tables III-3, III-18 & C-1.

¹⁸⁰ Hearing Tr. at 37 (Fang).

¹⁸¹ CR/PR at Tables III-17 & C-1. The number of PRWs was 715 in 2019, 768 in 2020, 839 in 2021, 640 in 2022, and 412 in 2023. *Id.* The number of hours worked were 1.3 million hours in 2019, 1.5 million hours in 2020, 1.6 million hours in 2021, 1.2 million hours in 2022, and 567,000 hours in 2023. *Id.*

All domestic producers that produced continuously through the POI reported a decline in the number of PRWs between 2019 and 2023. CR/PR at Table III-18. Collectively, the number of PRWs for these "continuous" producers declined by *** percent over this period. *Derived from* CR/PR at Table III-18. For the "non-continuous" producers, collectively, (*i.e.*, Alpek USA and Darling), the number of PRWs declined by *** percent between 2019 and 2022. CR/PR at Table III-18.

¹⁸² CR/PR at Tables III-17 & C-1. Hourly wages were \$28.25 in 2019, \$27.06 in 2020, \$29.19 in 2021, \$31.02 in 2022, and \$34.34 in 2023. *Id.* Total wages paid were \$37.4 million in 2019, \$39.5 million in 2020, \$46.5 million in 2021, \$37.5 million in 2022, and \$19.5 million in 2023. *Id.*

¹⁸³ CR/PR at Tables III-17 & C-1. Productivity in pounds per hour was *** in 2019, 219.8 in 2020, 235.2 in 2021, 247.6 in 2022, and 210.4 in 2023. *Id.*

Based on the evidence, we find significant unemployment and underemployment in the domestic industry during the POI.

3. Inability of a Significant Number of Firms to Carry Out Domestic Production Operations at a Reasonable Level of Profit

We next examined the ability of domestic producers to operate at reasonable levels of profitability. The domestic industry's cost of goods sold to net sales ratio was high, near or exceeding 100 percent throughout the POI, increasing from *** percent in 2019 to 104.1 percent in 2020 and 107.0 percent in 2021, before declining to 103.7 percent in 2022 and 101.2 percent in 2023.¹⁸⁴ As a result, the domestic industry incurred gross losses after 2019 for the remainder of the POI.¹⁸⁵ After 2019, the domestic industry also incurred operating and net losses for the remainder of the POI.¹⁸⁶ While the domestic industry had operating income of \$*** in 2019, it incurred operating losses of \$*** in 2020, \$34.2 million in 2021, \$21.0 million in 2022, and \$6.0 million in 2023.¹⁸⁷ The domestic industry's operating income margin, which was negative virtually throughout the POI, declined irregularly by *** percentage points from 2019 to 2023.¹⁸⁸ Likewise, the domestic industry's net income margin, which was also negative virtually throughout the POI, declined irregularly by *** percentage points from 2019 to 2023.¹⁸⁹

Moreover, four of six domestic producers reported that their operating and net income deteriorated overall from 2019 to 2023, while a majority of producers reported operating and net losses in most years during the POI.¹⁹⁰ In addition to the *** of dollars in losses during the POI, the domestic industry's dismal and declining overall financial performance is further illustrated by the closures identified above. Based on this information, we find that a significant

¹⁸⁴ CR/PR at Table C-1.

¹⁸⁵ CR/PR at Tables IV-1 & C-1. The domestic industry's gross profits were \$*** million in 2019. *Id.* Its gross losses were \$8.3 million in 2020, \$19.0 million in 2021, \$10.9 million in 2022, and \$1.4 million in 2023. *Id.*

¹⁸⁶ CR/PR at Tables IV-1 & C-1.

¹⁸⁷ CR/PR at Tables IV-1 & C-1. While the domestic industry's net income was \$*** in 2019, its net losses were \$*** in 2020, \$*** in 2021, \$*** in 2022, and \$*** in 2023. *Id.*

¹⁸⁸ CR/PR at Tables IV-1 & C-1. The domestic industry's operating income margin was *** percent in 2019, *** percent in 2020, negative 12.5 percent in 2021, negative 7.0 percent in 2022, and negative 5.1 percent in 2023. *Id.*

¹⁸⁹ CR/PR at Tables IV-1 & C-1. The industry's net income margin was *** percent in 2019, *** percent in 2020, *** percent in 2021, *** percent in 2022, and *** percent in 2023. *Id.*

¹⁹⁰ CR/PR at Table IV-3. *** producers reported operating losses in 2019; *** reported operating losses in 2020 and 2021; *** reported operating losses in 2022; and *** reported operating losses in 2023. CR/PR at Table IV-3.

number of firms were unable to carry out domestic production operations at a reasonable level of profit during the POI.

4. Other Factors Indicative of Serious Injury

We have also examined various other factors in finding that the domestic industry is seriously injured. The domestic industry's U.S. shipments declined overall by *** percent from 2019 to 2023, declining from *** pounds in 2019 to 311.3 million pounds in 2020, increasing to 359.8 million pounds in 2021, and declining to 283.0 million pounds in 2022 and 114.1 million pounds in 2023.¹⁹¹ Its net sales, by quantity, declined overall by *** percent from 2019 to 2023, declining from *** pounds in 2019 to 329.5 million pounds in 2020, increasing to 374.7 million pounds in 2021, and declining to 301.2 million pounds in 2022 and 124.4 million pounds in 2023.¹⁹² The domestic industry's market share also declined overall, by *** percentage points from 2019 to 2023, increasing from *** percent in 2019 to 71.0 percent in 2020, before declining steadily to 63.0 percent in 2021, 51.9 percent in 2022, and 28.8 percent in 2023.¹⁹³ The magnitude of the domestic industry's market share decline over the POI – almost *** percentage points – is particularly indicative of serious injury.

We have also examined the domestic industry's capital expenditures and research and development ("R&D") expenses. Its capital expenditures declined overall by *** percent from 2019 to 2023, increasing from \$*** in 2019 to \$*** in 2020, \$*** in 2021, \$*** in 2022, and declining to \$*** in 2023.¹⁹⁴ Its R&D expenses were very low virtually throughout the POI and increased from only \$*** in 2019 to \$*** in 2023.¹⁹⁵ Moreover, domestic producers of fine denier PSF identified a series of actual negative effects on their investment, growth, and development due to imports during the POI, including reductions in the size of capital investments, inability to generate capital for modernization, and the inability to maintain existing R&D levels.¹⁹⁶

5. Conclusion

In sum, two large domestic producers accounting for approximately one-third to one-half of domestic production during 2019-2022 were forced to close their U.S. facilities and

¹⁹¹ CR/PR at Tables III-8 & C-1.

¹⁹² CR/PR at Tables IV-1 & C-1.

¹⁹³ CR/PR at Tables V-1 & C-1.

¹⁹⁴ CR/PR at Tables IV-4 & C-1.

¹⁹⁵ CR/PR at Tables IV-7 & C-1. The domestic industry's R&D expenses were \$*** in 2019, \$*** in 2020, \$*** in 2021, \$*** in 2022, and \$*** in 2023. *Id.*

¹⁹⁶ CR/PR at Table IV-12.

exited the market, while other domestic producers had prolonged shutdowns and production curtailments.¹⁹⁷ The domestic industry experienced large, double-digit percentage declines in its practical capacity, production, and shipments during 2019-2023, which significantly exceeded the decline in apparent U.S. consumption over the same period.¹⁹⁸ The domestic industry's practical capacity utilization declined to 39.5 percent in 2023 from *** percent in 2019.¹⁹⁹ The industry's net sales (by quantity and by value) declined significantly over the POI, by *** percent and *** percent, respectively.²⁰⁰ The domestic industry's market share declined by *** percentage points from 2019 to 2023.²⁰¹ Virtually all of the domestic industry's employment indicia declined over the POI.²⁰² A majority of U.S. producers reported operating losses in most years of the POI.²⁰³ Further, its capital expenditures declined and its R&D expenses were low throughout the POI.²⁰⁴

Based on the above considerations, we find that there has been a significant overall impairment in the position of the domestic industry. Consequently, we find that the domestic industry is seriously injured.

E. Increased Imports are a Substantial Cause of Serious Injury to the Domestic Industry

In determining whether increased imports are a substantial cause of serious injury, we considered the impact of imports as well as the impact of other possible causes. As discussed above, the statute defines "substantial cause" as a cause "which is important and not less than any other cause."²⁰⁵

We find that imports are a substantial cause of serious injury to the domestic industry. Imports of fine denier PSF increased significantly during the POI, in terms of volume and relative to U.S. consumption and production. Between 2019 and 2023, imports of fine denier PSF increased from 195.2 million pounds to 282.3 million pounds, for an overall increase of 44.6 percent.²⁰⁶ As a share of apparent U.S. consumption, imports of fine denier PSF increased from

¹⁹⁷ CR/PR at Tables III-2-3.

¹⁹⁸ CR/PR at Table C-1.

¹⁹⁹ CR/PR at Table C-1.

²⁰⁰ CR/PR at Table C-1.

²⁰¹ CR/PR at Table C-1.

²⁰² CR/PR at Table C-1.

²⁰³ CR/PR at Table IV-3.

²⁰⁴ CR/PR at Table C-1.

²⁰⁵ 19 U.S.C. § 2252(b)(1)(B).

²⁰⁶ CR/PR at Tables II-1 & C-1.

*** percent in 2019 to 71.2 percent in 2023, for an overall increase of *** percentage points.²⁰⁷ At the same time, the domestic industry's U.S. shipments declined by *** percent from 2019 to 2023, declining from *** pounds in 2019 to *** pounds in 2023.²⁰⁸ The domestic industry's market share declined from *** percent in 2019 to 28.8 percent in 2023, as imports captured *** percentage points of market share at the expense of the domestic industry.²⁰⁹ Relative to U.S. production, imports increased from *** percent in 2019 to 236.7 percent in 2023.²¹⁰

The record indicates that imports that were highly substitutable with the domestic like product used aggressively low pricing in order to enter the U.S. market in significant and increasing volumes during the POI. We have examined several sources of data in our analysis of the pricing behavior by imports during the POI, including: a comparison of import purchase cost data with comparable price data for domestic products; data derived from questionnaire responses; and other evidence on the record, including hearing testimony and affidavits from industry witnesses.

First, the Commission collected and compared quarterly pricing data collected from domestic producers and importers' purchase cost data for four specific fine denier PSF products.²¹¹ From domestic producers, the Commission collected quarterly data for the total quantity and f.o.b. value of each of these four products shipped to unrelated U.S. customers

²⁰⁷ CR/PR at Tables V-1 & C-1.

²⁰⁸ CR/PR at Tables V-1 & C-1.

²⁰⁹ CR/PR at Tables V-1 & C-1.

²¹⁰ CR/PR at Table II-1.

²¹¹ CR/PR at VI-25. The four pricing products are as follows:

Product 1.-- Virgin polyester staple fiber, excluding biodegradable, siliconized and black or other colored fiber, measuring 0.85 denier to less than 1.15 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier;

Product 2.-- Virgin polyester staple fiber, excluding biodegradable, siliconized and black or other colored fiber, measuring 1.15 denier through and including 1.8 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier;

Product 3.-- Virgin polyester staple fiber, excluding biodegradable, siliconized and black or other colored fiber, 1.15 denier through and including 1.8 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring 3.0-5.0 grams per denier; and

Product 4.-- Virgin polyester staple fiber, excluding biodegradable, siliconized and black or other colored fiber, measuring greater than 1.8 denier and less than 3.0 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. CR/PR at VI-25.

during January 2019-December 2023.²¹² From importers, the Commission collected purchase cost data reflecting the total quantity and landed duty-paid (“LDP”) value for each of the same four products from all foreign sources during this same period.²¹³ Six U.S. producers provided usable pricing data for sales of the requested products, and 14 importers provided usable import purchase cost data, although not all firms reported data for all products for all quarters.²¹⁴ Data reported by the domestic producers accounted for *** percent of domestic producers’ U.S. shipments of fine denier PSF in 2023.²¹⁵ Purchase cost data provided by the responding importers accounted for *** of imports from all sources in 2023.²¹⁶

The record shows that the purchase costs of imports in the aggregate were lower than the prices for the domestic like product in 73 of 73 quarterly comparisons, that is, 100 percent, of quarterly comparisons, with price/cost differentials ranging from 0.9 percent to 49.8 percent.²¹⁷ The average differential between import purchase costs and prices for the domestic like product was 19.6 percent.²¹⁸ On a volume basis, there were 773.4 million pounds of

²¹² CR/PR at VI-25.

²¹³ CR/PR at VI-25.

²¹⁴ CR/PR at VI-25.

²¹⁵ CR/PR at VI-25.

²¹⁶ CR/PR at VI-25. Gildan argues that the purchase cost data does not cover a wide enough range of pricing products for meaningful comparisons. See Gildan Posthearing Injury Br. at 1-3. We note, however, that the Commission collected data in this safeguard investigation for the same four pricing products that it used in the recent five-year reviews in *Fine Denier PSF from China, India, South Korea, and Taiwan*. See CR/PR at VI-25; *First Reviews*, USITC Pub. 5500 at 58-59 n.352. None of the respondents, including Gildan, objected to the use of these four pricing products in the five-year reviews or in their comments on draft questionnaires in this section 201 investigation. See, e.g., Gildan’s Comments on Draft Questionnaires (EDIS Doc. 815588). Moreover, there is high coverage for the purchase cost data in this safeguard investigation as discussed above: *** of imports from all sources in 2023 and *** percent of the domestic industry’s U.S. shipments in 2023. CR/PR at VI-25. While Gildan also complains that the Commission did not collect data for more channels of distribution, see Gildan Posthearing Injury Br. at 2-3, the Commission collected data in this safeguard investigation for the same channels of distribution that it used in the recent five-year reviews *Fine Denier PSF from China, India, South Korea, and Taiwan*. See CR/PR at Table I-5; *First Reviews*, USITC Pub. 5500, CR/PR Table II-2. Again, none of the respondents including Gildan objected to the use of these channels of distribution in the five-year reviews or in their comments on the draft questionnaires in this safeguard investigation. Nor have respondents demonstrated that the data collected by the Commission with respect to channels of distribution does not sufficiently capture the competition between the domestic like product and imports, especially since the data show that *** of domestically produced fine denier PSF and imports were sold to both woven and non-woven end-users during the POI. CR/PR at Table I-5.

²¹⁷ CR/PR at Table VI-23.

²¹⁸ CR/PR at Table VI-23. Recognizing that import purchase cost data may not reflect the total cost of importing, Commission staff requested that importers who imported for their own subsequent (Continued...)

imports in quarters in which their purchase costs were lower than the prices for the domestic like product.²¹⁹

We have also considered purchasers responses corroborating that imports were lower-priced than the domestic product. That evidence supports that the lower price of imports caused domestic producers to lost sales and revenues due to price competition from imports during the POI.²²⁰ Twelve of 20 purchasers that responded to the Commission's lost sales/lost revenue survey reported that, since 2019, they had purchased imported fine denier PSF in lieu of purchasing the domestic like product.²²¹ Eleven of these twelve purchasers reported that import prices were lower than prices for the domestically produced product, and five of these purchasers confirmed that price was a primary reason for purchasing imports.²²² These five purchasers estimated purchasing nearly *** pounds of imported fine denier PSF instead of domestic product.²²³

The record also indicates that low-priced imports exerted downward pressure on domestic prices of fine denier PSF. Petitioners have provided documentation consisting of contemporaneous emails and reports of sales meetings with purchasers, and affidavits of U.S. producers' representatives, indicating that imports were being offered at lower prices than

retail sales provide additional information regarding the costs and benefits of directly importing fine denier PSF. Eight of 16 such responding importers reported that they incurred additional costs beyond landed duty-paid costs associated with importing fine denier PSF, including inland transportation costs and warehousing costs. CR/PR at VI-26. These costs ranged from *** to 10 percent compared to landed duty-paid value. *Id.* These additional costs, however, were significantly less than the average price-cost differential of 19.6 percent between landed duty-paid costs for the imports and prices for the domestic like product. CR/PR at VI-26 & Table VI-23.

Firms importing fine denier PSF for their own retail sales or internal consumption were also asked whether the cost of fine denier PSF that they imported was lower than the price of purchasing fine denier PSF from a U.S. producer or importer. *See generally* U.S. Importers' Questionnaire at III-2p-ii. Their responses are summarized in the Staff Report at VI-26. Ten of 13 responding importers reported that imports were priced lower when not including the additional costs, and 8 of 11 responding importers reported that imports were priced lower even when including additional costs. Five responding importers reported estimated savings ranging from *** to *** percent by importing directly rather than purchasing from a U.S. producer while eight responding importers reported estimated savings ranging from *** to *** percent by importing directly rather than purchasing from a U.S. importer. CR/PR at VI-26.

²¹⁹ CR/PR at Table VI-23.

²²⁰ CR/PR at VI-13-16 and Tables VI 8-10. Fourteen of 18 purchasers reported that the domestic product was inferior to imports on price (i.e., higher priced). *Id.* at Table VI-11.

²²¹ CR/PR at VI-14 and Table VI-9.

²²² CR/PR at Table VI-9.

²²³ CR/PR at Table VI-9.

product of domestic producers during the POI and that low-priced imports exerted downward pricing pressure on domestic producer prices.²²⁴ Five of six domestic producers reported that they had reduced prices during the POI in order to avoid losing sales to low-priced imports.²²⁵ Four purchasers reported that domestic producers had reduced prices during the POI in order to compete with low-priced imports, and purchasers reported that the price reductions by domestic producers ranged from *** percent to *** percent, and averaged *** percent.²²⁶

The evidence collected in this investigation thus demonstrates that imports were substantially lower priced than domestically produced fine denier PSF. As reviewed above, the price comparison data showing that the purchase costs of aggregate imports were lower than the prices for the domestic like product in 100 percent of available quarterly comparisons involving many hundreds of millions of pounds and there is evidence of lost sales and revenues due to low-priced imports. In view of the high degree of substitutability of imported and domestic fine denier PSF and the importance of price in purchasing factor, we find that the aggressively low prices of imports caused them to capture sales from the domestic industry and to enter the U.S. market in increasing and significant volumes, leading to a *** percentage point shift in market share from the domestic industry to imports from 2019 to 2023,²²⁷ as well as to exert downward pricing pressure on domestic producer prices leading to lost revenue. Indeed, the large shift in market share, caused by underselling, and the inability of remaining producers to gain market share after the departures of Alpek and Darling further indicates serious injury to the industry. As a result of the significant decline in the domestic industry's market share, the domestic industry's practical capacity, production, and shipments declined significantly overall from 2019 to 2023, and all significantly exceeded the decline in apparent

²²⁴ See, e.g., Petitioners Posthearing Injury Br., Answers to Commissioners' Questions at 29-30 & Exh. 2, Attach. 1-7 (Sparkman Aff.), Exh. 3, Attach. 1-5 (Bockoven Aff.), Exh. 4 (Fang Aff.), & Exh. 5 (Casstevens Aff.).

²²⁵ CR/PR at VI-13.

²²⁶ CR/PR at Table VI-10. .

²²⁷ CR/PR at Table C-1. Due to competition from uniformly low-priced imports, the domestic industry was unable to take advantage of increasing demand during 2020-2021. Although apparent U.S. consumption increased by 30.3 percent during 2020-2021, the domestic industry's capacity, production, and shipments increased only by 17.1 percent, 16.8 percent, and 15.6 percent, respectively, over the same period, thus significantly lagging the growth in apparent U.S. consumption that year. *Id.* Then in 2022-2023, as imports continued to use low prices to take sales from domestic producers, the domestic industry experienced further declines in capacity, production, and shipments, all significantly exceeding the declines in apparent U.S. consumption during that same period. *Id.* Indeed, during 2022-2023, imports used aggressively low pricing to capture sales and an additional *** percentage points of market share from the domestic industry. *Id.*

U.S. consumption during 2019-2023.²²⁸ In addition, the domestic industry's COGS to net sales ratio increased and remained high (***) percent in 2019 and over 100 percent in each year thereafter) over the POI, as the decline in domestic producer sales required it to spread fixed costs over a smaller volume of sales and as it faced downward pricing pressure from lower priced imports.²²⁹

As the domestic industry lost *** percentage points of market share to lower-priced imports over the course of the POI and faced downward pricing pressure due to increasing volumes of low-priced imports, the domestic industry's practical capacity, production, capacity utilization, employment, U.S. shipments, revenues, and profits all declined significantly over the POI. Due to competition from low-priced imports, the domestic industry incurred continuous operating losses during 2020-2023²³⁰ while two large domestic producers were forced to close as discussed further below in section IV.F. Competition from imports also left the remaining producers in the industry after the closures with significantly lower sales volumes and low rates of capacity utilization and high COGS-net-sales ratios as imports continued to use aggressively low pricing to capture sales and market share from the domestic industry and exert downward pricing pressure.²³¹ Accordingly, for the above reasons, we conclude that increased imports were an important cause of serious injury to the domestic industry.

F. Imports are an Important Cause Not Less Than Any Other Cause

Respondents argue that two alternative causes of injury to the domestic industry are more important than imports. First, they argue that the domestic producers' inability to supply the U.S. market was a more important cause of serious injury to the domestic industry than

²²⁸ CR/PR at Table C-1. Although apparent U.S. consumption declined by *** percent during 2019-2023, the domestic industry's practical capacity, production, and shipments declined by far more, at *** percent, *** percent, and *** percent, respectively, over the same period. *Id.*

²²⁹ CR/PR at Tables IV-1 and C-1.

²³⁰ We recognize that the domestic industry's operating and net losses fluctuated but generally became smaller during 2020-2023. CR/PR at Tables IV-1 & C-1. Nonetheless, the record also shows that the domestic industry's net sales (by quantity) declined from 329.5 million pounds in 2020 to 124.4 million pounds in 2023. CR/PR at Table C-1. Competition from low-priced imports drove the smaller domestic industry that was left after the closures to sell higher-value fine denier PSF products in order to regain footing, but leaving them with significantly lower sales volumes and continuous operating losses during 2020-2023. CR/PR at Table C-1; Hearing Tr. at 68 (Rosenthal). This survival strategy is reflected in the increase in the domestic industry's net sales AUVs increased from \$0.62 per pound in 2020 to \$0.94 per pound in 2023. *Id.* In the meantime, its unit COGS increased from \$0.64 per pound in 2020 to \$0.95 per pound in 2023. *Id.*

²³¹ CR/PR at Tables III-6, C-1. Imports gained 23.1 percentage points of market share from the domestic industry from 2022-2023. *Id.* at Table C-1.

increased imports.²³² Second, respondents argue that declining U.S. demand for fine denier PSF was a more important cause of serious injury to the domestic industry than increased imports during the POI.²³³ As discussed below, we find that neither of these factors were as important a cause of serious injury to the domestic industry as increased imports.

The record belies respondents' argument that the domestic producers were unable to supply the U.S. market. Respondents argue that the domestic industry does not offer specialty fine denier PSF products that are comparable to imported fine denier PSF specialty products, including short-cut fiber fine denier PSF, siliconized fiber fill fine denier PSF, and virgin black dope dyed fine denier PSF.²³⁴ However, the record indicates that the domestic industry produced substantial quantities of fine denier PSF specialty products. Contrary to respondents' claims that the domestic industry did not compete in fine denier specialty products, U.S. producers' U.S. shipments of fine denier PSF specialty products generally exceeded U.S. importers' U.S. shipments of imports (or at least represented a substantial share of total U.S. shipments of these products) for all types of fine denier PSF specialty products, including short-cut fine denier PSF, siliconized fine denier PSF, and black or colored fine denier PSF in 2019,²³⁵

²³² See, e.g., Gildan Prehearing Injury Br. at 18-25; Gildan Posthearing Br at 3-5., Answers to Commissioners' Questions at 5-7, 14-17; RIL Prehearing Injury Br. at 4-10; RIL Posthearing Injury Br. at 4-5; Turkey Posthearing Injury Br. at 7-9; India Posthearing Injury Br. at 1-2.

²³³ Gildan Prehearing Injury Br. at 15-18; India Posthearing Injury Br. at 14-18; IPI/ISI Posthearing Injury Br. at 5.

²³⁴ Gildan Prehearing Injury Br. at 25-27; Gildan Posthearing Injury Br., Answers to Commissioners' Questions at 14-17; RIL Prehearing Injury Br. at 4-10; RIL Posthearing Injury Br. at 4-5.

²³⁵ In 2019, U.S. producers' U.S. shipments of fine denier PSF with greater than 50 percent PCR content were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Table II-2 & III-9. U.S. producers' U.S. shipments of short cut fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-3 & III-10. U.S. producers' U.S. shipments of black or colored fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-4 & III-11. U.S. producers' U.S. shipments of siliconized fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-5 & III-12. U.S. producers' U.S. shipments of micro-denier fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-6 & III-13. U.S. producers' U.S. shipments of biodegradable fine denier PSF were *** pounds while U.S. importers' U.S. shipments were ***. CR/PR at Tables II-7 & III-14.

2020,²³⁶ 2021,²³⁷ 2022,²³⁸ and 2023.²³⁹ Fine denier PSF specialty products also accounted for substantial shares of both U.S. producers' U.S. shipments and U.S. importers' U.S. shipments of

²³⁶ In 2020, U.S. producers' U.S. shipments of fine denier PSF with greater than 50 percent PCR content were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Table II-2 & III-9. U.S. producers' U.S. shipments of short cut fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-3 & III-10. U.S. producers' U.S. shipments of black or colored fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-4 & III-11. U.S. producers' U.S. shipments of siliconized fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-5 & III-12. U.S. producers' U.S. shipments of micro-denier fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-6 & III-13. U.S. producers' U.S. shipments of biodegradable fine denier PSF were *** pounds while U.S. importers' U.S. shipments were ***. CR/PR at Tables II-7 & III-14.

²³⁷ In 2021, U.S. producers' U.S. shipments of fine denier PSF with greater than 50 percent PCR content were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Table II-2 & III-9. U.S. producers' U.S. shipments of short cut fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-3 & III-10. U.S. producers' U.S. shipments of black or colored fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-4 & III-11. U.S. producers' U.S. shipments of siliconized fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-5 & III-12. U.S. producers' U.S. shipments of micro-denier fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-6 & III-13. U.S. producers' U.S. shipments of biodegradable fine denier PSF were *** pounds while U.S. importers' U.S. shipments were ***. CR/PR at Tables II-7 & III-14.

²³⁸ In 2022, U.S. producers' U.S. shipments of fine denier PSF with greater than 50 percent PCR content were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Table II-2 & III-9. U.S. producers' U.S. shipments of short cut fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-3 & III-10. U.S. producers' U.S. shipments of black or colored fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-4 & III-11. U.S. producers' U.S. shipments of siliconized fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-5 & III-12. U.S. producers' U.S. shipments of micro-denier fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-6 & III-13. U.S. producers' U.S. shipments of biodegradable fine denier PSF were *** pounds while U.S. importers' U.S. shipments were ***. CR/PR at Tables II-7 & III-14.

²³⁹ In 2023, U.S. producers' U.S. shipments of fine denier PSF with greater than 50 percent PCR content were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Table II-2 & III-9. U.S. producers' U.S. shipments of short cut fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-3 & III-10. U.S. producers' U.S. shipments of black or colored fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-4 & III-11. U.S. producers' U.S. shipments of siliconized fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-5 & III-12. U.S. producers' U.S. shipments of micro-denier fine denier PSF were *** pounds while U.S. importers' U.S. shipments were *** pounds. CR/PR at Tables II-6 & III-13. U.S. producers' U.S. shipments of

(Continued...)

imports throughout the POI.²⁴⁰ Domestic producers have also provided sworn statements describing the types of specialty products that they have produced or are capable of producing.²⁴¹ Moreover, respondents overlook the substantial competitive overlap between the domestic like product and imports with respect to non-specialty fine denier PSF products. Indeed, the evidence on the record shows that the vast majority of both U.S. producers' U.S. shipments and U.S. importers' U.S. shipments were non-specialty fine denier PSF products in each year of the POI.²⁴²

biodegradable fine denier PSF were *** pounds while U.S. importers' U.S. shipments were ***. CR/PR at Tables II-7 & III-14.

²⁴⁰ Fine denier PSF specialty products accounted for as much as *** percent of U.S. producers' U.S. shipments and as much as *** percent of U.S. importers' U.S. shipments of imports in 2019. *Derived from* CR/PR at Tables II-2-7 & III-9-14. Fine denier PSF specialty products accounted for as much as *** percent of U.S. producers' U.S. shipments and as much as *** percent of U.S. importers' U.S. shipments of imports in 2020; as much as *** percent of U.S. producers' U.S. shipments and as much as *** percent of U.S. importers' U.S. shipments of imports in 2021; as much as *** percent of U.S. producers' U.S. shipments and as much as *** percent of U.S. importers' U.S. shipments of imports in 2022; and as much as *** percent of U.S. producers' U.S. shipments and as much as *** percent of U.S. importers' U.S. shipments of imports in 2023. *Id.*

²⁴¹ *See, e.g.,* Petitioners Prehearing Injury Br. at Exhs. 1, 3, 4, 5. and Petitioners Posthearing Injury Br., Exh. 1 at 50-53. Specifically, Petitioners state as follows:

{T}he niche fine denier products respondents have identified are available from the domestic industry. Any claimed distinction lacks record support or is undefined because it describes a "special feature" essentially at the level of a customized SKU. The attributes of siliconized fiberfill, short cut fiber, and black dope-dyed fiber referenced by Reliance are not unique to the products produced by Reliance in India. Mr. Casstevens of Palmetto Synthetics, a U.S. producer of numerous specialty fine denier PSF products on a customized basis, explains in his declaration provided with Petitioners' pre-hearing brief that the attributes described by Reliance for specialty fine denier fiber are typical, definitional attributes of those specific product types. Mr. Casstevens explains that his company produces or can produce short cut fine denier PSF for wet-laid non-textile applications, siliconized fiberfill, and black fine denier PSF, which each have the same basic attributes that define those products, just like Reliance's products as described by Mr. Jagga. Palmetto also competes directly with imports for sales of these niche products, and has been losing significant business to imports due to their lower prices. Nan Ya produces the full range of siliconized products. Sun Fiber also produces short cut and siliconized products.

Petitioners Posthearing Injury Br., Exh. 1 at 50-51 (internal citations omitted).

²⁴² *Derived from* CR/PR at Tables II-2-7 & III-9-14. In 2019, at least *** percent of U.S. producers' U.S. shipments were non-specialty fine denier PSF products and at least *** percent of U.S. importers' U.S. shipments of imports were non-specialty fine denier PSF products. *Id.* In 2020, at least *** percent of U.S. producers' U.S. shipments were non-specialty fine denier PSF products and at least *** percent of U.S. importers' U.S. shipments of imports were non-specialty fine denier PSF products. *Id.* In 2021, at least *** percent of U.S. producers' U.S. shipments were non-specialty fine denier PSF products and at least *** percent of U.S. importers' U.S. shipments of imports were non-specialty fine denier PSF (Continued...)

The record contradicts respondents' argument that the domestic industry lacked sufficient capacity to supply additional volumes of fine denier PSF to the U.S. market.²⁴³ Notwithstanding that the responses from market participants were mixed concerning supply constraints related to both domestic and imported fine denier PSF,²⁴⁴ the domestic industry had ample excess practical capacity throughout the POI with which it could have increased production and U.S. shipments of fine denier PSF to the U.S. market. Indeed, the domestic industry's practical capacity utilization rate ranged from 39.5 percent to *** percent over the POI and never exceeded 61.6 percent from 2020 to 2023.²⁴⁵ Even when Alpek ceased production in 2021, the five remaining domestic producers had sufficient excess capacity in 2022 to supply an additional 34.2 percent of apparent U.S. consumption that year.²⁴⁶ Similarly, even when Darling ceased production in 2022, the four remaining domestic producers had sufficient excess capacity in 2023 to supply an additional 46.0 percent of apparent consumption that final year of the POI.²⁴⁷ Further, the domestic industry had more than sufficient excess practical capacity to supply all of the increases in import volumes throughout the POI, including in 2022 and 2023.²⁴⁸ Finally, in both 2022 and 2023, imports continued to be aggressively priced below the domestic like product with significant price/cost differentials between domestic and imported product involving more than *** pounds of imported fine denier PSF,

products. *Id.* In 2022, at least *** percent of U.S. producers' U.S. shipments were non-specialty fine denier PSF products and at least *** percent of U.S. importers' U.S. shipments of imports were non-specialty fine denier PSF products. *Id.* In 2023, at least *** percent of U.S. producers' U.S. shipments were non-specialty fine denier PSF products and at least *** percent of U.S. importers' U.S. shipments of imports were non-specialty fine denier PSF products. *Id.*

²⁴³ See, e.g., Gildan Posthearing Injury Br. at 21-24 & Answers to Commissioners' Questions at 5-7; India Posthearing Injury Br. at 1-2; IPI/ISI Posthearing Injury Br. at 5.

²⁴⁴ Three of six responding U.S. producers, 13 of 24 responding U.S. importers, and 9 of 20 responding U.S. purchasers reported supply constraints during the POI. CR/PR at VI-5. Also, most responding purchasers (12 of 20) reported changes in the availability of supply for U.S.-produced fine denier PSF. CR/PR at VI-4-5.

²⁴⁵ CR/PR at Tables III-6 & C-1.

²⁴⁶ Derived from CR/PR at Table C-1.

²⁴⁷ Derived from CR/PR at Table C-1.

²⁴⁸ See CR/PR at Table C-1. In 2021-2022, the volume of imports increased by 50.6 million pounds and the domestic industry's excess capacity was 186.4 million pounds in 2022. Derived from CR/PR at Table C-1. In 2022-2023, the volume of imports increased by 20.2 million pounds and the domestic industry's excess capacity was 182.5 million pounds. *Id.*

thereby further undermining respondents' argument that imports were drawn into the U.S. market due to lack of domestic capacity.²⁴⁹

Moreover, to the extent respondents are claiming that the closure of these facilities rather than the imports was a more important cause of injury (or a cause of injury at all), we find that the closures of the plants were substantially caused by increased imports — not a separate cause of injury. The evidence in the record indicates that competition from the increasing low-priced imports provided impetus for both Alpek's and Darling's respective decisions to close their U.S. production facilities. Indeed, Alpek issued a press release in December 2021 contemporaneous with the closure of its facility in Cooper River, South Carolina, plainly stating that it made the decision to close the factory as a result of competition from low-priced imports of fine denier PSF.²⁵⁰ Moreover, the Department of Labor's certification of Alpek's workers for Trade Adjustment Assistance ("TAA") from September 2021 references increased imports in finding that the statutory criteria for TAA were satisfied.^{251 252}

With respect to Darling, Petitioners submitted an affidavit from Darling's Chief Executive Officer ("CEO") stating that Darling decided to close its Darlington, South Carolina, facility because U.S. importer Gildan would become, beginning in 2023, the exclusive supplier for

²⁴⁹ On a volume basis, there were *** pounds of imports in quarters in which their purchase costs were lower than the prices for the domestic like product in 2022. *Derived from* CR/PR at Tables VI-16-19. In 2022, the average differential between import purchase costs and prices for the domestic like product was *** percent. *Id.* On a volume basis, there were *** pounds of imports in quarters in which their purchase costs were lower than the prices for the domestic like product in 2023. *Derived from* CR/PR at Tables VI-16-19. In 2023, the average differential between import purchase costs and prices for the domestic like product was *** percent. *Id.*

²⁵⁰ Petitioners Prehearing Injury Br. at 20 & Exh. 1 (Aff. of Jonathan McNaull); Petitioners Posthearing Injury Br., Answers to Commissioners' Questions at 23-25. The press release states that the closure of Alpek's facility ". . . comes after an extensive analysis of our ability to be cost competitive in an extremely challenging market that has faced prolonged and continuing pressure from low priced imports." *See, e.g.,* Petitioners Prehearing Injury Br. at 20; CR/PR at Table III-2 source. Gildan cites Alpek USA's parent company's 2021 Fourth Quarter Results, which says the Cooper River closure came "after an extended period of low margins due to high raw material costs, as well as a thorough review of {the} industry's unfavorable outlook." Gildan's Prehearing Injury Br. at Exh. 6. As noted, at the time Alpek attributed the industry's inability to be cost competitive to pressure from low-priced imports. Petitioners also provided an affidavit from Alpek's Executive Vice President explaining that Alpek closed its U.S. facility because competition from low-priced imports prevented Alpek from raising prices to keep pace with rising raw material costs. *See* Petitioners Prehearing Injury Br. at Exh. 1 (McNaull Aff. at ¶¶ 3-6).

²⁵¹ Petitioners Posthearing Injury Br. at Exh. 6.

²⁵² Commissioner Schmidlein does not rely on the Department of Labor's certification under TAA as TAA has different statutory criteria and different legal standards than the safeguard statute.

Frontier Yarns LLC (“Frontier”), which was Darling’s ***.²⁵³ According to Darling’s CEO, Darling concluded that it could no longer stay in business after *** switched to exclusively buying imports and therefore closed its facility at the end of 2022.²⁵⁴ ***.²⁵⁵ Thus, the record demonstrates that the closures of both the Alpek and Darling facilities were due in substantial part to increased low-priced imports.²⁵⁶

²⁵³ Petitioners Posthearing Injury Br., Answers to Commissioners’ Questions at 17: Petitioners Posthearing Injury Br. at Exh. 3 (Bockoven Aff. at ¶ 6); Hearing Tr. at 100 (Bockoven). In his Declaration, Mr. Bockoven attested as follows:

From 2021-2022, Darling was producing fine denier PSF for Frontier. We had an excellent business relationship with Frontier, and *** In fact, *** Once Gildan purchased Frontier, we continued to service the Frontier plants with fiber throughout 2022. Later in 2022, however, Gildan informed us that by 2023, it would be moving all of its purchasing volumes to TIB imports from India. Gildan’s purchases had *** of all our business in 2022, and we knew we could not survive the loss of such substantial volumes. As a result, we made the difficult decision to idle our facilities at the end of that year.

Petitioners Posthearing Injury Br. at Exh. 3 (Bockoven Aff. at ¶ 6).

²⁵⁴ Petitioners Posthearing Injury Br., Answers to Commissioners’ Questions at 17: Petitioners Posthearing Injury Br. at Exh. 3 (Bockoven Aff. at ¶ 6); Hearing Tr. at 100 (Bockoven).

²⁵⁵ See, e.g., *** U.S. Importer Questionnaire at II-7a.

²⁵⁶ Respondents claim that Alpek’s closure was the result of it closing a 40-plus year-old plant that had a long history of equipment failures and its Mexican parent company’s carbon footprint optimization goals. See, e.g., Gildan Posthearing Injury Br. at 4 & Answers to Commissioners’ Questions at 1-4 & 8-9. While respondents allege that Alpek’s closure was attributable to outdated machinery, respondents have not provided any documentation or concrete evidence in support of their allegations. Moreover, the affidavit from Alpek’s Executive Vice President specifically states that respondents’ allegations that Alpek’s closure was due to outdated machinery are baseless. See Petitioners Prehearing Injury Br. at Exh. 1 (McNaull Aff. at ¶ 3). Although Gildan cites Alpek’s earnings statement for the fourth quarter of 2021, the fact that Alpek’s earnings statement mentions corporate sustainability goals and production efficiencies without mentioning imports does not demonstrate that Alpek’s stated reason in the press release that the closure was a result of import competition was not credible. Moreover, Alpek submitted a U.S. producer questionnaire response in this safeguard investigation which includes pricing product data indicating that Alpek’s domestically produced fine denier PSF competed in large volumes with imports and that the purchase costs of imports were lower than prices for approximately *** percent of the total volume of Alpek’s sales during the POI, thereby further undermining respondents’ argument that the closure was unrelated to import competition. See, e.g., Alpek’s U.S. Producers Questionnaire at IV-2b; *derived from* Alpek’s U.S. Producer Questionnaire at IV-b & CR/PR at Tables VI-16-19.

Nor do we find persuasive respondents’ argument that Darling closed its U.S. facility for reasons unrelated to import competition. See, e.g., Gildan Prehearing Injury Br. at 6-7. While respondents allege that Darling’s closure was necessitated by failing equipment and poor cost management, respondents have not provided any documentation or concrete evidence in support of their allegations. Darling’s CEO has submitted an affidavit stating that Darling invested more than \$100 million in (Continued...)

We have also considered respondents' claim that declining U.S. demand for fine denier PSF was the most important cause of serious injury to the domestic industry during the POI.²⁵⁷ As discussed above, apparent U.S. consumption for fine denier PSF fluctuated but declined overall by *** percentage points from 2019 to 2023.²⁵⁸ However, the record indicates that the domestic industry's loss of market share to increased imports was a more important cause of injury than declining demand. Specifically, the domestic industry's production and U.S. shipments declined overall from 2019 to 2023, by *** percent and *** percent, respectively, which were both more than double the *** percent decline in apparent U.S. consumption over the same period, showing that the domestic industry's loss of market share to increased imports resulted in greater quantities of lost production and sales than resulted from the decline in demand.²⁵⁹

Demand declines also do not explain domestic industry's inability to capitalize fully on growing U.S. demand when the industry's output indicia lagged the growth in apparent U.S. consumption during 2020-2021. Although apparent U.S. consumption increased by 30.3 percent during 2020-2021, the domestic industry's production and U.S. shipments increased only by 16.8 percent and 15.6 percent, respectively, during 2020-2021.²⁶⁰ Further, demand declines were not the most important cause of the declines in the domestic industry's output indicia during 2021-2023. As apparent U.S. consumption declined by 30.6 percent during 2021-

refurbishing its U.S. facility and rebutting the allegations by respondents that Darling's closure was due to outdated equipment or inefficiencies. *See* Petitioners Posthearing Injury Br., Exh. 3 (Bockoven Aff. at ¶¶ 2-3). Moreover, Darling submitted a U.S. producer questionnaire response in this safeguard investigation which includes pricing product data indicating that Darling's domestically produced fine denier PSF competed in large volumes with imports and that the purchase costs of imports were lower than prices for approximately *** percent of the total volume of Darling's sales during the POI, thereby further undermining respondents' argument that Darling's closure was unrelated to import competition. *See, e.g.,* Darling's U.S. Producer Questionnaire at IV-2b; *derived from* Darling's U.S. Producer Questionnaire at IV-b & CR/PR at Tables VI-16-19.

²⁵⁷ *See, e.g.,* Gildan Prehearing Injury Br. at 15-18; India Posthearing Injury Br. at 14-16; IPI/ISI Posthearing Injury Br. at 5.

²⁵⁸ CR/PR at Table C-1. Apparent U.S. consumption declined from *** pounds in 2019 to 438.4 million pounds in 2020, increased to 571.3 million pounds in 2021, and then declined to 545.1 million pounds in 2022 and 396.4 million pounds in 2023, for an overall decline of *** percent from 2019 to 2023. *Id.*

²⁵⁹ CR/PR at Table C-1.

²⁶⁰ *Derived from* CR/PR at Table C-1. From 2019 to 2021, apparent U.S. consumption was down *** percent, while the U.S. industry's production quantity was *** percent lower and its U.S. shipment quantity was *** percent lower. *Id.*

2023, the domestic industry's production and U.S. shipments declined by 68.2 percent and 68.3 percent, respectively, as the industry lost market share to increased imports.²⁶¹

We find that demand declines are not the most important cause of other aspects of the "serious injury" that we have found. In particular, the closures by Alpek and Darling occurred in 2021 and 2022 when apparent U.S. consumption for fine denier PSF was only slightly lower than apparent U.S. consumption in 2019.²⁶² Indeed, even in periods of increasing demand, (e.g., 2020-2021), the domestic industry recorded a COGS-net-sales ratio of over 100 percent and the industry registered a *** operating margin, which we attribute to pricing competition by imports.²⁶³

In sum, neither of respondents' alleged alternative causes of injury is more important than increased imports. We therefore conclude that increased imports are a substantial cause of serious injury to the domestic industry.

V. Findings Regarding Possible Exclusion of Certain Imports

If the Commission makes an affirmative determination of serious injury or threat thereof (or is equally divided on the issue), the statute requires the Commission to make a number of additional findings. The requirement for many of these findings originates in the implementing statutes for various free trade agreements that the United States has negotiated in the last several decades or under statutory provisions related to certain preferential trade programs.²⁶⁴

²⁶¹ *Derived from* CR/PR at Table C-1. From 2021 to 2022, apparent U.S. consumption declined by 4.6 percent, while the industry's production declined by 20.1 percent and its U.S. shipment quantity declined by 21.3 percent. *Id.* From 2022 to 2023, apparent U.S. consumption declined by 27.3 percent, while the domestic industry's production declined by 60.2 percent and its U.S. shipment quantity declined by 59.7 percent. *Id.*

²⁶² CR/PR at Table C-1. Apparent U.S. consumption in 2021 was only *** percent lower than apparent U.S. consumption in 2019, and consumption in 2022 was *** percent lower. *Id.*

²⁶³ CR/PR at Table C-1.

²⁶⁴ Specifically, the Commission is required to make certain additional findings under the implementing statutes for USMCA (Canada and Mexico), CAFTA-DR (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and the Dominican Republic), the U.S.-Australia Free Trade Agreement, the U.S.-Korea Free Trade Agreement ("KORUS"), the U.S.-Colombia Trade Promotion Agreement, the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, the U.S.-Panama Trade Promotion Agreement, the U.S.-Peru Free Trade Agreement, the U.S.-Singapore Free Trade Agreement, and the U.S.-Israel Free Trade Agreement or under statutory provisions related to preferential trade programs (CBERA and GSP). See 19 U.S.C. § 2112 note (Jordan, Israel); 19 U.S.C. § 2253(e)(6) (GSP); 19 U.S.C. § 2703(e) (CBERA); 19 U.S.C. § 4551 (Continued...)

A. Findings Regarding USMCA Imports

Under section 301(a) of the USMCA Implementation Act, which implements article 802 of the NAFTA, if the Commission makes an affirmative determination or is equally divided on the question of injury, the Commission also must find whether

- (i) imports of the article from Canada or Mexico, considered individually, account for a substantial share of total imports; and
- (ii) imports of the article from Canada or Mexico, considered individually or, in exceptional circumstances, imports from Canada or Mexico considered collectively, contribute importantly to the serious injury, or threat thereof, caused by imports.²⁶⁵

With respect to the first prong, the statute states that imports from a USMCA country “normally shall not be considered to account for a substantial share of total imports if that country is not among the top five suppliers of the article subject to the investigation, measured in terms of import share during the most recent three-year period.”²⁶⁶

With respect to the second prong (whether imports from USMCA countries individually or in exceptional circumstances, collectively, contribute importantly to the serious injury or threat of serious injury caused by imports), the statute defines “contribute importantly” as an important cause, but not necessarily the most important cause.²⁶⁷ In determining whether imports have contributed importantly to the serious injury or threat thereof caused by imports, the Commission is directed to

consider such factors as the change in the import share of the USMCA country or countries, and the level and change in the level of imports from such country or countries. Imports from a USMCA country or countries normally shall not be considered to contribute importantly to serious injury, or the threat thereof, if the growth rate of imports from such country or countries during the period in

(USMCA); 19 U.S.C. § 3805 note (Australia, Colombia, KORUS, Panama, Peru, Singapore); 19 U.S.C. § 4101 (CAFTA-DR).

²⁶⁵ As explained in the Statement of Administrative Action for the USMCA Act (USMCA SAA), sections 301 and 302 of the Act implement Article 10.2 of the USMCA by maintaining the treatment provided for in sections 311 and 312 of the NAFTA implementation Act, previously codified at 19 U.S.C. §§ 3371 and 3372 and transferred to 19 U.S.C. §§ 4551 and 4552. See USMCA SAA at 23-24. The USMCA SAA states that no changes in administrative regulations, practices, or procedures are required to implement the safeguard related provisions of Chapter 10 of the USMCA. USMCA SAA at 26.

²⁶⁶ 19 U.S.C. § 4551(b)(1).

²⁶⁷ 19 U.S.C. § 4551(c).

which an injurious increase in imports occurred is appreciably lower than the growth rate of total imports from all sources over the same period.²⁶⁸

Petitioners contend that neither Mexico nor Canada accounted for a substantial share of total imports or contributed importantly to serious injury.²⁶⁹ The government of Canada agrees that imports from Canada did not account for a substantial share of total imports or contribute importantly to serious injury.²⁷⁰

1. Findings Regarding Imports from Canada

We find that imports of fine denier PSF from Canada do not account for a substantial share of total imports and do not contribute importantly to the serious injury caused by the imports. Imports of fine denier PSF from Canada were either zero or very small in each year over the POI,²⁷¹ and there is no known production of fine denier PSF in Canada.²⁷² Accordingly, we make a negative finding with respect to imports from Canada.

2. Findings Regarding Imports from Mexico

We also find that imports of fine denier PSF from Mexico do not account for a substantial share of total imports and do not contribute importantly to the serious injury caused by the imports.

The industry in Mexico was not ranked among the top five import suppliers of fine denier PSF during the three most recent years,²⁷³ and imports from Mexico accounted for a small share of total imports of fine denier PSF throughout the POI.²⁷⁴ Specifically, as a share of total imports, imports from Mexico were only 1.8 percent in 2019, 3.6 percent in 2020, 1.9

²⁶⁸ 19 U.S.C. § 4551(b)(2).

²⁶⁹ Petitioners Prehearing Injury Br. at 52-53.

²⁷⁰ Canada Prehearing Injury Br. at 2-8; Canada Posthearing Injury Br. at 2-4.

²⁷¹ CR/PR at Table II-1. Based on official Commerce statistics, there were no imports of fine denier PSF from Canada in 2019 and 2023, and imports from Canada were only 3,000 pounds in 2020, 108,000 pounds in 2021, and 6,000 pounds in 2022. *Id.* Imports from Canada were ranked the 18th largest of all import sources in 2020, 20th largest in 2021, and 19th largest of all import sources in 2022. For the aggregate 2021-2023 period, Canada was the 20th largest import source. *Derived from* CR/PR at Table II-1.

²⁷² CR/PR at V-12 n.1.

²⁷³ *Derived from* CR/PR at Table II-1. Imports of fine denier PSF from Mexico were ranked the 10th largest of all import sources in 2019, 8th largest in 2020, 10th largest in 2021 and 2022, and 6th largest in 2023. For the aggregate 2021-2023 period, Mexico was the 8th largest import source. *Id.*

²⁷⁴ CR/PR at Table II-1.

percent in 2021, 1.8 percent in 2022, and 4.3 percent in 2023.²⁷⁵ Consequently, we find that imports of fine denier PSF from Mexico, considered individually, do not account for a substantial share of total imports.

We also examined whether imports of fine denier PSF from Mexico considered individually contribute importantly to the serious injury caused by imports.^{276 277} Imports from Mexico increased irregularly from 2019 to 2023, increasing from 3.6 million pounds in 2019 to 4.6 million pounds in 2020, declining to 3.9 million pounds in 2021, and then increasing to 4.8 million pounds in 2022 and 12.1 million pounds in 2023.²⁷⁸ Imports from Mexico generally were relatively small as a share of apparent U.S. consumption, accounting for *** percent in 2019, 1.0 percent in 2020, 0.7 percent in 2021, 0.9 percent in 2022, and 3.1 percent in 2023.²⁷⁹ Their rate of increase was 27.4 percent from 2019-2020, negative 14.2 percent from 2020-2021, 22.6 percent from 2021-2022, and 151.0 percent from 2022-2023, for an overall increase of 236.5 percent.²⁸⁰ Although these rates exceed the corresponding rates for global imports between 2022-2023 and the overall rate of increase for global imports between 2019 and 2023,²⁸¹ Mexico's rate of increase is a function of the very low level of imports from Mexico in 2019.²⁸²

Under the second prong for imports from USMCA countries, the statutory standard is whether the imports from the USMCA country "contribute importantly to the serious injury ...

²⁷⁵ CR/PR at Table II-1.

²⁷⁶ The statute refers to "the serious injury, or threat thereof, caused by imports." 19 U.S.C. § 4551 (a)(2)). Having found under section 202 of the Trade Act (19 U.S.C. § 2252(b)) that fine denier PSF are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing fine denier PSF, we limit our findings for USMCA countries to whether imports of the article from each USMCA country contribute importantly to the serious injury caused by imports consistent with the Commission's approach in prior safeguard investigations under NAFTA. *See, e.g., LRWs*, USITC Pub. 4745 at 52-53; *CSPVs*, USITC Pub. 4739 (Nov. 2017) at 68 n.390; *Circular Welded Carbon Quality Line Pipe*, USITC Pub. 3261 (Dec. 1999) at I-32 to I-33.

²⁷⁷ We do not find exceptional circumstances that warrant considering whether imports from Canada and Mexico collectively contribute importantly to the serious injury caused by imports.

²⁷⁸ CR/PR at Tables II-1 & C-1.

²⁷⁹ CR/PR at Tables V-1 & C-1.

²⁸⁰ CR/PR at Table C-1.

²⁸¹ The rate of increase for global imports was negative 34.9 percent from 2019-2020, 66.5 percent from 2020-2021, 23.9 percent from 2021-2022, and 7.7 percent from 2022-2023, for an overall increase of 44.6 percent from 2019 to 2023. CR/PR at Table C-1.

²⁸² Global imports, in contrast, declined from 195.2 million pounds in 2019 to 127.1 million pounds in 2020, but then increased to 211.5 million pounds in 2021, 262.1 million pounds in 2022, and 282.3 million pounds in 2023, for an overall increase of 44.6 percent from 2019-2023. CR/PR at Tables II-1 & C-1.

caused by imports,” which is a lower standard than whether global imports are a substantial cause of serious injury.²⁸³ Despite the larger growth rate for imports from Mexico relative to global imports, we find that given the small shares of total imports and apparent U.S. consumption accounted for by imports from Mexico, particularly relative both to total imports from all sources and apparent U.S. consumption over the POI, imports from Mexico considered individually do not contribute importantly to the serious injury caused by imports of fine denier PSF from all sources.²⁸⁴

B. Findings Regarding to Imports from Australia, CAFTA-DR countries, Colombia, Jordan, South Korea, Panama, Peru, and Singapore

Several of the United States’ FTAs contain similar language providing the President with discretion to exclude imports from FTA partners from any global safeguard measure. Despite the permissive nature of the exclusions in the FTAs, the corresponding U.S. implementing statutes mandate that the Commission make a finding whether imports of the article from the FTA partner are a substantial cause of serious injury or threat thereof and report its finding to the President at the same time that it submits its report.²⁸⁵ For imports from each of these

²⁸³ The statute defines substantial cause as “a cause which is important *and* not less than any other cause.” 19 U.S.C. § 2252(b)(1)(B) (emphasis added).

²⁸⁴ The pricing data further indicates that imports from Mexico do not contribute importantly to the serious injury caused by imports of fine denier PSF from all sources. Imports from Mexico were purchased at lower costs than prices for domestically produced fine denier PSF in *** of *** available quarterly comparisons, or *** percent of the time, and higher than domestically produced fine denier PSF in *** of *** available quarterly comparisons, or *** percent of the time. CR/PR at Appendix H, Table H-5. There were *** pounds of fine denier PSF imported from Mexico in quarterly comparisons in which they were purchased at lower costs than prices for domestically produced fine denier PSF, less than the *** pound of fine denier PSF from Mexico in quarterly comparisons in which they were purchased at higher costs than prices for domestically produced fine denier PSF. *Id.* By contrast, however, aggregate imports from all sources were priced lower than domestically produced fine denier PSF in all 73 (or 100 percent of) quarterly comparisons and there were 773.4 million pounds of imports from all sources in quarters in which their purchase costs were lower than the prices for the domestic like product. *Id.* In other words, imports from Mexico accounted for only *** percent of the total volume of imports from all sources in quarters in which their purchase costs were lower than prices for the domestic like product. *Derived from* CR/PR at Tables VI-16-19 & Appendix H.

²⁸⁵ See, e.g., CAFTA-DR Article 8.6(2) (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and the Dominican Republic); the U.S.-Australia Free Trade Agreement Article 9.5; KORUS Article 10.5(1); the U.S.-Colombia Trade Promotion Agreement Article 8.6(2); U.S.-Jordan Agreement on the Establishment of a Free Trade Area Article 10.8; U.S.-Panama Trade Promotion Agreement Article 8.2(2); the U.S.-Peru Free Trade Agreement Article 8.6(2); and the U.S.-Singapore Free Trade Agreement Article 7.5. See 19 U.S.C. § 2112 note (Jordan); 19 U.S.C. § 3371 (NAFTA); 19 U.S.C. § 3805 note (Australia, Colombia, KORUS, Panama, Peru, Singapore); 19 U.S.C. § 4101 (CAFTA-DR).

countries, we thus consider whether fine denier PSF are being imported in increased quantities (either actual or relative to production); whether the domestic industry producing an article that is like or directly competitive with the imported article is seriously injured or threatened with serious injury; and whether the article is being imported in such increased quantities as to be a substantial cause of serious injury or threat of serious injury to the domestic industry.²⁸⁶

Petitioners argue that imports from South Korea are a substantial cause of injury to the domestic industry.²⁸⁷ The government of South Korea and TAK argue that imports of fine denier PSF from South Korea considered on their own are too small to be a substantial cause of serious injury.²⁸⁸ Emphasizing that Petitioners concede that imports from Mexico do not contribute importantly to the serious injury caused by imports, they argue that similar or even smaller volumes of imports from South Korea cannot constitute a substantial cause of serious injury.²⁸⁹ They also argue that imports of fine denier PSF from South Korea are not a substantial cause of serious injury because they were higher-priced than imports of fine denier PSF from other countries during the POI.²⁹⁰

1. Findings Regarding Imports from South Korea

We find that imports of fine denier PSF from South Korea are not a substantial cause of serious injury or threat thereof.²⁹¹

²⁸⁶ See 19 U.S.C. § 2252(b)(1)(A).

²⁸⁷ Petitioners Prehearing Injury Br. at 53-55; Petitioners Posthearing Injury Br. at 13-14.

²⁸⁸ South Korea Prehearing Injury Br. at 7-9; TAK Posthearing Injury Br. at 2-7.

²⁸⁹ South Korea Prehearing Injury Br. at 9; TAK Posthearing Injury Br. at 4-6.

²⁹⁰ South Korea Prehearing Injury Br. at 8-9; TAK Posthearing Injury Br. at 6-7.

²⁹¹ The required analysis of imports from South Korea differs in important respects from the analysis with respect to imports from USMCA countries. For instance, the injury standards differ, with a two-pronged test for imports from USMCA countries (imports “account for a substantial share of total imports” and “*contribute importantly to the serious injury, or threat thereof, caused by imports*”) and a single test for imports from South Korea (whether imports are “a *substantial cause of serious injury or threat*”).

Moreover, the context for our analysis differs. Our analysis of imports from USMCA countries is intertwined with our analysis of global imports. If we determine under section 201 of the Trade Act (19 U.S.C. § 2252(b)) that an article is being imported in such increased quantities as to be a substantial cause of *serious* injury to the domestic industry producing an article like or directly competitive with the imported article, then the statute limits our analysis of imports from USMCA countries to the basis for that determination (*i.e.*, *serious* injury), as we have found in prior safeguard proceedings. See, *e.g.*, *LRWs*, USITC Pub. 4745 at 55-59; *Circular Welded Carbon Quality Line Pipe*, Inv. No. TA-201-70, USITC Pub. 3261 at I-32 to I-33 (Dec. 1999). The operative language is the requirement that imports from the USMCA country “contribute importantly to *the* serious injury, or threat thereof, *caused by imports*.” 19 (Continued...)

Imports from South Korea increased irregularly from 2019 to 2023, declining from 8.5 million pounds in 2019 to 5.8 million pounds in 2020, increasing to 6.0 million pounds in 2021, remaining steady at 6.0 million pounds in 2022, and increasing to 9.5 million pounds in 2023.²⁹² Their annual growth rate was negative 32.6 percent from 2019-2020, 3.8 percent from 2020-2021, 0.4 percent from 2021-2022, and 59.1 percent from 2022-2023, for an overall increase of 11.7 percent.²⁹³ As a ratio to domestic production, imports from South Korea irregularly increased over the POI, declining from *** percent in 2019 to 1.8 percent in 2020 and 1.6 percent in 2021, before increasing to 2.0 percent in 2022 and 8.0 percent in 2023.²⁹⁴

Even assuming that imports from South Korea “increased in such quantities,” given the significant overall impairment in the domestic industry’s position discussed in more detail in section IV.D above, we considered whether imports from South Korea are a substantial cause of serious injury or threat. Imports from South Korea increased overall from 8.5 million pounds in 2019 to 9.5 million pounds in 2023.²⁹⁵ Their overall growth rate was substantially lower than the overall growth rate for imports from sources other than South Korea during 2019-2023.²⁹⁶ Moreover, imports from South Korea accounted for a small and declining share of total imports

U.S.C. § 3371(a)(2) (emphasis added). Thus, the Commission analyzes imports from the USMCA country against the backdrop of its determination of serious injury caused by imports. No such language exists for purposes of analyzing imports from South Korea, so if, as here, the Commission based its determination with respect to global imports on *serious* injury, the statute *does not limit* the analysis of imports from South Korea to the *serious* injury context (as distinguished from the *threat of serious injury* context). 19 U.S.C. § 3805 note at section 341.

The Commission’s point of reference also changes. To analyze imports from the USMCA country, the Commission focuses on whether they “contribute importantly to *the* serious injury, or threat thereof, *caused by imports*.” 19 U.S.C. § 3371(a)(2) (emphasis added). That is, the statute contemplates that the Commission will analyze the imports from the USMCA country against the imports that the Commission determined caused the serious injury (or threat thereof) – global imports. For imports from South Korea, however, the statute does not direct the Commission to examine imports from South Korea with global imports that caused the serious injury (or threat thereof) as a reference point. The statute simply directs the Commission to find whether imports of the South Korean article “are a substantial cause of serious injury or threat thereof.” 19 U.S.C. § 3805 note at section 341(a).

²⁹² CR/PR at Tables II-1 & C-1.

²⁹³ CR/PR at Table C-1.

²⁹⁴ CR/PR at Table II-1.

²⁹⁵ CR/PR at Table II-1.

²⁹⁶ While imports from South Korea increased by 11.7 percent from 2019 to 2023, imports from sources other than South Korea increased by 46.1 percent, from 186.7 million pounds in 2019 to 272.7 million pounds in 2023. While imports from South Korea increased relative to U.S. production by *** percentage points, from *** percent in 2019 to 8.0 percent in 2023, imports from other sources increased relative to U.S. production by *** percentage points, from *** percent in 2019 to 228.7 percent in 2023. CR/PR at Tables II-1, C-1.

of fine denier PSF over the POI.²⁹⁷ As a share of total imports, imports from South Korea declined irregularly over the POI, increasing from 4.4 percent in 2019 to 4.5 percent in 2020, declining to 2.8 percent in 2021 and 2.3 percent in 2022, before increasing to 3.4 percent in 2023, for an overall decline of *** percentage point during 2019-2023.²⁹⁸ South Korea's share of apparent U.S. consumption increased overall by only *** percentage points during the POI, accounting for *** percent in 2019, 1.3 percent in 2020, 1.0 percent in 2021, 1.1 percent in 2022, and 2.4 percent in 2023, whereas imports of fine denier PSF from sources other than South Korea increased their share of apparent U.S. consumption by *** percentage points over the POI from *** percent in 2019 to 68.8 percent in 2023.²⁹⁹ Imports from other sources were thus much larger and increased by more on an absolute basis and relative to U.S. production and consumption than did imports from South Korea.

While imports from South Korea were purchased at lower costs than prices for the domestic like product, it was to a lesser extent than was the case for imports from other sources. Imports of fine denier PSF from South Korea were purchased at lower costs than prices for domestically produced fine denier PSF in *** of *** quarterly comparisons, or *** percent of the time, and higher than domestically produced fine denier PSF in *** of *** quarterly comparisons, or *** percent of the time.³⁰⁰ There were *** pounds of fine denier PSF imported from South Korea in quarterly comparisons in which they were purchased at lower costs than prices for domestically produced fine denier PSF, which exceeds the *** pound of fine denier PSF from South Korea in quarterly comparisons in which they were purchased at higher costs than prices for domestically produced fine denier PSF.³⁰¹ By contrast, imports from all sources other than South Korea were purchased at lower costs than prices for domestically produced fine denier PSF in all 73 (or 100 percent of) quarterly comparisons and there were *** million pounds of imports from other sources in quarters in which their purchase costs were lower than the prices for the domestic like product. Thus, the volume of imports from South Korea which were purchased at lower costs than prices for the domestic product were equivalent to just *** percent of the volume of imports from other sources which were purchased at lower costs than domestic prices.

In light of the above, we find that imports of fine denier PSF from South Korea were a less important cause of serious injury than imports of fine denier PSF from other sources. As a

²⁹⁷ CR/PR at Table II-1.

²⁹⁸ CR/PR at Table II-1.

²⁹⁹ CR/PR at Tables V-1 & C-1.

³⁰⁰ *Derived from* CR/PR at Tables VI-16-19 & Appendix H.

³⁰¹ *Derived from* CR/PR at Tables VI-16-19 & Appendix H.

share of total imports, imports from South Korea were small throughout the POI and declined overall from 2019 to 2023.³⁰² Their share of apparent U.S. consumption fluctuated within a narrow band and never exceeded 2.4 percent throughout the POI.³⁰³ On a volume basis, imports from South Korea which were purchased at lower costs than domestic prices were equivalent to only *** percent of the total volume of aggregate imports from other sources with purchase costs lower than prices for the domestic like product over the POI.³⁰⁴ Further, imports from South Korea gained only *** percentage points of market share from the domestic industry from 2019 to 2023, while imports from sources other than South Korea gained *** percentage points of market share over the same period.³⁰⁵ Based on this evidence, we find that imports from South Korea considered alone are not a substantial cause of serious injury to the domestic industry.

We further find that imports from South Korea, considered alone, are not a substantial cause of threat of serious injury to the domestic industry. As discussed above, the only producer/exporter of fine denier PSF in South Korea that submitted a questionnaire response in this safeguard investigation, TAK, has been excluded from the antidumping order since July 2018.³⁰⁶ TAK's practical fine denier PSF capacity and production, which were constant throughout the POI,³⁰⁷ represent only a very small amount of the total production and capacity for the foreign industries producing fine denier PSF other than South Korea.³⁰⁸ Further, TAK operated at *** percent practical capacity utilization every year of the POI,³⁰⁹ and its capacity

³⁰² CR/PR at Tables II-1 & C-1.

³⁰³ CR/PR at Table C-1.

³⁰⁴ Derived from CR/PR at Tables VI-16-19 & Appendix H.

³⁰⁵ *Derived from* CR/PR at Table C-1.

³⁰⁶ CR/PR at I-6 n.20.

³⁰⁷ The South Korean industry's production and capacity were *** pounds in 2019, 2020, 2021, 2022, and 2023. CR/PR at Table V-14.

³⁰⁸ Excluding South Korea, the total capacity for the responding foreign producers ranged from *** pounds to *** pounds during the POI. CR/PR at Table V-14. Excluding South Korea, the total production for the responding foreign producers ranged from *** pounds to *** pounds during the POI. *Id.* The responding foreign producers other than TAK reported a practical capacity utilization of *** percent in 2023, with *** pounds in unused practical capacity. *Id.* TAK estimated that it accounted for only *** percent of fine denier PSF production in South Korea in 2023. *Id.* at I-4. Even assuming that the South Korean industry's production and capacity were several times larger than the production and capacity reported by TAK alone, it would still represent only a very small amount of the total capacity and production for the foreign industries excluding South Korea. CR/PR at Table V-14.

³⁰⁹ CR/PR at Table V-14. TAK's production and capacity are projected to remain at *** pounds in 2024 and 2025, which are the same as their production and capacity levels throughout 2019-2023. *Id.*

utilization rate is projected to remain at *** percent in the imminent future.³¹⁰ Although there is information in the record indicating that the sole responding producer in South Korea has the ability to engage in product-shifting³¹¹ and is export-oriented,³¹² its exports to the United States were very small throughout the POI and are projected to decline in the imminent future.³¹³ Although there are other Korean producers of fine denier PSF, the record contains limited information on these producers. We observe, however, that like imports from India and other countries, imports from Korea could have entered under the TIB program, however, there were no TIB entries of fine denier PSF from South Korea over the POI. Thus, although the non-responding Korean producers were subject to AD/CVD duties that may have affected their decision to export to the United States during the POI, those producers could have availed themselves of the TIB program to import fine denier PSF without payment of those duties, but did not. These conditions existed throughout the POI and imports from South Korea never exceeded 2.4 percent of apparent U.S. consumption during 2019-2023.³¹⁴

2. Findings Regarding Imports from Australia, CAFTA-DR countries, Colombia, Jordan, Panama, Peru, and Singapore

We find that imports of fine denier PSF from Australia, CAFTA-DR countries, Colombia, Jordan, Panama, Peru, and Singapore, individually, are not a substantial cause of serious injury or threat thereof.³¹⁵

Official HTS import data show that there were zero imports of imports of fine denier PSF from the Dominican Republic in 2019, 2020, 2022, and 2023, and less than 1,000 pounds in

³¹⁰ CR/PR at Table V-14.

³¹¹ See TAK's Foreign Producer Questionnaire at II-3a & II-4.

³¹² TAK's total exports declined from *** pounds in 2019 and 2020 to *** pounds in 2021, and increased to *** pounds in 2022 and *** pounds in 2023. CR/PR at Table V-15. Its total exports are projected to be *** pounds in 2024 and 2025. *Id.* As a share of total shipments, its exports were *** percent in 2019, *** percent in 2020, *** percent in 2021, *** percent in 2022, and *** percent in 2023; they are projected to be *** percent in 2024 and 2025. *Id.*

³¹³ TAK's exports to the United States declined from *** pounds in 2019 to *** pounds in 2020, *** pounds in 2021, increased to *** pounds in 2022, and *** pounds in 2023. CR/PR at Table V-15. They are projected to be *** pounds in 2024 and 2025. *Id.* As a share of total exports, its exports to the United States were *** percent in 2019, *** percent in 2020, *** percent in 2021, *** percent in 2022, and *** percent in 2023; they are projected to be *** percent in 2024 and 2025. *Id.*

³¹⁴ CR/PR at Tables V-1 & C-1.

³¹⁵ Petitioners argue that imports from each of these sources are not a substantial cause of serious injury or threat of serious injury to the domestic industry. Petitioners Posthearing Injury Br. at 59.

2021.³¹⁶ These data also show that there were zero imports of fine denier PSF from Singapore in 2019, 1,000 pounds in 2020, and zero imports during 2021-2023.³¹⁷ There were no imports of fine denier PSF from Australia, Colombia, Jordan, Panama, Peru, or other CAFTA-DR countries other than Honduras during the 2019-2023 period. There is no known production of fine denier PSF in any of these countries, with the exception of one known producer of fine denier PSF in Honduras.³¹⁸ Based on this information, we find that imports of fine denier from Australia, CAFTA-DR countries other than Honduras, Colombia, Jordan, Panama, Peru, and Singapore, individually, are not a substantial cause of serious injury or threat thereof to the domestic industry.

We also find that imports of fine denier PSF from Honduras are not a substantial cause of serious injury or threat thereof to the domestic industry. Imports of fine denier PSF from Honduras did not increase from the beginning to the end of the POI, and declined steadily during the last three years of the POI. These imports fluctuated but declined overall by 35.0 percent from 2019 to 2023, increasing from 8.5 million pounds in 2019 to 8.7 million pounds in 2020, and declining to 6.2 million pounds in 2021, 5.6 million pounds in 2022, and 5.5 million pounds in 2023.³¹⁹ As a share of total imports, imports from Honduras declined irregularly from 4.4 percent in 2019 to 2.0 percent in 2023, for an overall decline of 2.4 percentage points.³²⁰ As a ratio to domestic production, imports from Honduras were low throughout the POI, and increased overall by only *** percentage points from 2019 to 2023: their ratio was *** percent in 2019, 2.7 percent in 2020, 1.7 percent in 2021, 1.9 percent in 2022, and 4.6 percent in 2023.³²¹ As a share of apparent U.S. consumption, imports from Honduras declined from *** percent in 2019 to 1.4 percent in 2023, for an overall decline of *** percentage point.³²²

We find that imports of fine denier PSF from Honduras were a less important cause of serious injury than imports of fine denier PSF from other sources. Excluding imports from

³¹⁶ CR/PR at Table II-1.

³¹⁷ CR/PR at Table II-1.

³¹⁸ CR/PR at V-12 n.1 & Tables V-6, V-14, and V-15.

³¹⁹ CR/PR at Tables II-1 & C-1.

³²⁰ CR/PR at Tables II-1 & C-1. As a share of total imports, imports from Honduras increased from 4.4 percent in 2019 to 6.9 percent in 2020, and declined to 2.9 percent in 2021, 2.1 percent in 2022, and 2.0 percent in 2023. CR/PR at Table II-1.

³²¹ CR/PR at Table II-1.

³²² CR/PR at Table C-1. As a share of apparent U.S. consumption, imports from Honduras increased from *** percent in 2019 to 2.0 percent in 2020, declined to 1.1 percent in 2021 and 1.0 percent in 2022, and increased to 1.4 percent in 2023. *Id.*

Honduras, imports of fine denier PSF increased overall by 48.2 percent from 186.7 million pounds in 2019 to 276.7 million pounds in 2023, and more than quintupled as a share of domestic production from *** percent in 2019 to *** percent in 2023.³²³ During the same period, imports from sources other than Honduras increased their penetration of the U.S. market by *** percentage points, from *** percent in 2019 to *** percent in 2023.³²⁴

Although imports from Honduras were purchased at lower costs than prices for the domestic like product, this was to a lesser extent than was the case for imports from other sources.³²⁵ The volume of imports from other sources with import purchase costs lower than domestic like product prices was *** pounds, which is almost *** times larger than the *** pounds of fine denier PSF imported from Honduras with purchase costs lower than the prices for the domestic like product during the POI.³²⁶

In sum, imports of fine denier PSF from Honduras had a small and declining presence in the U.S. market over the POI. As a share of total imports, imports from Honduras were small throughout the POI and declined from 2019 to 2023.³²⁷ Their share of apparent U.S. consumption fluctuated within a narrow band and never exceeded 2.0 percent throughout the POI.³²⁸ On a volume basis, imports from Honduras were equivalent to only *** percent of the total volume of imports from other sources in quarterly comparisons with purchase costs lower than prices for the domestic like product over the POI.³²⁹ Further, imports from Honduras lost market share overall during 2019-2023, while imports from sources other than Honduras gained *** percentage points of market share over the same period.³³⁰ Based on this evidence, we find that imports from Honduras considered alone are not a substantial cause of serious injury or threat of serious injury to the domestic industry.³³¹

³²³ *Derived from CR/PR at Tables II-1 & C-1.*

³²⁴ *Derived from CR/PR at Table C-1.*

³²⁵ Imports of fine denier PSF from Honduras were purchased at lower costs than prices for domestically produced fine denier PSF in *** of *** quarterly comparisons (or *** percent of the time) involving *** pounds of imports from Honduras, and at higher costs in *** of *** quarterly comparisons (or *** percent of the time) involving *** pounds. *Derived from CR/PR at Tables VI-16-19 & Appendix H.*

³²⁶ *Derived from CR/PR at Tables VI-16-19 & Appendix H.*

³²⁷ *CR/PR at Tables II-1 & C-1.*

³²⁸ *CR/PR at Table C-1.*

³²⁹ *Derived from CR/PR at Tables VI-16-19 & Appendix H.*

³³⁰ *Derived from CR/PR at Table C-1.*

³³¹ In this safeguard investigation, the Commission did not receive questionnaire responses from any foreign producers/exporters of fine denier PSF from Honduras. CR/PR at I-4. Accordingly, there is no foreign industry data for Honduras. CR/PR at Table V-14. Nothing in the record, however, indicates that there was a rapid increase in Honduras imports' presence in the U.S. market during the latter (Continued...)

3. Findings Regarding Other Imports

In certain circumstances, the statute provides the President with discretion to suspend the reduction or elimination of duties on certain imports of articles subject to an affirmative safeguard action. The President, however, can only suspend the reduction or elimination of the duties if the Commission finds that the serious injury (or threat thereof) substantially caused by imports results from the reduction or elimination of any duty provided under that provision. Thus, these types of exclusion provisions involve two components: (1) serious injury or threat thereof by the imports and (2) a linkage between the serious injury or threat thereof and the reduction or elimination of any duty provided to those imports.

For imports from Israel, the implementing statute for the U.S.-Israel FTA permits the President to suspend the reduction or elimination of any duty provided under any trade agreement provision entered into with Israel under section 102(b)(1) of the Trade Act with respect to any article and permits the President to proclaim a duty rate for such article if such safeguard action is proclaimed,³³² but it precludes the President from suspending the reduction or elimination of any duty provided for under any trade agreement with Israel –

unless the Commission in addition to making an affirmative determination with respect to such article ... determines in the course of its investigation ... that the serious injury (or threat thereof) substantially caused by imports to the domestic industry producing a like or directly competitive article results from the reduction or elimination of any duty provided under any trade agreement provision entered into with Israel under section 102(b)(1) of the Trade Act of 1974³³³

portion of the POI, or during any portion of the POI in light of the consistently very small volumes of imports from Honduras, especially measured both by quantity and share of apparent consumption. CR/PR at Tables II-1 & C-1. Nor does the record indicate any likely changes in conditions of competition such that imports from Honduras will not likely maintain the same small presence in the U.S. market and account for a very small portion of the total volume of imports with purchase costs lower than prices for the domestic like product as they did throughout the POI.

³³² The U.S.-Israel FTA provides the President with discretion to exclude imports from Israel from any global safeguard measure. Under the U.S.-Israel FTA, “When, in the view of the importing Party, the importation of a product from the other Party is not a substantial cause of the serious injury or threat thereof referred to in paragraph 1, the importing party may except the product of the other Party from any import relief that may be imposed with respect to imports of that product from third countries, taking into account the objective of achieving bilateral free trade as embodied in the Agreement, the domestic laws and international obligations of the Parties.” Agreement on the Establishment of a Free Trade Area between the Government of Israel and the Government of the United States of America, Article 5(3).

³³³ 19 U.S.C. § 2112 note U.S.-Israel FTA Implementing Act § 403(d).

In order to provide information necessary for the President to make this determination, the statute requires the Commission, in the event of an affirmative determination of serious injury or threat thereof (or an equally divided Commission), to state in its report to the President “whether and to what extent its findings and recommendations apply to such an article when imported from Israel.”³³⁴

Legislation authorizing certain U.S. preferential trade programs for developing countries also requires the Commission to address the extent to which its findings and recommendations apply to beneficiary countries under those programs. The CBERA provisions of the Caribbean Basin Initiative trade program³³⁵ provide that “in any report by {the Commission} to the President under section 202(f) of the {the Trade Act} regarding any article for which duty-free treatment has been proclaimed by the President pursuant to this chapter, the Commission shall state whether and to what extent its findings and recommendations apply to such article when imported from beneficiary countries.”³³⁶ In order to assist the President’s decision whether to suspend duty-free treatment for CBERA imports, in cases where the Commission makes an affirmative determination in a global safeguard investigation under section 202(b) of the Trade Act, the Commission determines whether “the serious injury (or threat thereof) substantially caused by imports to the domestic industry producing a like or directly competitive article results from the duty-free treatment provided by this chapter.”³³⁷

³³⁴ 19 U.S.C. § 2112 note U.S.-Israel FTA Implementing Act § 403(b).

³³⁵ The list of CBERA beneficiary countries has declined over time as some individual countries have entered into bilateral free trade agreements with the United States and are no longer eligible for CBERA benefits. Current beneficiaries include Antigua and Barbuda, Aruba, The Bahamas, Barbados, Belize, Curaçao, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago, and the British Virgin Islands. 19 U.S.C. § 2702; <https://ustr.gov/issue-areas/trade-development/preference-programs/caribbean-basin-initiative-cbi>.

³³⁶ 19 U.S.C. § 2703(e)(2). A similar provision required the Commission to report whether the serious injury (or threat thereof) substantially caused by imports to the domestic industry producing a like or directly competitive article resulted from the duty-free treatment provided by the Andean Trade Preference Act. 19 U.S.C. § 3203(c)(4). In the absence of any preferences due to the expiration of the President’s authority to provide such duty-free treatment to eligible goods under the Andean Trade Preference Act (“ATPA”) program, the Commission is not making any such determination in this investigation.

³³⁷ 19 U.S.C. § 2703(e)(4). The statute also requires the Commission to find whether, as a result of the designation of certain articles as eligible for duty-free treatment under the GSP program, the domestic industry is injured or threatened with serious injury as a result of increases in such imports. Section 203(e)(6)(B) of the Trade Act; 19 U.S.C. § 2253(e)(6)(B) (“No proclamation providing for a suspension {of duty-free treatment under the GSP program} may be made by the President, nor may any such suspension be recommended by the Commission under section 2252(e) of this title, unless the (Continued...)”).

In this investigation, the evidence indicates that there has been a reduction or elimination of duties on eligible imports. Fine denier PSF imports that are classifiable under subheading 5503.20.00 of the HTSUS have a general tariff duty rate of 4.3 percent ad valorem, but are duty free under the U.S.-Israel FTA and the CBERA.³³⁸ Nevertheless, official HTS import statistics show no imports from any CBERA beneficiary during the POI, only 3,000 pounds of imports from Israel in 2023, and no corresponding foreign producers submitted any data on production operations in these locations.³³⁹ Consequently, we determine that the serious injury substantially caused by imports to the domestic industry producing a like or directly competitive article does not result from the reduction or elimination of any duty provided for under the U.S.-Israel Free Trade Agreement or from duty-free treatment provided for under the CBERA provisions of the Caribbean Basin Initiative Trade Program.³⁴⁰

VI. Conclusion

For the foregoing reasons, we determine that fine denier PSF is being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing an article like or directly competitive with the imported article. We find that imports of fine denier PSF from neither Canada nor Mexico account for a substantial share of total imports or contribute importantly to the serious injury caused by imports. We also find that imports of fine denier PSF from Australia, CAFTA-DR countries, Colombia, Jordan, South Korea, Panama, Peru, and Singapore, individually, are not a substantial cause of serious injury or threat thereof, under the relevant FTA implementing legislation.³⁴¹

Commission, in addition to making an affirmative determination under section 2252(b)(1) of this title, determines in the course of its investigation under section 2252(b) of this title that the serious injury, or threat thereof, substantially caused by imports to the domestic industry producing a like or directly competitive article results from, as the case may be – (i) the application of subheading 9802.00.60 or subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or (ii) the designation of the article as an eligible article for the purposes of subchapter V of this chapter.”).

³³⁸ CR/PR at I-14.

³³⁹ CR/PR at Tables II-1, V-6, and V-14.

³⁴⁰ For the same reasons, the serious injury substantially caused by imports to the domestic industry producing a like or directly competitive article does not result from any reduction or elimination of any duty under the GSP program.

³⁴¹ We also determine that the serious injury substantially caused by imports to the domestic industry producing a like or directly competitive article does not result from the reduction or elimination of any duty provided for under the U.S.-Israel Free Trade Agreement, from duty-free treatment provided for under the CBERA provisions of the Caribbean Basin Initiative Trade Program, or from any reduction or elimination of any duty under the GSP program.

VIEWS OF THE COMMISSION ON REMEDY

I. Findings and Recommendations

For the reasons set forth below, we recommend the following actions, which we find will address the serious injury to the domestic industry producing fine denier polyester staple finer (“fine denier PSF”) and be most effective in facilitating the efforts of the domestic industry to make a positive adjustment to import competition:

1. That the President impose a quantitative restriction (“QR”) for a duration of four year on imports of fine denier PSF entered free under bond as articles to be processed for export, currently reported under Harmonized Tariff Schedule of the United States (“HTS”) statistical reporting number 9813.00.0520 (“TIB imports” or “temporary importations under bond”).¹ The QR on imports of fine denier PSF entering under HTS statistical reporting number 9813.00.0520 would be zero pounds in the first year of relief, 1 million pounds in the second year of relief, 2 million pounds in the third year of relief, and 3 million pounds in the fourth year of relief;
2. That the President impose a tariff-rate quota (“TRQ”) for a duration of four years on imports of fine denier PSF:
 - Commissioners Johanson and Schmidlein recommend that U.S. imports of fine denier PSF that exceed 145 million pounds in the first year of relief would be subject to an additional tariff of 40 percent *ad valorem*. While the in-quota volume remains constant for each of the four years, the above-quota additional tariff would decrease to 38 percent *ad valorem* in the second year of relief, 36 percent *ad valorem* in the third year of relief, and 34 percent *ad valorem* in the fourth year of relief;
 - Chair Karpel recommends that U.S. imports of fine denier PSF that exceed 114.8 million pounds in the first year of relief would be subject to an additional tariff of 45 percent *ad valorem*. While the in-quota volume remains constant for each of the four years, the above-quota additional tariff would decrease to 44 percent *ad valorem* in the second year of relief,

¹ We refer to TIB imports of fine denier PSF under HTS 9813.00.0520 as goods properly reported under that statistical reporting number that are intended to be exported from the customs territory after processing.

43 percent *ad valorem* in the third year of relief, and 42 percent *ad valorem* in the fourth year of relief;

- Commissioner Kearns recommends that the quantity of U.S. imports of fine denier PSF up to the recommended quota level of 110 million pounds in the first year of relief be subject to an additional tariff of 50 percent *ad valorem*. While the in-quota volume remains constant for each of the four years, the above-quota additional tariff would decrease to 47 percent *ad valorem* in the second year of relief, 44 percent *ad valorem* in the third year of relief, and 41 percent *ad valorem* in the fourth year of relief;

3. That the President impose an additional in-quota tariff on imports of fine denier PSF:

- Commissioners Johanson and Schmidlein recommend that U.S. imports of fine denier PSF up to their recommended quota of 145 million pounds be subject to an additional in-quota tariff of 15 percent *ad valorem*, which would decrease to 14 percent *ad valorem* in the second year of relief, 13 percent *ad valorem* in the third year of relief, and 12 percent *ad valorem* in the fourth year of relief;
- Chair Karpel recommends that the quantity of U.S. imports of fine denier PSF up to the recommended quota level of 114.8 million pounds be subject to an additional in quota tariff of 15 percent *ad valorem*, which would decrease to 14 percent *ad valorem* in the second year of relief, 13 percent *ad valorem* in the third year of relief, and 12 percent *ad valorem* in the fourth year of relief;
- Commissioner Kearns recommends that U.S. imports of fine denier PSF up to the recommended quota level of 110 million pounds be subject to an additional in quota tariff of 22 percent *ad valorem*, which would decrease to 20 percent *ad valorem* in the second and third year of relief, and 18 percent *ad valorem* in the fourth year of relief;

4. Having made negative findings with respect to imports of fine denier PSF from Canada and Mexico under section 301(a) of the United States-Mexico-Canada Implementation Act,² that such imports from Canada and Mexico be excluded from the QR, TRQ, and increased rates of duty described above;³
5. Having made negative findings with respect to imports of fine denier PSF from the countries with which the United States has free trade agreements (Australia, Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Nicaragua, Panama, Peru, Singapore, and South Korea) and imports of fine denier PSF from the beneficiary countries under the Caribbean Basin Economic Recovery Act (“CBERA”) or the Generalized System of Preferences (“GSP”) program, that imports from those countries be excluded from the TRQ and increased rates of duty described above;
6. That the QR imposed on imports of fine denier PSF entered under TIB apply to imports from all countries for which we recommend application of the TRQ;⁴
7. That the President authorize the establishment of an exclusion process to allow for importation of covered imports without application of the recommended remedies in the case of a demonstrated lack of production in the United States for a particularized fine denier polyester staple fiber product or in the case of a critical short supply of a particularized fine denier polyester staple fiber product from domestic sources.⁵

² 19 U.S.C. §§ 4551(a).

³ Commissioner Kearns recommends that imports from all countries, including Canada, Mexico, and South Korea be included in the QR.

⁴ For the reasons discussed in Section V.C., Chair Karpel and Commissioner Schmidlein recommend that the QR also be applied to imports from South Korea. As stated above, Commissioner Kearns recommends that the QR be applied to all countries, including Canada, Mexico, and South Korea.

⁵ Each Commissioner also recommends that the President take additional actions authorized under Section 203 of the Trade Act, 19 U.S.C. § 2253, as detailed below.

The following table summarizes the Commissioners' remedy recommendations:

Summary of Commissioners' Recommended Actions on Fine Denier PSF				
	Year 1	Year 2	Year 3	Year 4
QR: Fine denier PSF entries under HTS statistical reporting number 9813.00.0520				
QR Level (pounds)				
All Commissioners	zero	1 million	2 million	3 million
Tariff Rate Quota				
In-Quota Volume Level (thousands of pounds)				
Johanson and Schmidtlein	145,000	145,000	145,000	145,000
Karpel	114,820	114,820	114,820	114,820
Kearns	110,000	110,000	110,000	110,000
In-Quota Tariff Rate (<i>ad valorem</i>)				
Karpel, Johanson, and Schmidtlein	15	14	13	12
Kearns	22	20	20	18
Out-of-Quota Tariff Rate (<i>ad valorem</i>)				
Johanson and Schmidtlein	40	38	36	34
Karpel	45	44	43	42
Kearns	50	47	44	41

II. Introduction

Having found that increased imports of fine denier PSF⁶ are a substantial cause of serious injury to the domestic industry, we must now recommend to the President action that will address the serious injury and be most effective in facilitating the efforts of the domestic industry to make a positive adjustment to import competition. In deciding what relief to recommend, we have taken into account the considerations set forth in section 202(e)(5)(B) of the Trade Act of 1974 (the "Trade Act"),⁷ including the form and amount of action that will, in our view, remedy the serious injury we have found to exist; commitments submitted by firms in the domestic industry during the course of the investigation; information available to the Commission concerning the conditions of competition in domestic and world markets; and likely developments affecting such conditions during the period for which action is being requested.

⁶ See the scope definition, CR/PR at I-9.

⁷ 19 U.S.C. § 2252(e)(5)(B).

III. Conditions of Competition

We have taken into account the conditions of competition in domestic and world markets and likely developments affecting such conditions during the next four years. We found the following conditions of competition particularly relevant to our consideration of the appropriate actions to recommend in this investigation.

A. Demand Conditions

Demand for fine denier PSF is driven by demand for downstream products, including apparel, wipes, filters, pillows and cushions, fiberfill, bedding and furniture, medical gowns and drapes, sterilization wraps, nonwoven fabrics, mop yarn, and insulation.⁸ Most U.S. producers and importers reported that demand for fine denier PSF in the U.S. market fluctuated down or steadily decreased since January 1, 2019.⁹ While a plurality of purchasers reported that U.S. demand for fine denier PSF fluctuated up or steadily increased, a large minority of purchasers reported either no change in demand or that demand fluctuated down since January 1, 2019.¹⁰

Apparent U.S. consumption of fine denier PSF decreased irregularly during the POR, ending *** percent lower in 2023 than in 2019.¹¹ Apparent U.S. consumption declined from *** pounds in 2019 to 438.4 million pounds in 2020, increased to 571.3 million pounds in 2021, and then declined to 545.1 million pounds in 2022 and 396.4 million pounds in 2023.¹²

We note that the parties disagree about likely future U.S. demand for fine denier PSF. Petitioners argue that 2023 represents the “new normal” in terms of apparent U.S. consumption for fine denier PSF and that future U.S. demand for fine denier PSF is expected to be “flat” or show modest growth not exceeding more than two or three percent per year.¹³ In contrast, Gildan projects that apparent U.S. consumption of fine denier PSF will be *** pounds in all four years of the remedy, which is *** percent higher than its level in 2023.¹⁴ Based on the information available in the current record, including that apparent U.S. consumption for fine denier PSF declined overall by *** percent from 2019 to 2023,¹⁵ we find that Gildan’s

⁸ CR/PR at VI-6.

⁹ CR/PR at Table VI-3.

¹⁰ CR/PR at Table VI-3.

¹¹ CR/PR at Table C-1.

¹² CR/PR at Table C-1.

¹³ See, e.g., Petitioners Posthearing Remedy Br., Answers to Commissioners Questions at 27-28 & 31; Remedy Hearing Tr. at 144 (Sparkman).

¹⁴ EDIS Doc. 826643 (BRG Remedy Hearing Exhibit, Slide 13).

¹⁵ CR/PR at Table C-1.

projections are unsupported by the record.¹⁶ Rather, in our modeling, we have assumed an exogenous two percent annual increase in apparent U.S. consumption during the remedy period.

B. Supply Conditions

The domestic industry was the largest supplier to the U.S. market from 2019 to 2022, while in 2023 imports overtook the domestic industry as the largest source.¹⁷ The domestic industry's market share by quantity fluctuated, but declined overall by *** percentage points from 2019 to 2023: it was *** percent in 2019, 71.0 percent in 2020, 63.0 percent in 2021, 51.9 percent in 2022, and 28.8 percent in 2023.¹⁸

During the POI, Darling opened a new plant in Darlington, South Carolina, that started producing in December 2020, and it also invested approximately \$30 million to expand production capabilities in 2022.¹⁹ However, there were also plant closings, including that of Alpek Polyester, which closed its production facility near Charleston, South Carolina, in 2021, and of Darling, which suspended production operations and announced layoffs at its Darlington, South Carolina, facility in December 2022.²⁰ Further, *** all reported prolonged shutdowns and production curtailments during the POR.²¹

Near the beginning of the POI, the domestic industry consisted of six domestic producers: Alpek, Auriga, Darling, Nan Ya, Palmetto, and Sun Fiber.²² Following the plant closures and idlings by Alpek and Darling in 2021 and 2022, the domestic industry consisted of the remaining four producers, with Nan Ya accounting for the *** of domestic production in 2023.²³ As a result of the plant openings and closings, expansions, and prolonged shutdowns and production curtailments, the domestic industry's practical capacity declined irregularly by *** percent from 2019 to 2023, declining from *** pounds in 2019 to 301.7 million pounds in

¹⁶ We note that Gildan's demand projection is undercut by its witness from Berkeley Research Group, who testified as follows: "The domestic market for PSF has fundamentally changed over the past five years, although not necessarily in the way claimed by Petitioners. Domestic demand for PSF has materially declined since 2019. This is due in large part to end users of PSF moving their production facilities offshore, mostly to Latin America. As a consequence, even if an import-restraining remedy of some type were imposed, it is unlikely that domestic production of PSF would return to the levels enjoyed by the industry just a few years ago." Injury Hearing Tr. at 150 (Klenk).

¹⁷ CR/PR at Tables V-1 & C-1.

¹⁸ CR/PR at Tables V-1 & C-1.

¹⁹ CR/PR at Table III-2.

²⁰ CR/PR at Tables III-2 & III-3.

²¹ CR/PR at Tables III-2 & III-3.

²² CR/PR at Tables III-6 & C-1.

²³ CR/PR at Table I-6.

2023.²⁴ The domestic industry's reported practical capacity utilization decreased irregularly by *** percentage points from 2019 to 2023, declining from *** percent in 2019 to 39.5 percent in 2023.²⁵

Imports' market share by quantity fluctuated, but increased overall by *** percentage points from 2019 to 2023: their market share was *** percent in 2019, 29.0 percent in 2020, 37.0 percent in 2021, 48.1 percent in 2022, and 71.2 percent in 2023.²⁶

Commerce imposed countervailing duty orders on imports of fine denier PSF from China and India in March 2018 and antidumping duty orders on imports of fine denier PSF from China, India, South Korea, and Taiwan in July 2018, which remain in place following Commerce's continuation of the orders in April 2024.²⁷ We note, however, that the only producer/exporter of fine denier PSF in South Korea that submitted a questionnaire response in this safeguard investigation, TAK, has been excluded from the antidumping order since July 2018.²⁸

Responding foreign producers of fine denier PSF reported substantial and increasing capacity and excess capacity during the POI.²⁹ The aggregate capacity reported by responding foreign producers consistently exceeded their combined production levels during 2019-2023 and is projected to continue to do so in 2024 and 2025.³⁰ The responding foreign producers' unutilized capacity grew between 2021 and 2023 and their excess capacity in 2023 exceeded the size of the entire U.S. market in that same year.³¹

C. Temporary Importation Under Bond ("TIB") Program

During the POI, imports of fine denier PSF were reported under the TIB program by ***.³² As noted, the TIB program provides for the temporary importation of goods under bond, not imported for sale or sale on approval, without payment of duty with the intent to export or destroy the goods within a certain period of time not to exceed three years from the date of

²⁴ CR/PR at Table C-1.

²⁵ CR/PR at Table C-1.

²⁶ CR/PR at Tables V-1 & C-1.

²⁷ CR/PR at I-5-6. Effective September 24, 2018, fine denier PSF originating in China became subject to an additional 10 percent *ad valorem* duty under section 301 of the Trade Act of 1974, as amended ("section 301 tariffs"). CR/PR at I-14. Effective May 10, 2019, section 301 tariffs on fine denier PSF from China were increased to 25 percent *ad valorem*. *Id.* Imports from China were minimal over the POI in this safeguard proceeding. CR/PR at Table II-1.

²⁸ CR/PR at I-6 n.20.

²⁹ CR/PR at Table V-13.

³⁰ See CR/PR at Table V-13.

³¹ See CR/PR at Tables V-13, C-1.

³² CR/PR at I-5 n.16.

importation.³³ Importers using the TIB program must post a bond equal to twice the dutiable amount owed on the product, including antidumping and countervailing duties, to be paid as liquidated damages if the terms of the TIB regulations are violated.³⁴

Under the TIB program, ***.³⁵ U.S. importers may avoid the payment of cash deposits and antidumping or countervailing duties on their imports of products that would otherwise be subject to antidumping or countervailing duty orders by using the TIB program if they can document to U.S. Customs and Border Protection (“CBP” or “Customs”) that the U.S.-produced downstream product that uses the imported input subject to AD/CVD orders is exported or destroyed.^{36 37}

During the POI, the largest sources of imports of fine denier PSF entering under the TIB program were India followed by Taiwan and Indonesia, with smaller volumes of TIB imports from Thailand and Vietnam.³⁸ Notably, while the TIB program existed well before the beginning of the POI, there were no TIB entries of fine denier PSF prior to 2021 and imports of fine denier PSF entering under the TIB program substantially increased during 2021-2023.³⁹ As discussed in section III of our views on injury, the evidence in the record in this safeguard investigation indicates that imports of fine denier PSF entering under the TIB program compete directly with

³³ CR/PR at I-5 n.16; *see also* HTS, Chapter 98, Subchapter XIII (“Articles Admitted Temporarily Free of Duty Under Bond”), U.S. Notes; 19 C.F.R. § 10.31 through 10.40.

³⁴ *See* 19 C.F.R. § 10.31(f).

³⁵ CR/PR at I-5 n.16.

³⁶ CR/PR at I-5 n.16.

³⁷ We note that a significant portion of the antidumping and countervailing duties are being avoided through the TIB program. In 2023, 71.3 percent of imports from China, India, South Korea, and Taiwan (countries subject to existing antidumping and/or countervailing orders) entered under the TIB program. In 2023, nearly 80 percent (*i.e.*, 78.6 percent) of the overall imports of fine denier PSF from India and Taiwan did not pay antidumping and/or countervailing duties. *See* CR/PR at Tables C-1, G-1, and II-1 (India and Taiwan’s combined TIB imports were 74.2 million pounds in 2023 and their overall imports (both TIB entries and non-TIB entries) were 94.4 million pounds). These figures do not differentiate imports from producers in South Korea and Taiwan not subject to AD/CVD orders.

³⁸ CR/PR at Appendix G, Table G-1. No TIB imports from South Korea were reported during 2019–2023. *Id.* The only foreign producer in South Korea that responded to the Commission’s questionnaire was Toray, which is not subject to the antidumping duty order. CR/PR at I-6 n.20 and Table V-6. Although Toray estimated that it accounted for *** percent of production of fine denier PSF in South Korea, its exports to the United States accounted for *** percent of U.S. imports reported from South Korea in 2023. CR/PR at V-13 and Tables II-1, V-15.

³⁹ CR/PR at Appendix G, Table G-1. The volume of TIB entries of fine denier PSF increased from 32.6 million pounds in 2021 to 53.0 million pounds in 2022, and to 90.3 million pounds in 2023, for an overall increase of 57.7 million pounds, or 177.2 percent between 2021 and 2023. *Id.* The volume of total imports of fine denier PSF from all sources increased from 211.5 million pounds in 2021 to 262.0 million pounds in 2022, to 282.3 million pounds in 2023, for an overall increase of 70.8 million pounds, or 33.5 percent. CR/PR at Table C-1.

domestically produced fine denier PSF for sales to the same U.S. customer (***), which uses fine denier PSF to produce downstream products such as yarn.

D. Substitutability and Other Conditions

As discussed in section IV.C.3 of our views on injury, we have found that there is a high degree of substitutability between domestically produced fine denier PSF and imports of fine denier PSF for product types in which domestic producers and importers compete in substantial volumes.⁴⁰ We have also found that price is an important factor in purchasing decisions for fine denier PSF although non-price factors are also important.⁴¹

IV. Adjustment Plan and Commitments Submitted By Firms in the Domestic Industry

We have carefully examined the “Domestic Industry’s Plan to Facilitate Positive Adjustment to Import Competition” (“Petitioners’ Adjustment Plan”), submitted by Petitioners to the Commission on June 27, 2024. We have also carefully examined the responses of individual U.S. producers to the Commission’s questionnaire in which those firms addressed their efforts to compete and the specific adjustment actions that they intended to take during any period of relief that would permit them to compete more effectively with imports. U.S. producers Auriga, Darling, Nan Ya, Palmetto, and Sun Fiber provided such questionnaire responses.⁴²

In their Adjustment Plan, Petitioners begin by addressing the domestic industry’s investments during the 2019-2023 period of investigation (“POI”). They assert that the domestic industry invested \$*** over the POI to expand production capacity, modernize assets, upgrade equipment, and maximize production efficiencies.⁴³ They further state that the domestic industry invested an additional \$*** in research and development (“R&D”) efforts to develop innovative product offerings to attract customers and grow sales.⁴⁴ However, Petitioners contend that the domestic industry has not seen a return on these investments, asserting that “surging volumes of low-priced imports in a price-sensitive market have forced U.S. producers to cancel, put on hold, and scale back efforts to compete in the U.S. market,” and that the domestic industry’s capital utilization rate of 39.5 percent in 2023 was “abysmal.”⁴⁵

⁴⁰ CR/PR at VI-8. To the extent that some products are not available from either domestic or import sources, substitutability may be more limited. *Id.*

⁴¹ See, e.g., CR/PR at Tables VI-5 & VI-6.

⁴² See CR/PR at Tables D-1, D-2.

⁴³ Petitioners’ Adjustment Plan at 1.

⁴⁴ Petitioners’ Adjustment Plan at 1.

⁴⁵ Petitioners’ Adjustment Plan at 1.

Petitioners maintain that, if safeguard relief is granted, members of the domestic industry intend to make substantial efforts to adjust to import competition, including execution of investment, innovation, and workforce plans that they have not been able to justify while experiencing serious harm from low-priced import competition.⁴⁶ Petitioners' Adjustment Plan addresses the individual adjustments of four members of the domestic industry, petitioners Darling, Nan Ya, and Sun Fiber, as well as non-petitioner Palmetto.

Nan Ya. According to Petitioners, Nan Ya has invested over \$*** in updating its production lines and expanding its capacity with a new production line, completed in 2022, to add 40 million pounds of additional fine denier PSF capacity per year.⁴⁷ Petitioners state that this new line is "fully operational," but, due to poor market conditions, it has ***. Petitioners assert that a remedy would permit Nan Ya *** on this additional capacity.⁴⁸ In addition, they assert that under the remedy, Nan Ya would proceed with ***.⁴⁹

Petitioners state that if the remedy were implemented, Nan Ya would make a number of additional capital expenditures, including \$***. They state that Nan Ya would also ***, as well as ***. They add that Nan Ya would ***.⁵⁰

Petitioners also highlight Nan Ya's plans to expand its efforts to *** fine denier fiber products through ***.⁵¹ They state that Nan Ya plans to ***.⁵²

Darling. Petitioners state that Darling made substantial investment to add capacity during the POI, but was forced to idle operations in December 2022 due to import competition, and thus ***.⁵³ Petitioners assert that, if an appropriate remedy is imposed, Darling is prepared to ***. They state that Darling would also ***. Petitioners further state that Darling is ***. They assert that Darling plans to hire back its workforce of at least 340 employees and ***.⁵⁴

⁴⁶ Petitioners' Adjustment Plan at 1.

⁴⁷ Petitioners' Adjustment Plan at 2.

⁴⁸ Petitioners' Adjustment Plan at 2; see CR/PR at Table D-1.

⁴⁹ Petitioners' Adjustment Plan at 2; see CR/PR at Table D-2.

⁵⁰ Petitioners' Adjustment Plan at 3; see CR/PR at Table D-2.

⁵¹ Petitioners' Adjustment Plan at 3-4.

⁵² Petitioners' Adjustment Plan at 3-4; see Remedy Hearing Tr. at 25 (Sparkman) ("As a fact, in result of the ITC {injury} hearing last month and {the Commission's} affirmative injury findings, we are fully engaged with a partner to produce biodegradable fine denier. I am pleased to announce that we began production yesterday, July 22nd {2024}, with an initial production of 1.4 million pounds per month"); 123-25 (Sparkman) ("So I want to talk about the fact we were able to bring this product online from a line that was not running. It required us to make engineering modifications to that line, to get people in place on that line, and we did all that within five weeks, five weeks").

⁵³ Petitioners' Adjustment Plan at 4-5; see Remedy Hearing Tr. at 27-28 (Bockoven).

⁵⁴ Petitioners' Adjustment Plan at 5-6; see CR/PR at Table D-2; Remedy Hearing Tr. at 28-29 (Bockoven).

Petitioners also state that Darling also would ***. They further assert that Darling *** as well as its market development efforts to ***, and ***.⁵⁵

Sun Fiber. Petitioners assert that, if granted safeguard relief, Sun Fiber would be able to ***.⁵⁶ Petitioners also state that Sun Fiber would undertake efforts in workforce development and training, including ***. Petitioners further contend that Sun Fiber would be able to ***. In support of this effort, Sun Fiber would ***.⁵⁷

Palmetto. Petitioners contend that a remedy would permit Palmetto to make capital investments, including ***. They state that Palmetto would also ***. Finally, they state that Palmetto would ***.⁵⁸

Auriga. Auriga was not mentioned in Petitioner's Adjustment Plan. In its questionnaire response, Auriga states that, in the event a remedy is imposed, it anticipated ***.⁵⁹

V. Recommended Relief

A. Parties' Arguments

Petitioners urge the Commission to recommend a quantitative restriction ("QR") on imports of fine denier PSF entering under TIB under HTS statistical reporting number 9813.00.0520; the proposed QR on such imports would be in place for four years, and would be zero pounds in the first year of the remedy and would increase annually by one million pounds.⁶⁰ Petitioners also argue that the Commission should recommend a tariff-rate quota ("TRQ") for a duration of four years on imports of fine denier PSF consisting of their proposed in-quota volume of *** pounds in the first year of the remedy period, an out-of-quota tariff rate of 50 percent in the first year of the remedy to be phased down annually, and an in-quota tariff rate of 25 percent in the first year of the remedy also to be phased down annually.⁶¹

⁵⁵ Petitioners' Adjustment Plan at 5-7; see CR/PR at Table D-2; Remedy Hearing Tr. at 30, 130-131 (Bockoven).

⁵⁶ Petitioners' Adjustment Plan at 8; see CR/PR at Table D-2.

⁵⁷ Petitioners' Adjustment Plan at 9; see CR/PR at Table D-2; see Remedy Hearing Tr. at 33 (Fang).

⁵⁸ Petitioner's Adjustment Plan at 9-10; see CR/PR at Table D-2.

⁵⁹ CR/PR at Table D-2.

⁶⁰ See, e.g., Petitioners Posthearing Remedy Br. at 4 & Answers to Commissioners' Questions at 6. Petitioners suggest that the Commission recommend either a QR on TIB imports or a Presidential proclamation prohibiting the usage of TIB for imports of fine denier PSF. See, e.g., Petitioners Posthearing Remedy Br. at 4. If the Commission does not recommend a remedy that limits TIB imports, Petitioners state that a QR on all imports of fine denier PSF is an alternative to their proposed TRQ remedy. *Id.* at 8-9.

⁶¹ See, e.g., Petitioners Posthearing Remedy Br. at 5 & Answers to Commissioners' Questions at 15-18.

Citing the results of their economic model, Petitioners maintain that their proposed QR and TRQ in combination with their other proposals (e.g., tax incentives, revenue distribution, and fiber-forward rules of origin) would enable the domestic industry to generate sufficient operating income and implement its adjustment plans.⁶²

By contrast, respondents generally urge that the Commission recommend no import relief and that any recommended remedy should be limited to trade adjustment assistance.⁶³ Alternatively, Gildan argues that any TRQ remedy recommended by the Commission should not include in-quota tariffs at all or out-of-quota tariffs as high as Petitioners have proposed.⁶⁴

B. Nature and Duration of Remedies

The statute authorizes the Commission to recommend several forms of action, including tariffs, tariff-rate quotas, quantitative restrictions, appropriate adjustment measures, as well as a combination of those remedies. In determining which of these forms would address the serious injury and would be most effective in facilitating a positive adjustment to import competition, we have examined closely the costs and benefits of each. We have determined that a QR on imports of fine denier PSF entering under TIB under HTS statistical reporting number 9813.00.0520 and a TRQ with both in-quota and above-quota rates is necessary to address the serious injury that the Commission has found, as discussed above.

i. Duration

Given the precarious condition of the domestic industry, we recommend the imposition of safeguard measures for four years to afford the industry sufficient time to make a positive adjustment to import competition. We recognize that relief of more than three years duration will require the Commission to conduct a mid-course review under 19 U.S.C. § 2254(a)(2). Such an investigation would provide the Commission with an opportunity to review formally, among

⁶² See, e.g., Petitioners Prehearing Remedy Br. at 22-25, 35-44. The Petitioners request the establishment of a distribution program for downstream fine denier users based on TRQ revenue. *Id.* at 39-41 (noting that the Pima Agriculture Cotton Trust Fund and the Wool Apparel Manufacturers Fund both “allocate payments to reduce injury to domestic manufacturers resulting from domestic tariffs on imported cotton or wool fabrics that are higher than tariffs on certain apparel articles made of cotton or wool fabrics”). The Petitioners also request other non-trade restraint remedies. *Id.* at 41-42 (tax incentives for downstream fiber users) and 42-44 (the President should direct the U.S. Trade Representative to negotiate a fiber-forward rule of origin for certain woven and non-woven products containing fine denier in future trade agreements and to renegotiate such rules as opportunities arise within existing agreements).

⁶³ See, e.g., Gildan Prehearing Remedy Br. at 7-9; RIL Prehearing Remedy Br. at 6-8 & 14-15.

⁶⁴ See, e.g., Gildan Posthearing Remedy Br. at 6-8.

other matters, the progress of firms in the domestic industry in implementing the commitments they submitted to the Commission. It would also provide the President, after receiving the Commission's report, with the opportunity to reduce or terminate relief if the industry has not made adequate efforts to make a positive adjustment to import competition.

ii. Quantitative Restriction

We recommend that the President impose a QR, to be set at zero pounds in the first year of relief, and increasing by one million pounds in each subsequent year over the four-year duration of the remedy period, on imports of fine denier PSF entering under TIB under HTS statistical reporting number 9813.00.0520.^{65 66}

We recognize that section 203(e)(4) of the safeguard statute provides that any QR implemented by the President cannot exceed the average quantity or value of the subject imports in the most recent three years for which import data are available, unless the President finds that the importation of a different quantity or value is clearly justified in order to prevent or remedy serious injury.⁶⁷ For deriving the level of their QR, Commissioners Johanson and Schmidtlein used 2018-2020 as the most recent representative period for which data are available since it covers the three most recent years before the surge in imports of fine denier PSF during 2021-2023.⁶⁸ They find that any period after that was not representative, since from 2021 on, certain importers began to significantly increase imports of fine denier PSF under the

⁶⁵ Commissioners Johanson and Schmidtlein recommend that an alternative approach to restricting imports under HTS statistical reporting number 9813.00.0520 would be to use authority under Section 203(g)(1) (19 U.S.C. § 2253(g)(1)) ("The President shall by regulation provide for the efficient and fair administration of all actions taken for the purpose of providing import relief under this part.") to suspend eligibility for imports of fine denier PSF admitted temporarily free of duty under bond for the duration of the remedy period. As noted by Chair Karpel in footnote 72 below and with which we agree, "addressing TIB entries is necessary to address the serious injury found by the Commission caused by imports of fine denier PSF," which suggests that, without resorting to a QR, the efficient and fair administration of the recommended TRQ requires suspension of the use of statistical reporting number 9813.00.0520 which would otherwise allow importers to avoid payment of duties under the recommended TRQ on fine denier PSF.

⁶⁶ While we have recommended that the President impose a QR on imports of fine denier PSF entered as a temporary importation under bond under HTS statistical reporting number 9813.00.0520, we note that the 8-digit HTS subheading 9813.00.05 is the most specific legal description of the merchandise, although in this situation it may be overinclusive and therefore we invite the President to consider this in issuing any remedy.

⁶⁷ 19 U.S.C. § 2253(e)(4).

⁶⁸ CR/PR at Table C-1. We note that there is no statutory requirement that the Commission rely only on years during the period of investigation as representative.

TIB program.⁶⁹ Commissioners Johanson and Schmidlein agree with Petitioners that setting a QR of zero pounds for the first year of the remedy is consistent with this representative period since the information available in this safeguard investigation indicates that there were no imports of fine denier PSF under TIB during 2018-2020.⁷⁰

Chair Karpel also recommends a quantitative restriction of zero pounds in the first year of the remedy.^{71 72} She bases the zero quantity on her finding that the importation of a different quantity (*i.e.*, different than the average quantity in most recent three year period that is representative of imports of fine denier polyester staple fiber) is clearly justified in order to prevent or remedy serious injury to the domestic industry, as contemplated by Section 203(e)(4) of the Trade Act of 1974.⁷³ As detailed in this determination, entries under TIB –

⁶⁹ See, *e.g.*, CR/PR at Table G-1. Commissioner Kearns used the 2019 to 2020 period. Like his colleagues, he does not consider the 2021-2023 period to be representative.

⁷⁰ See, *e.g.*, Petitioners Posthearing Remedy Br. at 4, 8-9 & Answers to Commissioners' Questions at 6 & Exh. 9. Data published by the Census Bureau confirm that there were zero U.S. imports of fine denier PSF in 2018 under HTS 9813.00.0520 (under TIB).

⁷¹ In addition to the President's authority to impose a quantitative restriction, Chair Karpel notes that pursuant to Section 203(a)(3)(I) of the Trade Act of 1974, the President may "take any other action which may be taken by the President under the authority of law and which the President considers appropriate and feasible" for imposing safeguard relief. In her view, that provision provides an alternative means to achieve the same result as the quantitative restriction she recommends on TIB entries of fine denier PSF. Specifically, under Section 203(a)(3)(I), the President could take other action in the form of a suspension of duty-free treatment of entries under HTS statistical reporting number 9813.00.0520. Chair Karpel notes that suspension of duty-free treatment for special HTS numbers under chapter 98 is anticipated as a form of remedy under section 203(e)(6) of the Trade Act of 1974. Section 203(e)(6) permits suspension of duty-free treatment for HTS statistical reporting numbers 9802.00.60 and 9802.00.80 but subject to the limitations contained in section 203(e)(6)(B) being met. Those HTS statistical reporting numbers do not cover TIB entries, but Chair Karpel notes that if suspension of duty-free treatment for entries under HTS statistical reporting number 9813.00.0520 were subject to those limitations, such suspension would meet the limitations described therein. Namely, the serious injury to the domestic fine denier PSF industry was substantially caused by imports entering under HTS statistical reporting number 9813.00.0520, as discussed above.

⁷² With respect to Section 203(g)(1) as an alternative to the recommended quantitative restriction on TIB entries, Chair Karpel notes that while suspending the use of statistical reporting number 9813.00.5020 to avoid payment of duties under the recommended TRQ on fine denier PSF may be required for the fair and efficient administration of that TRQ, it is not clear that the efficient and fair administration of the recommended TRQ would require suspending use of HTS statistical reporting number 9813.00.5020 to avoid payment of AD/CVD deposits and duties. However, as discussed above addressing TIB entries is necessary to address the serious injury found by the Commission caused by imports of fine denier PSF.

⁷³ Chair Karpel observes that the statute directs that any quantitative restriction be set at a quantity that is no greater than the average quantity of imports in the most recent three-year period that is representative of imports of such article and for which data are available unless the President
(continued...)

which avoid the application of any cash deposit requirements and the assessment of antidumping and/or countervailing duties resulting from antidumping and/or countervailing duty orders – account for all or nearly all of the increased imports found by the Commission over the period of investigation, and particularly in the 2021-2023 period.⁷⁴ As such, in her view, a quantitative restriction for TIB entries based on the average imports of fine denier PSF during the most recent three-year period for which data are available in this investigation (2021-2023) would not be appropriate and a different quantity is clearly justified. Indeed, in her view, a quantitative restriction of zero pounds on TIB entries is necessary to remedy serious injury to the domestic industry, in particular to allow AD and CVD duties imposed on imports of fine denier PSF to apply to all imports subject to those duties including entries from South Korea. While imports from South Korea do not currently enter the United States under TIB, Chair Karpel finds that application of the quantitative restriction to imports from South Korea is necessary to prevent serious injury from imports from South Korea that may use the TIB program to avoid AD/CVD duties, as other countries subject to those orders have done.

The Commission also recognizes that section 203(e)(5) of the safeguard statute is applicable to any QR (including a QR limited to TIB entries) and requires that such a remedy be “phased down at regular intervals” if it is in effect for more than one year.⁷⁵ Although the statute does not dictate the level at which a QR must be phased down at each interval, the Commission has previously considered the severity and nature of the injury to the domestic industry in setting the phased reductions.⁷⁶ Especially since imports of fine denier PSF entering under TIB contributed significantly to the serious injury that we found in our views on injury,⁷⁷ we agree with Petitioners that a marginal phase-down of the QR on imports of fine denier PSF to a level above zero over the four-year remedy period is necessary to allow the domestic industry to make a positive adjustment to import competition.⁷⁸ Accordingly, we recommend that the QR on imports of fine denier PSF entering under TIB under HTS statistical reporting number 9813.00.0520 be increased from zero pounds in the first year of the remedy period, to

finds that importation of a different quantity or value is clearly justified in order to prevent or remedy the serious injury.

⁷⁴ Chair Karpel further recommends that the tariff-rate quota with an in-quota volume level as specified above (114.8 million pounds) is inclusive of any imports of fine denier polyester staple fiber under HTS statistical reporting number 9813.00.0520.

⁷⁵ 19 U.S.C. § 2253(e)(5).

⁷⁶ See, e.g., 19 U.S.C. § 2252(e)(5)(B)(i); see, e.g., *Wheat Gluten*, USITC Pub. 3088 at I-30-31.

⁷⁷ See, e.g., Section IV of Commission Views on Injury.

⁷⁸ See, e.g., Petitioners Posthearing Remedy Br., Answers to Commissioners’ Questions at 6.

one million pounds in the second year, two million pounds in the third year, and three million pounds in the fourth year.

Further, section 203(e)(2) of the safeguard statute provides that the President may impose a QR, TRQ, or increased tariffs “only to the extent the cumulative impact of such action does not exceed the amount necessary to prevent or remedy the serious injury.”⁷⁹ As discussed in Section IV of our views on injury, imports of fine denier PSF entering under TIB contributed significantly to the serious injury that we have found. Accordingly, the QR remedy on TIB entries that we have recommended in combination with our other recommended relief in the form of a TRQ on all imports of fine denier PSF is designed to address the various aspects of serious injury that we have found from all imports of fine denier PSF, which includes imports of fine denier PSF entering under TIB. As discussed below, we find further support in economic modeling for our conclusion that both a QR and TRQ in combination would address the serious injury suffered by the domestic industry without exceeding the amount of relief needed to prevent or remedy the serious injury.

iii. Tariff-Rate Quota

We find that the proposal by Petitioners (and the alternative proposal by respondent Gildan) for a TRQ on imports of fine denier PSF to be an appropriate form of relief, but with different TRQ volumes and different in-quota and out-of-quota tariff rates than those proposed by the parties.

a. TRQ Recommended by Commissioners Johanson and Schmidlein

We based our in-quota volume level of 145.0 million pounds on the covered imports’ U.S. market share for 2019⁸⁰ since it was before the COVID-19 pandemic in 2020⁸¹ and the increased imports during 2021-2023, and adjusted that quantity to account for lower apparent U.S. consumption of fine denier PSF during 2021-2023 than in 2019.⁸² We recommend that the President impose an additional tariff of 40 percent *ad valorem* on imports of fine denier PSF in excess of 145.0 million pounds in the first year of relief, declining to 38 percent in the second year of relief, 36 percent in the third year of relief, and 34 percent in the fourth year of relief.

⁷⁹ 19 U.S.C. § 2253(e)(2).

⁸⁰ We did not include imports from FTA countries as covered imports in deriving our in-quota volume level. As discussed below in section V.C, we have recommended that imports from FTA countries, including Canada and Mexico, be excluded from the TRQ.

⁸¹ We observe that imports’ market share decreased between 2019 and 2020 and increased during the rest of the POI.

⁸² CR/PR at Table C-1.

We find that a 40 percent above-quota tariff would sufficiently constrain imports of fine denier PSF over 145.0 million pounds, and boost the domestic industry's prices and profits. Therefore, these actions would address the serious injury to the domestic industry and facilitate the domestic industry's positive adjustment to import competition.

We find that an in-quota tariff is also appropriate in order to sufficiently address the serious injury to the domestic industry producing fine denier PSF. As discussed in our views on injury, we found that the serious injury to the domestic industry stems from an increasing volume of low-priced imported fine denier PSF that put downward pressure on the domestic industry's prices, and in turn resulted in significant declines in the domestic industry's sales, market share, and financial performance. In light of this serious injury, and the importance of price to purchasers in this market, we find that an additional 15 percent *ad valorem* tariff on the in-quota volume of imports is appropriate as it will likely lead to increased sales for the domestic industry and higher U.S. prices for fine denier PSF, thereby creating additional benefits for the domestic industry. We recommend that this in-quota tariff be reduced to 14 percent in the second year of the remedy period, 13 percent in the third year, and 12 percent in the fourth year.

We find additional support for our remedy recommendations in economic modeling, which indicates that our recommended QR and TRQ in combination would address the serious injury suffered by the domestic industry without exceeding the cumulative impact necessary to prevent or remedy serious injury. We used an industry-specific partial equilibrium model to estimate changes in prices and quantities of imports and domestic industry shipments in the U.S. market for fine denier PSF and changes in the revenues and operating income of U.S. producers that would result from the remedy recommendations. The model distinguished between imports of fine denier PSF entering under TIB and all other imports of fine denier PSF not entering under TIB when modeling the recommended QR specific to imports of fine denier PSF entering under TIB.

Under our recommended remedy, combining the QR with the TRQ, the economic model predicts that the net import volume would decline significantly during the remedy period.⁸³ We note that while the predicted decrease in net import volume as compared with the hypothetical situation in which there is no remedy is larger than the overall increase in imports during 2019-2023, which increased by 87.1 million pounds during 2019-2023, apparent U.S. consumption also declined significantly from 2019 to 2023.⁸⁴ The model predicts a significant increase in the domestic industry's U.S. shipments during the remedy period, which is not

⁸³ See Remedy Modeling Attachment Table 1.

⁸⁴ See CR/PR Table C-1 & Remedy Modeling Attachment Table 1.

unexpected since the domestic industry's practical capacity utilization rate was only 39.5 percent in 2023 while Darling does not plan to resume production until the second year of the remedy period.⁸⁵ However, the domestic industry's U.S. shipments declined by a greater amount during 2019-2023, by *** pounds, than the projected increase in domestic shipments resulting from the remedy in each year of the remedy period.⁸⁶

The model also predicts an increase in overall market prices for both domestically produced and imported fine denier PSF during the remedy period.⁸⁷ Given the price-based aspects of the serious injury to the domestic industry and its level of operating losses over the POI, we find that an in-quota tariff is also necessary to address the industry's serious injury caused by increased low-priced imports and facilitate the industry's adjustment to import competition. According to the model, the domestic industry's increased sales and prices would significantly increase the industry's operating income during the remedy period, as compared to if the remedy were not imposed.⁸⁸ The projected increase in the domestic industry's operating income resulting from the remedy in the first year is slightly larger than the domestic industry's operating losses in 2022, the last year of the POI before Darling ceased domestic production operations for fine denier PSF.⁸⁹ Given these considerations, we find that our recommended action, that is both the QR and TRQ in combination, would address the serious injury suffered by the domestic industry without exceeding the amount of relief needed to prevent or remedy the serious injury and facilitate efforts by the domestic industry to make a positive adjustment to import competition.

b. TRQ Recommended by Chair Karpel

Chair Karpel recommends a tariff rate quota with an in-quota volume level of 114,820,000 pounds and an in-quota tariff rate of 15 percent *ad valorem*. For U.S. imports of fine denier polyester staple fiber that exceed 114,820,000 pounds, Chair Karpel recommends a tariff rate of 45 percent *ad valorem*. Chair Karpel recommends that this tariff-rate quota be implemented for four years and that the in-quota volume level remain the same throughout the period of relief. She also recommends that the in-quota tariff rate decrease by 1 percentage point in each subsequent year of the four-year relief period, *i.e.*, to 14 percent in year two, to 13 percent in year three, and to 12 percent in year four. Chair Karpel further

⁸⁵ See Remedy Modeling Attachment Table 1.

⁸⁶ See CR/PR at Table C-1 & Remedy Modeling Attachment Table 1.

⁸⁷ See Remedy Modeling Attachment Table 1.

⁸⁸ See Remedy Modeling Attachment Table 1.

⁸⁹ See CR/PR at Table C-1 & Remedy Modeling Attachment Table 1.

recommends that the above-quota tariff rate decrease by 1 percentage point in each subsequent year during the four-year relief period, *i.e.*, to 44 percent in year two, to 43 percent in year 3, and to 42 percent in year four.

Chair Karpel calculates the quota level which she recommends under the tariff-rate quota based on the average level of imports of fine denier polyester staple fiber in the years 2019-2021 (“covered imports,” which are exclusive of imports from all countries with which the United States has a free trade agreement or beneficiary countries under the CBERA provisions of the Caribbean Basin Initiative Trade Program or the GSP program,⁹⁰ and were excluded from the Commission’s “substantial cause of serious injury” determination), adjusted to account for the significant decline in apparent U.S. consumption at the end of the period of investigation, *i.e.*, in 2023. The years 2019 to 2021 are before most of the large increase in covered imports recorded in the latter two years of the period of investigation, precipitated by a surge in imports which entered under TIB beginning in 2021.⁹¹ Chair Karpel observes that use of the 2019-2021 period for establishing the in-quota volume level is the three-year period within the period of investigation that is least impacted by TIB entries.⁹²

Chair Karpel finds that the serious injury sustained by the domestic industry resulted from an increasing volume of low-priced imported fine denier polyester staple fiber that undersold the domestic product causing a loss of market share and exerted downward pressure on domestic producer prices, which in turn resulted in significant declines in the domestic producers’ financial performance. In light of this injury, the high degree of substitutability between imports and the domestic product and the importance of price to purchasers in this market, Chair Karpel find that an additional 15 percent *ad valorem* tariff on the in-quota volume of imports is appropriate as it will likely lead to increased import prices and thereby reduce the downward pricing pressure on domestic producer prices. Chair Karpel also finds

⁹⁰ The GSP program expired on December 31, 2020, and is currently pending Congressional approval to pass legislation for the program’s approval. Therefore, the GSP program was only in effect during the first two years of the POI, *i.e.*, 2019 and 2020.

⁹¹ CR/PR at Tables C-1 and G-1.

⁹² Chair Karpel notes that her methodology for calculating the quota level under the tariff-rate quota generally reflects the methodology employed by the Commission in its remedy recommendation for *Large Residential Washers*. See *Large Residential Washers*, Inv. No. 201-TA-076, USITC Pub. 4745 (December 2017) at 72 (“The in-quota volume level proposed by LG and Samsung, 1.45 million units, is around half the peak level of import volume in 2016 when the domestic industry’s operating losses also peaked. We therefore do not find 2016 to be the appropriate basis for calculating the in-quota volume level. Rather, we based our first-year in-quota volume level of 1.2 million units on the average level of imports of LRWs during the 2012-14 period, before most of the import surge, and adjusted that quantity to account for the increase in apparent U.S. consumption from that period through the end of the period of investigation.”)

that a 45 percent above-quota tariff, would sufficiently constrain imports of fine denier polyester staple fiber above 114.8 million pounds, and boost the domestic industry's prices and profits. Therefore, these actions together with the quantitative restriction on TIB entries would address the serious injury to the domestic industry and facilitate the domestic industry's positive adjustment to import competition.

Based on the economic modeling for the remedy recommended by Chair Karpel,⁹³ U.S. shipments by U.S. producers should increase by approximately 83.9 million pounds in the first year of the remedy, which would constitute a 73.5 percent increase over the level recorded in 2023. Based on this same modeling, the industry's operating income would increase by approximately \$28.9 million in the first year of the remedy, from the nearly \$6 million operating loss recorded by the industry in 2023. The model also predicts an increase in overall market prices for both domestically produced and imported fine denier PSF during the remedy period. According to the model, the domestic industry's increased sales and prices would significantly increase the industry's operating income during the remedy period. Chair Karpel observes that, based on this modeling, the industry's operating income would increase by \$117.7 million,⁹⁴ as compared to total planned investments identified by the domestic industry in its aggregated adjustment plan of approximately \$***.⁹⁵

Chair Karpel believes that a TRQ with in-quota volume of 114.8 million pounds, and in-quota rates starting at 15 percent *ad valorem* and out-of-quota volumes starting at 45 percent, will allow a supply of fine denier PSF that is adequate to fully serve the market. The in-quota level (114.8 million pounds) combined with the domestic industry's practical capacity in 2023 (302 million pounds), at 416.8 million pounds, is above apparent consumption in 2023 (397 million pounds). Further, as Darling's plant comes back online in year two of the safeguard and other producers expand capacity as is expected, domestic producers' practical capacity will increase.

c. TRQ Recommended by Commissioner Kearns

Commissioner Kearns recommends a tariff-rate quota (TRQ) on all imports of fine denier polyester staple fiber, exclusive of imports from countries with which the United States has entered into a free trade agreement, as detailed below. Specifically, he recommends a tariff rate quota with an in-quota volume level of 110 million pounds and in-quota tariff rate of 22

⁹³ The economic modeling includes the TRQ as recommended by Chair Karpel in addition to the Commission's recommended quantitative restriction on TIB entries.

⁹⁴ See Attachment Table 2. Remedy Recommendation of Chair Karpel.

⁹⁵ See, e.g., Petitioners Prehearing Remedy Br. at Exhibit 1.

percent *ad valorem*.⁹⁶ For U.S. imports of fine denier polyester staple fiber that exceed 110 million pounds, Commissioner Kearns recommends a tariff rate of 50 percent *ad valorem*. Commissioner Kearns recommends that this tariff-rate quota be implemented for four years and that the in-quota volume level remain the same throughout the period of relief. He also recommends that the in-quota tariff rate of 22 percent *ad valorem*, reduced by two percentage points to 20 percent *ad valorem* in the second and third years, and reduced by two percentage points to 18 percent *ad valorem* in the fourth year. Commissioner Kearns further recommends that the above-quota tariff rate decrease by three percentage points in each subsequent year during the four-year relief period, *i.e.*, to 47 percent *ad valorem* in year two, to 44 percent *ad valorem* in year three, and to 41 percent *ad valorem* in year four.

Commissioner Kearns notes that like his colleagues, he finds that determining the quota level based on something other than the average quantity or value of the article as it entered into the United States in the most recent 3 years is clearly justified. He calculates the quota level based on the weighted average level of imports of fine denier polyester staple fiber in the years 2019-2020, exclusive of imports from all countries with which the United States has a free trade agreement and were excluded from the Commission's "substantial cause of serious injury" determination. He excludes imports from 2021, as that was the year in which imports began to enter under the TIB program and imports overall began to once again take substantial market share from the domestic industry.⁹⁷ And, like his colleagues, he then adjusted that quantity to account for the significant decline in apparent U.S. consumption at the end of the period of investigation, *i.e.*, in 2023. As explained above, it appears that that decline reflects structural change in the market and is likely to reflect a more permanent reduction in demand.^{98 99}

⁹⁶ Commissioner Kearns further recommends that the tariff-rate quota with an in-quota volume level as specified above (110 million pounds) is inclusive of any imports of fine denier polyester staple fiber under HTS statistical reporting number 9813.00.0520.

⁹⁷ CR/PR at Tables C-1 and G-1.

⁹⁸ Given data limitations in the record here, Commissioner Kearns did not rely on import volume data for 2018, a period before the POI, to calculate the quota level. Rather, he based the quota volume level on the average level of imports of fine denier PSF during 2019 to 2020 which is the period before the TIB entries.

⁹⁹ Commissioner Kearns notes that there is no basis in the record to forecast that demand for fine denier polyester staple fiber will experience notable growth during the four-year remedy period. See Remedy Hearing Tr. at 150 (Klenk) ("The domestic market for PSF has fundamentally changed over the past five years{.} Domestic demand for PSF has materially declined since 2019. This is due in large part to end users of PSF moving their production facilities offshore, mostly to Latin America. ... {l}t is unlikely that domestic production of PSF would return to the levels enjoyed by the industry just a few years ago.").

While the quota level Commissioner Kearns recommends is lower, or more restrictive, than the levels recommended by his colleagues, he believes it is adequate to fully serve the market. The quota level he recommends (110 million pounds) combined with the domestic industry's practical capacity in 2023 (302 million pounds) is equivalent to 412 million pounds, above apparent consumption in 2023 (396 million pounds). Further, if history is any guide (as described further below), it is likely that stockpiling of imports is occurring in advance of the safeguard. And Commissioner Kearns expects that domestic producers are already preparing to increase their practical capacity and will be able to do so within the first year and especially after the first year of relief.

Based on the economic modeling for the remedy recommended by Commissioner Kearns, U.S. shipments by U.S. producers should increase by approximately 92.5 million pounds in the first year of the remedy, which would constitute an 81.1 percent increase over the level recorded in 2023. Based on this same modeling, the industry's operating income would increase by approximately \$32.4 million in the first year of the remedy, from the \$*** recorded by the industry in 2019.¹⁰⁰ The model also predicts an increase in overall market prices for both domestically produced and imported fine denier PSF during the remedy period. According to the model, the domestic industry's increased sales and prices would significantly increase the industry's operating income during the remedy period. Commissioner Kearns observes that, based on this modeling, the industry's operating income would increase by \$127 million,¹⁰¹ as compared to total planned investments identified by the domestic industry in its aggregated adjustment plan of approximately \$***.¹⁰²

¹⁰⁰ The economic modeling includes the TRQ as recommended by Commissioner Kearns in addition to the Commission's recommended quantitative restriction on TIB entries. Commissioner Kearns also notes that, while the model uses 2023 as the baseline, it is helpful to compare the estimated impact of the recommended relief to 2019, before the surge in imports.

¹⁰¹ See Attachment Table 3. Remedy Recommendation of Commissioner Kearns.

¹⁰² See Petitioners Prehearing Remedy Br. at Exhibit 1.

C. Country Exclusions

1. TRQ

Having made negative findings with respect to imports of fine denier PSF from Canada and Mexico under section 301(a) of the United States-Mexico-Canada Implementation Act¹⁰³ for the reasons set out in the Commission's views on injury, we recommend that the President not include imports from Canada and Mexico in any recommended TRQ. Further, we recommend that the President not impose any recommended TRQ on imports from the following countries with which the United States has free trade agreements: Australia, Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Nicaragua, Panama, Peru, Singapore, and South Korea. We also recommend that the President not impose the TRQ on imports from the beneficiary countries under the CBERA or the GSP Program.

2. QR

a. Chair Karpel and Commissioner Schmidtlein

Chair Karpel and Commissioner Schmidtlein recommend the quantitative restriction on TIB entries apply to imports from all countries for which they recommend application of a tariff-rate quota (*i.e.*, all countries aside from those with which the United States has a free trade agreement in force as well as beneficiary countries under the Caribbean Basin Economic Recovery Act or the GSP program) and also to imports of polyester staple fiber from South Korea.

Chair Karpel notes that South Korea is the only country with which the United States has a free trade agreement and imports from which are also subject to antidumping and/or countervailing duty orders on fine denier polyester staple fiber. Therefore, as discussed above, not applying the quantitative restriction to imports from South Korea could significantly undermine the recommended remedy. On this point, Chair Karpel notes that, pursuant to Section 203(a)(2)(H) of the Trade Act of 1974, in determining what relief action to take, the President shall take into account the potential for circumvention of any action taken. Chair Karpel further notes that, at least through 2023, no imports of fine denier polyester staple fiber from South Korea have entered the U.S. as Temporary Importations under Bond, although nothing currently prevents imports from South Korea from entering the U.S. under temporary importation under bond.

¹⁰³ 19 U.S.C. §§ 4551(a).

Commissioner Schmidtlein recommends that imports from South Korea be included in the QR on TIB imports, to prevent importers from significantly increasing duty-free imports of fine denier PSF from South Korean producers subject to AD/CVD orders, instead of purchasing domestically produced fine denier PSF. She finds that this would make the recommended remedy more effective in addressing serious injury to the domestic industry and facilitating the industry's adjustment to import competition.

b. Commissioner Johanson

Commissioner Johanson recommends that the quantitative restriction on TIB entries apply to imports from all countries for which he recommends application of a TRQ (*i.e.*, all countries other than those with which the United States has a free trade agreement in force or beneficiary countries under the CBERA or the GSP program).

c. Commissioner Kearns

Commissioner Kearns recommends the quantitative restriction apply to imports from all countries, including the countries which the United States has a free trade agreement in force, and he specifically includes South Korea. He notes that South Korea is the only country with which the United States has a free trade agreement and imports from which are also subject to antidumping and/or countervailing duty orders on fine denier polyester staple fiber. Therefore, not applying the quantitative restriction to imports from South Korea could significantly undermine the recommended remedy. Commissioner Kearns further notes that, at least through 2023, no imports of fine denier polyester staple fiber from Canada, Mexico, or South Korea have entered the U.S. as Temporary Importations under Bond; therefore, should U.S. importers of fine denier polyester staple fiber from Canada, Mexico and South Korea continue to enter the product into the United States in the same manner as they have at least through 2023, this condition should not impact imports from those countries.

D. Requests for Product Exclusions

During the remedy phase of this investigation, the Commission was presented with a number of requests to exclude from any remedy particular products included in the scope of the investigation as to which the Commission made an affirmative determination in the injury phase of the proceedings. The parties making these requests generally contended that the products for which they were requesting exclusions were niche or specialty products either not produced by the domestic industry or produced in insufficient quantities to satisfy U.S.

demand.¹⁰⁴ Petitioners argue that all of the products covered by these exclusion requests compete directly with products produced by the domestic industry, and that to exclude them will undermine any safeguard remedy.¹⁰⁵

We decline to recommend the exclusion of such products from our remedies. While Gildan argues that spinnable 100 percent post-consumer recycled (PCR) fiber is not available from any domestic sources, the record indicates that Nan Ya produces spinnable biodegradable fiber which is competitive with PCR fiber in terms of meeting consumers' desires for "green" fine denier PSF.¹⁰⁶ Although Respondents argue that imported dope-dyed black fiber is superior to domestically produced black fiber, domestic producer Palmetto reports producing dope-dyed black fiber and consumers use both imported and domestically produced black fiber.¹⁰⁷ Imported dope-dyed black fiber thus competes directly with the domestically produced version. *** also reported producing short-cut fiber for wet-laid processes during the POI, albeit in relatively small quantities.¹⁰⁸ *** reported shipments of siliconized fiber during the POI.¹⁰⁹ While the record lacks data on domestic production of antimony-free or low-antimony fiber, ***.¹¹⁰ *** says that it is *** of this product.¹¹¹

Thus, the domestic industry currently produces, or has the ability to produce, product similar to or competitive with the imported specialty products for which exclusions have been requested. Moreover, excluding these products from the scope of the remedy would disincentivize domestic investment in such products. At the hearing on remedy, however, Petitioners through their counsel indicated that they are "open" to agreeing to product exclusions for products that the domestic industry does not produce or does not have an

¹⁰⁴ See, e.g., Gildan Prehearing Remedy Br. at 9-12; Gildan Posthearing Remedy Br. at 14; RIL Prehearing Remedy Br. at 5-6; RIL Posthearing Remedy Br. at 5-10; CIRFS Prehearing Remedy Br. at 9; CIRFS Posthearing Remedy Br. at 8-10; Jeffco Fibres Posthearing Remedy Br. at 1; Fibretex Nonwovens Posthearing Remedy Br. at 1-2; BMT Commodity Corp. Posthearing Remedy Br. at ¶ 9; William Barnet, LLC Posthearing Remedy Br. at 1-2; Proctor & Gamble Company Posthearing Remedy Br. at 7-13.

¹⁰⁵ See, e.g., Petitioners Prehearing Remedy Br. at 44-47; Petitioners Posthearing Remedy Br. at 11-12 & Answers to Commissioners' Questions at 22.

¹⁰⁶ See, e.g., Gildan Posthearing Remedy Br. at Exh. 6; Petitioners Posthearing Injury Br. at Exh. 2; Remedy Hearing Tr. at 25 (Sparkman).

¹⁰⁷ See, e.g., Injury Hearing Tr. at 242 (Maness); Petitioners Prehearing Injury Br. at Exh. 5. The majority (12 of 18) of purchasers rated the U.S. product to be comparable to imports in terms of coloring. CR/PR at Table VI-11.

¹⁰⁸ *** U.S. Producer Questionnaire Response at II-15. *** U.S. shipments of short-cut fiber suitable for use in wet-laid processes peaked at ***. *Id.* However, we note that *** operated at *** rates of practical capacity utilization throughout the POI. CR/PR at Table III-6.

¹⁰⁹ U.S. Producer Questionnaire Responses at II-17.

¹¹⁰ Petitioners Posthearing Remedy Br. at Exh. 16.

¹¹¹ Petitioners Posthearing Remedy Br. at Exh. 16.

interest in producing.¹¹² Accordingly, the Commission recommends that the President authorize the establishment of an exclusion process to allow for importation of covered imports without application of the remedy measures in the case of a demonstrated lack of production in the United States for a particularized fine denier PSF product or in the case of a critical short supply of a particularized fine denier PSF product from domestic sources.

E. Additional Remedy Recommendations

1. Additional Remedy Recommendation of Chair Karpel, Commissioner Johanson, and Commissioner Schmidtlein

Chair Karpel and Commissioners Schmidtlein and Johanson further recommend that the President consider programs to assist downstream users of fine denier polyester staple fiber and to mitigate the potential impact of the remedy on such users.

2. Additional Remedy Recommendation of Chair Karpel and Commissioner Schmidtlein

Chair Karpel and Commissioner Schmidtlein further recommend that the President submit to Congress, pursuant to his authority under Section 203(a)(3)(H) of the Trade Act of 1974, a legislative proposal that would permanently preclude the importation of fine denier polyester staple fiber under TIB to avoid payment of cash deposits and assessed antidumping and countervailing duties that would otherwise apply to the product.

3. Additional Remedy Recommendations of Commissioner Kearns

Commissioner Kearns further recommends that the President submit to Congress a legislative proposal that would permanently preclude TIB entries from avoiding payment of cash deposits and assessed antidumping and countervailing duties that would otherwise apply to the product.

As discussed above, Commissioner Kearns recommends that the President submit to Congress a legislative proposal to distribute TRQ revenue generated by this action to downstream users of the article, to the extent necessary to reduce injury to domestic manufacturers of downstream products. The program would provide funds to assist downstream users of fine denier polyester staple fiber and to mitigate the potential impact of the remedy on such users.

¹¹² Remedy Hearing Tr. at 122 (Rosenthal).

VI. Short- and Long-Term Effects of Recommended Remedies

The tariff-rate quota and quantitative restraint remedies and other measures that we are recommending will address the serious injury to the fine denier PSF industry that we have found and will be most effective in facilitating the efforts of the domestic industry to make a positive adjustment to import competition.

The domestic industry's trade and financial performance would benefit significantly from the remedies we are recommending, which would lead to increasing sales, higher prices, and increased cash flow and working capital for the domestic industry. With imports subject to restraint, import volumes should decline and prices increase, leading to an increase in the domestic industry's sales, market share, prices, and operating income. Moreover, the domestic industry's employment indicators should improve, particularly as a result of resumption of production at Darling's South Carolina facility, and the rehiring of its workers. Based on our economic modeling, we estimate that in the first year of the remedy period, the increase in the domestic industry's U.S. shipments, compared to if the recommended actions were not taken, would be more than 50 percent of their 2023 level, and the increase in its operating income would be more than twice the existing U.S. producers' operating income in 2023.^{113 114 115}

Moreover, the significant improvements in the domestic industry's financial condition as a result of these remedies would permit the industry to undertake substantial capital investments to increase its capacity and improve its competitiveness, as well as fully implement past capital investments by domestic producers. As previously discussed, Petitioners' Adjustment Plan and the domestic producers' individual questionnaire responses indicate a number of investments that domestic producers intend to make to adjust to import competition if an appropriate safeguard remedy is implemented.

¹¹³ Compare CR/PR at Tables IV-3, C-1 with Remedy Modeling Attachment Table 1.

¹¹⁴ Based on the economic modeling for the remedy recommended by Chair Karpel, U.S. shipments by U.S. producers should increase by approximately 83.9 million pounds in the first year of the remedy, which would constitute a 73.5 percent increase over the level recorded in 2023. Based on this same modeling, the industry's operating income would increase by approximately \$28.9 million in the first year of the remedy, from the nearly \$6 million operating loss recorded by the industry in 2023. See Remedy Modeling Attachment 2.

¹¹⁵ Based on the economic modeling for the remedy recommended by Commissioner Kearns, U.S. shipments by U.S. producers should increase by approximately 92.5 million pounds in the first year of the remedy, which would constitute an 81.1 percent increase over the level recorded in 2023. Based on this same modeling, the industry's operating income would increase by approximately \$32.4 million in the first year of the remedy, from the \$***recorded by the industry in 2019. See Remedy Modeling Attachment 2.

Furthermore, some firms have already made substantial investments from which they have been unable to benefit due to import competition. According to Petitioners, Nan Ya added *** drawing line with 40 million additional pounds of additional fine denier PSF capacity, which was completed in 2022 and is fully operational but has *** because of poor market conditions due to low-priced import competition.¹¹⁶ Furthermore, Darling invested over \$100 million to modernize and restart the productive assets at the facility it acquired in Darlington, South Carolina, and undertook a further capital investment project of \$30 million to add more capacity, but idled its operations in December 2022 due to import competition, and ***.¹¹⁷

In addition, Petitioners indicate that domestic producers will increase their R&D efforts and innovation partnerships to develop new environmentally-friendly products. For example, Nan Ya plans to expand its efforts to *** fine denier PSF products to customers in the U.S. market.¹¹⁸ In addition, Darling says it would ***, and ***.¹¹⁹ Sun Fiber plans to ***.¹²⁰

The remedies we have recommended should enable the domestic industry to implement these projects outlined in Petitioners' Adjustment Plan, including the reopening and resumption of production of fine denier PSF in Darling's South Carolina facility. These investments would make the industry better able to compete with imports by the expiration of the remedy period by improving efficiency, increasing capacity, and developing new products.

The remedies we are recommending are the minimum necessary to prevent or remedy the serious injury to the domestic industry that we have found.¹²¹ In determining the remedies

¹¹⁶ Petitioners' Adjustment Plan at 2.

¹¹⁷ Petitioners' Adjustment Plan at 4-5.

¹¹⁸ Petitioners' Adjustment Plan at 3-4. As noted, at the Commission's remedy hearing in July 2024, a Nan Ya representative testified that the firm had just gone online with production of biodegradable fine denier PSF on an expedited basis, a development he attributed to the Commission's affirmative serious injury determination. Remedy Hearing Tr. at 25, 123-125 (Sparkman).

¹¹⁹ Petitioners' Adjustment Plan at 5-7; see CR/PR at Table D-2; Remedy Hearing Tr. at 30, 130-131 (Bockoven).

¹²⁰ Petitioners' Adjustment Plan at 9; see CR/PR at Table D-2. A Sun Fiber representative testified that the firm currently uses 100 percent post-consumer recycled material for all of its fine denier. Remedy Hearing Tr. at 130 (Fang).

¹²¹ In making his remedy recommendations as set forth in this section and below, Commissioner Kearns is mindful that the relief provided under section 201 in recent cases has proven to be less than intended, expected, or needed. For example, relief has been less than intended and expected because importers and purchasers have increased and stockpiled imports before import restrictions could be implemented; those increases occurred after the close of the data collection period for the safeguard investigation and so were not reflected in the baseline for the safeguard modeling used by the Commission and the President. See *Large Residential Washers (Extension): Prehearing Brief on Behalf of Whirlpool Corporation*, October 26, 2020, pp. 34-37. See also *Additional Comments of Commissioner Jason E. Kearns, Large Residential Washers: Monitoring Developments in the Domestic Industry*, Inv. No. (continued...)

we are recommending, including the quota level and duty rates under the tariff-rate quota, we have been mindful of the need to consider the impact on downstream U.S. industries that consume fine denier PSF.¹²² The projected increases in the U.S. prices for fine denier PSF under our recommended remedies are less than those that are projected to occur under Petitioners' proposed remedy, although the price increases under our recommended remedies may still have some effect in the short-term on the competitiveness of the downstream industries consuming fine denier PSF.¹²³ U.S. demand for fine denier PSF is projected to contract as a result of the projected price increases.¹²⁴ Our recommended remedies attempt to strike a balance between remedying the serious injury to the domestic industry while not undercutting the downstream industries' competitiveness, which would have long-term negative effects on the U.S. fine denier PSF industry.

TA-204-013 (Aug. 2019). And importers have used exclusions in ways almost certainly beyond what was intended, to dramatically increase imports in ways that undermined the remedial effect of the safeguard. See Crystalline Silicon Photovoltaic Cells, Whether or Not Partially or Fully Assembled: Monitoring Developments in the Domestic Industry, Pre-hearing Report, Inv. No. TA-201-075 (Second Monitoring), p. III-25, n. 27 (Four U.S. solar module producers import bifacial cells (excluded at that time from the relief) for use in the production of non-bifacial modules). The relief Commissioner Kearns recommends, including the level of the quota and the consideration of product exclusions, takes that history into account.

Commissioner Kearns is also mindful of the history of inadequate relief for the domestic fine denier PSF industry. For nearly a decade now, imports have been injuring the domestic industry producing fine denier PSF. In 2014, the industry held a majority of the market. But due to unfairly traded imports from China, India, South Korea, and Taiwan, the industry's share plummeted in 2015 and 2016. First Reviews, USITC Pub. 5500 at 40 n.234 ("During the POI, the domestic industry's share of the U.S. fine denier PSF market declined from *** percent in 2014 to *** percent in 2015 and *** percent in 2016; ..."). The antidumping and countervailing duty orders put in place in 2018 provided real but fleeting relief: in 2020 the industry restored its market share to 71 percent, but its share immediately began to fall dramatically again just one year later, in 2021 (to 63 percent), as importers discovered that they could avoid paying antidumping and countervailing duties under the obscure TIB program. CR/PR at Table C-1. By 2022 the industry's market share was just 51.9 percent. *Id.* And by 2023 it was just 28.8 percent; the domestic industry's production was down to 119 million pounds, significantly less than what it had been in 2014, and a significant number of workers had lost their jobs. Thus, in making his recommendation, he is mindful not only of the need to provide the "minimum necessary" level of relief, but also of the need to avoid providing relief that is "too little, too late".

¹²² As noted above, Commissioner Kearns also agrees with Petitioners that the President should propose legislation to assist the downstream users of fine denier PSF. He recommends that the President submit to Congress a legislative proposal to distribute TRQ revenue generated by this action to downstream users of the article, to the extent necessary to reduce injury to domestic manufacturers of downstream products. That fund would address the burden U.S. purchasers face as a consequence of the safeguard tariffs.

¹²³ Compare EC-WW-005, Initial Economic Modeling Memo at Table 2 (July 31, 2024) (EDIS Doc. No. 827793) with Remedy Modeling Attachment.

¹²⁴ See Remedy Modeling Attachment.

Under the assumption that Darling does not restart until the second year of the remedy period, Nan Ya would be the only large U.S. producer of fine denier PSF, and Palmetto would be the only U.S. producer of certain specialty fine denier PSF products, such as colored fine denier PSF and short-cut fiber suitable for wet-laid applications.

Given the precarious position of the domestic industry as a result of the serious injury caused by increased imports, it is essential that the industry receive strong import relief in the short term and commence its adjustment efforts quickly to facilitate its recovery. In the short term, the remedies we have recommended will give the domestic industry some protection from imports and allow some increase in U.S. prices. Accordingly, U.S. producers' cash flow and operating income will increase, giving them funds necessary for investments in increased capacity and improved efficiency as well as in R&D and innovation.

In the longer term, by the end date of our recommended remedies, the increased capacity of domestic producers, their strengthened financial and working capital position, and their improved product offerings should give them the ability to better compete with imports. For all these reasons, we believe that our recommended remedies will enable the domestic industry to make a positive adjustment to import competition during the remedy period and emerge in a greatly strengthened competitive position over the long term.

VII. Short- and Long-Term Effects of Not Taking the Recommended Action

In the absence of relief, the increase in imports would likely continue, and the domestic industry would likely continue to suffer the injurious consequences of those imports in both the short term and the long term. Continued use of the TIB program by importers of fine denier PSF would allow a large portion of those imports to avoid paying antidumping and countervailing duties that are applicable to imports from China, India, South Korea, and Taiwan. These imports directly compete with domestically produced fine denier PSF and would continue to have adverse price effects on the U.S. fine denier PSF market and would result in lost sales to the domestic fine denier PSF industry, as they did during the POI.

The continued loss of sales and market share by the domestic industry to imports will likely cause more shutdowns of domestic production facilities, affecting employment as workers lose their jobs, and causing short-term and long-term negative effects for those workers and their communities. Moreover, the absence of a remedy would jeopardize Darling's ability to make the necessary substantial investment to resume production at its idled South

Carolina facility, which would necessarily adversely affect the workers hoping to regain the jobs that they lost when Darling shut down the facility, as well as their local community.¹²⁵

The most vulnerable still-operating U.S. producer is ***, which reported *** during 2019-2022 and a *** of \$*** in 2023.¹²⁶ It also reported *** capacity utilization rates of all the continuous U.S. producers during the POI.¹²⁷ If Palmetto were to cease production because of the lack of a remedy, this would obviously have adverse effects on its workers and their community, but would also affect the downstream U.S. industries consuming fine denier PSF, including certain types of specialty PSF products (*e.g.*, colored and short-cut for wet-laid processes) currently only produced in the United States by Palmetto.

The domestic industry, which suffered *** each year from 2020 to 2023,¹²⁸ would likely see its financial condition continue to worsen as it continued to lose sales and market share in the absence of relief. Without a strong improvement in the industry's financial condition, U.S. producers would be unable to make the necessary investments detailed in Petitioners' Adjustment Plan to increase capacity, improve efficiencies, and conduct R&D and innovation efforts necessary to develop the new products necessary for the industry's long-term survival.

Indeed, the domestic industry's limited ability to fund R&D expenditures and innovation efforts in the absence of a remedy would have long-term effects on the domestic industry's ability to compete with imports. Innovation is important in the U.S. market, in which purchasers increasingly demand sustainable, environmentally friendly fine denier PSF, such as biodegradable fine denier PSF, or fine denier PSF with post-consumer recycled content. While U.S. producers are working to ramp up their efforts to meet this demand,¹²⁹ the absence of a remedy would likely result in the domestic industry lacking the financial resources to continue funding these R&D and innovation efforts necessary for its long-term competitiveness and viability.

¹²⁵ See Remedy Hearing Tr. at 28-31 (Bockoven) (stating that the "vast majority" of Darling's workforce of 340 people lost their jobs when the plant was idled, which "devastated" their community in Darlington County in South Carolina).

¹²⁶ CR/PR at Table IV-3.

¹²⁷ CR/PR at Table III-6.

¹²⁸ CR/PR at Table IV-3.

¹²⁹ See Remedy Hearing Tr. at 25-26, 123-24 (Sparkman) (testimony that Nan Ya has just begun production of biodegradable fine denier PSF); 34, 130 (Fang) (testimony that Sun Fiber uses 100 percent post-consumer recycled material for all of its fine denier PSF); *see also* Petitioners' Adjustment Plan at 6-7 (indicating that Darling ***).

REMEDY MODELING ATTACHMENT

1. Introduction

This attachment reports estimates of the economic effects of the safeguard remedies recommended in Investigation No. TA-201-78 Fine Denier Polyester Staple Fiber. These estimates are based on a customized economic simulation model that Commission staff developed for evaluating the effects of safeguard remedies in the fine denier polyester staple fiber (PSF) industry.

2. Economic Model of the Impact of Potential Remedies

Commission staff built a customized partial equilibrium model that estimates the effect of recommended remedies on (1) fine denier PSF imports, (2) U.S.-produced products that compete with fine denier PSF imports, (3) the revenues and operating income of U.S. producers from these domestic shipments, and (4) prices. The model simulations isolate the effects of each of the recommended safeguard remedies while holding other supply and demand fundamentals constant. The model uses firm-level confidential business information (CBI) and demand elasticity estimates from the staff report in the injury phase as model inputs.

The model includes several assumptions that are standard in PE models:

- Consumers view imports and the domestic product as imperfect substitutes. The model represents this with constant elasticity of substitution (CES) demand.
- Prices adjust to the remedy to ensure that the market clears after the changes in trade policy.
- Aggregate expenditure levels and prices in other sectors of the economy are treated as exogenous variables. They do not change with the changes in trade policy.

The customized model also adds several features to better reflect the conditions of competition in this specific industry:

- The firm-level model has oligopolistic competition among domestic producers (specifically, Bertrand competition in prices). This reflects the concentration of the fine denier PSF industry in the United States.
- The model assumes that producers have constant marginal costs, reflecting the excess capacity of domestic and foreign producers and the ability of foreign producers to divert product from other national markets to the United States.

- The model provides estimates of changes in the operating income of domestic producers that are consistent with the theory underlying the model.
- The model distinguishes Temporary Importation Under Bond (TIB) imports from other imports when modeling the recommended quantitative restrictions on TIB imports.
- The model simulations reported in this attachment assume that Darling restarts production in the United States in the second year of the recommended remedy period due to the safeguard remedy.

The model calculates the effects of a remedy recommendation as the difference between the modeled economic outcomes under the remedy and the baseline economic outcomes absent the remedy. The model estimates the effect on consumer prices as the percent changes in a CES price index that combines imported and domestic PSF products. It estimates the effect on the operating income of U.S. producers based on calibrated marginal costs of the individual domestic producers.

3. Data

The model incorporates data on quantities and values of imports and domestic shipments from Tables C-1 and G-1 in the final staff report in the injury phase of the investigation, as well as more detailed firm-level CBI from Table IV-3.

4. Elasticity Estimates and Marginal Costs

The model incorporates estimates for the price elasticity of total industry demand in the U.S. market and the elasticity of substitution between imports and the domestic product from Part VI of the final staff report in the injury phase of this investigation.

Demand Elasticity

The total demand elasticity for fine denier PSF measures the sensitivity of the overall quantity demanded in the United States to a change in market prices. This estimate depends on the existence, availability, and commercial viability of substitute products as well as the component share of the product in the manufacture of downstream products. Based on the available information, the staff report concludes that the price elasticity of total demand for the products in the U.S. market is between -0.25 and -0.75. The model simulations use the mid-point of this range, -0.5.

Elasticity of Substitution

The elasticity of substitution reflects the extent of product differentiation between the domestic and imported products. Product differentiation depends on such factors as quality (e.g., appearance and efficiency) and conditions of sale (e.g., availability, sales terms, discounts, and warranties). Based on available information, the staff report concludes that the elasticity of substitution between domestic products and imported products is between 3 and 6. The model simulations use the mid-point of this range, 4.5.

5. Estimated Effects of the Remedy Recommendations

Attachment Tables 1, 2, and 3 report the estimated economic effects of the joint remedy recommendation of Commissioners Johanson and Schmidtlein and the individual remedy recommendations of Chair Karpel and Commissioner Kearns.

Attachment Table 1. Remedy Recommendation of Commissioners Johanson and Schmidtlein

Item	Year 1	Year 2	Year 3	Year 4
Out-of-Quota Rate (%)	40	38	36	34
In-Quota Rate (%)	15	14	13	12
Quota Level (million pounds)	145	145	145	145
Quantitative Restriction on TIB Imports (million pounds)	0	1	2	3
Do Covered Imports Exceed the TRQ Quota Level?	Yes	Yes	Yes	Yes
Net Change in Imports (million pounds)	-127.9	-137.0	-136.5	-135.6
Change in Domestic Shipments (million pounds)	73.1	78.2	77.6	76.7
Change in Industry Revenue (million dollars)	75.9	81.4	80.7	79.7
Change in Operating Income (million dollars)	24.8	25.0	24.7	24.4
Change in U.S. Price Index (%)	17.4	15.4	15.0	14.5

Source: USITC internal model results, using inputs from Tables C-1, G-1, and IV-3 in the final staff report in the injury phase of the investigation.

Note: The estimated effects in each remedy year do not show year-on-year changes; rather they show the change relative to the baseline for the remedy year, absent the remedy.

Attachment Table 2. Remedy Recommendation of Chair Karpel

Item	Year 1	Year 2	Year 3	Year 4
Out-of-Quota Rate (%)	45	44	43	42
In-Quota Rate (%)	15	14	13	12
Quota Level (million pounds)	114.82	114.82	114.82	114.82
Quantitative Restriction on TIB Imports (million pounds)	0	1	2	3
Do Covered Imports Exceed the TRQ Quota Level?	Yes	Yes	Yes	Yes
Net Change in Imports (million pounds)	-143.2	-154.1	-155.3	-156.4
Change in Domestic Shipments (million pounds)	83.9	90.4	91.0	91.5
Change in Industry Revenue (million dollars)	87.7	94.5	95.1	95.7
Change in Operating Income (million dollars)	28.9	29.5	29.6	29.7
Change in U.S. Price Index (%)	19.8	17.8	17.6	17.4

Source: USITC internal model results, using inputs from Tables C-1, G-1, and IV-3 in the final staff report in the injury phase of the investigation.

Note: The estimated effects in each remedy year do not show year-on-year changes; rather they show the change relative to the baseline for the remedy year, absent the remedy.

Attachment Table 3. Remedy Recommendation of Commissioner Kearns

Item	Year 1	Year 2	Year 3	Year 4
Out-of-Quota Rate (%)	50	47	44	41
In-Quota Rate (%)	22	20	20	18
Quota Level (million pounds)	110	110	110	110
Quantitative Restriction on TIB Imports (million pounds)	0	1	2	3
Do Covered Imports Exceed the TRQ Quota Level?	Yes	Yes	Yes	Yes
Net Change in Imports (million pounds)	-156.2	-164.8	-165.1	-162.8
Change in Domestic Shipments (million pounds)	92.5	97.3	96.8	94.7
Change in Industry Revenue (million dollars)	97.3	102.1	101.4	99.1
Change in Operating Income (million dollars)	32.4	32.0	31.7	30.9
Change in U.S. Price Index (%)	21.7	19.2	18.7	18.0

Source: USITC internal model results, using inputs from Tables C-1, G-1, and IV-3 in the final staff report in the injury phase of the investigation.

Note: The estimated effects in each remedy year do not show year-on-year changes; rather they show the change relative to the baseline for the remedy year, absent the remedy.

Part I: Introduction

Background

This safeguard results from a petition properly filed on February 28, 2024, under section 202(a) of the Trade Act of 1974 (“The Act”)¹ by Fiber Industries LLC d/b/a Darling Fibers (“Darling”), Nan Ya Plastics Corp, America (“Nan Ya”), and Sun Fiber LLC (“Sun Fiber”). The petition alleges that fine denier polyester staple fiber (“fine denier PSF”)² is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article. The Commission has determined that this investigation is “extraordinarily complicated” within the meaning of section 202(b)(2)(B) of the Act.³ Table I-1 presents information relating to the background and scheduling of this proceeding.⁴

Table I-1
Fine denier PSF: Information relating to the background and schedule of this proceeding

Effective date	Action
February 28, 2024	Petition properly filed with the Commission; institution and scheduling of Inv. No. TA-201-78 (89 FR 18435, March 13, 2024)
June 4, 2024	Commission’s hearing on injury
July 9, 2024	Commission’s vote on injury
July 23, 2024	Commission’s hearing on remedy
August 13, 2024	Commission’s vote on remedy
August 26, 2024	Commission’s findings and recommendations due to the President

¹ 19 U.S.C. § 2552(a).

² See the section entitled “The Imported Articles Described in this Investigation” in Part I of this report for a complete description of the merchandise subject to this proceeding.

³ 19 U.S.C. § 2552(b)(2)(B).

⁴ The Commission’s notice of institution and scheduling are referenced in appendix A and may also be found at the Commission’s website (www.usitc.gov). The list of witnesses that appeared at the Commission’s injury hearing is presented in appendix B.

Statutory criteria and organization of the report

Under the statute, the Commission considers whether “an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.”⁵ Under section 202 of the Trade Act, imports have increased when the increase is “either actual or relative to domestic production.”⁶ This information is addressed in Part II of this report.

Section 202(c)(1)(A) of the Act provides that in making its determination with respect to serious injury the Commission shall take into account all economic factors which it considers relevant, including (but not limited to) “(i) the significant idling of productive facilities in the domestic industry, (ii) the inability of a significant number of firms to carry out domestic production operations at a reasonable level of profit, and (iii) significant unemployment or underemployment with the domestic industry.”⁷ Section 202(c)(1)(B) of the Act provides that in making its determination with respect to threat of serious injury the Commission shall take into account all economic factors which it considers relevant, including (but not limited to) “(i) a decline in sales or market share, a higher and growing inventory (whether maintained by domestic producers, importers, wholesalers, or retailers), and a downward trend in production, profits, wages, productivity, or employment (or increasing underemployment) in the domestic industry, (ii) the extent to which firms in the domestic industry are unable to generate adequate capital to finance the modernization of their domestic plants and equipment, or are unable to maintain existing levels of expenditures for research and development, {and} (iii) the extent to which the United States market is the focal point for the diversion of exports of the article concerned by reason of restraints on exports of such article to, or on imports of such article into, third country markets.”⁸ These factors are addressed in Parts III and IV of this report, except for restraints on imports in third-country markets, which are addressed in Part I of the report and information on market share declines, if any, which are addressed in Part V of the report.

With respect to substantial cause, the Commission shall consider an increase in imports (either actual or relative to domestic production) and a decline in the proportion of the

⁵ Section 202(b)(1)(A) of the Trade Act; 19 U.S.C. § 2252(b)(1)(A).

⁶ 19 U.S.C. § 2252(c)(1)(C).

⁷ 19 U.S.C. § 2252(c)(1)(A).

⁸ 19 U.S.C. § 2252(c)(1)(B).

domestic market supplied by domestic producers.⁹ The presence or absence of any factor that the Commission is required to consider is “not necessarily dispositive.”¹⁰ The statute also directs the Commission to consider “the condition of the domestic industry over the course of the relevant business cycle ... ” and to examine “factors other than imports which may be a cause of serious injury, or threat of serious injury, to the domestic industry.”¹¹ Part V of this report provides information on apparent U.S. consumption and respective market shares and available information on foreign industries and their participation, if any, in the U.S. market during the period of investigation. Information on other competitive dynamics in the U.S. market, including information on any relevant business cycle, is provided in Part VI of this report.

Summary data

Information obtained during the course of this safeguard investigation that relates to the applicable statutory criteria is presented throughout this report. Unless otherwise noted, data concerning the U.S. industry are based on the questionnaire responses of six firms that are estimated to have accounted for *** percent of U.S. production of fine denier PSF during 2023.¹² U.S. import data are based on the U.S. Department of Commerce’s (“Commerce”) official import statistics and the questionnaire responses of 25 firms that are estimated to have accounted for 98.0 percent of U.S. imports of fine denier PSF during 2023.¹³

⁹ Section 202(c)(1)(C); 19 U.S.C. § 2252(c)(1)(C).

¹⁰ Section 202(c)(3); 19 U.S.C. § 2252(c)(3).

¹¹ Section 202(c)(2); 19 U.S.C. § 2252(c)(2).

¹² Two firms, *** and ***, produced fine denier PSF during the data collection period, but did not submit usable questionnaires. *** produced *** pounds of fine denier PSF in 2023, accounting for *** percent of 2023 U.S. production. Email from *** of ***, May 10, 2024. *** produced *** pounds of fine denier PSF in 2023, accounting for *** percent of 2023 U.S. production. Email from *** of ***, May 1, 2024.

¹³ Import quantities reported in Commission questionnaires accounted for the following percentages of imports reported under HTS statistical reporting number 5503.20.0025 from the following sources, in 2023: 0.0 percent from China, *** percent from India, *** percent from Indonesia, *** percent from Mexico, *** percent from South Korea, *** percent from Taiwan, *** percent from Thailand, *** percent from Turkey, *** percent from Vietnam, *** percent from other FTA partners, and *** percent from all other sources.

Foreign industry data are based on the questionnaire responses of 17 producers and/or exporters of fine denier PSF. These firms' reported exports to the United States accounted for 70.2 percent of U.S. imports reported under HTS statistical reporting number 5503.20.0025 in 2023.

Germany: Two producers, ***, that estimated they accounted for *** percent of fine denier PSF production in Germany in 2023, and one exporter/reseller, ***.

India: Two producers, ***, that accounted for an estimated *** percent of fine denier PSF production in India in 2023.

Indonesia: Two producers, ***, accounting for an estimated *** percent of fine denier PSF production in Indonesia in 2023, and one exporter/reseller, ***.¹⁴

Malaysia: Two producers, ***, that accounted for an estimated *** percent of fine denier PSF production in Malaysia in 2023.

Mexico: One producer, ***, that accounted for *** fine denier PSF production in Mexico in 2023 and one exporter/reseller, ***.

South Korea: One producer and exporter/reseller, ***, that estimated it accounted for *** percent of fine denier PSF production in South Korea in 2023.

Thailand: Three producers, ***.¹⁵

Turkey: One producer, ***, accounting for an estimated *** percent of fine denier PSF production in Turkey in 2023 and one exporter/reseller, ***.

¹⁴ ***.

¹⁵ ***.

A summary of data collected on fine denier PSF in this investigation is presented in appendix C. Responses by firms to a series of questions concerning competitive efforts and proposed adjustments are presented in appendix D. Responses by firms to a series of questions concerning the effects of imports on U.S. producers' existing development and production efforts, growth, investment, and research and development are presented in appendix E. Responses by firms to a series of questions concerning the significance of existing antidumping and countervailing duty orders are presented in appendix F. Fine denier PSF imported under the temporary importation under bond program (TIB) are presented separately in appendix G.¹⁶

Previous and related investigations

Fine denier PSF from China, India, South Korea and Taiwan (Investigation Nos. 701-TA-579-580 and 731-TA-1369-1372

In March 2018, the Commission determined that an industry in the United States was materially injured by reason of imports of fine denier PSF from China and India that Commerce found to be subsidized by the governments of China and India.¹⁷ In July 2018, the Commission determined that an industry in the United States was materially injured by reason of imports of fine denier PSF from China, India, South Korea, and Taiwan that Commerce found to be sold at less than fair value ("LTFV") in the U.S. market.¹⁸ Those investigations resulted from antidumping and countervailing duty petitions filed by DAK Americas LLC; Nan Ya Plastics Corp., America; and Auriga Polymers Inc. on May 31, 2017. Effective March 16, 2018, Commerce

¹⁶ The TIB program provides for the temporary importation of goods under bond, not imported for sale or sale on approval, without payment of duty with the intent to export or destroy the goods within a certain period of time not to exceed three years from the date of importation (see 19 CFR 10.31 through 10.40). U.S. importers may avoid the payment of antidumping or countervailing duties on their imports of products that are subject to antidumping or countervailing duty orders by using the TIB program if they can document and map to CBP that the U.S.-produced downstream product that uses the imported input subject to AD/CVD orders is exported and not sold in the United States. Fine Denier Polyester Staple Fiber from China, India, Korea, and Taiwan, Inv. Nos. 701-579-580 and 731-TA-1369-1372 (Review), USITC Publication 5500, March 2024 ("First review publication 5500"), p. I-4, fn. 10.

*** reported importing fine denier PSF under the TIB program during the data collection period (2019 to 2023). ***. *** U.S. importer questionnaire response, questions I-8c and I-10.

¹⁷ Fine Denier Polyester Staple Fiber from China and India, Inv. Nos. 701-TA-579-580 (Final), USITC Publication 4765, March 2018 ("Original CVD publication 4765").

¹⁸ Fine Denier Polyester Staple Fiber from China, India, Korea, and Taiwan, Inv. Nos. 731-TA-1369-1372 (Final), USITC Publication 4803, July 2018 ("Original AD publication 4803").

issued countervailing duty orders on fine denier PSF from China and India with the final net subsidy rates ranging from 37.75 to 47.57 percent for China and 13.38 to 27.36 percent for India.¹⁹ On July 20, 2018, Commerce issued antidumping duty orders with the final weighted-average dumping margins ranging from 65.17 to 103.06 percent for China, 21.43 percent for India, from 30.15 to 45.23 percent for South Korea, and from 24.43 to 48.86 percent for Taiwan.²⁰

On May 8, 2023, the Commission determined that it would conduct full reviews of the antidumping and countervailing duty orders on fine denier PSF from China, India, South Korea, and Taiwan.²¹ In June 2023, Commerce determined that revocation of the antidumping and countervailing duty orders on fine denier PSF from China, India, South Korea, and Taiwan would be likely to lead to continuation or recurrence of dumping and subsidization.²² On April 1, 2024, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.²³ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective April 5, 2024, Commerce issued a continuation of the antidumping and countervailing duty orders on imports of fine denier PSF from China, India, South Korea, and Taiwan.²⁴

¹⁹ 83 FR 11681, March 16, 2018.

²⁰ 83 FR 34545, July 20, 2018. Margins for exporter/producer Toray Chemical Korea Inc. (South Korea) and exporter/producer Tainan Spinning Co., Ltd. (Taiwan) were determined to be zero, thus these companies were excluded from the order.

²¹ 88 FR 31006, May 15, 2023.

²² 88 FR 36278, June 2, 2023 (China CVD); 88 FR 37513, June 8, 2023 (India CVD); and 88 FR 37512, June 8, 2023 (AD orders).

²³ 89 FR 24033, April 5, 2024.

²⁴ 89 FR 25563, April 11, 2024.

Administrative reviews

Commerce has completed three administrative reviews of the outstanding countervailing duty order on fine denier PSF from India (table I-2) and two administrative reviews of the outstanding antidumping duty order on fine denier PSF from India (table I-3).²⁵ No administrative reviews have been conducted on the countervailing duty order on fine denier PSF from China or on the antidumping duty orders on fine denier PSF from China, South Korea, or Taiwan.

Table I-2
Fine denier PSF: Administrative reviews of the countervailing duty order for India

Date results published	Period of review	Producer or exporter	Margin (percent)
December 30, 2020, 85 FR 86537	November 6, 2017 – December 31, 2018	Reliance Industries Limited	4.44
September 7, 2021, 86, FR 50047	January 1, 2019 – December 31, 2019	Reliance Industries Limited	4.89
July 13, 2022, 87 FR 41663	January 1, 2020 – December 31, 2020	Reliance Industries Limited	6.88

Source: Cited Federal Register notices.

Table I-3
Fine denier PSF: Administrative reviews of the antidumping duty order for India

Date results published	Period of review	Producer or exporter	Margin (percent)
June 1, 2021, 86 FR 29249	January 5, 2018 – June 30, 2019	Reliance Industries Limited	21.43
November 12, 2021, 86 FR 62786	July 1, 2019 – June 30, 2020	Reliance Industries Limited	21.43

Source: Cited Federal Register notices.

Note: Commerce rescinded the administrative review covering the period of July 1, 2020 – June 30, 2021, for the antidumping duty order on fine denier PSF from India after Reliance Industries Limited withdrew their review request within 90 days of the date of publication of the notice of initiation for the requested review. 86 FR 50034, September 7, 2021, and 86 FR 58885, October 25, 2021.

²⁵ For previously reviewed or investigated companies not included in an administrative review, the cash deposit rate continues to be the company-specific rate published for the most recent period.

The Commission has also conducted previous import relief investigations on low melt PSF and PSF of 3.3 decitex or greater, which are similar but outside the scope of the current proceeding. Table I-4 presents all previous and related investigations and the status of orders.

Table I-4

PSF: Previous and related Commission proceedings and status of orders

Date	Number	Subject merchandise	Country	ITC original determination	Current status of order
1999	731-TA-825	PSF of 3.3 decitex or greater	South Korea	Affirmative	Order continued August 19, 2022, following fourth five-year reviews.
1999	731-TA-826	PSF of 3.3 decitex or greater	Taiwan	Affirmative	Order continued August 19, 2022, following fourth five-year reviews.
2006	731-TA-1104	PSF of 3.3 decitex or greater	China	Affirmative	Order continued August 29, 2023, following third five-year reviews.
2017	731-TA-1378	Low melt PSF	South Korea	Affirmative	Order continued December 19, 2023, following first five-year reviews.
2017	731-TA-1379	Low melt PSF	Taiwan	Affirmative	Order continued December 19, 2023, following first five-year reviews.
2017	701-TA-579	Fine denier PSF	China	Affirmative	Order continued April 5, 2024, following first five-year reviews.
2017	701-TA-580	Fine denier PSF	India	Affirmative	Order continued April 5, 2024, following first five-year reviews.
2017	731-TA-1369	Fine denier PSF	China	Affirmative	Order continued April 5, 2024, following first five-year reviews.
2017	731-TA-1370	Fine denier PSF	India	Affirmative	Order continued April 5, 2024, following first five-year reviews.
2017	731-TA-1371	Fine denier PSF	South Korea	Affirmative	Order continued April 5, 2024, following first five-year reviews.
2017	731-TA-1372	Fine denier PSF	Taiwan	Affirmative	Order continued April 5, 2024, following first five-year reviews.

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

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

The product

The imported articles described in this investigation

The imported article covered by this safeguard investigation is described as follows:²⁶

The imported article covered by this investigation is fine denier PSF, not carded or combed, measuring less than 3.3 decitex (3 denier) in diameter. The scope covers all fine denier PSF, whether coated or uncoated. The following products are not covered by this investigation:

- (1) PSF equal to or greater than 3.3 decitex (more than 3 denier, inclusive) currently imported under HTSUS statistical reporting numbers 5503.20.0045 and 5503.20.0065.*
- (2) Low-melt PSF defined as a bicomponent polyester fiber having a polyester fiber component that melts at a lower temperature than the other polyester fiber component, which is currently imported under HTSUS statistical reporting number 5503.20.0015.*

The product coverage in the Commission's current safeguard investigation is the same as the scope for the antidumping and countervailing duty orders on fine denier PSF from China, India, South Korea, and Taiwan.²⁷

Like or directly competitive articles

To determine whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury or the threat thereof to the domestic industry, the Commission first defines "the domestic industry producing an article that is like or directly competitive with the imported article."²⁸ In assessing what constitutes the product(s) that is/are like or directly competitive with the imported article(s), the Commission takes into account such factors as (1) the physical properties of the article, (2) its customs treatment, (3) its manufacturing process (i.e., where and how it is made), (4) its uses, and (5) the marketing channels through which the product is sold. Information relating to these factors is presented in the sections that follow, with the exception of marketing channels through which the product is sold, which is presented in part VI.

²⁶ 89 FR 18435, March 13, 2024.

²⁷ First review publication 5500, p. I-18.

²⁸ 19 U.S.C. § 2252(b)(1)(A).

In the current safeguard investigation, Petitioner argues that the Commission should define the domestic like product or directly competitive product as all fine denier PSF.²⁹ In arguing for a single domestic like product, Petitioner argues that domestic and imported fine denier PSF have substantially identical physical properties and end uses, are produced using the same production processes, are sold through the same marketing channels, and are substantially identical in terms of their customs treatment with the same HTSUS statistical reporting number.³⁰ No party requested that the Commission collect data concerning other possible alternative domestic like products in their comments on the Commission's draft questionnaires or in briefs for the current safeguard investigation.³¹

Physical properties

Fine denier PSF is a manmade fiber, similar in appearance to cotton or wool.³² The distinguishing physical characteristics of fine denier PSF include the diameter of the fiber (denier), the length of the fiber, and the fiber's tenacity, or strength. Other variable characteristics may be the finish ("luster") applied to the fiber, and the "crimp" of the fiber, which impacts the fiber's tenacity.³³ The subject merchandise is sold cut-to-length, which differentiates it from PSF filament—a long continuous strand of fiber. The fine denier fibers are generally cut from the extruded filaments in lengths of five inches (125 mm) or less. Fine denier

²⁹ Fine Denier Polyester Staple Fiber – Petition for Safeguard Relief Pursuant to Sections 201-202 of the Trade Act of 1974 ("Petition"), February 28, 2024, p. 14.

³⁰ Petition, pp. 9-14. In the 2018 original investigations concerning fine denier PSF from China, India, South Korea, and Taiwan, the Commission defined a single domestic like product consisting of fine denier PSF, coextensive with Commerce's scope. Original CVD publication 4765, pp. 7-10, and Original AD publication 4803, p. 4. The Commission rejected the argument by respondent Reliance that three niche fine denier PSF products (short cut PSF, black dyed PSF, and siliconized PSF) should be defined as separate domestic like products. Original CVD publication 4765, p. 9, and Original AD publication 4803, p. 4. In the 2024 five-year reviews concerning fine denier PSF from China, India, South Korea, and Taiwan, no party argued for a different definition of the domestic like product from the original investigations and the Commission again defined the domestic like product as consisting of fine denier PSF, coextensive with Commerce's scope. First review publication 5500, p. 8.

³¹ Comments on the draft questionnaires were submitted on behalf of the following: (1) Darling, Nan Ya Plastics, and Sun Fiber; (2) Gildan Yarns LLC ("Gildan Yarns"), and (3) Reliance Industries, Ltd.

³² Denier is a weight-per-unit length measure of filament fibers or yarns. Denier is the equivalent to the weight in grams of 9,000 meters of fiber. Lower deniers equate to finer fibers and higher deniers equate to coarser fibers. The HTS follows the HS practice of using the metric unit decitex instead of denier, although denier is more often used by industry.

³³ Petition, p. 7.

PSF is sold to end users in bales which are typically compressed to pack product as densely as possible for efficient shipping.

Fine denier PSF is converted either to yarn for knitting or weaving into fabric, or to a nonwoven product (through bonding via chemical or mechanical or heat process, or solvent), prior to inclusion in the end product, or can be used as fiberfill without conversion. Knit or woven applications include the production of textiles, such as clothing and bed linens. The vast majority of fine denier PSF end users operate spinning mills that use the subject merchandise in the production of textiles.

Fine denier PSF can be “mechanically crimped,” which simulates cotton’s natural folds to aid in processing and adds strength to the finished textile product. Knit or woven applications tend to require higher tenacity than nonwoven applications, and thus require more crimping.

Finishes are also sprayed onto the fiber during the manufacturing process and can include a silicone or “slick” finish, an oil finish, or other finishes, depending on the end-use application. For example, fine denier PSF with a silicone finish or coating may also be used in certain fill applications, such as pillows. Nonwoven applications include the production of household and hygiene products such as baby wipes, diapers, or coffee filters.

The characteristics of the textiles made from fine denier PSF are determined by the qualities of the fiber. When fine denier PSF is converted into yarns and fabrics, these textiles are known for soft surface texture, resistance to stretching and shrinking, wrinkle-, abrasion-, and moisture-resistance, dyeability, and washability. Nonwoven fabrics made from fine denier PSF provide specific functions such as stretch, softness, fire-resistance, washability, cushioning, thermal and acoustic filtration, and sterility. Fine denier PSF used in fill applications provide softness and loft similar to down.³⁴

³⁴ First review publication 5500, p. I-18.

Manufacturing facilities and processes³⁵

Fine denier PSF can be produced from virgin PSF or from recycled materials (polyester chips). Virgin PSF is characterized by the purity of the whiteness of the fiber. If polyester chips are used, the recycled materials are generally post-consumer recyclables such as polyethylene terephthalate (“PET”) flakes from recycled plastic bottles.

The manufacture of fine denier PSF may be divided into two discrete stages. The first stage differs depending on whether the PSF is made from virgin materials or recycled materials. For virgin PSF, the first stage of the process is polymerization—when monoethylene glycol (MEG) reacts with either purified terephthalic acid (PTA) or its methyl ester in the presence of a catalyst (typically based on antimony) at high temperature under vacuum.³⁶ The mix is then sent through an esterification process, a chemical process that combines an acid with an alcohol to form an ester, yielding PET. If recycled materials are used, the first step of the production process is to melt the recycled PET material chips to a liquid state.

The second stage of the manufacturing process is the fiber formation, which includes extruding, stretching, cutting, and baling. These steps are the same whether the polymers are formed from virgin raw materials or recycled PET flake. After polymerization, the solid, molten plastic, which has a consistency similar to cold honey, must be liquefied through heating before it can be extruded. Once heated, the liquid fiber-forming polymers are then extruded through tiny holes of a spinneret, a device similar in principle to a showerhead, to form continuous filaments of semi-solid polymer. The denier of the fiber is controlled by the size of the holes on the spinneret. After extrusion, the semi-solid fibers are blasted with cold air to form solid fibers. This process is known as quenching.

Next, the solid fibers are coated for the first time with an oil finish, usually only for internal use to facilitate further processing. The spun tow, as it is now known, is collected into a can to be stretched.³⁷ The spun tow is sent over a creel and a series of “draw wheels” to orient the fiber molecules and strengthen the tow. Then, the tow may be sent through a crimping

³⁵ Information in this section is on How Products Are Made, “Polyester” [How polyester is made - material, manufacture, making, history, used, structure, steps, product, History \(madehow.com\)](https://www.madehow.com/entry/1000.html), accessed April 12, 2024; Cissco Machinery Co., “Polyester Staple Fiber Production Process,” Cissco Machinery Co., [Polyester Staple Fiber Production process. Cissco Machinery Co., by Maria Margarita Contreras on Prezi](https://www.cissco.com/polyester-staple-fiber-production-process), accessed April 12, 2024; and First review publication 5500, pp. I-20–I-21.

³⁶ These reaction conditions yield the high molecular weights needed to form fiber with the desired characteristics.

³⁷ Tow is large groups of continuous manmade fiber filaments without definite twist collected in loose, rope-like form. Tow is the form that most manmade fiber takes before being cut into staple.

machine, which adds a two- or three-dimensional saw-tooth sine-curve, or spiral shape to the fibers, normally at the rate of five to fifteen crimps per inch. The tow is then sent through an oven to heat-set the crimp. A second finish (usually silicone or some type of oil-based finish) may be added during this stage of the process, either before the fiber tow is crimped and heat-set or directly after, depending on the preference of the manufacturer. Finally, the fiber tow is cut to length and baled.

The Domestic Producers argue that both domestic and imported fine denier PSF have “substantially identical” manufacturing processes³⁸ and no party has argued otherwise for the purposes of challenging the Domestic Producers proposed definition of the like or directly competitive product.³⁹

Uses

As noted above, fine denier PSF is converted either to yarn for knitting or weaving into fabric, or to a nonwoven product, prior to inclusion in the end product, or can be used as fiberfill without conversion. Knit or woven applications include the production of textiles, such as clothing and bed linens. Nonwoven applications include the production of household and hygiene products such as baby wipes, diapers, or coffee filters. Fine denier PSF used in fill applications, such as pillows, provide softness and loft similar to down.

Marketing channels

The vast majority of fine denier PSF from both U.S. producers and importers is sold to end users (table I-5). U.S. producers shipped most of their product to end users for woven applications with a sizable amount to nonwoven applications. Importers shipped the majority of their fine denier PSF to end users for nonwoven applications in all years except for 2019. Beginning in 2020, import sources shifted the vast majority of their shipments to nonwoven end users.

³⁸ Petition, pp. 11-13.

³⁹One respondent, RIL, argues that there are differences in manufacturing processes between domestic production and production of imports from India only for particular types of fine denier PSF. RIL’s prehearing brief, pp. 5-10, and hearing transcript, pp. 157-165 (Jagga). However, RIL did not object to the Domestic Producers’ proposed like product definition in its comments on draft questionnaires nor does RIL challenge the Domestic Producers proposed like product in its submissions in this safeguard investigation.

Table I-5**Fine denier PSF: Share of U.S. shipments by source, channel of distribution, and period**

Share in percent

Source	Channel	2019	2020	2021	2022	2023
United States	Distributors	***	7.3	11.7	12.3	12.2
United States	Woven end users	***	54.7	58.5	61.4	49.7
United States	Nonwoven end users	***	38.0	29.8	26.3	38.1
All import sources	Distributors	***	***	***	***	***
All import sources	Woven end users	***	***	***	***	***
All import sources	Nonwoven end users	***	***	***	***	***

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

U.S. tariff treatment

The subject articles are imported under Harmonized Tariff Schedule of the United States (“HTS”) statistical reporting number 5503.20.0025. The 2024 general rate of duty is 4.3 percent *ad valorem*.⁴⁰ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection. Effective September 24, 2018, fine denier PSF originating in China was subject to an additional 10 percent *ad valorem* duty under section 301 of the Trade Act of 1974. Effective May 10, 2019, the section 301 duty for fine denier PSF was increased to 25 percent *ad valorem*.⁴¹

⁴⁰ USITC, HTS (2024) Revision 1, Publication 5491, January 2024, p. 55-5. All FTA partners’ originating goods are eligible for duty-free entry, including originating goods from South Korea, one of the largest global exporters, under the United States-Korea Free Trade Agreement. See HTS general note 33(o)/tariff classification rules 55.1 for rules of origin applicable to HTS heading 5503.20.00. Goods imported under HTS heading 5503.20.00 are not eligible for the U.S. Generalized System of Preferences (GSP), even if the program were to be reauthorized.

⁴¹ 83 FR 47974, September 21, 2018; 84 FR 20459, May 9, 2019. See also HTS headings 9903.88.03 and 9903.88.04 and U.S. notes 20(e)–20(g) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTS (2024) Revision 1, Publication 5491, January 2024, p. 99-III-43. 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).

The U.S. market

U.S. producers

The Commission sent U.S. producers' questionnaires to eight firms identified by the Commission as possible U.S. producers of fine denier PSF. The Commission received usable responses from six firms reporting domestic production since January 1, 2019.⁴² Presented in table I-6 is a list of responding domestic producers and each company's position on the petition, production locations, and share of reported production of fine denier PSF in 2023.

Table I-6

Fine denier PSF: U.S. producers, their positions on the petition, production locations, and shares of reported production, 2023

Share in percent

Firm	Position on safeguard relief	Production location(s)	Share of production
Alpek USA	***	Charlotte, NC Moncks Corner, SC	***
Auriga	***	Spartanburg, SC	***
Darling	Petitioner	Darlington, SC	***
Nan Ya	Petitioner	Lake City, SC	***
Palmetto	***	Kingstree, SC	***
Sun Fiber	Petitioner	Richburg, SC	***
All firms	Various	Various	100.0

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

⁴² These six firms were Alpek Polyester USA, LLC ("Alpek USA"); Auriga Polymers Inc. ("Auriga"); Darling; Nan Ya; Palmetto Synthetics, LLC ("Palmetto"); and Sun Fiber.

U.S. importers

The Commission issued importer questionnaires to 66 firms identified by the Commission as possible importers of subject fine denier PSF, as well as to all U.S. producers of fine denier PSF. Usable questionnaire responses were received from 25 firms, representing 98.0 percent of U.S. imports of fine denier PSF in 2023 under HTS subheading 5503.20.0025. Table I-7 lists all responding U.S. importers of fine denier PSF from Canada,⁴³ China, India, Indonesia, Mexico, South Korea, Taiwan, Thailand, Turkey, Vietnam, all other free trade agreement sources,⁴⁴ and all other sources;⁴⁵ their locations; and their shares of U.S. imports, in 2023.

⁴³ ***.

⁴⁴ “All other free trade agreement sources” was defined in questionnaires to include the following countries: Australia, Columbia, Israel, Jordan, Panama, Peru, Singapore, and CAFTA-DR countries (i.e., Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua). Of these countries, respondents reported importing fine denier PSF from Honduras.

⁴⁵ Respondents reported importing fine denier PSF from the following all other sources: Germany, Malaysia, Myanmar, Pakistan, and Romania.

Table I-7**Fine denier PSF: U.S. importers, their headquarters, and share of imports within each source, 2023**

Share in percent

Firm	Headquarters	Canada	China	India	Indonesia	Mexico	South Korea
Advansa	Hamm, Germany	***	***	***	***	***	***
Alpek USA	Charlotte, NC	***	***	***	***	***	***
American Textile	Duquesne, PA	***	***	***	***	***	***
Auriga	Spartanburg, SC	***	***	***	***	***	***
Barnet	Spartanburg, SC	***	***	***	***	***	***
Bernet	Los Angeles, CA	***	***	***	***	***	***
BMT Fibers	New York, NY	***	***	***	***	***	***
DECA	Memphis, TN	***	***	***	***	***	***
Fibertex	Gray Court, SC	***	***	***	***	***	***
Gildan	Salisbury, NC	***	***	***	***	***	***
Green Bay	East Windsor, CT	***	***	***	***	***	***
Inman Mills	Inman, SC	***	***	***	***	***	***
Jeffco	Worcester, MA	***	***	***	***	***	***
Keeco	Rock Hill, SC	***	***	***	***	***	***
Mativ	Pittsfield, MA	***	***	***	***	***	***
Milliken	Spartanburg, SC	***	***	***	***	***	***
Newell	Norwalk, CT	***	***	***	***	***	***
Parkdale	Gastonia, NC	***	***	***	***	***	***
Poole	Greenville, SC	***	***	***	***	***	***
RSM	Charlotte, NC	***	***	***	***	***	***
Sandler	Perry, GA	***	***	***	***	***	***
Spuntech	Roxboro, NC	***	***	***	***	***	***
Stein Fibers	Albany, NY	***	***	***	***	***	***
Teijin USA	New York, NY	***	***	***	***	***	***
Unifi	Greensboro, NC	***	***	***	***	***	***
All firms	Various	---	100.0	100.0	100.0	100.0	100.0

Table continued.

Table I-7 Continued

Fine denier PSF: U.S. importers, their headquarters, and share of imports within each source, 2023

Share in percent

Firm	Taiwan	Thailand	Turkey	Vietnam	Other FTA	All other sources	All import sources
Advansa	***	***	***	***	***	***	***
Alpek USA	***	***	***	***	***	***	***
American Textile	***	***	***	***	***	***	***
Auriga	***	***	***	***	***	***	***
Barnet	***	***	***	***	***	***	***
Bernet	***	***	***	***	***	***	***
BMT Fibers	***	***	***	***	***	***	***
DECA	***	***	***	***	***	***	***
Fibertex	***	***	***	***	***	***	***
Gildan	***	***	***	***	***	***	***
Green Bay	***	***	***	***	***	***	***
Inman Mills	***	***	***	***	***	***	***
Jeffco	***	***	***	***	***	***	***
Keeco	***	***	***	***	***	***	***
Mativ	***	***	***	***	***	***	***
Milliken	***	***	***	***	***	***	***
Newell	***	***	***	***	***	***	***
Parkdale	***	***	***	***	***	***	***
Poole	***	***	***	***	***	***	***
RSM	***	***	***	***	***	***	***
Sandler	***	***	***	***	***	***	***
Spuntech	***	***	***	***	***	***	***
Stein Fibers	***	***	***	***	***	***	***
Teijin USA	***	***	***	***	***	***	***
Unifi	***	***	***	***	***	***	***
All firms	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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

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

U.S. purchasers

The Commission sent U.S. purchasers' questionnaires to 59 firms identified as possible U.S. purchasers of fine denier PSF and received 20 usable questionnaire responses from firms that purchased fine denier during January 2019 through December 2023. Of the 20 responding purchasers, 19 purchased the domestic product, and 13 purchased imports of fine denier PSF from foreign sources. Three purchasers are end users for woven applications, 11 are end users for nonwoven applications, two are distributors, and four identified themselves as "other." Among these other end users, one identified themselves as a yarn spinner, two identified themselves as manufacturers of pillows and other bedding products, and one identified themselves as a component supplier. In general, responding U.S. purchasers were located in various regions of the United States but most (13 firms) were located in the Southeast. The responding purchasers represented firms in a variety of domestic industries, including textiles and apparel, home furnishings (pillows and bedding), personal hygiene, and nonwoven fabrics. Large purchasers of fine denier PSF include ***, a yarn spinner primarily for the apparel and fabric markets; and ***, a nonwoven manufacturer for consumer, industrial and medical products.

Third-country market import restraints

Many countries have imposed import restraints of PSF from one or more sources. Such restraints are discussed in detail in the sections that follow, organized by the specific country that has undertaken such measures. A summary of import restraint measures taken by third countries is presented in table I-8.

Table I-8
PSF: Third country market import restraints

Importing country	Country or countries subject to trade action	Covered product	Measure	Date
Indonesia	China, India, and Taiwan	Polyester staple Fiber	Antidumping duty margins (percent): China (0.00 to 11.94), India (5.82 to 16.67), Taiwan (28.47)	2022
Mexico	China	Short-fiber polyester	Antidumping duties: \$0.46 per KG	2019
Pakistan	Indonesia, Taiwan, and Thailand	Polyester staple fiber	Antidumping duty margins (percent): Indonesia (2.39 to 3.55), Taiwan (12.47), Thailand (2.54 to 10.96)	2022
Pakistan	China	Polyester staple fiber	Antidumping duty margins (percent): 2.82 to 11.51	2021
Turkey	China	Polyester synthetic staple fiber	Antidumping duties: \$268.00 to \$351.00 per ton	2018 (suspended)
Turkey	South Korea and Indonesia	Polyester synthetic staple fiber	Antidumping duties: South Korea (6.20 percent), Indonesia (\$48.00 to \$240.00 per ton)	2018 (suspended)
Turkey	India, Taiwan, and Thailand	Polyester synthetic staple fiber	Antidumping duty margins (percent): India (8.50 to 12.00), Taiwan (6.40 to 12.00), Thailand (12.00)	2019 (suspended)
Turkey	Iran	Polyester fiber	Safeguard duty margins (percent) Year 1: 22.00 Year 2: 21.50 Year 3: 21.50 Year 4: 20.50 Year 5: 20.00 Year 6: 19.50 Year 7: 19.00 Year 8: 18.50 Year 9: 18.00 Year 10: 17.50 Year 11: 17.00 Year 12: 16.50 Year 13: 16.00	2013 (most recent extension date 2023, year 11)

Source: Cited public articles in sections that follow.

Indonesia

On April 20, 2009, the Government of Indonesia initiated an antidumping investigation on imports of polyester staple fiber from China, India, and Taiwan. There have been three subsequent reviews of the antidumping measure, initiated in 2014, 2018, and 2021. On December 2, 2022, the Indonesian authorities extended the duty for an additional five-year period, to take effect on December 12 of that year. The rate of duty for imports from India is 5.85% or 16.67%, 13% or 16.1% for imports from China, depending on the company, and 28.47% for imports from Taiwan.⁴⁶

Mexico

In February 2018, the Mexican Ministry of Economy initiated an antidumping investigation on imports of short fiber polyester from China and on July 1, 2019, a duty at the rate of \$0.46 per KG was imposed on all subject imports.⁴⁷

Pakistan

The Pakistani National Tariff Commission initiated an anti-dumping investigation on imports of polyester staple fiber from China on April 22, 2015. The subject product is polyester staple fiber not exceeding 2.0 denier and excluding colored and regenerated polyester staple fiber.⁴⁸ A review of the investigation was announced in 2020 and on October 6, 2021, the antidumping order was renewed. The rate of duty ranges from 2.82% to 11.51%, depending on the company.⁴⁹

⁴⁶ The Indonesia antidumping order for PSF includes both PSF that is not fine denier and fine denier PSF. Global Trade Alert, "Indonesia: Extension of definitive antidumping duty on imports of polyester staple fibre from China, Chinese Taipei and India," accessed April 14, 2024, <https://www.globaltradealert.org/intervention/20339/anti-dumping/indonesia-extension-of-definitive-antidumping-duty-on-imports-of-polyester-staple-fibre-from-china-chinese-taipei-and-india>.

⁴⁷ WTO, Trade Remedies Data Portal, "Investigations," accessed April 14, 2024, <https://trade-remedies.wto.org/en/antidumping/investigations/investigation/mex-1517-chn-1>. Global Trade Alert, "Mexico: Definitive antidumping duty on imports of short fibre polyester from China," accessed April 14, 2024 <https://www.globaltradealert.org/intervention/60422/anti-dumping/mexico-definitive-antidumping-duty-on-imports-of-short-fibre-polyester-from-china>. The Mexican antidumping order for short fiber polyester includes both fine denier PSF and PSF that is not fine denier.

⁴⁸ Fine denier PSF is defined as PSF measuring less than 3 denier. Therefore, this order may exclude some product defined as fine denier PSF for the purposes of the U.S. safeguard.

⁴⁹ ADC No. 33/2015/NTC/PSF/SSR&CCR/2020, "Notice of Conclusion of Sunset and Changed Circumstances Review of Anti-dumping Duties Levied on Dumped Imports of Polyester Staple Fiber (Not (continued...))

Separately, Pakistan initiated an antidumping investigation on goods of polyester staple fiber from Taiwan, Indonesia and Thailand in 2021. On February 4, the country-imposed duties on imports of subject merchandise Indonesia at a rate of 2.39% to 3.55%, depending on the company, from Taiwan at a rate of 12.47%, and from Thailand at a rate of 2.54% to 10.96%, depending on the country.⁵⁰

Turkey

Antidumping duties on imports polyester synthetic staple fibers from India, Taiwan, and Thailand to Turkey were renewed in 2009, 2014, and 2019. The duty rates on imports from India imposed in the 2019 review were 8.5% or 12%, depending on the company, from Taiwan 6.4% to 12%, and from Thailand 12%.⁵¹ Antidumping investigations for imports of polyester staple fiber from Indonesia and South Korea and renewed in 2012 and 2018 with another sunset review initiating in April 2023. The rate of duty on imports from Indonesia is 6.2% or 12%, depending on the company, and imports from South Korea are subject to a 6.2% duty rate.⁵² Lastly, Turkey has an antidumping duty order on polyester staple fiber from China. The

(...continued)

Exceeding 2.0 Denier & Excluding Colored and Regenerated Polyester Staple Fiber) from China,” accessed April 14, 2024, <https://www.ntc.gov.pk/wp-content/uploads/2021/10/ADC-33-Notice-of-Conclusion-Review.pdf>. Global Trade Alert, “Pakistan: Extension of definitive antidumping duty on imports of polyester staple fibre from China,” accessed April 14, 2024, <https://www.globaltradealert.org/intervention/12968/anti-dumping/pakistan-extension-of-definitive-antidumping-duty-on-imports-of-polyester-staple-fibre-from-china>.

⁵⁰ Global Trade Alert, “Pakistan: Definitive antidumping duty on imports of polyester staple fibre from Chinese Taipei, Indonesia and Thailand,” accessed April 14, 2024, <https://www.globaltradealert.org/intervention/85850/anti-dumping/pakistan-definitive-antidumping-duty-on-imports-of-polyester-staple-fibre-from-chinese-taipei-indonesia-and-thailand>.

⁵¹ Global Trade Alert, “Turkiye: Temporary suspension of definitive antidumping duty on imports of polyester synthetic staple fibres from Chinese Taipei, India and Thailand,” accessed April 14, 2024, <https://www.globaltradealert.org/intervention/18487/anti-dumping/turkey-temporary-suspension-of-definitive-antidumping-duty-on-imports-of-polyester-synthetic-staple-fibres-from-chinese-taipei-india-and-thailand>.

⁵² Global Trade Alert, “Turkiye: Temporary suspension of antidumping duties on imports of polyester synthetic staple fibre from Indonesia and South Korea,” accessed April 14, 2024, <https://www.globaltradealert.org/intervention/16520/anti-dumping/turkey-temporary-suspension-of-antidumping-duties-on-imports-of-polyester-synthetic-staple-fibre-from-indonesia-and-south-korea>.

investigation was initiated in 2006 and its latest extension date was October 2018. The rate of duty is \$0.08 per KG.⁵³

In May 2020 a safeguard investigation covering imports of polyester staple fiber from India, Taiwan, and Thailand was initiated. The duty suspension went into effect via a Presidential Decision on August 23, 2021.⁵⁴ The order instituted a safeguard duty of \$0.06 per KG beginning in year 1, \$0.058 per KG in year 2, and \$0.056 per KG in year 3. Subsequently, on September 8, 2021, Turkey temporarily suspended the definitive duty imposed on imports of the subject goods from India, Taiwan, and Thailand as long as the safeguard measure remained in effect.⁵⁵

Additionally, Turkey also has a safeguard that imposes duties on imports of polyester fiber from Iran. An investigation was first initiated in 2013, and it has been renewed three times, in 2018, 2020, and 2023. In each review the safeguard duty was extended, the rate decreased by 0.5% each year, beginning with a 22 percent duty in year 1 (2013). Between September 2023 and September 2024, the rate of duty is 17%. The rate is set for 16.5 percent between September 2024 and September 2024, and it will decrease to 16% for the period between September 2025 and September 2026.⁵⁶

⁵³ WTO, Trade Remedies Data Portal, “Investigations,” accessed April 14, 2024, <https://trade-remedies.wto.org/en/antidumping/investigations/investigation/tur-189chc-1>.

⁵⁴ Global Trade Alert, “Turkiye: Temporary suspension of definitive antidumping duty on imports of polyester synthetic staple fibres from Chinese Taipei, India and Thailand,” accessed April 14, 2024, <https://www.globaltradealert.org/intervention/18487/anti-dumping/turkey-temporary-suspension-of-definitive-antidumping-duty-on-imports-of-polyester-synthetic-staple-fibres-from-chinese-taipei-india-and-thailand>.

⁵⁵ Global Trade Alert, “Turkiye: Definitive safeguard duty on imports of certain polyester staple fibre,” accessed April 14, 2024, <https://www.globaltradealert.org/intervention/56919/safeguard/turkey-extension-of-definitive-safeguard-duty-on-imports-of-polyester-fibre-from-iran>.

⁵⁶ World Trade Organization, Committee on Safeguards, “Turkey: Polyester Staple Fibre,” August 30, 2021, <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/SG/N8TUR19.pdf&Open=True>. Global Trade Alert, “Turkiye: Extension of definitive safeguard duty on imports of polyester fibre from Iran,” accessed April 14, 2024, [Intervention 80620: Turkiye: Definitive safeguard duty on imports of certain polyester staple fibre \(globaltradealert.org\)](https://www.globaltradealert.org/intervention/80620/turkey-definitive-safeguard-duty-on-imports-of-certain-polyester-staple-fibre).

Part II: Information relating to increased imports

U.S. imports

Import data presented in this part of the report are compiled from official U.S. import statistics using HTS statistical reporting number 5503.20.0025¹ and the questionnaire responses of 25 companies, representing 98.0 percent of U.S. import quantities entered under HTS statistical reporting number 5503.20.0025 in 2023. Firms responding to the Commission's questionnaire accounted for the following shares of individual sources' imports (as a share of official import statistics, by quantity), during 2023:²

- China: 0.0 percent³
- India: *** percent
- Indonesia: *** percent
- Mexico: *** percent
- South Korea: *** percent
- Taiwan: *** percent
- Thailand: *** percent
- Turkey: *** percent
- Vietnam: *** percent
- Other FTA partners: *** percent
- All other sources: *** percent

Table II-1 and figure II-1 present information on U.S. imports of fine denier PSF, by source, over the period examined. U.S. imports, by quantity, decreased by 34.9 percent from 2019 to 2020, then increased steadily by 122.1 percent from 2020 to 2023, for an overall 44.6 percent increase from 2019 to 2023. U.S. imports, by value, also increased, irregularly, from 2019 to 2023, by an overall 35.8 percent. U.S. imports, by value, decreased by 49.5 percent from 2019 to 2020, increased steadily 185.1 percent from 2020 to 2022, then decreased by 5.7 percent from 2022 to 2023.

¹ Staff believe little to no out-of-scope merchandise is imported under HTS statistical reporting number 5503.20.0025.

² The Commission's U.S. importer questionnaire collected imports from Canada separately, but no respondent reported importing from Canada. However, small quantities were imported from Canada under HTS statistical reporting number 5503.20.0025 in 2020, 2021, and 2022 (see table II-1).

³ No importers reported importing from China in 2023. According to official import statistics, 152 thousand pounds were imported under the relevant HTS statistical reporting number in 2023 (see table II-1).

The largest sources of U.S. imports in 2023 were India, Taiwan, and Thailand. These same sources had the greatest increases in U.S. imports from 2019 to 2023. U.S. imports from India increased by 62,688 thousand pounds,⁴ U.S. imports from Thailand increased by 26,313 thousand pounds, and U.S. imports from Taiwan increased by 22,494 thousand pounds.⁵ Indonesia was the second largest source of U.S. imports in 2019, but U.S. imports from Indonesia decreased by 62.5 percent from 2019 to 2023, making it the fourth largest import source in 2023.

Unit values decreased from 2019 to 2020 by 22.4 percent, then increased steadily by 38.2 percent from 2020 to 2022, then decreased by 12.4 percent from 2022 to 2023. Overall, unit values decreased by 6.1 percent from 2019 to 2023.

As shown in table II-1, fine denier PSF was imported from the following countries where the United States has a free trade agreement: Canada, Dominican Republic, Honduras, Israel, Mexico, and Singapore.

⁴ The increase in U.S. imports from India was driven by ***. See page I-5, fn. 15.

⁵ ***, a U.S. importer that accounted for a substantial portion of the increase of U.S. imports from Thailand and Taiwan, reported that it “****” *** U.S. importer questionnaire response, question II-4.

Table II-1
Fine denier PSF: U.S. imports, by source and period

Quantity in 1,000 pounds

Source	Measure	2019	2020	2021	2022	2023
Thailand	Quantity	80,609	35,949	62,681	87,127	106,922
India	Quantity	1,967	3,776	41,928	62,755	64,655
Taiwan	Quantity	7,298	12,714	12,479	7,646	29,792
Indonesia	Quantity	57,975	23,878	39,170	44,839	21,714
Vietnam	Quantity	7,067	13,773	15,026	13,947	12,245
Mexico	Quantity	3,593	4,579	3,929	4,817	12,092
Turkey	Quantity	1,883	7,775	6,880	15,825	11,380
South Korea	Quantity	8,545	5,760	5,977	5,999	9,545
Honduras	Quantity	8,502	8,736	6,199	5,583	5,524
Germany	Quantity	8,475	4,394	4,586	5,078	4,019
Burma	Quantity	75	2,535	3,427	1,194	2,373
Malaysia	Quantity	4,069	1,174	2,156	1,390	1,739
China	Quantity	155	41	160	1,054	152
Japan	Quantity	237	197	350	126	87
United Kingdom	Quantity	---	1	---	---	8
Ireland	Quantity	107	2	2	2	6
Italy	Quantity	---	---	---	---	5
Israel	Quantity	---	---	---	---	3
Belgium	Quantity	---	1	---	---	---
Bulgaria	Quantity	---	---	266	---	---
Brazil	Quantity	---	---	775	---	---
Portugal	Quantity	26	---	---	---	---
Pakistan	Quantity	4,073	1,709	2,038	4,294	---
Dominican Republic	Quantity	---	---	0	---	---
Romania	Quantity	548	5	110	21	---
United Arab Emirates	Quantity	---	1	3,249	341	---
Singapore	Quantity	---	1	---	---	---
Canada	Quantity	---	3	108	6	---
Denmark	Quantity	---	58	---	---	---
Switzerland	Quantity	---	---	---	12	---
All import sources	Quantity	195,204	127,061	211,497	262,056	282,261

Table continued.

Table II-1 Continued
Fine denier PSF: U.S. imports, by source and period

Value in 1,000 dollars

Source	Measure	2019	2020	2021	2022	2023
Thailand	Value	55,850	19,102	37,612	65,468	70,836
India	Value	1,407	1,968	25,130	44,658	41,606
Taiwan	Value	5,100	7,241	7,750	6,321	23,845
Indonesia	Value	43,147	13,303	26,770	39,117	15,477
Vietnam	Value	3,702	6,169	7,273	7,851	6,086
Mexico	Value	2,616	2,861	2,713	5,846	10,757
Turkey	Value	1,229	4,061	5,528	15,121	9,047
South Korea	Value	7,306	4,785	4,803	4,645	6,791
Honduras	Value	5,556	4,771	3,770	4,060	3,176
Germany	Value	11,113	5,013	5,923	8,276	5,820
Burma	Value	43	1,080	1,585	708	1,223
Malaysia	Value	2,833	822	1,629	1,252	1,667
China	Value	277	56	147	882	239
Japan	Value	675	606	1,097	407	302
United Kingdom	Value	---	5	---	---	31
Ireland	Value	134	8	7	9	12
Italy	Value	---	---	---	---	8
Israel	Value	---	---	---	---	4
Belgium	Value	---	0	---	---	---
Bulgaria	Value	---	---	200	---	---
Brazil	Value	---	---	450	---	---
Portugal	Value	18	---	---	---	---
Pakistan	Value	3,590	1,331	2,016	3,922	---
Dominican Republic	Value	---	---	1	---	---
Romania	Value	396	5	148	34	---
United Arab Emirates	Value	---	0	1,894	217	---
Singapore	Value	---	1	---	---	---
Canada	Value	---	3	108	11	---
Denmark	Value	---	53	---	---	---
Switzerland	Value	---	---	---	12	---
All import sources	Value	144,994	73,247	136,553	208,819	196,926

Table continued.

Table II-1 Continued
Fine denier PSF: U.S. imports, by source and period

Unit values in dollars per pound

Source	Measure	2019	2020	2021	2022	2023
Thailand	Unit value	0.69	0.53	0.60	0.75	0.66
India	Unit value	0.72	0.52	0.60	0.71	0.64
Taiwan	Unit value	0.70	0.57	0.62	0.83	0.80
Indonesia	Unit value	0.74	0.56	0.68	0.87	0.71
Vietnam	Unit value	0.52	0.45	0.48	0.56	0.50
Mexico	Unit value	0.73	0.62	0.69	1.21	0.89
Turkey	Unit value	0.65	0.52	0.80	0.96	0.79
South Korea	Unit value	0.85	0.83	0.80	0.77	0.71
Honduras	Unit value	0.65	0.55	0.61	0.73	0.57
Germany	Unit value	1.31	1.14	1.29	1.63	1.45
Burma	Unit value	0.58	0.43	0.46	0.59	0.52
Malaysia	Unit value	0.70	0.70	0.76	0.90	0.96
China	Unit value	1.79	1.36	0.92	0.84	1.57
Japan	Unit value	2.84	3.08	3.14	3.23	3.47
United Kingdom	Unit value	---	4.49	---	---	4.11
Ireland	Unit value	1.26	3.11	2.90	3.51	1.78
Italy	Unit value	---	---	---	---	1.68
Israel	Unit value	---	---	---	---	1.63
Belgium	Unit value	---	0.64	---	---	---
Bulgaria	Unit value	---	---	0.75	---	---
Brazil	Unit value	---	---	0.58	---	---
Portugal	Unit value	0.71	---	---	---	---
Pakistan	Unit value	0.88	0.78	0.99	0.91	---
Dominican Republic	Unit value	---	---	5.92	---	---
Romania	Unit value	0.72	1.07	1.34	1.60	---
United Arab Emirates	Unit value	---	0.54	0.58	0.64	---
Singapore	Unit value	---	2.50	---	---	---
Canada	Unit value	---	1.12	1.00	1.89	---
Denmark	Unit value	---	0.91	---	---	---
Switzerland	Unit value	---	---	---	1.00	---
All import sources	Unit value	0.74	0.58	0.65	0.80	0.70

Table continued.

Table II-1 Continued
Fine denier PSF: U.S. imports, by source and period

Shares in percent

Source	Measure	2019	2020	2021	2022	2023
Thailand	Share of quantity	41.3	28.3	29.6	33.2	37.9
India	Share of quantity	1.0	3.0	19.8	23.9	22.9
Taiwan	Share of quantity	3.7	10.0	5.9	2.9	10.6
Indonesia	Share of quantity	29.7	18.8	18.5	17.1	7.7
Vietnam	Share of quantity	3.6	10.8	7.1	5.3	4.3
Mexico	Share of quantity	1.8	3.6	1.9	1.8	4.3
Turkey	Share of quantity	1.0	6.1	3.3	6.0	4.0
South Korea	Share of quantity	4.4	4.5	2.8	2.3	3.4
Honduras	Share of quantity	4.4	6.9	2.9	2.1	2.0
Germany	Share of quantity	4.3	3.5	2.2	1.9	1.4
Burma	Share of quantity	0.0	2.0	1.6	0.5	0.8
Malaysia	Share of quantity	2.1	0.9	1.0	0.5	0.6
China	Share of quantity	0.1	0.0	0.1	0.4	0.1
Japan	Share of quantity	0.1	0.2	0.2	0.0	0.0
United Kingdom	Share of quantity	---	0.0	---	---	0.0
Ireland	Share of quantity	0.1	0.0	0.0	0.0	0.0
Italy	Share of quantity	---	---	---	---	0.0
Israel	Share of quantity	---	---	---	---	0.0
Belgium	Share of quantity	---	0.0	---	---	---
Bulgaria	Share of quantity	---	---	0.1	---	---
Brazil	Share of quantity	---	---	0.4	---	---
Portugal	Share of quantity	0.0	---	---	---	---
Pakistan	Share of quantity	2.1	1.3	1.0	1.6	---
Dominican Republic	Share of quantity	---	---	0.0	---	---
Romania	Share of quantity	0.3	0.0	0.1	0.0	---
United Arab Emirates	Share of quantity	---	0.0	1.5	0.1	---
Singapore	Share of quantity	---	0.0	---	---	---
Canada	Share of quantity	---	0.0	0.1	0.0	---
Denmark	Share of quantity	---	0.0	---	---	---
Switzerland	Share of quantity	---	---	---	0.0	---
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0

Table continued.

Table II-1 Continued
Fine denier PSF: U.S. imports, by source and period

Shares in percent

Source	Measure	2019	2020	2021	2022	2023
Thailand	Share of value	38.5	26.1	27.5	31.4	36.0
India	Share of value	1.0	2.7	18.4	21.4	21.1
Taiwan	Share of value	3.5	9.9	5.7	3.0	12.1
Indonesia	Share of value	29.8	18.2	19.6	18.7	7.9
Vietnam	Share of value	2.6	8.4	5.3	3.8	3.1
Mexico	Share of value	1.8	3.9	2.0	2.8	5.5
Turkey	Share of value	0.8	5.5	4.0	7.2	4.6
South Korea	Share of value	5.0	6.5	3.5	2.2	3.4
Honduras	Share of value	3.8	6.5	2.8	1.9	1.6
Germany	Share of value	7.7	6.8	4.3	4.0	3.0
Burma	Share of value	0.0	1.5	1.2	0.3	0.6
Malaysia	Share of value	2.0	1.1	1.2	0.6	0.8
China	Share of value	0.2	0.1	0.1	0.4	0.1
Japan	Share of value	0.5	0.8	0.8	0.2	0.2
United Kingdom	Share of value	---	0.0	---	---	0.0
Ireland	Share of value	0.1	0.0	0.0	0.0	0.0
Italy	Share of value	---	---	---	---	0.0
Israel	Share of value	---	---	---	---	0.0
Belgium	Share of value	---	0.0	---	---	---
Bulgaria	Share of value	---	---	0.1	---	---
Brazil	Share of value	---	---	0.3	---	---
Portugal	Share of value	0.0	---	---	---	---
Pakistan	Share of value	2.5	1.8	1.5	1.9	---
Dominican Republic	Share of value	---	---	0.0	---	---
Romania	Share of value	0.3	0.0	0.1	0.0	---
United Arab Emirates	Share of value	---	0.0	1.4	0.1	---
Singapore	Share of value	---	0.0	---	---	---
Canada	Share of value	---	0.0	0.1	0.0	---
Denmark	Share of value	---	0.1	---	---	---
Switzerland	Share of value	---	---	---	0.0	---
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0

Table continued.

Table II-1 Continued
Fine denier PSF: U.S. imports, by source and period

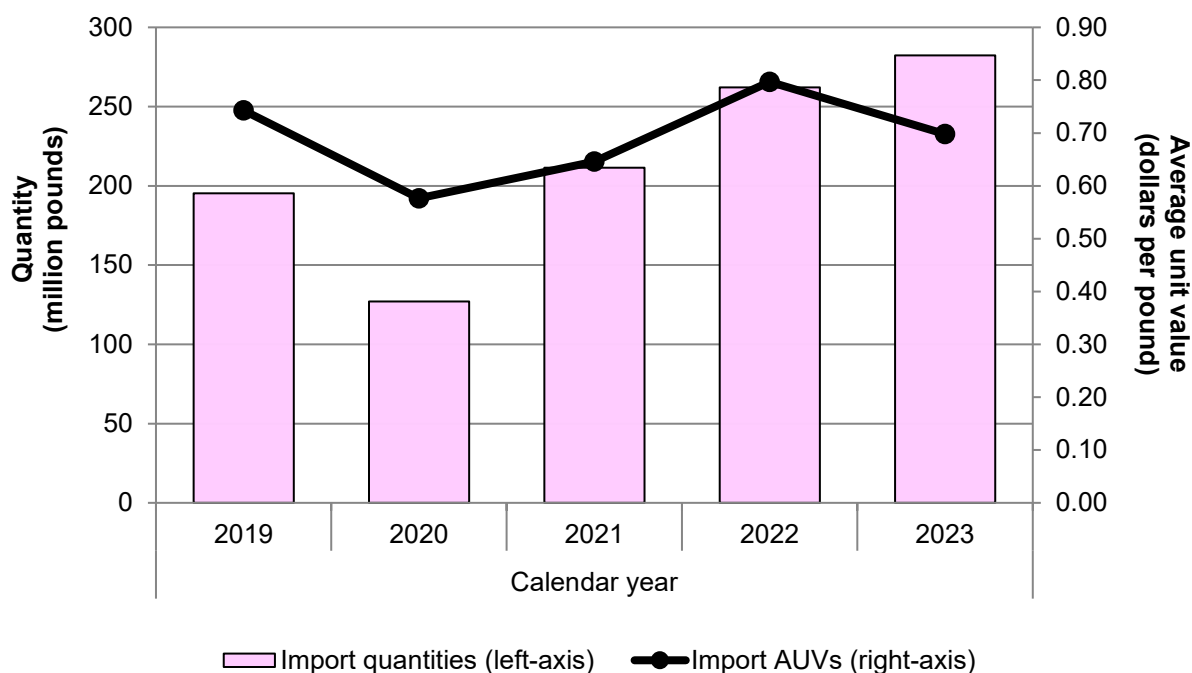
Ratios in percent

Source	Measure	2019	2020	2021	2022	2023
Thailand	Ratio	***	11.2	16.7	29.1	89.6
India	Ratio	***	1.2	11.2	21.0	54.2
Taiwan	Ratio	***	4.0	3.3	2.6	25.0
Indonesia	Ratio	***	7.4	10.5	15.0	18.2
Vietnam	Ratio	***	4.3	4.0	4.7	10.3
Mexico	Ratio	***	1.4	1.0	1.6	10.1
Turkey	Ratio	***	2.4	1.8	5.3	9.5
South Korea	Ratio	***	1.8	1.6	2.0	8.0
Honduras	Ratio	***	2.7	1.7	1.9	4.6
Germany	Ratio	***	1.4	1.2	1.7	3.4
Burma	Ratio	***	0.8	0.9	0.4	2.0
Malaysia	Ratio	***	0.4	0.6	0.5	1.5
China	Ratio	***	0.0	0.0	0.4	0.1
Japan	Ratio	***	0.1	0.1	0.0	0.1
United Kingdom	Ratio	***	0.0	---	---	0.0
Ireland	Ratio	***	0.0	0.0	0.0	0.0
Italy	Ratio	***	---	---	---	0.0
Israel	Ratio	***	---	---	---	0.0
Belgium	Ratio	***	0.0	---	---	---
Bulgaria	Ratio	***	---	0.1	---	---
Brazil	Ratio	***	---	0.2	---	---
Portugal	Ratio	***	---	---	---	---
Pakistan	Ratio	***	0.5	0.5	1.4	---
Dominican Republic	Ratio	***	---	0.0	---	---
Romania	Ratio	***	0.0	0.0	0.0	---
United Arab Emirates	Ratio	***	0.0	0.9	0.1	---
Singapore	Ratio	***	0.0	---	---	---
Canada	Ratio	***	0.0	0.0	0.0	---
Denmark	Ratio	***	0.0	---	---	---
Switzerland	Ratio	***	---	---	0.0	---
All import sources	Ratio	***	39.6	56.4	87.5	236.7

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

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 "---". Ratios represent the size of U.S. imports from the specified source to overall U.S. production. Import sources displayed in order of the reported first unit of quantity imported in 2023.

Figure II-1
Fine denier PSF: U.S. import quantities and average unit values, by period



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

U.S. imports relative to production

The ratio of U.S. imports to U.S. production increased by *** percentage points, from *** percent in 2019 to 236.7 percent in 2023 (table II-1). The largest increases from 2019 to 2023 in U.S. imports relative to U.S. production were Thailand (*** percentage points), India (*** percentage points), and Taiwan (*** percentage points). U.S. imports surpassed U.S. production in 2023, when the ratio of U.S. imports to U.S. production was 236.7.

U.S. importers' U.S. shipments by product type

The Commission collected data on shipments of U.S. imports of fine denier PSF by product type, including whether the U.S. shipments of fine denier PSF contained greater than 50 percent post-consumer recycled (PCR) content (table II-2), was short cut⁶ (table II-3), was black or colored (table II-4), was siliconized (table II-5), was micro denier⁷ (table II-6), or was biodegradable⁸ (table III-7). As shown in tables II-2 to II-7, the majority of U.S. importers' U.S. shipments of fine denier PSF did not have these characteristics. The characteristics with the highest U.S. shipment quantities reported during 2019 to 2023 were short-cut fine denier PSF (***) and black or other colored fine denier PSF (***) pounds), followed by fine denier PSF with greater than 50 percent PCR content (***) pounds).⁹

Table II-2
Fine denier PSF: U.S. importers' U.S. shipments of imports, by recycled material content and period

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Greater than 50 percent post-consumer recycled content	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Greater than 50 percent post-consumer recycled content	Share	***	***	***	***	***
All 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.

⁶ "Short cut" is defined as fine denier PSF cut to lengths of 10 mm or less.

⁷ "Micro denier" is defined as PSF equal to or less than 1.0 denier.

⁸ "Biodegradable" is defined as fine denier PSF that can biodegrade by at least 50 percent within 400 days.

⁹ Eleven of 25 U.S. importers reported U.S. shipments of fine denier PSF with PCR content of 50 percent or greater. U.S. shipments of such imports increased by *** percent from 2019 to 2023. One U.S. importer, ***. *** U.S. importer questionnaire response, question II-23.

Table II-3**Fine denier PSF: U.S. importers' U.S. shipments of imports, by fiber length and period**

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Short-cut	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Short-cut	Share	***	***	***	***	***
All 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.

Table II-4**Fine denier PSF: U.S. importers' U.S. shipments of imports, by fiber color and period**

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Black or colored	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Black or colored	Share	***	***	***	***	***
All 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.

Table II-5**Fine denier PSF: U.S. importers' U.S. shipments of imports, by fiber coating and period**

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Siliconized	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Siliconized	Share	***	***	***	***	***
All 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.

Table II-6**Fine denier PSF: U.S. importers' U.S. shipments of imports, by fiber diameter size and period**

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Micro denier	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Micro denier	Share	***	***	***	***	***
All 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.

Table II-7**Fine denier PSF: U.S. importers' U.S. shipments of imports, by biodegradation status and period**

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Biodegradable	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	***	***	***	***
Biodegradable	Share	***	***	***	***	***
All 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.

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. importers' imports subsequent to December 31, 2023

The Commission requested importers to indicate whether they had imported or arranged for the importation of fine denier PSF for delivery after December 31, 2023. The quarterly data reported by responding importers are presented in table II-8. The leading suppliers of arranged fine denier PSF imports to the United States during 2024 are Thailand, India, and Taiwan, representing *** percent, *** percent, and *** percent of 2024 arranged imports by quantity. The total quantity of arranged U.S. imports for calendar year 2024, at *** pounds, is *** percent lower than the 2023 import quantity of 282,261 thousand pounds (compare table II-1 and table II-8).

Table II-8
Fine denier PSF: Arranged imports, by source and by period

Quantity in 1,000 pounds

Source	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Total
Canada	***	***	***	***	***
China	***	***	***	***	***
India	***	***	***	***	***
Indonesia	***	***	***	***	***
Mexico	***	***	***	***	***
South Korea	***	***	***	***	***
Taiwan	***	***	***	***	***
Thailand	***	***	***	***	***
Turkey	***	***	***	***	***
Vietnam	***	***	***	***	***
Other FTA	***	***	***	***	***
All other sources	***	***	***	***	***
All import sources	***	***	***	***	***

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

Part III: Serious injury or threat of serious injury

Overview

The term “domestic industry” is defined in section 202(c)(6)(A)(i) of the Trade Act as “the domestic producers as a whole of the like or directly competitive article or those producers whose collective production of the like or directly competitive article constitutes a major proportion of the total domestic production of such article.”¹ The list of firms that responded to the Commission’s U.S. producer’s questionnaire in this proceeding to report domestic production of fine denier PSF² and each company’s position on the petition, production locations, and share of reported production of fine denier PSF during 2023 is presented in Part I of this report at table I-3.

¹ 19 U.S.C. § 2252(c)(6)(A)(i).

² See the section entitled “The Imported Articles Described in the Petition” in *Part I* of this report for a complete description of the merchandise subject to this investigation.

U.S. producers' ownership and related or affiliated firms

The Commission asked firms responding to the U.S. producer questionnaire to identify their owners and any related or affiliated firms involved in the production or U.S. import of fine denier PSF. Responses to the Commission's request for information are presented in table III-1.

Table III-1
Fine denier PSF: U.S. producers' ownership, related and/or affiliated firms

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

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

Note: *** owns *** percent and *** owns *** percent of ***. *** U.S. producers' questionnaire response, question I-4.

Reported changes experienced and anticipated by the industry

Developments in the U.S. fine denier PSF industry from 2018 to 2023, as developed from public sources, are shown in table III-2.³

Table III-2
Fine denier PSF: Developments in the U.S. industry since July 2018

Item	Firm	Event
New Production	Sun Fiber	In July 2018, Sun Fiber LLC started production of fine denier PSF at its Richburg, South Carolina facility.
New Production	Darling	In December 2020, Darling started production of fine denier PSF at its Darlington, South Carolina facility.
Closure	Alpek USA (formerly DAK Americas LLC)	On December 31, 2021, DAK Americas LLC closed its PSF manufacturing operations near Charleston, South Carolina. About 200 full time workers and 40 contract workers were affected by the closure. The company is no longer a producer of fine denier PSF.
Expansion	Darling	On January 13, 2022, Darling announced a \$30 million investment to restore and modernize fiber production lines, which would expand operations.
Production Suspension	Darling	On November 30, 2022, Darling suspended PSF production in South Carolina, laying off 250 people. The company announced that it would resume operations once market dynamics enable the company to leverage the scale of its assets.

Source: Domestic interested parties' response to the notice of institution, March 3, 2023, p. 22-23; Nonwovens Industry, "DAK to Shut Down Staple Fiber Operations at Cooper River Site," May 6, 2021, https://www.nonwovens-industry.com/contents/view_breaking-news/2021-05-06/dak-shuts-down-staple-fiber-operations-at-cooper-river-site/; State of South Carolina, Office of the Governor, "Fiber Industries expanding operations in Darlington County," January 13, 2022, <https://governor.sc.gov/news/2022-01/fiber-industries-expanding-operations-darlington-county>; Fiber Industries, "Fiber Industries Launches Strategic Transition to Achieve Long-Term Growth," November 30, 2022, <https://www.fiberindustries.com/blog/fiber-industries-launches-strategic-transition-to-achieve-long-term-growth>.

³ While the period examined in this safeguard investigation is from 2019 to 2023, the entry of a new producer in 2018 is presented as it represents a major development in the U.S. industry.

Domestic producers were asked to indicate whether their firm had experienced any plant openings, plant closings, prolonged shutdowns, production curtailments, relocations, expansions, acquisitions, consolidations, weather-related or force majeure events, or any other change in the character of their operations or organization relating to the production of fine denier PSF since January 1, 2019. The Commission also asked domestic producers to report anticipated changes in the character of their operations relating to the production of fine denier PSF. All six domestic producers indicated that they had experienced such changes in the character of their operations; their responses are presented in table III-3.

Table III-3
Fine denier PSF: U.S. producers' reported changes in operations, since January 1, 2019

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

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

The Commission asked domestic producers to report whether the COVID-19 pandemic or any government actions to contain the spread of the COVID-19 virus resulted in changes to the firm's supply chain arrangements, production, employment, and shipments relating to fine denier PSF. Three of six firms reported that COVID-19 affected their operations. COVID-19 related issues included higher freight and operational costs, supply shortages and delays, labor shortages, higher inventories, and idling of operations to contain COVID-19. However, all three U.S. producers reported that these issues had resolved by the end of 2021 or earlier.

Three domestic producers reported anticipated changes in operations relating to the production of fine denier PSF. *** anticipated further declines in sales due to low-priced imported fiber, *** anticipated shutting down without relief, and ***.

U.S. production, capacity, and capacity utilization

Table III-4 presents U.S. producers' installed and practical capacity and production of fine denier PSF and other products on the same equipment. Installed overall capacity increased by 23.4 percent from 2019 to 2021 ***, then decreased by 25.9 percent from 2021 to 2022 as ***, for a total decrease of 9.9 percent from 2019 to 2023. Practical overall capacity also decreased from 2019 to 2023, by 36.3 percent.⁴

Overall production of fine denier PSF and out-of-scope products using the same machinery decreased by 14.6 percent from 2019 to 2020, increased by 12.9 percent from 2020 to 2021, then decreased by 59.7 percent from 2021 to 2023, for an overall decrease of 61.2 percent from 2019 to 2023.

⁴ Practical overall capacity decreased by a greater percentage than installed overall capacity because ***. *** U.S. producer questionnaire response, questions II-2a, II-2c, II-3a, II-9.

Table III-4

Fine denier PSF: U.S. producers' installed and practical capacity, production, and utilization on the same equipment as in-scope production, by period

Capacity and production in 1,000 pounds; utilization in percent

Item	Measure	2019	2020	2021	2022	2023
Installed overall	Capacity	907,000	1,083,667	1,119,000	829,000	817,330
Installed overall	Production	697,112	595,169	671,900	511,925	270,622
Installed overall	Utilization	76.9	54.9	60.0	61.8	33.1
Practical overall	Capacity	864,538	952,988	1,066,418	765,980	550,600
Practical overall	Production	697,112	595,169	671,900	511,925	270,622
Practical overall	Utilization	80.6	62.5	63.0	66.8	49.2
Practical fine denier PSF	Capacity	***	609,529	714,062	485,832	301,740
Practical fine denier PSF	Production	***	320,913	374,676	299,401	119,271
Practical fine denier PSF	Utilization	***	52.6	52.5	61.6	39.5

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

All six responding U.S. producers reported constraints in the manufacturing process.

Table III-5 presents their reported narratives regarding practical overall capacity constraints.

Table III-5

Fine denier PSF: U.S. producers' reported practical overall capacity constraints since January 1, 2019

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

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

Table III-6 and figure III-1 present U.S. producers' production, capacity, capacity utilization, and U.S. producers' shares of total production.

Practical fine denier PSF capacity increased during 2019 to 2021 by *** percent, driven by ***, then decreased by 57.7 percent from 2021 to 2023, as ***, for a total *** percent decrease from 2019 to 2023.

Fine denier PSF production decreased overall from 2019 to 2023 by *** percent. Fine denier PSF production decreased by *** percent from 2019 to 2020, increased by 16.8 percent from 2020 to 2021,⁵ then decreased by 68.2 percent from 2021 to 2023.⁶

Given that production decreased more than capacity during 2019 to 2023, fine denier PSF capacity utilization decreased by *** percentage points, from *** percent in 2019 to 39.5 percent in 2023.

In 2019, *** accounted for the largest share of total U.S. production at *** percent, followed by *** at *** percent. With ***, *** has accounted for the largest share of total U.S. production since 2022. The second largest producer was *** in 2022, and *** in 2023 after ***.

*** reported a toll arrangement in which ***. *** reports its toll production accounts for *** percent of its total production.

Table III-6 also presents U.S. producers' production, capacity, capacity utilization, and share of total production by "continuous producers" and "non-continuous producers." Continuous producers include the four firms (Auriga, Nan Ya, Palmetto, and Sun Fiber) that produced fine denier PSF throughout the data collection period, while "non-continuous producers" include firms that stopped producing fine denier PSF during the data collection period (Alpek USA in 2021 and Darling in 2022). Practical fine denier PSF capacity increased for continuous producers by *** percent from 2019 to 2023, while production and capacity

⁵ *** of the six U.S. producers reported increased in production from 2020 to 2021, but ***, one of the largest producers at the time, decreased production by *** percent, such that fine denier PSF production only increased by 16.8 percent overall.

⁶ The decrease in production from 2021 to 2022 was largely driven by ***, while the decrease in production from 2022 to 2023 appears driven by market conditions since all *** producers reported decreases in production.

utilization decreased for continuous producers, by *** percent and *** percentage points, respectively.

Table III-6
Fine denier PSF: U.S. producers' output, by firm and period

Practical capacity

Capacity in 1,000 pounds

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	609,529	714,062	485,832	301,740

Table continued.

Table III-6 Continued
Fine denier PSF: U.S. producers' output, by firm and period

Production

Production in 1,000 pounds

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	320,913	374,676	299,401	119,271

Table continued.

Table III-6 Continued**Fine denier PSF: U.S. producers' output, by firm and period****Capacity utilization**

Capacity utilization in percent

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	52.6	52.5	61.6	39.5

Table continued.

Table III-6 Continued**Fine denier PSF: U.S. producers' output, by firm and period****Share of production**

Share in percent

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	100.0	100.0	100.0	100.0	100.0

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

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

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

Figure III-1

Fine denier PSF: U.S. producers' capacity, production, and capacity utilization, by period

* * * * *

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

Alternative products

As shown in table III-7, fine denier PSF's share of total production on shared machinery decreased by *** percentage points, from *** percent in 2019 to 44.1 percent in 2023. U.S. producers reported the following alternative products produced using shared machinery and/or labor: ***.

Table III-7
Fine denier PSF: U.S. producers' overall production on the same equipment as in-scope production, by product type and period

Quantity in 1,000 pounds; share in percent

Product type	Measure	2019	2020	2021	2022	2023
Fine denier PSF	Quantity	***	320,913	374,676	299,401	119,271
Coarse denier PSF	Quantity	***	***	***	***	***
Other products	Quantity	***	***	***	***	***
All out-of-scope products	Quantity	***	274,256	297,224	212,524	151,351
All products	Quantity	697,112	595,169	671,900	511,925	270,622
Fine denier PSF	Share	***	53.9	55.8	58.5	44.1
Coarse denier PSF	Share	***	***	***	***	***
Other products	Share	***	***	***	***	***
All out-of-scope products	Share	***	46.1	44.2	41.5	55.9
All products	Share	100.0	100.0	100.0	100.0	100.0

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

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

Table III-8 presents U.S. producers' U.S. shipments, export shipments, and total shipments. Total shipments decreased irregularly by *** percent between 2019 and 2023, decreasing by *** percent from 2019 to 2020, increasing by *** percent from 2020 to 2021, then decreasing by *** percent from 2021 to 2023.

U.S. shipments, ***, accounted for over ninety percent of total shipments throughout the data collection period. U.S. shipment quantity decreased irregularly by *** percent from 2019 to 2023, decreasing by *** percent from 2019 to 2020, increasing by 15.6 percent from 2020 to 2021, then decreasing by 68.3 percent from 2021 to 2023. U.S. shipment value also decreased irregularly by *** percent from 2019 to 2023. U.S. shipment value decreased by *** percent from 2019 to 2020, increased by 47.3 percent from 2020 to 2022, then decreased by 61.2 percent from 2022 to 2023. The average unit value of U.S. shipments increased irregularly by *** percent from 2019 to 2023.

Export shipments decreased irregularly by *** percent by quantity and *** percent by value from 2019 to 2023. Export shipments were reported by *** of the six U.S. producers and principal export markets reported include: ***.

Table III-8
Fine denier PSF: U.S. producers' shipments, by destination and period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound; shares in percent

Item	Measure	2019	2020	2021	2022	2023
U.S. shipments	Quantity	***	311,349	359,792	283,013	114,097
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	***	196,424	267,416	289,286	112,128
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	***	0.63	0.74	1.02	0.98
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.

Shipments by product type

Tables III-9 to III-14 present U.S. producers' U.S. shipments by type, including whether the U.S. shipments of fine denier PSF contained greater than 50 percent post-consumer recycled (PCR) content (table III-9), was short cut⁷ (table III-10), was black or colored (table III-11), was siliconized (table III-12), was micro denier⁸ (table III-13), or was biodegradable⁹ (table III-14). As shown in tables III-9 to III-14, the majority of U.S. producers' U.S. shipments of fine denier PSF did not have these characteristics. The characteristics with the highest U.S. shipment quantities reported during 2019 to 2023 were fine denier PSF containing 50 percent or greater

⁷ "Short cut" is defined as fine denier PSF cut to lengths of 10 mm or less.

⁸ "Micro denier" is defined as PSF equal to or less than 1.0 denier.

⁹ "Biodegradable" is defined as fine denier PSF that can biodegrade by at least 50 percent within 400 days.

PCR content (***) pounds), followed by siliconized fine denier PSF (***) pounds).

Table III-9

Fine denier PSF: U.S. producers' U.S. shipments based on recycled material content, by product type and period

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Greater than 50 percent post-consumer recycled content	Quantity	***	20,538	25,651	23,359	***
All other products	Quantity	***	290,811	334,141	259,654	***
All products	Quantity	***	311,349	359,792	283,013	114,097
Greater than 50 percent post-consumer recycled content	Share	***	6.6	7.1	8.3	***
All other products	Share	***	93.4	92.9	91.7	***
All products	Share	100.0	100.0	100.0	100.0	100.0

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

Table III-10

Fine denier PSF: U.S. producers' U.S. shipments based on fiber length, by product type and period

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Short-cut	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	311,349	359,792	283,013	114,097
Short-cut	Share	***	***	***	***	***
All 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.

Table III-11

Fine denier PSF: U.S. producers' U.S. shipments based on fiber color, by product type and period

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Black or colored	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	311,349	359,792	283,013	114,097
Black or colored	Share	***	***	***	***	***
All 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.

Table III-12**Fine denier PSF: U.S. producers' U.S. shipments based on fiber coating, by product type and period**

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Siliconized	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	311,349	359,792	283,013	114,097
Siliconized	Share	***	***	***	***	***
All 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.

Table III-13**Fine denier PSF: U.S. producers' U.S. shipments based on fiber diameter size, by product type and period**

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Micro denier	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	311,349	359,792	283,013	114,097
Micro denier	Share	***	***	***	***	***
All 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.

Table III-14**Fine denier PSF: U.S. producers' U.S. shipments based on biodegradation status, by product type and period**

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Biodegradable	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
All products	Quantity	***	311,349	359,792	283,013	114,097
Biodegradable	Share	***	***	***	***	***
All 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.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Inventories maintained by U.S. producers and U.S. importers

U.S. producers' inventories

Table III-15 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. End-of-period inventories decreased by 43.7 percent from 2019 to 2023, which was largely driven by decreases in inventories reported by ***. As U.S. production, U.S. shipments, and total shipments decreased more than inventories during 2019 and 2023, the inventory ratio to each of these decreased during this period, particularly from 2022 to 2023, when the greatest decreases in production, U.S. shipments, and total shipments occurred.

Table III-15

Fine denier PSF: U.S. producers' inventories and their ratio to select items, by period

Quantity in 1,000 pounds; ratio in percent

Item	2019	2020	2021	2022	2023
End-of-period inventory quantity	35,561	26,742	26,769	25,012	20,037
Inventory ratio to U.S. production	***	8.3	7.1	8.4	16.8
Inventory ratio to U.S. shipments	***	8.6	7.4	8.8	17.6
Inventory ratio to total shipments	***	***	***	***	***

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

U.S. importers' inventories

Table III-16 presents data for inventories of U.S. imports of fine denier PSF held in the United States and the ratio of these inventories to U.S. imports, U.S. shipments, and total shipments. End-of-period inventories decreased from 2019 to 2020 by 34.6 percent, then increased steadily from 2020 to 2023 by 115.1 percent, for an overall 40.7 percent increase from 2019 to 2023. Inventories as a ratio to imports and U.S. shipments of imports both decreased from 2019 to 2023, by 6.8 and *** percentage points, respectively.

Table III-16

Fine denier PSF: U.S. importers' inventories and their ratio to select items, by period

Quantity in 1,000 pounds; ratio in percent

Measure	2019	2020	2021	2022	2023
Inventories quantity	56,624	37,038	50,368	66,069	79,669
Ratio to imports	35.6	31.6	24.2	27.8	28.8
Ratio to U.S. shipments of imports	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***

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

U.S. employment, hours, and wages

Table III-17 shows U.S. producers' employment-related data. The number of production and related workers ("PRWs"), total hours worked, and total wages paid all increased between 2019 and 2021, then decreased from 2021 to 2023 largely due to ***.¹⁰ From 2019 to 2023, the number of PRWs, total hours worked, hours worked per PRW, and total wages paid, all decreased by 42.4 percent, 57.1 percent, 25.6 percent, and 47.9 percent, respectively. Hourly wages increased by 21.6 percent from 2019 to 2023.¹¹ Given that total hours worked and wages increased during from 2019 to 2023 while production declined, productivity declined by *** pounds per hour and unit labor costs increased by \$*** per pound during this time.

Table III-17

Fine denier PSF: U.S. producers' employment related information, by item and period

Item	2019	2020	2021	2022	2023
Production and related workers (PRWs) (number)	715	768	839	640	412
Total hours worked (1,000 hours)	1,323	1,460	1,593	1,209	567
Hours worked per PRW (hours)	1,850	1,901	1,899	1,889	1,376
Wages paid (\$1,000)	37,377	39,513	46,500	37,506	19,473
Hourly wages (dollars per hour)	\$28.25	\$27.06	\$29.19	\$31.02	\$34.34
Productivity (pounds per hour)	***	219.8	235.2	247.6	210.4
Unit labor costs (dollars per pound)	***	\$0.12	\$0.12	\$0.13	\$0.16

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

¹⁰ ***.

¹¹ ***.

Table III-18 presents U.S. producers' number of PRWs by firm, continuous producers, and non-continuous producers. The number of PRWs for continuous producers decreased irregularly from 2019 to 2023, by *** percent.

Table III-18
Fine denier PSF: U.S. producers' number of PRWs, by firm and period

PRWs in number

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	715	768	839	640	412

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

Part IV: Financial experience of U.S. producers

Background¹

Six U.S. producers provided usable financial results on their fine denier PSF operations. All U.S. producers provided their annual financial results on a calendar-year basis. Four of the responding U.S. producers provided their financial data on a GAAP basis and the remaining two producers provided their financial data on the basis of International Financial Reporting Standards (“IFRS”).²

Figure IV-1 presents each responding firm’s share of the total reported net sales quantity in 2023.

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

² ***. U.S. producers’ questionnaire responses of ***, section III-2a. ***. U.S. producers’ questionnaire response of ***, section II-2a.

Figure IV-1
Fine denier PSF: U.S. producers’ share of net sales quantity in 2023, by firm

* * * * *

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

Operations on fine denier PSF

Table IV-1 presents aggregated data on U.S. producers’ operations in relation to fine denier PSF, while table IV-2 presents corresponding changes in AUVs. Table IV-3 presents selected company-specific financial data.³

³ Table IV-3 presents profitability comparisons between U.S. producers in continuous operation (***) and non-continuous operation (***)).

Table IV-1**Fine denier PSF: U.S. producers' results of operations, by item and period**

Quantity in 1,000 pounds; value in 1,000 dollars; ratios in percent

Item	Measure	2019	2020	2021	2022	2023
Total net sales	Quantity	***	329,535	374,721	301,171	124,364
Total net sales	Value	***	203,129	273,302	298,327	117,266
COGS: Raw materials: PTA	Value	***	***	***	***	***
COGS: Raw materials: MEG	Value	***	***	***	***	***
COGS: Raw materials: Other	Value	***	***	***	***	***
COGS: Raw materials	Value	***	127,010	191,033	212,985	68,984
COGS: Direct labor	Value	***	40,315	39,779	23,118	11,381
COGS: Other factory	Value	***	44,124	61,507	73,167	38,270
COGS: Total	Value	***	211,449	292,319	309,270	118,635
Gross profit or (loss)	Value	***	(8,320)	(19,017)	(10,943)	(1,369)
SG&A expenses	Value	***	***	15,177	10,059	4,593
Operating income or (loss)	Value	***	***	(34,194)	(21,002)	(5,962)
Other expense (income), net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	10,222	10,131	8,655
Cash flow	Value	***	***	(60,570)	(25,245)	(5,913)
COGS: Raw materials: PTA	Ratio to NS	***	***	***	***	***
COGS: Raw materials: MEG	Ratio to NS	***	***	***	***	***
COGS: Raw materials: Other	Ratio to NS	***	***	***	***	***
COGS: Raw materials	Ratio to NS	***	62.5	69.9	71.4	58.8
COGS: Direct labor	Ratio to NS	***	19.8	14.6	7.7	9.7
COGS: Other factory	Ratio to NS	***	21.7	22.5	24.5	32.6
COGS: Total	Ratio to NS	***	104.1	107.0	103.7	101.2
Gross profit	Ratio to NS	***	(4.1)	(7.0)	(3.7)	(1.2)
SG&A expense	Ratio to NS	***	***	5.6	3.4	3.9
Operating income or (loss)	Ratio to NS	***	***	(12.5)	(7.0)	(5.1)
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued.

Table IV-1 Continued**Fine denier PSF: U.S. producers' results of operations, by item and period**

Shares in percent; unit values in dollars per pound; count in number of firms reporting

Item	Measure	2019	2020	2021	2022	2023
COGS: Raw materials: PTA	Share	***	***	***	***	***
COGS: Raw materials: MEG	Share	***	***	***	***	***
COGS: Raw materials: Other	Share	***	***	***	***	***
COGS: Raw materials	Share	***	60.1	65.4	68.9	58.1
COGS: Direct labor	Share	***	19.1	13.6	7.5	9.6
COGS: Other factory	Share	***	20.9	21.0	23.7	32.3
COGS: Total	Share	100.0	100.0	100.0	100.0	100.0
Total net sales	Unit value	***	0.62	0.73	0.99	0.94
COGS: Raw materials: PTA	Unit value	***	***	***	***	***
COGS: Raw materials: MEG	Unit value	***	***	***	***	***
COGS: Raw materials: Other	Unit value	***	***	***	***	***
COGS: Raw materials	Unit value	***	0.39	0.51	0.71	0.55
COGS: Direct labor	Unit value	***	0.12	0.11	0.08	0.09
COGS: Other factory	Unit value	***	0.13	0.16	0.24	0.31
COGS: Total	Unit value	***	0.64	0.78	1.03	0.95
Gross profit or (loss)	Unit value	***	(0.03)	(0.05)	(0.04)	(0.01)
SG&A expenses	Unit value	***	***	0.04	0.03	0.04
Operating income or (loss)	Unit value	***	***	(0.09)	(0.07)	(0.05)
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	2	3	3	4	1
Net losses	Count	2	3	3	4	1
Data	Count	5	6	6	6	6

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

Note: Shares represent the share of COGS. Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Table IV-2
Fine denier PSF: Changes in AUVs between comparison periods

Changes in percent

Item	2019-23	2019-20	2020-21	2021-22	2022-23
Total net sales	***	***	▲ 18.3	▲ 35.8	▼ (4.8)
COGS: Raw materials: PTA	***	***	***	***	***
COGS: Raw materials: MEG	***	***	***	***	***
COGS: Raw materials: Other	***	***	***	***	***
COGS: Raw materials	***	***	▲ 32.3	▲ 38.7	▼ (21.6)
COGS: Direct labor	***	***	▼ (13.2)	▼ (27.7)	▲ 19.2
COGS: Other factory	***	***	▲ 22.6	▲ 48.0	▲ 26.7
COGS: Total	***	***	▲ 21.6	▲ 31.6	▼ (7.1)

Table continued.

Table IV-2 Continued
Fine denier PSF: Changes in AUVs between comparison periods

Changes in dollars per pound

Item	2019-23	2019-20	2020-21	2021-22	2022-23
Total net sales	***	***	▲ 0.11	▲ 0.26	▼ (0.05)
COGS: Raw materials: PTA	***	***	***	***	***
COGS: Raw materials: MEG	***	***	***	***	***
COGS: Raw materials: Other	***	***	***	***	***
COGS: Raw materials	***	***	▲ 0.12	▲ 0.20	▼ (0.15)
COGS: Direct labor	***	***	▼ (0.02)	▼ (0.03)	▲ 0.01
COGS: Other factory	***	***	▲ 0.03	▲ 0.08	▲ 0.06
COGS: Total	***	***	▲ 0.14	▲ 0.25	▼ (0.07)
Gross profit or (loss)	***	***	▼ (0.03)	▲ 0.01	▲ 0.03
SG&A expense	***	***	▼ (0.00)	▼ (0.01)	▲ 0.00
Operating income or (loss)	***	***	▼ (0.02)	▲ 0.02	▲ 0.02
Net income or (loss)	***	***	***	***	***

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

Note: Shares and ratios shown as "0.00" represent values greater than zero, but less than "0.005" percent. Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

Table IV-3**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Net sales quantity**

Quantity in 1,000 pounds

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	329,535	374,721	301,171	124,364

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Net sales value**

Value in 1,000 dollars

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	203,129	273,302	298,327	117,266

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****COGS**

Value in 1,000 dollars

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	211,449	292,319	309,270	118,635

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Gross profit or (loss)**

Value in 1,000 dollars

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	(8,320)	(19,017)	(10,943)	(1,369)

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****SG&A expenses**

Value in 1,000 dollars

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	15,177	10,059	4,593

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Operating income or (loss)**

Value in 1,000 dollars

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	(34,194)	(21,002)	(5,962)

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Net income or (loss)**

Value in 1,000 dollars

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	(70,792)	(35,376)	(14,568)

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****COGS to net sales ratio**

Ratios in percent

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	104.1	107.0	103.7	101.2

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Gross profit or (loss) to net sales ratio**

Ratios in percent

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	(4.1)	(7.0)	(3.7)	(1.2)

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****SG&A expenses to net sales ratio**

Ratios in percent

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	5.6	3.4	3.9

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Operating income or (loss) to net sales ratio**

Ratios in percent

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	(12.5)	(7.0)	(5.1)

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Net income or (loss) to net sales ratio**

Ratios in percent

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	(25.9)	(11.9)	(12.4)

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit net sales value**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	0.62	0.73	0.99	0.94

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit PTA raw material costs**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit MEG raw material costs**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit other raw material costs**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit raw material costs**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	0.39	0.51	0.71	0.55

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit direct labor costs**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	0.12	0.11	0.08	0.09

Table continued.

Table IV-4 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit other factory costs**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	0.13	0.16	0.24	0.31

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit COGS**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	0.64	0.78	1.03	0.95

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit gross profit or (loss)**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	(0.03)	(0.05)	(0.04)	(0.01)

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit SG&A expenses**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	0.04	0.03	0.04

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit operating income or (loss)**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	(0.09)	(0.07)	(0.05)

Table continued.

Table IV-3 Continued**Fine denier PSF: U.S. producers' sales, costs/expenses, and profitability, by firm and period****Unit net income or (loss)**

Unit values in dollars per pound

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	(0.19)	(0.12)	(0.12)

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

Note: Ratios shown as "0.00" represent values greater than zero, but less than "0.005" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Net sales

As shown in table IV-1, fine denier PSF net sales are only comprised of commercial sales; internal consumption and transfers to related firms were not reported by any U.S. producer.⁴ Total net sales quantity declined irregularly by *** percent from 2019 to 2023 while total net sales value declined from 2019 to 2020, then increased to 2022 before declining in 2023, for an overall decline of *** percent from 2019 to 2023. The average unit net sales value (per pound) declined from 2019 to 2020, then increased irregularly to 2023, for an overall increase of *** percent from 2019 to 2023. On a company specific basis, ***.⁵ ***.

Cost of goods sold and gross profit or loss

Raw material costs represent the largest component of total COGS, and ranged from *** percent of total COGS in 2023 to *** percent of total COGS in 2019. Total raw material costs decreased from 2019 to 2020 then increased to 2022 before decreasing to 2023, for an overall decrease from 2019 to 2023. On a per pound basis, raw materials costs decreased from 2019 to 2020 then increased to 2022 before decreasing to 2023, for an overall increase from 2019 to 2023. As shown in table IV-3, ***

⁴ ***. U.S. producers' questionnaire response of ***, section II-6.

⁵ ***. U.S. producers' questionnaire responses of ***, section II-2a.

***.⁶ As a ratio to net sales, raw material costs decreased from *** percent in 2019 to *** percent in 2020 then increased to *** percent in 2022 before declining to *** percent in 2023.

Raw materials consisted of PTA, MEG, and other material inputs. In 2023, PTA accounted for *** percent of total raw material costs, MEG accounted for *** percent, and other material inputs accounted for *** percent. The “other material inputs” category included ***.^{7 8} On a per pound basis, PTA decreased from 2019 to 2021 then increased in 2022 before decreasing in 2023 for an overall increase from 2019 to 2023. MEG moved within a fairly narrow range but overall declined from 2019 to 2023. Other raw material inputs increased overall from 2019 to 2022 then declined in 2023, for an overall increase from 2019 to 2023.

Direct labor costs represented the smallest component of COGS and ranged from *** percent of total COGS in 2022 to *** percent of total COGS in 2020. Total direct labor costs decreased from 2019 to 2023.⁹ On a per pound basis, direct labor costs irregularly declined from 2019 to 2023. ***. As a ratio to net sales, direct labor costs increased from 2019 to 2020 then declined to 2022 before increasing in 2023, for an overall decline from 2019 to 2023.

Other factory costs represented the second largest component of COGS and ranged from *** percent of total COGS in 2019 to *** percent of total COGS in 2023. Total other factory costs increased overall from 2019 to 2022 then declined in 2023. On a per pound basis, other factory costs increased from 2019 to 2023. ***

⁶ ***. U.S. producers’ questionnaire responses of ***, section III-6 and III-7a.

⁷ ***. U.S. producers’ questionnaire responses of ***, section III-9a.

⁸ ***. U.S. producers’ questionnaire responses, section III-9a

⁹ ***. U.S. producers’ questionnaire response of ***, section II-2a.

***.¹⁰ As a ratio to net sales, other factory costs increased from 2019 to 2023.

Total COGS decreased from 2019 to 2020 then increased to 2022 before decreasing in 2023, for an overall decrease of *** percent from 2019 to 2023. On a per pound basis, total COGS decreased from 2019 to 2020 then increased to 2022 before decreasing in 2023, for an overall increase of *** percent from 2019 to 2023.¹¹ As a ratio to net sales, total COGS increased from 2019 to 2021 then decreased to 2023, for an overall increase from 2019 to 2023.

Gross profit declined from 2019 to 2021 then improved to 2023, for an overall decline by *** percent from 2019 to 2023.¹² Gross losses were reported from 2020 to 2023. The gross profit margin (gross profit as a ratio to net sales) exhibited a similar trend to total gross profit from 2019 to 2023. As shown in table IV-3, ***.

SG&A expenses and operating income or loss

As shown in table IV-1, the U.S. industry's SG&A expenses increased from 2019 to 2021 then declined to 2023. As shown in table IV-3, ***.¹³ The SG&A expense ratio (SG&A expense as a ratio to net sales) increased from 2019 to 2020 then decreased irregularly to 2023.

¹⁰ ***. Email from ***, May 3, 2024.

¹¹ ***. Email from ***, May 3, 2024.

¹² Gross profit for continuous operations irregularly increased from 2019 to 2021 then declined to 2023, for an overall decline from 2019 to 2023 while gross loss for non-continuous operations worsened from 2019 to 2021 then improved to 2023, for an overall worsening from 2019 to 2023.

¹³ ***.

Table IV-1 shows that U.S. producers' aggregate operating income declined from 2019 to 2021 then improved to 2023. Operating losses were reported from 2020 to 2023.¹⁴ The operating income margin (operating income as a ratio to net sales) exhibited the same trend. As shown in table IV-3, ***.

All other expenses and net income or loss

Classified below the operating income level are interest expense, other expense, and other income. In table IV-1, these items are aggregated and only the net amount is shown. Aggregate all other expenses increased from 2019 to 2021 then declined to 2023, for an overall increase from 2019 to 2023. ***.¹⁵ ***.¹⁶

As shown in table IV-1, U.S. producers' net income declined from 2019 to 2021 then improved to 2023. Net losses were reported from 2020 to 2023.¹⁷ The net income margin (net income as a ratio to net sales) exhibited the same trend. As shown in table IV-3, ***.¹⁸

¹⁴ Operating income for continuous operations irregularly increased from 2019 to 2021 then declined to 2023, for an overall decline from 2019 to 2023 while operating loss for non-continuous operations worsened from 2019 to 2021 then improved to 2023, for an overall worsening from 2019 to 2023.

¹⁵ U.S. producers' questionnaire response of ***, section III-10a.

¹⁶ ***. Email from ***, May 3, 2024.

¹⁷ Net income for continuous operations irregularly increased from 2019 to 2021 then declined to 2023, for an overall decline from 2019 to 2023 while net loss for non-continuous operations worsened from 2019 to 2021 then improved to 2023, for an overall worsening from 2019 to 2023.

¹⁸ A variance analysis is most useful for products that do not have substantial changes in cost structure and/or product mix over the period investigated, and the methodology is most sensitive at the plant or firm level, rather than the aggregated industry level. A variance analysis is not shown due to the ***.

Capital expenditures and research and development expenses

Table IV-4 presents capital expenditures, by firm, and table IV-7 presents R&D expenses, by firm. Tables IV-5 and IV-8 present the firms' narrative explanations of the nature, focus, and significance of their capital expenditures and R&D expenses, respectively. Table IV-6 presents estimated annual maintenance and repair expenses that firms expect to incur in the future in relation to maintaining their fine denier PSF productive capabilities, and the firms' narrative indicates whether they have been able to maintain these levels from 2019 to 2023.

Table IV-4
Fine denier PSF: U.S. producers' capital expenditures, by firm and period

Value in 1,000 dollars

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	***	***	***

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

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

Table IV-5
Fine denier PSF: U.S. producers' narrative descriptions of their capital expenditures, by firm

Firm	Narrative on capital expenditures
Alpek USA	***
Auriga	***
Darling	***
Nan Ya	***
Palmetto	***
Sun Fiber	***

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

Table IV-6**Fine denier PSF: U.S. producers' narrative descriptions of their future maintenance and repair costs, by firm**

Firm	Narrative on maintenance and repair costs
Alpek USA	***
Auriga	***
Darling	***
Nan Ya	***
Palmetto	***
Sun Fiber	***

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

Table IV-7**Fine denier PSF: U.S. producers' R&D expenses, by firm and period**

Value in 1,000 dollars

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	***	***	***

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

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

Table IV-8**Fine denier PSF: U.S. producers' narrative descriptions of their R&D expenses, by firm**

Firm	Narrative on R&D expenses
Alpek USA	***
Auriga	***
Darling	***
Nan Ya	***
Palmetto	***
Sun Fiber	***

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

Assets and return on assets

Table IV-9 presents data on the U.S. producers' total net assets, while table IV-10 presents their operating ROA.¹⁹ Table IV-11 presents U.S. producers' narrative responses explaining their major asset categories and any significant changes in asset levels over time.

Table IV-9
Fine denier PSF: U.S. producers' total net assets, by firm and period

Value in 1,000 dollars

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	***	***	***

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

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

Table IV-10
Fine denier PSF: U.S. producers' ROA, by firm and period

Ratio in percent

Firm	2019	2020	2021	2022	2023
Auriga	***	***	***	***	***
Nan Ya	***	***	***	***	***
Palmetto	***	***	***	***	***
Sun Fiber	***	***	***	***	***
Continuous producers	***	***	***	***	***
Alpek USA	***	***	***	***	***
Darling	***	***	***	***	***
Non-continuous producers	***	***	***	***	***
All firms	***	***	***	***	***

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

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

¹⁹ 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 IV-11**Fine denier PSF: U.S. producers' narrative descriptions of their total net assets, by firm**

Firm	Narrative on assets
Alpek USA	***
Auriga	***
Darling	***
Nan Ya	***
Palmetto	***
Sun Fiber	***

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

The Commission's questionnaire requested companies to describe the effect of the COVID-19 pandemic or government actions to contain the spread of the COVID-19 virus on the firm's financial performance during the reporting period. ***.

Capital and investment

The Commission requested U.S. producers of fine denier PSF to describe any actual or potential negative effects on their firms' return on investment or growth, investment, ability to raise capital, existing development and production efforts, or the scale of capital investments. Table IV-12 presents the number of firms reporting an impact in each category and table VI-13 provides the U.S. producers' narrative responses.

Table IV-12

Fine denier PSF: Count of firms indicating actual and anticipated negative effects of imports on investment, growth, and development since January 1, 2019, by effect

Effect	Category	Count
Cancellation, postponement, or rejection of expansion projects	Investment	5
Denial or rejection of investment proposal	Investment	2
Reduction in the size of capital investments	Investment	4
Return on specific investments	Investment	4
Inability to generate capital for modernization	Investment	3
Inability to maintain existing R&D levels	Investment	2
Other negative effects on investments	Investment	0
Any negative effects on investment	Investment	5
Rejection of bank loans	Growth	0
Lowering of credit rating	Growth	0
Problem related to the issue of stocks or bonds	Growth	0
Ability to service debt	Growth	1
Other growth and development effects	Growth	3
Any negative effects on growth and development	Growth	4
Anticipated negative effects of imports	Future	5

Source: Compiled from data submitted in response to Commission questionnaires

Table IV-13

Fine denier PSF: U.S. producers' narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2019, by firm and effect

Item	Firm name and narrative on impact of imports
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Denial or rejection of investment proposal	***
Denial or rejection of investment proposal	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Inability to maintain existing R&D levels	***
Inability to maintain existing R&D levels	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***

Source: Compiled from data submitted in response to Commission questionnaires

Part V: U.S. market and foreign industries

This part of the report provides information from questionnaire responses and public sources on the U.S. market and foreign industries for fine denier PSF.

Apparent U.S. consumption and market shares

Quantity

Table V-1 and figure V-1 present data on apparent U.S. consumption and U.S. market shares by quantity for fine denier PSF. Apparent U.S. consumption decreased by *** percent from 2019 to 2020, increased by 30.3 percent from 2020 to 2021, then decreased steadily from 2021 to 2023 by 30.6 percent, for an overall *** percent decrease from 2019 to 2023. The decrease in apparent consumption quantity from 2019 to 2023 was driven by a decrease in U.S. producers' shipments, which decreased by *** percent, while U.S. imports increased during this time by 44.6 percent.

From 2019 to 2023, U.S. producers' market share decreased irregularly by *** percentage points. U.S. producers' market share increased by *** percentage points from 2019 to 2020, reaching a high of 71.0 percent, then declined from 2020 to 2023 by 42.2 percentage points, reaching a low of 28.8 percent in 2023.

From 2019 to 2023, U.S. importers' market share increased irregularly by *** percentage points. Imports from India and Thailand gained the most market share during the 2019 – 2023 period, increasing by *** and *** percentage points, respectively. The increased market share of U.S. imports from India was driven by ***.

Table V-1**Fine denier PSF: Apparent U.S. consumption and market shares based on quantity, by source and period**

Quantity in 1,000 pounds; shares in percent

Source	Measure	2019	2020	2021	2022	2023
U.S. producers: Continuous producers	Quantity	***	***	***	***	***
U.S. producers: Non-continuous producers	Quantity	***	***	***	***	***
U.S. producers: All firms	Quantity	***	311,349	359,792	283,013	114,097
Thailand	Quantity	80,609	35,949	62,681	87,127	106,922
India	Quantity	1,967	3,776	41,928	62,755	64,655
Taiwan	Quantity	7,298	12,714	12,479	7,646	29,792
Indonesia	Quantity	57,975	23,878	39,170	44,839	21,714
Vietnam	Quantity	7,067	13,773	15,026	13,947	12,245
Mexico	Quantity	3,593	4,579	3,929	4,817	12,092
Turkey	Quantity	1,883	7,775	6,880	15,825	11,380
South Korea	Quantity	8,545	5,760	5,977	5,999	9,545
Honduras	Quantity	8,502	8,736	6,199	5,583	5,524
Germany	Quantity	8,475	4,394	4,586	5,078	4,019
All other import sources	Quantity	9,289	5,727	12,641	8,441	4,372
All import sources	Quantity	195,204	127,061	211,497	262,056	282,261
All sources	Quantity	***	438,410	571,289	545,069	396,358
U.S. producers: Continuous producers	Share	***	***	***	***	***
U.S. producers: Non-continuous producers	Share	***	***	***	***	***
U.S. producers: All firms	Share	***	71.0	63.0	51.9	28.8
Thailand	Share	***	8.2	11.0	16.0	27.0
India	Share	***	0.9	7.3	11.5	16.3
Taiwan	Share	***	2.9	2.2	1.4	7.5
Indonesia	Share	***	5.4	6.9	8.2	5.5
Vietnam	Share	***	3.1	2.6	2.6	3.1
Mexico	Share	***	1.0	0.7	0.9	3.1
Turkey	Share	***	1.8	1.2	2.9	2.9
South Korea	Share	***	1.3	1.0	1.1	2.4
Honduras	Share	***	2.0	1.1	1.0	1.4
Germany	Share	***	1.0	0.8	0.9	1.0
All other import sources	Share	***	1.3	2.2	1.5	1.1
All import sources	Share	***	29.0	37.0	48.1	71.2
All sources	Share	100.0	100.0	100.0	100.0	100.0

Source: Compiled data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series.

Figure V-1
Fine denier PSF: Apparent U.S. consumption based on quantity, by source and period

* * * * *

Source: Compiled data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series.

Value

Table V-2 and figure V-2 present data on apparent U.S. consumption and U.S. market shares by value for fine denier PSF. From 2019 to 2023, the value of apparent U.S. consumption decreased by *** percent, decreasing by *** percent during 2019-20, increasing by 84.7 percent from 2020 to 2022, then decreasing by 38.0 percent during 2022-23. The decrease in apparent consumption value from 2019 to 2023 was driven by a decrease in U.S. producers' shipments, which decreased by *** percent, while U.S. imports increased during this time by 35.8 percent.

From 2019 to 2023, U.S. producers' market share decreased irregularly by *** percentage points. U.S. producers' market share increased by *** percentage points from 2019 to 2020, reaching a high of 72.8 percent, then declined from 2020 to 2023 by 36.6 percentage points, reaching a low of 36.3 percent in 2023.

From 2019 to 2023, U.S. importers' market share increased irregularly by *** percentage points.

Table V-2**Fine denier PSF: Apparent U.S. consumption and market shares based on value, by source and period**

Value in 1,000 dollars; shares in percent

Source	Measure	2019	2020	2021	2022	2023
U.S. producers: Continuous producers	Value	***	***	***	***	***
U.S. producers: Non-continuous producers	Value	***	***	***	***	***
U.S. producers: All firms	Value	***	196,424	267,416	289,286	112,128
Thailand	Value	55,850	19,102	37,612	65,468	70,836
India	Value	1,407	1,968	25,130	44,658	41,606
Taiwan	Value	5,100	7,241	7,750	6,321	23,845
Indonesia	Value	43,147	13,303	26,770	39,117	15,477
Vietnam	Value	3,702	6,169	7,273	7,851	6,086
Mexico	Value	2,616	2,861	2,713	5,846	10,757
Turkey	Value	1,229	4,061	5,528	15,121	9,047
South Korea	Value	7,306	4,785	4,803	4,645	6,791
Honduras	Value	5,556	4,771	3,770	4,060	3,176
Germany	Value	11,113	5,013	5,923	8,276	5,820
All other import sources	Value	7,968	3,970	9,281	7,454	3,486
All import sources	Value	144,994	73,247	136,553	208,819	196,926
All sources	Value	***	269,671	403,969	498,105	309,054
U.S. producers: Continuous producers	Share	***	***	***	***	***
U.S. producers: Non-continuous producers	Share	***	***	***	***	***
U.S. producers: All firms	Share	***	72.8	66.2	58.1	36.3
Thailand	Share	***	7.1	9.3	13.1	22.9
India	Share	***	0.7	6.2	9.0	13.5
Taiwan	Share	***	2.7	1.9	1.3	7.7
Indonesia	Share	***	4.9	6.6	7.9	5.0
Vietnam	Share	***	2.3	1.8	1.6	2.0
Mexico	Share	***	1.1	0.7	1.2	3.5
Turkey	Share	***	1.5	1.4	3.0	2.9
South Korea	Share	***	1.8	1.2	0.9	2.2
Honduras	Share	***	1.8	0.9	0.8	1.0
Germany	Share	***	1.9	1.5	1.7	1.9
All other import sources	Share	***	1.5	2.3	1.5	1.1
All import sources	Share	***	27.2	33.8	41.9	63.7
All sources	Share	100.0	100.0	100.0	100.0	100.0

Source: Compiled data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series. Import value data reflect landed duty-paid values.

Figure V-2
Fine denier PSF: Apparent U.S. consumption based on value, by source and period

* * * * *

Source: Compiled data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series. Import value data reflect landed duty-paid values.

U.S. producers’ and U.S. importers’ U.S. shipments by channel of distribution

Tables V-3 to V-5 present U.S. producers’ and U.S. importers’ U.S. shipments to distributors (table V-3), woven end users (table V-4), and nonwoven end users (table V-5), by source.

Table V-3**Fine denier PSF: U.S. producers' and U.S. importers' U.S. shipments to distributors, by source and period**

Quantity in 1,000 pounds; shares in percent

Source	Measure	2019	2020	2021	2022	2023
U.S. producers: Continuous producers	Quantity	***	***	***	***	***
U.S. producers: Non-continuous producers	Quantity	***	***	***	***	***
U.S. producers: All firms	Quantity	***	***	***	***	***
Canada	Quantity	***	***	***	***	***
China	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Indonesia	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Taiwan	Quantity	***	***	***	***	***
Thailand	Quantity	***	***	***	***	***
Turkey	Quantity	***	***	***	***	***
Vietnam	Quantity	***	***	***	***	***
Other FTA partners	Quantity	***	***	***	***	***
All other import sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers: Continuous producers	Share	***	***	***	***	***
U.S. producers: Non-continuous producers	Share	***	***	***	***	***
U.S. producers: All firms	Share	***	***	***	***	***
Canada	Share	***	***	***	***	***
China	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Indonesia	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Taiwan	Share	***	***	***	***	***
Thailand	Share	***	***	***	***	***
Turkey	Share	***	***	***	***	***
Vietnam	Share	***	***	***	***	***
Other FTA partners	Share	***	***	***	***	***
All other import sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Table continued

Table V-3 Continued**Fine denier PSF: U.S. producers' and U.S. importers' U.S. shipments to distributors, by source and period**

Ratios in percent

Source	Measure	2019	2020	2021	2022	2023
U.S. producers: Continuous producers	Ratio	***	***	***	***	***
U.S. producers: Non-continuous producers	Ratio	***	***	***	***	***
U.S. producers: All firms	Ratio	***	***	***	***	***
Canada	Ratio	***	***	***	***	***
China	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Indonesia	Ratio	***	***	***	***	***
Mexico	Ratio	***	***	***	***	***
South Korea	Ratio	***	***	***	***	***
Taiwan	Ratio	***	***	***	***	***
Thailand	Ratio	***	***	***	***	***
Turkey	Ratio	***	***	***	***	***
Vietnam	Ratio	***	***	***	***	***
Other FTA partners	Ratio	***	***	***	***	***
All other import sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series.

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 "---". Ratios represent the quantity of U.S. shipments to distributors from the specified source to the quantity of U.S. shipments to all channels from the specified source.

Table V-4**Fine denier PSF: U.S. producers' and U.S. importers' U.S. shipments to woven end users, by source and period**

Quantity in 1,000 pounds; shares in percent

Source	Measure	2019	2020	2021	2022	2023
U.S. producers: Continuous producers	Quantity	***	***	***	***	***
U.S. producers: Non-continuous producers	Quantity	***	***	***	***	***
U.S. producers: All firms	Quantity	***	***	***	***	***
Canada	Quantity	***	***	***	***	***
China	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Indonesia	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Taiwan	Quantity	***	***	***	***	***
Thailand	Quantity	***	***	***	***	***
Turkey	Quantity	***	***	***	***	***
Vietnam	Quantity	***	***	***	***	***
Other FTA partners	Quantity	***	***	***	***	***
All other import sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers: Continuous producers	Share	***	***	***	***	***
U.S. producers: Non-continuous producers	Share	***	***	***	***	***
U.S. producers: All firms	Share	***	***	***	***	***
Canada	Share	***	***	***	***	***
China	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Indonesia	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Taiwan	Share	***	***	***	***	***
Thailand	Share	***	***	***	***	***
Turkey	Share	***	***	***	***	***
Vietnam	Share	***	***	***	***	***
Other FTA partners	Share	***	***	***	***	***
All other import sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Table continued.

Table V-4 Continued

Fine denier PSF: U.S. producers' and U.S. importers' U.S. shipments to woven end users, by source and period

Ratios in percent

Source	Measure	2019	2020	2021	2022	2023
U.S. producers: Continuous producers	Ratio	***	***	***	***	***
U.S. producers: Non-continuous producers	Ratio	***	***	***	***	***
U.S. producers: All firms	Ratio	***	***	***	***	***
Canada	Ratio	***	***	***	***	***
China	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Indonesia	Ratio	***	***	***	***	***
Mexico	Ratio	***	***	***	***	***
South Korea	Ratio	***	***	***	***	***
Taiwan	Ratio	***	***	***	***	***
Thailand	Ratio	***	***	***	***	***
Turkey	Ratio	***	***	***	***	***
Vietnam	Ratio	***	***	***	***	***
Other FTA partners	Ratio	***	***	***	***	***
All other import sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series.

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 "---". Ratios represent the quantity of U.S. shipments to woven end users from the specified source to the quantity of U.S. shipments to all channels from the specified source.

Table V-5**Fine denier PSF: U.S. producers' and U.S. importers' U.S. shipments to nonwoven end users, by source and period**

Quantity in 1,000 pounds; shares in percent

Source	Measure	2019	2020	2021	2022	2023
U.S. producers: Continuous producers	Quantity	***	***	***	***	***
U.S. producers: Non-continuous producers	Quantity	***	***	***	***	***
U.S. producers	Quantity	***	***	***	***	***
Canada	Quantity	***	***	***	***	***
China	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Indonesia	Quantity	***	***	***	***	***
Mexico	Quantity	***	***	***	***	***
South Korea	Quantity	***	***	***	***	***
Taiwan	Quantity	***	***	***	***	***
Thailand	Quantity	***	***	***	***	***
Turkey	Quantity	***	***	***	***	***
Vietnam	Quantity	***	***	***	***	***
Other FTA partners	Quantity	***	***	***	***	***
All other import sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers: Continuous producers	Share	***	***	***	***	***
U.S. producers: Non-continuous producers	Share	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
Canada	Share	***	***	***	***	***
China	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Indonesia	Share	***	***	***	***	***
Mexico	Share	***	***	***	***	***
South Korea	Share	***	***	***	***	***
Taiwan	Share	***	***	***	***	***
Thailand	Share	***	***	***	***	***
Turkey	Share	***	***	***	***	***
Vietnam	Share	***	***	***	***	***
Other FTA partners	Share	***	***	***	***	***
All other import sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	100.0	100.0	100.0	100.0	100.0

Table continued.

Table V-5 Continued**Fine denier PSF: U.S. producers' and U.S. importers' U.S. shipments to nonwoven end users, by source and period**

Ratios in percent

Source	Measure	2019	2020	2021	2022	2023
U.S. producers: Continuous producers	Ratio	***	***	***	***	***
U.S. producers: Non-continuous producers	Ratio	***	***	***	***	***
U.S. producers	Ratio	***	***	***	***	***
Canada	Ratio	***	***	***	***	***
China	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Indonesia	Ratio	***	***	***	***	***
Mexico	Ratio	***	***	***	***	***
South Korea	Ratio	***	***	***	***	***
Taiwan	Ratio	***	***	***	***	***
Thailand	Ratio	***	***	***	***	***
Turkey	Ratio	***	***	***	***	***
Vietnam	Ratio	***	***	***	***	***
Other FTA partners	Ratio	***	***	***	***	***
All other import sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series.

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 "---". Ratios represent the quantity of U.S. shipments to nonwoven end users from the specified source to the quantity of U.S. shipments to all channels from the specified source.

Foreign industries

The Commission issued foreign producer/exporter questionnaires to 76 firms for which valid contact information were obtained that were believed to be possible foreign producers or exporters of fine denier PSF. Usable responses to the Commission's questionnaire were received from 17 firms. These firms' reported exports to the United States accounted for 70.2 percent of U.S. imports entered under HTS statistical reporting number 5503.20.0025 in 2023.¹

Germany: Two producers, ***² and ***, estimating they accounted for *** percent of fine denier PSF production in Germany in 2023, and one exporter/reseller, ***.

India: Two producers, ***, that accounted for an estimated *** percent of fine denier PSF production in India in 2023.³

Indonesia: Two producers, ***,⁴ accounting for an estimated *** percent of fine denier PSF production in Indonesia in 2023,⁵ and one exporter/reseller ***.⁶

¹ Foreign industry data from Germany and Malaysia are presented in part V tables as "All other sources." Commission questionnaires also collected data separately for Canada, China, and other FTA partners, but no producers or exporters from these sources provided a response. No U.S. importer identified Canada as a source of fine denier PSF imports and there are no known fine denier PSF producers in Canada. There is one known producer in other FTA partner countries, ***.

² ***. Email from ***, April 12, 2024. ***.

³ ***.

⁴ A third firm, ***, submitted a questionnaire response that was not used, as the data reported were not reliable and attempts to correct the data were unsuccessful. Based on the practical fine denier PSF capacity that the firm reported, it represented *** percent of practical fine denier PSF capacity reported by all foreign producers.

⁵ Only one of the two firms provided an estimate of its share of total fine denier PSF production in Indonesia in 2023, so staff calculated the total coverage estimate based on this firm's estimate.

⁶ ***.

Malaysia: Two producers, ***, that accounted for an estimated *** percent of fine denier PSF production in Malaysia in 2023.

Mexico: One producer, ***, that accounted for *** fine denier PSF production in Mexico in 2023 and one reseller/exporter, ***.

South Korea: One producer and exporter/reseller, ***, that estimated it accounted for *** percent of fine denier PSF production in South Korea in 2023.

Thailand: Three producers, ***.⁷

Turkey: One producer, ***, accounting for an estimated *** percent of fine denier PSF production in Turkey in 2023 and one exporter/reseller, ***.

U.S. importers also reported importing fine denier PSF from the following foreign producers that did not submit a foreign producer/exporter questionnaire:

China: ***

Honduras: ***

India: ***

Indonesia: ***

Germany: ***⁸

Pakistan: ***

Romania: ***

South Korea: ***

Taiwan: ***

⁷ ***.

⁸ ***. Email from ***, April 12, 2024.

Thailand: ***

Vietnam: ***

Table V-6 presents summary data on foreign producers' production, U.S. export, and total shipment data and table V-7 presents information on resellers' export data.

Table V-6

Fine denier PSF: Summary data for foreign producers, by firm, 2023

Producer and (foreign industry)	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Asia Pacific Fibers (Indonesia)	***	***	***	***	***	***
Bombay (India)	***	***	***	***	***	***
Engineered Fiber (All other sources)	***	***	***	***	***	***
Indorama (Indonesia)	***	***	***	***	***	***
Indorama (Mexico)	***	***	***	***	***	***
Indorama (Thailand)	***	***	***	***	***	***
Maerkische (All other sources)	***	***	***	***	***	***
Penfibre (All other sources)	***	***	***	***	***	***
Recron (All other sources)	***	***	***	***	***	***
Reliance (India)	***	***	***	***	***	***
Sasa (producer) (Turkey)	***	***	***	***	***	***
Sunflag (Thailand)	***	***	***	***	***	***
Teijin (producer) (Thailand)	***	***	***	***	***	***
Toray (South Korea)	***	***	***	***	***	***
All individual producers	3,336,234	100.0	198,045	100.0	3,293,867	6.0

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 V-7**Fine denier PSF: Summary data for foreign resellers, by firm, 2023**

Reseller and (foreign industry)	Resales exported to the United States (1,000 pounds)	Share of reported resales exported to the United States (percent)
Advansa (All other sources)	***	***
Alpek (reseller) (Mexico)	***	***
Sasa (reseller) (Turkey)	***	***
Teijin (reseller) (Indonesia)	***	***
Toray (South Korea)	***	***
All individual producers	***	100.0

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “---”. *** reported resales ***; whereas *** reported resales ***.

Table V-8 presents production, export, and total shipment summary data, by country. The country with the largest reported fine denier PSF production in 2023 was India, followed by Turkey. However, Thailand was the largest source of fine denier PSF exports to the United States in 2023.

Table V-8**Fine denier PSF: Summary data for foreign producers, by source, 2023**

Foreign industry	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Canada	***	***	***	***	***	***
China	***	***	***	***	***	***
India	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***
Mexico	***	***	***	***	***	***
South Korea	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***
Thailand	***	***	***	***	***	***
Turkey	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***
Other FTA partners	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
All foreign industries	3,336,234	100.0	198,045	100.0	3,293,867	6.0

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

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

Changes in operations

Table V-9 presents a count of the changes in operations reported across all responding foreign producers and table V-10 presents respondents' narratives on changes in operations since January 1, 2019 and anticipated changes. The most common changes in operations reported by respondents were prolonged shutdowns and production curtailments, with firms citing COVID-19 in 2020 and lower demand in 2023 as the reasons behind these changes.

Table V-9

Fine denier PSF: Count of reported changes in operations in foreign industries since January 1, 2019, by type of change in operation

Count in number of firms reporting

Item	All responding foreign producers	Country
Plant openings	***	***
Plant closings	***	***
Prolonged shutdowns	***	***
Production curtailments	***	***
Relocations	***	***
Expansions	***	***
Acquisitions	***	***
Consolidations	***	***
Weather-related or force majeure events	***	***
Other	***	***
Any change	11	See above

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

Table V-10**Fine denier PSF: Reported changes in operations in foreign industries since January 1, 2019, and anticipated changes, by reported change category and firm**

Item	Firm name (foreign industry) and accompanying narrative response regarding reported and anticipated changes in operations
Plant openings	***
Plant closings	***
Prolonged shutdowns	***
Prolonged shutdowns	***
Prolonged shutdowns	***
Prolonged shutdowns	***
Production curtailments	***
Production curtailments	***
Production curtailments	***
Production curtailments	***
Expansions	***
Acquisitions	***
Other	***

Table continued.

Table V-10 Continued

Fine denier PSF: Reported changes in operations in foreign industries since January 1, 2019, and anticipated changes, by reported change category and firm

Item	Firm name (foreign industry) and accompanying narrative response regarding changes in operations
Anticipated changes	***
Anticipated changes	***

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

Operations on fine denier PSF

Table V-11 presents data on foreign producers' installed capacity, practical overall capacity, and practical fine denier PSF capacity and production on the same equipment. Installed and practical capacity increased from 2019 to 2023 by 8.5 and 10.5 percent, respectively, as *** opened new production lines during the period. Overall production also increased during 2019 to 2023, albeit, at only 2.8 percent, and was also driven by *** increased overall production. Given that capacity increased more than production, installed overall and practical overall capacity utilization decreased by 4.5 and 6.5 percentage points, respectively.

Table V-11

Fine denier PSF: Producers' in foreign industries installed and practical capacity and production on the same equipment as in-scope production, by period

Capacity and production in 1,000 pounds; utilization in percent

Item	Measure	2019	2020	2021	2022	2023
Installed overall	Capacity	4,664,572	5,051,730	5,226,159	5,226,159	5,060,045
Installed overall	Production	4,025,726	3,798,180	4,513,286	4,404,054	4,137,843
Installed overall	Utilization	86.3	75.2	86.4	84.3	81.8
Practical overall	Capacity	4,299,475	4,428,121	4,755,570	4,794,583	4,751,109
Practical overall	Production	4,025,726	3,798,180	4,513,286	4,404,054	4,137,843
Practical overall	Utilization	93.6	85.8	94.9	91.9	87.1
Practical fine denier PSF	Capacity	3,534,133	3,640,804	3,964,441	3,981,419	3,950,913
Practical fine denier PSF	Production	3,255,612	3,031,550	3,708,071	3,620,244	3,336,234
Practical fine denier PSF	Utilization	92.1	83.3	93.5	90.9	84.4

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

Table V-12 presents foreign producers' reported constraints to practical overall capacity since January 1, 2019.

Table V-12

Fine denier PSF: Producers' in foreign industries reported constraints to practical overall capacity, since January 1, 2019

Item	Firm name (foreign industry) and narrative response on constraints to practical overall capacity
Production bottlenecks	***
Production bottlenecks	***
Production bottlenecks	***
Existing labor force	***
Supply of material inputs	***
Supply of material inputs	***
Fuel or energy	***
Fuel or energy	***
Logistics/transportation	***
Logistics/transportation	***
Other constraints	***
Other constraints	***
Other constraints	***
Other constraints	***
Other constraints	***

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

Table V-13 presents information on the fine denier PSF operations of responding producers and resellers. From 2019 to 2023, practical fine denier PSF capacity increased by 11.8 percent and practical fine denier PSF production increased by 2.5 percent. Both increases were driven by *** and ***. Nine of the fourteen foreign producers reported decreases in practical fine denier PSF capacity utilization from 2019 to 2023, for a total decrease across all foreign producers of 7.7 percentage points.

Capacity and production are projected to increase from 2024 to 2025 by 13.8 and 20.9 percent, respectively. These projected increases are also largely driven by *** and ***.

Home market shipments, the majority of which were commercial shipments, accounted for approximately two-thirds of total shipments throughout 2019 to 2023. Home market shipments increased by 10.2 percent from 2019 to 2023 and are projected to increase by 16.9 percent from 2024 to 2025.

Export shipments accounted for approximately one-third of total shipments during 2019 to 2023, the majority of which were to markets other than the United States (exports to the United States accounted for 6.0 percent or less of total shipments during the period).⁹ Exports to all other markets decreased by 24.0 percent during 2019 to 2023, but are projected to increase by 24.5 percent from 2024 to 2025. Exports to the United States, on the other hand, increased during this period by 34.2 percent, **, but are projected to decrease by 1.3 percent from 2024 to 2025.

End-of-period inventories decreased by 38.7 percent from 2019 to 2020, then increased by 61.5 percent from 2020 to 2023, for a total 1.0 percent increase during 2019 to 2023. End-of-period inventories are expected to increase by 46.8 percent from 2024 to 2025.

⁹ Other export markets reported include: ***.

Table V-13
Fine denier PSF: Data on foreign industries, by item and period

Quantity in 1,000 pounds

Item	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Capacity	3,534,133	3,640,804	3,964,441	3,981,419	3,950,913	4,079,344	4,642,057
Production	3,255,612	3,031,550	3,708,071	3,620,244	3,336,234	3,608,386	4,362,756
End-of-period inventories	210,895	129,193	140,778	166,333	208,697	178,513	262,011
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	2,175,910	2,005,060	2,405,117	2,536,759	2,397,913	2,615,015	3,058,204
Exports to the United States	147,528	86,852	157,926	202,095	198,045	206,405	203,746
Exports to all other markets	918,288	1,021,339	1,133,443	855,836	697,909	817,150	1,017,109
Export shipments	1,065,816	1,108,191	1,291,369	1,057,931	895,954	1,023,555	1,220,855
Total shipments	3,241,726	3,113,251	3,696,486	3,594,690	3,293,867	3,638,570	4,279,059
Resales exported to the United States	***	***	***	***	***	***	***
Total adjusted exports to the United States	***	***	***	***	***	***	***

Table continued.

Table V-13 Continued
Fine denier PSF: Data on foreign industries, by item and period

Shares and ratios in percent

Item	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Capacity utilization ratio	92.1	83.3	93.5	90.9	84.4	88.5	94.0
Inventory ratio to production	6.5	4.3	3.8	4.6	6.3	4.9	6.0
Inventory ratio to total shipments	6.5	4.1	3.8	4.6	6.3	4.9	6.1
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	67.1	64.4	65.1	70.6	72.8	71.9	71.5
Exports to the United States share	4.6	2.8	4.3	5.6	6.0	5.7	4.8
Exports to all other markets share	28.3	32.8	30.7	23.8	21.2	22.5	23.8
Export shipments share	32.9	35.6	34.9	29.4	27.2	28.1	28.5
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. exported by producers	96.7	84.3	92.5	91.9	94.2	88.3	82.8
Share of total exports to the U.S. exported by resellers	***	***	***	***	***	***	***
Adjusted share of total shipments exported to the United States	***	***	***	***	***	***	***

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

Table V-14 presents practical fine denier PSF capacity, production, capacity utilization, and share of production, by country. Turkey's capacity and production increased the most during 2019 to 2023, followed by Indonesia, and Turkey's capacity is projected to increase by the most from 2024 to 2025. Production in India, Germany, Malaysia, and Thailand all decreased from 2019 to 2023. Capacity utilization decreased or was unchanged during 2019 to 2023 for all sources other than Mexico and Turkey.

India accounted for the largest percentage (over 45 percent) of total production during 2019 to 2023, followed by Turkey, which accounted for *** percent.

Table V-14
Fine denier PSF: Foreign industries' output: Practical capacity, by foreign industry and period

Quantity in 1,000 pounds

Foreign industry	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Canada	***	***	***	***	***	***	***
China	***	***	***	***	***	***	***
India	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
South Korea	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Turkey	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Other FTA partners	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All responding foreign industries	3,534,133	3,640,804	3,964,441	3,981,419	3,950,913	4,079,344	4,642,057

Table continued.

Table V-14 Continued

Fine denier PSF: Foreign industries' output: Production, by foreign industry and period

Quantity in 1,000 pounds

Foreign industry	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Canada	***	***	***	***	***	***	***
China	***	***	***	***	***	***	***
India	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
South Korea	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Turkey	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Other FTA partners	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All responding foreign industries	3,255,612	3,031,550	3,708,071	3,620,244	3,336,234	3,608,386	4,362,756

Table continued.

Table V-14 Continued

Fine denier PSF: Foreign industries' output: Capacity utilization ratio, by foreign industry and period

Ratios in percent

Foreign industry	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Canada	***	***	***	***	***	***	***
China	***	***	***	***	***	***	***
India	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
South Korea	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Turkey	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Other FTA partners	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All responding foreign industries	92.1	83.3	93.5	90.9	84.4	88.5	94.0

Table continued.

Table V-14 Continued

Fine denier PSF: Foreign industries' output: Share of production, by foreign industry and period

Shares in percent

Foreign industry	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Canada	***	***	***	***	***	***	***
China	***	***	***	***	***	***	***
India	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
South Korea	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Turkey	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Other FTA partners	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All responding foreign industries	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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

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

Table V-15 presents exports to the United States and total exports, and their shares of total shipments, by country. In 2019, Indonesia and Thailand reported the largest quantities of exports to the United States, with Indonesia reporting slightly higher exports to the United States. However, Indonesia's reported exports to the United States decreased by *** percent from 2019 to 2023, while Thailand's and India's reported exports to the United States increased by *** percent and *** percent, respectively. By 2023, Thailand was the largest reported source of fine denier PSF to the United States, followed by India. Thailand also has the largest reported share of total shipments exported to the United States than any other country. India reported the largest number of exports to all markets during 2019 to 2023, followed by Thailand.

Table V-15
Fine denier PSF: Foreign industries' exports: Exports to the United States, by foreign industry and period

Quantity in 1,000 pounds

Foreign industry	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Canada	***	***	***	***	***	***	***
China	***	***	***	***	***	***	***
India	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
South Korea	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Turkey	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Other FTA partners	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All responding foreign industries	147,528	86,852	157,926	202,095	198,045	206,405	203,746

Table continued.

Table V-15 Continued**Fine denier PSF: Foreign industries' exports: Share of total shipments exported to the United States, by foreign industry and period**

Share in percent

Foreign industry	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Canada	***	***	***	***	***	***	***
China	***	***	***	***	***	***	***
India	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
South Korea	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Turkey	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Other FTA partners	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All responding foreign industries	4.6	2.8	4.3	5.6	6.0	5.7	4.8

Table continued.

Table V-15 Continued**Fine denier PSF: Foreign industries' exports: Total exports, by industry and period**

Quantity in 1,000 pounds

Foreign industry	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Canada	***	***	***	***	***	***	***
China	***	***	***	***	***	***	***
India	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
South Korea	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Turkey	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Other FTA partners	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All responding foreign industries	1,065,816	1,108,191	1,291,369	1,057,931	895,954	1,023,555	1,220,855

Table continued.

Table V-15 Continued

Fine denier PSF: Foreign industries' exports: Share of total shipments exported, by foreign industry and period

Shares in percent

Foreign industry	2019	2020	2021	2022	2023	Projection 2024	Projection 2025
Canada	***	***	***	***	***	***	***
China	***	***	***	***	***	***	***
India	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***
South Korea	***	***	***	***	***	***	***
Taiwan	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Turkey	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Other FTA partners	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***
All responding foreign industries	32.9	35.6	34.9	29.4	27.2	28.1	28.5

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

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

Alternative products

As shown in table V-16, fine denier PSF accounted for approximately 80 percent of merchandise produced on the same equipment from 2019 to 2023. Approximately half of out-of-scope production was PSF greater than 3 denier. Other out-of-scope products included: ***.

Table V-16

Fine denier PSF: Producers' in foreign industries overall production on the same equipment as in-scope production, by product type and period

Quantity in 1,000 pounds; shares in percent

Product type	Measure	2019	2020	2021	2022	2023
Fine denier PSF	Quantity	3,255,612	3,031,550	3,708,071	3,620,244	3,336,234
Coarse denier PSF	Quantity	***	***	***	***	***
All other products	Quantity	***	***	***	***	***
Out-of-scope products	Quantity	770,114	766,630	805,215	783,810	801,609
All products	Quantity	4,025,726	3,798,180	4,513,286	4,404,054	4,137,843
Fine denier PSF	Share	80.9	79.8	82.2	82.2	80.6
Coarse denier PSF	Share	***	***	***	***	***
All other products	Share	***	***	***	***	***
Out-of-scope products	Share	19.1	20.2	17.8	17.8	19.4
All products	Share	100.0	100.0	100.0	100.0	100.0

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

Table V-17 presents global exports by reporting country and period for PSF, a category that includes fine denier PSF and out-of-scope products (i.e., PSF with denier greater than 3).

Table V-17
PSF: Global exports, by reporting country and by period

Quantity in 1,000 pounds

Exporting country	Measure	2019	2020	2021	2022	2023
United States	Quantity	79,963	83,799	107,673	92,327	66,872
China	Quantity	2,157,193	1,754,250	2,048,116	2,195,495	2,657,572
South Korea	Quantity	1,613,530	1,556,771	1,612,780	1,376,366	1,437,245
Thailand	Quantity	732,432	830,015	795,617	701,225	809,130
Indonesia	Quantity	583,637	553,722	543,273	468,291	513,484
Taiwan	Quantity	667,416	621,589	608,164	496,612	490,462
Vietnam	Quantity	426,295	470,917	502,006	414,842	467,439
India	Quantity	604,670	632,770	829,749	561,133	457,639
Turkey	Quantity	99,110	231,448	358,279	347,320	268,074
Malaysia	Quantity	287,746	251,548	300,575	295,376	252,150
Germany	Quantity	---	---	---	170,720	152,809
Belgium	Quantity	114,260	89,737	96,450	111,807	103,075
Ireland	Quantity	182,920	169,857	188,827	129,400	100,653
Romania	Quantity	160,967	124,544	127,582	98,287	98,321
Egypt	Quantity	64,701	48,798	149,984	60,134	75,811
South Africa	Quantity	39,425	46,890	46,191	44,434	51,968
All other exporters	Quantity	587,299	591,486	699,571	351,123	264,640
All reporting exporters	Quantity	8,401,564	8,058,140	9,014,840	7,914,892	8,267,345

Table continued.

Table V-17 Continued
PSF: Global exports, by reporting country and by period

Value in 1,000 dollars

Exporting country	Measure	2019	2020	2021	2022	2023
United States	Value	64,959	60,929	83,756	82,492	65,698
China	Value	1,042,922	690,856	949,919	1,107,713	1,210,059
South Korea	Value	881,412	742,253	875,384	759,271	774,120
Thailand	Value	370,261	322,228	365,532	364,688	380,691
Indonesia	Value	282,302	209,559	251,543	239,838	236,305
Taiwan	Value	363,488	283,130	321,922	282,430	272,331
Vietnam	Value	185,596	175,270	206,297	185,211	194,153
India	Value	295,113	228,697	409,463	324,517	229,802
Turkey	Value	52,443	93,762	192,246	232,990	144,953
Malaysia	Value	144,715	99,074	160,343	156,127	117,876
Germany	Value	---	---	---	173,823	146,081
Belgium	Value	69,742	49,863	60,120	84,990	67,040
Ireland	Value	126,271	113,446	148,753	115,969	85,492
Romania	Value	93,010	68,615	80,283	76,705	64,253
Egypt	Value	27,652	16,459	46,387	33,421	31,852
South Africa	Value	17,537	12,456	15,111	19,825	18,834
All other exporters	Value	358,872	308,654	411,644	268,186	190,751
All reporting exporters	Value	4,376,295	3,475,251	4,578,703	4,508,197	4,230,291

Table continued.

Table V-17 Continued
PSF: Global exports, by reporting country and by period

Unit values in dollars per pound

Exporting country	Measure	2019	2020	2021	2022	2023
United States	Unit value	0.81	0.73	0.78	0.89	0.98
China	Unit value	0.48	0.39	0.46	0.50	0.46
South Korea	Unit value	0.55	0.48	0.54	0.55	0.54
Thailand	Unit value	0.51	0.39	0.46	0.52	0.47
Indonesia	Unit value	0.48	0.38	0.46	0.51	0.46
Taiwan	Unit value	0.54	0.46	0.53	0.57	0.56
Vietnam	Unit value	0.44	0.37	0.41	0.45	0.42
India	Unit value	0.49	0.36	0.49	0.58	0.50
Turkey	Unit value	0.53	0.41	0.54	0.67	0.54
Malaysia	Unit value	0.50	0.39	0.53	0.53	0.47
Germany	Unit value	---	---	---	1.02	0.96
Belgium	Unit value	0.61	0.56	0.62	0.76	0.65
Ireland	Unit value	0.69	0.67	0.79	0.90	0.85
Romania	Unit value	0.58	0.55	0.63	0.78	0.65
Egypt	Unit value	0.43	0.34	0.31	0.56	0.42
South Africa	Unit value	0.44	0.27	0.33	0.45	0.36
All other exporters	Unit value	0.61	0.52	0.59	0.76	0.72
All reporting exporters	Unit value	0.52	0.43	0.51	0.57	0.51

Table continued.

Table V-17 Continued
PSF: Global exports, by reporting country and by period

Shares in percent

Exporting country	Measure	2019	2020	2021	2022	2023
United States	Share of quantity	1.0	1.0	1.2	1.2	0.8
China	Share of quantity	25.7	21.8	22.7	27.7	32.1
South Korea	Share of quantity	19.2	19.3	17.9	17.4	17.4
Thailand	Share of quantity	8.7	10.3	8.8	8.9	9.8
Indonesia	Share of quantity	6.9	6.9	6.0	5.9	6.2
Taiwan	Share of quantity	7.9	7.7	6.7	6.3	5.9
Vietnam	Share of quantity	5.1	5.8	5.6	5.2	5.7
India	Share of quantity	7.2	7.9	9.2	7.1	5.5
Turkey	Share of quantity	1.2	2.9	4.0	4.4	3.2
Malaysia	Share of quantity	3.4	3.1	3.3	3.7	3.0
Germany	Share of quantity	---	---	---	2.2	1.8
Belgium	Share of quantity	1.4	1.1	1.1	1.4	1.2
Ireland	Share of quantity	2.2	2.1	2.1	1.6	1.2
Romania	Share of quantity	1.9	1.5	1.4	1.2	1.2
Egypt	Share of quantity	0.8	0.6	1.7	0.8	0.9
South Africa	Share of quantity	0.5	0.6	0.5	0.6	0.6
All other exporters	Share of quantity	7.0	7.3	7.8	4.4	3.2
All reporting exporters	Share of quantity	100.0	100.0	100.0	100.0	100.0

Source: Official global exports statistics and official global imports statistics from Chile (constructed exports) and Vietnam (constructed exports for 2023) under HS subheading 5503.20 as reported by various national statistical authorities in the Global Trade Atlas Suite database, accessed May 8, 2024.

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 other top exporting countries in descending order of 2023 quantity data.

Part VI: Other competitive dynamics of the U.S. market

U.S. market characteristics

Fine denier PSF is used primarily in woven, knit, or spun applications for apparel such as socks, hosiery, and other worn fabrics and textiles. It is also used in nonwoven applications, including wipes (e.g., baby wipes, hygiene products, and household cleaning wipes), filters (e.g., water filters, face masks, and air filters), and as fiberfill for pillows and cushions, bedding, furniture, and insulation. Fine denier PSF differs from PSF of a larger diameter (greater than 3 denier) and from low-melt PSF in terms of end-use applications and, particularly for low-melt PSF, production processes.¹ Fine denier PSF is sold primarily to end users, which process the fibers into woven, knitted, or nonwoven forms for ultimate inclusion in downstream products. U.S. producers ship a majority of their product to end users for woven applications, whereas most imported product is shipped to end users for nonwoven applications (see table VI-1).

The majority of firms (all six U.S. producers, 15 of 21 responding importers and 15 of 19 responding purchasers) indicated that the market for fine denier PSF was not subject to distinctive conditions of competition. Importer *** reported that when textile, furniture, and/or automotive demand increases this has an impact on availability and pricing for nonwovens users; and importer *** reported that fine denier PSF with specialty features for specific end uses is a small but growing niche and therefore less susceptible to business cycles than more established products. Purchaser ***² reported that there is significant global competition in yarn manufacturing and apparel manufacturing. Competitors may elect to manufacture the same yarns in Central America for use in producing finished apparel which will still qualify for preferential treatment under DR-CAFTA. Pricing volatility is also a relevant condition of competition.

Apparent U.S. consumption of fine denier PSF decreased during January 2019 - December 2023. Overall, apparent U.S. consumption in 2023 was *** percent lower than in 2019. The largest decline was between 2022 and 2023 which saw a *** percent decrease.

¹ Fine Denier Polyester Staple Fiber from China, India, Korea, and Taiwan, Inv. Nos. 701-TA-579-580 and 731-TA-1369-1372 (Final), USITC Publication 4803, February 2018, p. II-1.

² ***

Geographic distribution

U.S. producers reported selling fine denier PSF to all regions in the contiguous United States (table VI-1). All six U.S. producers reported selling fine denier PSF to the Southeast, while only one firm (***) reported selling to the Mountain region. Importers also reported selling fine denier PSF to all regions in the contiguous United States, though the largest numbers of importers reported shipments to the Southeast region.

For U.S. producers, *** percent of sales were within 100 miles of their production facilities, *** percent were between 101 and 1,000 miles, and *** percent were over 1,000 miles. Importers sold *** percent within 100 miles of their U.S. points of shipment, *** percent between 101 and 1,000 miles, and *** percent over 1,000 miles.

Table VI-1
Fine denier PSF: Count of U.S. producers' and U.S. importers' geographic markets

Region	U.S. producers	U.S. importers
Northeast	5	8
Midwest	4	8
Southeast	6	12
Central Southwest	2	5
Mountains	1	1
Pacific Coast	2	4
Other	0	0
All regions (except Other)	1	1
Reporting firms	6	13

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 VI-2 provides a summary of the supply factors regarding fine denier PSF from U.S. producers and from foreign sources. Reported foreign capacity was approximately six times larger than domestic capacity in 2019 and approximately 12 times larger in 2023. Reported foreign capacity grew *** percent from 2019 to 2023 while the United States saw a substantial capacity decrease of *** percent. Reported foreign capacity utilization was much higher than reported U.S. capacity utilization and inventory ratios were lower for foreign producers than for U.S. producers. Reporting firms in both the United States and abroad reported that they primarily served their home markets rather than export markets in 2023.

Table VI-2
Fine denier PSF: Supply factors that affect the ability to increase shipments to the U.S. market

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

Factor	Measure	U.S. industry	Foreign industries
Capacity 2019	Quantity	527,802	***
Capacity 2023	Quantity	301,740	***
Capacity utilization 2019	Ratio	***	***
Capacity utilization 2023	Ratio	39.5	***
Inventories to total shipments 2019	Ratio	***	***
Inventories to total shipments 2023	Ratio	16.1	***
Home market shipments 2023	Ratio	***	***
Non-U.S. export market shipments 2023	Ratio	***	***
Ability to shift production	Count	***	***

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

Domestic production

Based on available information, U.S. producers of fine denier PSF have the ability to respond to changes in demand with moderate-to-large changes in the quantity of shipments of U.S.-produced fine denier PSF to the U.S. market. The main contributing factors to this degree of responsiveness of supply are unused capacity, the availability of inventories, and the ability to shift production to or from alternate products. A factor mitigating responsiveness is the limited share of exports.

Domestic capacity utilization decreased from *** percent in 2019 to 39.5 percent in 2023, driven by a decrease in total production. Nan Ya testified that maintaining a high level of capacity utilization is critical for producers, and when they are not able to run production lines at optimal efficiency levels, significant costs are accrued.³ Domestic capacity decreased by *** percent. Producer *** reported that they expect U.S. production of fine denier PSF to decrease further in the future due to low-cost imports. U.S. producers' inventories of fine denier PSF decreased in 2020 before remaining stable through 2023 with a slight reduction. Relative to total shipments, U.S. producers' inventory levels increased from *** percent in 2019 to 16.1 percent in 2023.

Four of six responding U.S. producers reported that they could switch production from fine denier PSF to other products. Four producers reported that they could produce either coarser or heavier denier PSF on the same equipment.⁴ In general, the factors limiting these

³ Hearing transcript, pp. 31-32 (Sparkman).

⁴ The ***.

U.S. producers' ability to shift production were ***⁵.

Most purchasers (12 of 20 responding firms) reported changes in the availability of fine denier PSF from domestic producers. Purchasers cited the closure of Alpek USA (formerly DAK Americas) and Darling, which reduced U.S. capacity.⁶ Purchasers *** reported that they were purchasing fine denier PSF from DAK Americas and Darling, but when these U.S. producers closed their facilities, these three purchasers shifted their purchases to other firms and facilities within the United States.

Foreign producers

Table VI-3 provides a summary of the supply of fine denier PSF from foreign sources. Limited information from responding foreign producers indicate that foreign producers are able to respond to changes in demand with moderate-to-large changes in the quantity of shipments of fine denier PSF to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the large overall capacity of the industry, some unused capacity, some ability to shift shipments from alternate markets, and the ability to shift production to or from alternate products. A factor mitigating responsiveness of supply is the limited availability of inventories.

Reported production capacity for foreign producers increased at a faster rate than production increased between 2019 and 2023, and capacity utilization decreased slightly. Total reported inventories for foreign producers saw only a slight decline from *** percent of their total shipments during 2019 to *** percent in 2023.

Eight of 14 responding foreign producers reported being able to shift production from fine denier PSF to ***. Most responding foreign producers' total shipments went to their home markets (*** percent); export shipments represented *** percent of their total shipments in 2023. Foreign producers reported that their primary export markets were ***.

⁵ Producer *** reported that it could shift production capacity between products based on spinneret availability and procurement of specific additives based on the individual product. It was possible to shift production and have constraints relieved within 7 days of the decision to do so. Producer *** reported that their production line is a continuous operation reactor (24/7), so changes in luster and denier require time to modify the reactor and to rearrange spinning lines.

⁶ Purchaser *** reported that DAK Americas had been experiencing mechanical failures since 2018, and by early 2020, DAK Americas was sourcing imported fine denier PSF to fulfill orders. It continued that until May 2021, when DAK Americas experienced an outage and stopped all U.S. fiber production. *** reported that Darling also experienced outages that caused supply disruptions and stopped U.S. production in November 2022. It reported that other U.S. PSF suppliers were unable to meet *** supply needs.

Five of 16 responding purchasers reported that the availability of fine denier PSF from foreign sources had changed since 2019, with firms stating the availability of fine denier PSF from abroad has increased as global polyester production has increased.

Supply constraints

Near half of all firms reported that there were supply constraints; half of U.S. producers (3 of 6), and a slight minority of importers (13 of 24) and purchasers (9 of 20) reported supply constraints since January 1, 2019. U.S. importer/purchaser *** reported that U.S. producers DAK Americas and Darling both stopped making certain fibers prior to shutting their plants down. Importers *** reported that there were supply chain reliability issues especially during the height of the COVID-19 pandemic. Importer *** reported that ***. Purchaser *** reported that the fine denier PSF market became tight in 2021-22 when the only domestic supplier with the capability to make high tenacity PSF was unable to meet their full demand. Purchaser *** stated: “The U.S. petitioners most likely could not handle the full domestic demand for high tenacity fine denier PSF while fulfilling their {sic} contractual commitments.”

Purchaser Gildan testified that no U.S. producer creates the spinnable post-consumer recycled (PCR) fine denier polyester fiber that they can use for apparel production.⁷ Foreign producer Reliance testified that while there is U.S. production of recycled fine denier PSF it is not suitable for textile production but rather for use in the nonwoven industry because of the coarseness of the product.⁸

As discussed previously, many purchasers indicated that the availability of supply for U.S.-produced product had changed while the availability of supply for foreign imports had not changed. The majority of responding importers indicated that they do not anticipate any changes in the supply of fine denier PSF from domestic sources (19 of 21) or import sources (16 of 21).

⁷ Hearing transcript, p. 249 (Doyon)

⁸ Hearing transcript, p. 250 (Goyal).

New suppliers

Four of 19 purchasers indicated that new suppliers entered the U.S. market since January 1, 2019. Purchasers named a variety of foreign firms as new market entrants as well as U.S. producer Sun Fiber which entered the market but subsequently left in 2021.

U.S. demand

Based on available information, the overall demand for fine denier PSF is likely to experience moderate changes in response to changes in price. The main contributing factors to this degree of responsiveness are the limited range and cost effectiveness of substitute products and the wide range of cost shares of fine denier PSF in most of its end-use applications.

End uses and cost share

U.S. demand for fine denier PSF depends on the demand for U.S.-produced downstream products. Fine denier PSF is used in woven, knit, or spun applications as well as in nonwoven applications. Reported end uses for fine denier PSF include apparel (such as socks, hosiery, liners, and other worn fabrics and textiles), wipes (such as baby wipes, hygiene products, and household cleaning wipes), filters and filter papers (such as water filters, face masks, air filters, and needlepunch filtration), fiberfill and batting (for cushions, pillows, bedding, furniture, and automotive interiors), medical gowns and drapes, sterilization wraps, apparel sewing threads, battery separators, nonwoven fabrics, mop yarn, cluster fiber, spunlace, and insulation.⁹

Fine denier PSF accounts for a broad range of the share of the cost of the end-use products in which it is used, since most of the time it is blended or used in combination with other fabrics and materials (such as cotton). Cost shares were reported to be 7 to 70 percent for yarns, apparel, and textile applications; 24 to almost 100 percent for fiberfill applications; and 22 to almost 100 percent for nonwoven applications.

Business cycles

All six U.S. producers, most importers (19 of 24), and most purchasers (13 of 19) indicated that the market was not subject to business cycles. Six importers and six purchasers reported that the fine denier PSF market was subject to business cycles.

Importers *** reported that yarn spinning is seasonal depending on apparel sales. Importer *** reported that the fine denier PSF market is

⁹ USITC Publication 4803, February 2018, February 2018, p. II-8.

demand driven across years following consumer demand of various textile related products. Importer *** reported that market demand in the wipes segment saw demand for wipes spike during the COVID-19 pandemic, but demand returned to traditional volumes after the situation eased. Importer *** reported that the market follows cycles in response to downstream purchasing contracts and government spending, interspersed with spikes in demand from medical emergencies. Purchaser *** reported that the market follows the usual retailer's business cycle where the first two quarters are typically slower than the last two quarters. Purchaser *** reported that pricing and demand goes through cycles where price is driven by oil prices and chemicals costs on a global level which changes monthly. Overall, for certain products there was a domestic demand increase during the COVID-19 pandemic, but that demand has since dropped significantly.

Demand trends

Most U.S. producers (3 of 6) and importers (11 of 24) reported that U.S. demand fluctuated down for fine denier PSF since January 1, 2019, and an equal number of purchasers (5 of 17) reported either a fluctuation up, no change, or a fluctuation down in U.S. demand (table VI-3). Most U.S. producers reported that foreign demand had fluctuated down while a plurality of importers (8 of 22) reported that foreign demand fluctuated up. A majority of purchasers (8 of 14) reported no change in foreign demand over the period.

Table VI-3
Fine denier PSF: Count of firms' responses regarding overall domestic and foreign demand, by firm type

Market	Firm type	Steadily Increase	Fluctuate Up	No change	Fluctuate Down	Steadily Decrease
Domestic demand	U.S. producers	0	0	2	3	1
Domestic demand	Importers	2	4	3	11	4
Domestic demand	Purchasers	2	5	5	5	0
Foreign demand	U.S. producers	0	0	1	4	0
Foreign demand	Importers	4	8	3	5	2
Foreign demand	Purchasers	0	3	8	2	1
Demand for end use products	Purchasers	3	8	1	6	0

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

In explaining demand decreases, firms cited general poor economic conditions, overall softness in textile demand, decreasing product demand resulting from the COVID-19 pandemic, consumer demand moving away from plastics and into more biodegradable or compostable products, global competition in general and increased competition from imported finished goods. Nan Ya testified that most of the demand decrease occurred in woven products while

nonwovens have seen some growth over the last few years.¹⁰ Importers *** reported an overall downturn global textile demand because of poor economic conditions. Importer *** reported that demand spiked higher in 2020 and 2021 but demand has since been lower in 2023 and 2024 due to a recession in the textile industry. Purchaser *** reported that the overall demand for fine denier PSF is down globally while competitors in the Western Hemisphere are able to take advantage of the low Chinese pricing; they explained: “the entire domestic textile industry has been harmed by the astronomical increase of companies using the de minimis loophole to import textile and apparel products to the U.S. duty free.” Importer *** reported that higher imports of finished products reduce domestically produced fiber consumption. Purchaser *** stated that “overall numbers are up since 2019, but demand is down significantly overall from 2021 and early 2022 levels.” Purchaser *** reported that global yarn spinning and demand for performance fiber apparel have increased.

Substitute products

All six U.S. producers, all 20 responding purchasers and almost all importers (22 of 23) reported that there are no substitutes for fine denier PSF. Reported substitutes were cotton fiber used in fiber blends. In terms of using cotton as a substitute, importer *** reported a correlation between cotton prices and fine denier PSF prices; when cotton prices change, yarn spinners will increase or decrease the content of PSF in various products.

Substitutability issues

This section assesses the degree to which U.S.-produced fine denier PSF and imports of fine denier PSF from foreign sources can be substituted for one another by examining the importance of certain purchasing factors and the comparability of fine denier PSF from domestic and imported sources based on those factors. Based on available data, staff believes that there is a high degree of substitutability between domestically produced fine denier PSF and fine denier PSF imported from foreign sources for product types and applications in which both domestic producers and importers of subject product compete in substantial volumes.¹¹

¹⁰ Hearing transcript, p. 83 (Sparkman).

¹¹ The degree of substitution between domestic and imported fine denier PSF depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced fine denier PSF to the fine denier PSF imported from foreign sources (or vice versa) when prices change. The degree of substitution may include such factors as relative prices (discounts/rebates), 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.).

To the extent that some products are not available from either domestic or import sources, substitutability may be more limited. Factors contributing to this level of substitutability include similar quality, availability, and lead times for fine denier PSF that are sold from inventory, little preference for particular country of origin or producers, similarities between domestically produced fine denier PSF and fine denier PSF imported from foreign sources across multiple purchase factors and limited significant factors other than price. Factors reducing substitutability include a few purchasers' domestic content requirements, and limited domestic availability of certain specialty products and product features.

Factors affecting purchasing decisions

Purchaser decisions based on source

As shown in table VI-4, most purchasers and their customers sometimes or never make purchasing decisions based on the producer or country of origin. Of the 14 purchasers that reported that they at least sometimes make decisions based on the manufacturer, six firms cited continuity and consistency of production, while six cited a preference for product made in the United States either because of customer preference, ease of delivery, and shorter lead-times. Of the 14 purchasers that reported that they at least sometimes make decisions based on the country of origin, two cited Berry Amendment compliance.¹²

Table VI-4
Fine denier PSF: Count of purchasing decisions by purchaser or their customer, based on producer and country of origin

Firm making decision	Decision based on	Always	Usually	Sometimes	Never
Purchaser	Producer	6	2	6	6
Customer	Producer	0	1	3	14
Purchaser	Country	3	4	7	6
Customer	Country	0	0	7	11

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

as relative prices (discounts/rebates), 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.).

¹² The Berry Amendment requires certain items purchased by DOD to be 100 percent domestic in origin. The items covered by the law apply to DOD purchases of textiles and clothing. www.trade.gov/berry-amendment, retrieved May 15, 2024.

Importance of purchasing domestic product

Nineteen of 19 responding purchasers reported that most or all of their purchases did not require purchasing U.S.-produced product. Five reported that domestic product was required by law (for 2 to 30 percent of their purchases), three reported it was required by their customers (for 5 to 15 percent of their purchases), and one reported other preference for domestic product. A reason cited for preferring domestically produced product was qualifying for free trade agreement duty free yarn imports.

Most important purchase factors

The most often cited top three factors firms consider in their purchasing decisions for fine denier PSF were price/cost (19 firms), quality (16 firms), and availability/supply (12 firms), as shown in table VI-5. Quality was the most frequently cited first-most important factor (cited by ten firms), followed by price/cost (cited by six firms). Price/cost was the most frequently reported second-most important factor (seven firms), followed by availability/supply (six firms).

Table VI-5

Fine denier PSF: Count of ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor

Factor	First	Second	Third	Total
Price / Cost	6	7	6	19
Quality	10	3	3	16
Availability / Supply	1	6	5	12
Lead times / Delivery	0	1	3	4
All other factors	3	2	2	NA

Source: Compiled from data submitted in response to Commission questionnaires. Other factors reported were Risk mitigation against supply disruptions, product specifications, payment terms, commercial terms, just in time delivery, and product consistency.

Importance of specified purchase factors

Purchasers were asked to rate the importance of 20 factors in their purchasing decisions (table VI-6). The factors rated as very important by more than half of responding purchasers were availability, product consistency and reliability of supply (all 20 purchasers); quality meets industry standards (18 firms); delivery time and price (17 firms each); and cut length (15 firms). Most firms reported that biodegradability was not an important factor in their purchase decision for fine denier PSF.

Table VI-6

Fine denier PSF: Count of importance of purchase factors, as reported by U.S. purchasers, by factor

Factor	Very important	Somewhat important	Not important
Availability	20	0	0
Biodegradable	1	7	12
Coating (e.g., silicon)	8	4	8
Coloring	6	9	5
Cut length	15	4	1
Delivery terms	9	9	2
Delivery time	17	3	0
Discounts offered	5	9	6
Minimum quantity requirements	4	10	6
Packaging	3	13	4
Payment terms	9	8	2
Price	17	3	0
Product consistency	20	0	0
Product range	3	12	5
Quality meets industry standards	18	1	1
Quality exceeds industry standards	6	10	3
Recycled content	6	9	5
Reliability of supply	20	0	0
Technical support/service	5	12	3
U.S. transportation costs	5	13	2

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

Lead times

Fine denier PSF is primarily sold from inventory. U.S. producers reported that *** percent of their commercial shipments were sold from inventories, while importers reported that *** percent of their commercial shipments were sold from U.S. inventories, with lead times for U.S. producers averaging *** days and importers averaging *** days. Commercial shipments that were produced-to-order made up *** percent of U.S. producers' and *** percent of importers' commercial shipments, with lead times averaging *** and *** days, respectively. Importers also reported that *** percent of their commercial shipments were sold from foreign inventories with average lead times of *** days.

Supplier certification

Twelve of 19 responding purchasers require their suppliers to become certified or qualified to sell fine denier PSF to their firm. Purchasers reported that the time to qualify a new supplier ranged from 10 to 500 days.¹³ Six purchasers reported that a domestic or foreign

¹³ Four firms reported qualification times of 90 days or fewer and five reported 180 days or more. Purchaser *** which reported a 500-day qualification time explained that was for products that need to meet medical compliance standards. Other firms that had long qualification times cited lab testing of products or several product trials.

supplier had failed in its attempt to qualify fine denier PSF or had lost its approved status since 2019. Suppliers that reportedly failed in their attempts to qualify included Nan Ya, Fibertex, Standard Fiber, and Consolidated.

Changes in purchasing patterns

Twelve purchasers reported that they had changed suppliers since January 1, 2019, while eight reported that they had not. Purchaser *** explained that the closure of U.S. producers Darling and DAK Americas impacted the market but beyond the closures both price and lead time are primary reasons for other changes in suppliers. Nine of 20 purchasers reported being impacted by the closures of U.S. production facilities. Purchaser *** reported that the closure of DAK Americas caused price increases in the overall domestic market. Six purchasers reported that they began purchasing fine denier PSF from other domestic sources after the closures.

Purchasers were also asked about changes in their purchasing patterns from domestic and foreign sources since January 1, 2019 (table VI-7). Eight of 20 purchasers reported increased purchases of U.S.-produced product, with four citing expanding purchases because of business growth. On the other hand, eight purchasers reported decreased purchases of U.S.-produced product, because of higher prices, fewer suppliers, and/or an overall decline in business. Purchaser *** reported that ***; and purchaser *** reported that it ***.

Table VI-7
Fine denier PSF: Count of changes in purchase patterns from U.S. and import sources

Source of purchases	Steadily Increased	Fluctuated Up	No change	Fluctuated Down	Steadily Decreased	Did not purchase
United States	4	4	4	6	2	0
All import sources	3	3	7	1	3	3

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

Of the 11 purchasers that bought both domestic and imported product from January 2019 through December 2023¹⁴, 9 decreased their share of domestic purchases while increasing their share of imported product (table VI-8). Two purchasers increased their share of domestic purchases while decreasing their share of imported product.

¹⁴ Purchaser *** no longer purchased fine denier PSF after 2021, ***.

Fine denier PSF: U.S. purchasers' reported purchases and imports, by firm and source, 2019-2023
Quantity in pounds; Differentials in percentage points

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

Lost sales and lost revenue

Most U.S. producers (5 of 6 firms) reported that, since 2019, they had to reduce prices to avoid losing sales to competitors selling imported fine denier PSF. Four of six U.S. producers reported that they had to roll back announced price increases. Reporting U.S. producers estimated that the total lost sales were at least 461 million pounds since 2019 and the estimated revenue lost totaled approximately \$295 million.

Purchasers were asked if they purchased imported fine denier PSF instead of domestically produced PSF since January 1, 2019. Twelve of 20 purchasers reported that they had purchased imported fine denier PSF from foreign sources instead of U.S.-produced product (table VI-9). Eleven of these purchasers reported that subject import prices were lower than U.S.-produced product, and 5 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 fine denier PSF from foreign sources purchased instead of domestic product; quantities ranged from *** pounds to *** pounds. Purchasers identified quality, availability, greater selection, and supply-chain diversification as non-price reasons for purchasing imported rather than U.S.-produced product. Four purchasers reported that U.S. producers reduced their prices of domestically produced fine denier PSF in order to compete with lower-priced imports of fine denier PSF from India (Table VI-10). Reported price reductions ranged from *** to *** percent.

Table VI-9
Fine denier PSF: U.S. purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in 1,000 pounds

Firm	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Narrative on reasons for purchasing imports
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***

Table Continued.

Table VI-9 Continued

Fine denier PSF: U.S. purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in 1,000 pounds

Firm	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Narrative on reasons for purchasing imports
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	Yes--12; No--8	Yes--11; No--1	Yes--5; No--7	***	NA

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

Fine denier PSF: U.S. purchasers' responses to U.S. producer price reductions, by firm

	Producers		
--	-----------	--	--

Firm	Producers lowered prices	Price reduction	Narrative on producer price reductions
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
All firms	Yes--4; No--11	***	NA

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

Purchase factor comparisons of domestic products and foreign imports

Purchasers were asked questions comparing fine denier PSF produced in the United States and foreign sources. First, purchasers were asked for a comparison on the same 20 factors (table VI-11) for which they were asked to rate the importance. Most responding purchasers reported that domestically produced and fine denier PSF imported from foreign sources were comparable on 17 of 20 factors, including coating, coloring, cut length, discounts offered, packaging, quality meeting industry standards, and quality exceeding industry standards. A majority of purchasers reported that domestically produced fine denier PSF was superior to imported fine denier PSF on delivery time and delivery terms and that U.S. product was inferior to foreign sources on price (i.e., more expensive); price was considered a very important factor.

Table VI-11
Fine denier PSF: Count of U.S. purchasers' responses comparing U.S.-produced and imported product, by factor

Factor	Source pair	Superior	Comparable	Inferior
Availability	U.S. vs All import sources	5	10	3
Biodegradable	U.S. vs All import sources	2	9	3
Coating (e.g., silicon)	U.S. vs All import sources	2	15	1
Coloring	U.S. vs All import sources	3	12	3
Cut length	U.S. vs All import sources	2	16	0
Delivery terms	U.S. vs All import sources	13	5	0
Delivery time	U.S. vs All import sources	16	2	0
Discounts offered	U.S. vs All import sources	3	13	2
Minimum quantity requirements	U.S. vs All import sources	7	11	0
Packaging	U.S. vs All import sources	1	17	0
Payment terms	U.S. vs All import sources	8	9	1
Price	U.S. vs All import sources	2	2	14
Product consistency	U.S. vs All import sources	5	12	1
Product range	U.S. vs All import sources	3	11	4
Quality meets industry standards	U.S. vs All import sources	1	16	1
Quality exceeds industry standards	U.S. vs All import sources	4	12	1
Recycled content	U.S. vs All import sources	1	12	4
Reliability of supply	U.S. vs All import sources	7	9	2
Technical support/service	U.S. vs All import sources	7	10	1
U.S. transportation costs	U.S. vs All import sources	7	11	0

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

Comparison of U.S.-produced and imported fine denier PSF

In order to determine whether U.S.-produced fine denier PSF can generally be used in the same applications as foreign imports, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in table VI-12, all responding U.S. producers reported that U.S. fine denier PSF is always interchangeable with imported fine denier PSF. A majority of responding importers (15 of 22) reported that U.S. fine denier PSF is sometimes interchangeable with imported fine denier PSF while three and four importers reported product being always or frequently interchangeable, respectively. Responding purchasers' responses were split, with eight firms reporting that domestic product is sometimes interchangeable and eight reporting frequently interchangeable.

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of fine denier PSF from the United States or foreign sources. As seen in table VI-12, all responding U.S. producers reported that differences other than price were never significant. Purchasers' and importers' responses were more varied. Half of all responding importers reported that differences other than price were sometimes significant while a plurality of purchasers reported that differences other than price were frequently significant.

Purchaser *** reported that ***. Purchasers *** and importers *** reported that quality is often a reason for choosing imported product; they frequently cited product specification requirements and end-product performance. Importers *** reported that certain specialty products and features of the products may not be available in the United States.

Table VI-12

Fine denier PSF: Count of firms reporting interchangeability and reporting the significance of differences other than price between product produced in the United States versus elsewhere, by type of comparison and firm type

Comparison	Firm type	Always	Frequently	Sometimes	Never
Interchangeability	U.S. producers	6	0	0	0
Interchangeability	Importers	3	4	15	0
Interchangeability	Purchasers	1	8	8	0
Factors other than price	U.S. producers	0	0	0	6
Factors other than price	Importers	5	5	11	1
Factors other than price	Purchasers	3	7	6	2

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 brief. Staff did not receive competing estimates from parties.

U.S. supply elasticity

The domestic supply elasticity for fine denier PSF measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of fine denier PSF. 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 fine denier PSF. Analysis of the 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.

U.S. demand elasticity

The U.S. demand elasticity for fine denier PSF measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of fine denier PSF. 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 fine denier PSF in the production of any downstream products. Based on the available information, the aggregate demand for fine denier PSF is likely to be moderately elastic; a range of -0.25 to -0.75 is suggested.

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.¹⁵ 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 fine denier PSF and imported fine denier PSF is likely to be in the range of 3 to 6. For product types and applications in which both domestic and imported product compete, the substitution elasticity is likely to be at the higher end of the range. To the extent that some products are not available from either domestic or foreign sources, substitutability may be more limited.

Factors affecting prices

Raw material costs

The primary raw material inputs used to produce fine denier PSF are monoethylene glycol (“MEG”) and purified terephthalic acid (“PTA”). Some fine denier PSF is also manufactured from recycled material, though the inputs are chemically the same. Because of additional costs associated with the collection, transportation, and processing of post-consumer recycled material, fine denier PSF made from recycled inputs typically commands a higher price. A mineral- or phosphate-based oil finish can also be applied to the product to serve as a lubricant and anti-static agent, though these oils make up a relatively small share of the total production cost.¹⁶

Between 2019 and 2023, U.S. producers’ raw material costs as a share of the cost of goods sold (“COGS”) decreased irregularly from *** percent to *** percent. In 2023, the raw material PTA as a share of the COGS was *** percent, while MEG as a share of the COGS was *** percent, with other material inputs as share of COGS was *** percent.

Between January 2019 and December 2023, the price of MEG in the United States increased by *** percent and the price of PTA increased by *** percent (figure VI-1 and table VI-13). Nan Ya testified that there is a close relationship between raw material prices and the pricing of fine denier PSF, explaining that while fine denier PSF is often priced monthly based on

¹⁵ 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.

¹⁶ USITC Publication 4803, February 2018, p. V-1.

market prices, its prices are sometimes indexed to raw material costs, where the pricing is determined by the raw material costs plus an adder which would include the cost of manufacturing, of packaging, delivery, and profit.¹⁷

Figure VI-1

Fine denier PSF: Raw material and finished goods price indices, by product and period

* * * * *

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

Note: MEG raw material prices were provided on an f.o.b. basis, while PTA raw materials prices were provided on a delivered basis. Domestic producer finished good price index was derived from combining products 1 through 4 and were based on an f.o.b. reporting basis.

¹⁷ Fine Denier Polyester Staple Fiber from China, India, Korea, and Taiwan, Inv. Nos. 701-TA-579-580 and 731-TA-1369-1372 (Final), Hearing transcript, p. 101 (Sparkman).

Table VI-13**Fine denier PSF: Raw material and finished goods price indices, by product and period**

Indexed prices in percent of 2019 Q1 price

Period	MEG	PTA	PSF
2019 Q1	***	***	***
2019 Q2	***	***	***
2019 Q3	***	***	***
2019 Q4	***	***	***
2020 Q1	***	***	***
2020 Q2	***	***	***
2020 Q3	***	***	***
2020 Q4	***	***	***
2021 Q1	***	***	***
2021 Q2	***	***	***
2021 Q3	***	***	***
2021 Q4	***	***	***
2022 Q1	***	***	***
2022 Q2	***	***	***
2022 Q3	***	***	***
2022 Q4	***	***	***
2023 Q1	***	***	***
2023 Q2	***	***	***
2023 Q3	***	***	***
2023 Q4	***	***	***

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

Note: MEG raw material prices were provided on an f.o.b. basis, while PTA raw materials prices were provided on a delivered basis. Domestic producer finished good price index was derived from combining products 1 through 4 and were based on an f.o.b. reporting basis.

Transportation costs to the U.S. market

Transportation costs for fine denier PSF shipped from foreign sources to the United States during 2023 as a share of LDP value averaged 7.0 percent. These estimates were derived from official import data and represent the transportation and other charges on imports.¹⁸

U.S. inland transportation costs

Most responding U.S. producers (3 of 4) and importers (13 of 14) reported that they typically arrange transportation to their customers. Most U.S. producers reported that their U.S. inland transportation costs ranged from less than one percent to 4 percent. Importers reported U.S. inland transportation costs ranging from less than one percent to 10 percent, with the majority of the responding importers reporting costs of 2 to 5 percent.

Pricing practices

Pricing methods

As presented in table VI-14, most U.S. producers sell fine denier PSF through transaction-by-transaction negotiations, and some also sell through contracts. Most responding importers also sell fine denier PSF via transaction-by-transaction negotiations, while just over a third (6 of 14) reported also selling through contracts.

Table VI-14
Fine denier PSF: Count of U.S. producers' and importers' reported price setting methods

Method	U.S. producers	U.S. importers
Transaction-by-transaction	5	12
Contract	3	6
Set price list	0	4
Other	0	2
Responding firms	6	14

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

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

¹⁸ The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2023 and then dividing by the customs value based on the HTS statistical reporting number 5503.20.0025. Imports are based on the imports for consumption data series.

The majority of U.S. producers' sales were through annual contracts in 2023 (table VI-15). Importers reported selling over two-thirds of their product through short-term contracts in 2023 and most of the remainder through spot sales. ***. Five purchasers reported that they purchase product weekly, 13 purchase monthly, and one purchases quarterly. Short term contracts were generally defined by producers as 30 days long. Typical provisions for short term contracts included price renegotiation during the contract period and having a fixed quantity. Annual contracts typically indexed to raw material costs. Less common contract provisions were price renegotiation during the contract period and a fixed price with one producer each reporting those provisions.

Table VI-15

Fine denier PSF: U.S. producers' and subject U.S. importers' shares of commercial U.S. shipments by type of sale, 2023

Share in percent

Item	U.S. producers	Subject U.S. importers
Long-term contracts	***	***
Annual contract	***	***
Short-term contracts	***	***
Spot sales	***	***
Total	100.0	100.0

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

Sales terms and discounts

Most firms reported typically quoting prices on a delivered basis. Three of 6 U.S. producers and 12 of 13 importers reported quoting prices on a delivered basis, while 4 U.S. producers and 4 importers reported quoting prices on an f.o.b. basis. Half of U.S. producers (3 of 6) reported offering discounts of some kind, while most responding importers (12 of 14) reported no specific discount policy. Specifically, three U.S. producers offer quantity discounts and two offer total volume discounts, while three importers offer quantity discounts and one offers total volume discounts.

Purchase cost data

The Commission requested U.S. producers to provide quarterly data for the total quantity and f.o.b. value of the following fine denier PSF products shipped to unrelated U.S. customers during January 2019-December 2023. Importers were requested to provide quarterly data for the total quantity and landed duty-paid (“LDP”) value of the following fine denier PSF products imported from all foreign sources during January 2019-December 2023.

Product 1.--Virgin polyester staple fiber, measuring 0.85 denier to less than 1.15 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Product 2.--Virgin polyester staple fiber, measuring 1.15 denier through and including 1.8 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Product 3.--Virgin polyester staple fiber, 1.15 denier through and including 1.8 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring 3.0-5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Product 4.--Virgin polyester staple fiber, measuring greater than 1.8 denier and less than 3.0 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Six U.S. producers provided usable pricing data for sales of the requested products, and fourteen importers provided usable import purchase cost data, although not all firms reported cost data for all quarters.¹⁹ Pricing data reported by these firms accounted for approximately *** percent of U.S. producers’ shipments of fine denier PSF in 2023. Purchase cost data reported by these importing firms accounted for *** percent of imports from all foreign sources in 2023;²⁰ U.S. producers’ sales price and importers’ landed duty-paid purchase cost

¹⁹ 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.

²⁰ Based on subject imports reported in questionnaires.

data for imports from foreign sources are presented in tables VI-16 to VI-19 and figures VI-2 to VI-5.²¹

Importers reporting import purchase cost data were asked to provide additional information regarding the costs and benefits of importing fine denier PSF themselves. Eight of 16 responding importers reported that they incurred additional costs beyond LDP costs by importing fine denier PSF themselves rather than purchasing from a U.S. producer or U.S. importer. Firms were also asked to identify specific additional costs they incurred as a result of importing fine denier PSF. Firms reported the following estimates (as a share of LDP value) for the following factors: inland transportation costs, 2 to 7 percent; and warehousing costs, 2 to 10 percent. Firms reported other additional costs: *** reported a cost of ***. Importer *** reported a cost of ***.

Firms were also asked to describe how these additional costs incurred by importing fine denier PSF themselves compares with additional costs incurred when purchasing from a U.S. producer or U.S. importer. Seven importers reported that they compare import purchase costs to both U.S. producers' and other importers' prices, one importer reported that it compares these costs to U.S. producers' prices, and six importers reported that they do not compare import purchase costs to either U.S. producers' or other importers' prices. In general, firms stated that the benefits of importing fine denier PSF included the following: finding suitable quality/product characteristics (reported by 8 importers); cost savings (reported by 4 importers); assurance of supply (reported by 3 importers); and large product portfolio (reported by 2 importers).

Firms were also asked whether the import cost (both excluding and including additional costs) of fine denier PSF they imported are lower than the price of purchasing fine denier PSF from a U.S. producer or importer. Five importers estimated that they saved between *** percent of the purchase price by importing fine denier PSF rather than purchasing from a another importer, and nine importers estimated saving between *** percent compared to purchasing the product from a U.S. producer.²²

²¹ LDP import value does not include any potential additional costs that a purchaser may incur by importing rather than purchasing from another importer or U.S. producer. Price-cost differences are based on LDP import values whereas margins of underselling/overselling are based on importer sales prices.

²² Ten firms reported that they based their estimates on previous company transactions, and six reported basing their estimates on market research.

Table VI-16

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 1, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Import price	Import quantity	Import price/cost differential
2019 Q1	***	***	***	***	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	***	***	***
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***
2023 Q4	***	***	***	***	***

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

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

Note: Product 1: Virgin polyester staple fiber, measuring 0.85 denier to less than 1.15 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Figure VI-2

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 1, by source and quarter

U.S. price and import purchase cost of product 1

* * * * *

Volume of product 1

* * * * *

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

Note: Product 1: Virgin polyester staple fiber, measuring 0.85 denier to less than 1.15 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Table VI-17

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average landed, duty-paid (LDP) unit values and quantities imported product 2, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Import price	Import quantity	Import price/cost differential
2019 Q1	***	***	0.69	22,780,795	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	0.57	18,669,548	***
2020 Q1	***	***	0.51	16,496,233	***
2020 Q2	***	***	0.51	6,709,508	***
2020 Q3	***	***	0.55	3,975,855	***
2020 Q4	***	***	0.51	14,518,390	***
2021 Q1	***	***	0.49	21,338,635	***
2021 Q2	***	***	0.64	20,520,839	13.5
2021 Q3	***	***	0.71	19,565,768	***
2021 Q4	***	***	0.75	17,667,602	***
2022 Q1	***	***	0.82	17,716,650	***
2022 Q2	***	***	0.88	22,001,870	***
2022 Q3	***	***	0.89	32,021,953	***
2022 Q4	***	***	0.85	29,282,248	***
2023 Q1	***	***	0.70	17,906,883	***
2023 Q2	***	***	0.66	21,050,157	***
2023 Q3	***	***	0.64	19,828,590	***
2023 Q4	***	***	0.64	18,924,657	***

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

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

Note: Product 2: Virgin polyester staple fiber, measuring 1.15 denier through and including 1.8 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Figure VI-3

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 2, by source and quarter

U.S. price and import purchase cost of product 2

* * * * *

Volume of product 2

* * * * *

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

Note: Product 2: Virgin polyester staple fiber, measuring 1.15 denier through and including 1.8 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Table VI-18

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average landed, duty-paid (LDP) unit values and quantities imported product 3, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Import price	Import quantity	Import price/cost differential
2019 Q1	***	***	***	***	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	***	***	***
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***
2023 Q4	***	***	***	***	***

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

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

Note: Product 3: Virgin polyester staple fiber, 1.15 denier through and including 1.8 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring 3.0-5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Figure VI-4

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 3, by source and quarter

U.S. price and import purchase cost of product 3

* * * * *

Volume of product 3

* * * * *

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

Note: Product 3: Virgin polyester staple fiber, 1.15 denier through and including 1.8 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring 3.0-5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Table VI-19

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average landed, duty-paid (LDP) unit values and quantities imported product 4, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Import price	Import quantity	Import price/cost differential
2019 Q1	***	***	***	***	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	***	***	***
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***
2023 Q4	***	***	***	***	***

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

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

Note: Product 4: Virgin polyester staple fiber, measuring greater than 1.8 denier and less than 3.0 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Figure VI-5

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 4, by source and quarter

U.S. price and import purchase cost of product 4

* * * * *

Volume of product 4

* * * * *

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

Note: Product 4: Virgin polyester staple fiber, measuring greater than 1.8 denier and less than 3.0 denier, solid and round cross section, dry, 32-38mm cut length, with tenacity measuring above 5.0 grams per denier. Exclude biodegradable, siliconized, and black or other colored fiber.

Purchase cost trends

In general, prices fluctuated during January 2019 to December 2023. Table VI-20 summarizes the purchase cost trends, by source and by product. As shown in the table, domestic prices decreased for product 1 and increased for the other three products. Domestic price increases (for products 2, 3 and 4) ranged from *** to *** percent while product 1 had a price decrease of *** percent during 2019 to 2023. Import purchase cost changes were split with import price increases for products 3 and 4 ranging from *** to *** percent and purchase cost decreases for product 1 and 2 ranging from *** to *** percent. Indexed prices for U.S. producers and importers are shown in tables VI-21 and VI-22 and figures VI-6 and VI-7.

Table VI-20

Fine denier PSF: Summary of U.S. price and import cost data, by product and source, January 2019 through December 2023

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

Product	Source: Type of data	Number of quarters	Quantity	Low unit value	High unit value	First quarter unit value	Last quarter unit value	Change over period
Product 1	United States: Price	***	***	***	***	***	***	***
Product 1	All import sources: Cost	***	***	***	***	***	***	***
Product 2	United States: Price	***	***	***	***	***	***	***
Product 2	All import sources: Cost	***	***	***	***	***	***	***
Product 3	United States: Price	***	***	***	***	***	***	***
Product 3	All import sources: Cost	***	***	***	***	***	***	***
Product 4	United States: Price	***	***	***	***	***	***	***
Product 4	All import sources: Cost	***	***	***	***	***	***	***

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

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

Table VI-21
Fine denier PSF: Indexed U.S. producer prices, by quarter

Indexed prices in percent of 2019 Q1 price

Period	Product 1	Product 2	Product 3	Product 4
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***
2021 Q3	***	***	***	***
2021 Q4	***	***	***	***
2022 Q1	***	***	***	***
2022 Q2	***	***	***	***
2022 Q3	***	***	***	***
2022 Q4	***	***	***	***
2023 Q1	***	***	***	***
2023 Q2	***	***	***	***
2023 Q3	***	***	***	***
2023 Q4	***	***	***	***

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

Figure VI-6
Fine denier PSF: Indexed U.S. producer prices, by quarter

* * * * *

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

Table VI-22**Fine denier PSF: Indexed subject U.S. importer unit LDP values, by quarter**

Indexed prices in percent of 2019 Q1 price

Period	Product 1	Product 2	Product 3	Product 4
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***
2021 Q3	***	***	***	***
2021 Q4	***	***	***	***
2022 Q1	***	***	***	***
2022 Q2	***	***	***	***
2022 Q3	***	***	***	***
2022 Q4	***	***	***	***
2023 Q1	***	***	***	***
2023 Q2	***	***	***	***
2023 Q3	***	***	***	***
2023 Q4	***	***	***	***

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

Figure VI-7
Fine denier PSF: Indexed subject U.S. importer unit LDP values, by quarter

* * * * *

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

Price-cost comparisons

As shown in table VI-23, LDP costs for fine denier PSF imported from foreign sources were below the sales price for U.S.-produced product in 73 of 73 instances (773 million pounds); price-cost differentials ranged from 0.9 to 49.8 percent.

Table VI-23

Fine denier PSF: Instances and quantities of lower/(higher) average unit purchase costs compared to U.S. prices and the range and average of price/cost differentials, by product

Quantity in 1,000 pounds; Differentials in percent

Products	Type	Number of quarters	Quantity	Average differential	Min differential	Max differential
Product 1	Lower than US	20	***	***	***	***
Product 2	Lower than US	20	***	***	***	***
Product 3	Lower than US	13	***	***	***	***
Product 4	Lower than US	20	***	***	***	***
All products	Lower than US	73	773,428	19.6	0.9	49.8
Product 1	Higher than US	---	---	---	---	---
Product 2	Higher than US	---	---	---	---	---
Product 3	Higher than US	---	---	---	---	---
Product 4	Higher than US	---	---	---	---	---
All products	Higher than US	---	---	---	---	---

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

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 presents Federal Register notices issued by the Commission during the current proceeding.

Citation	Title	Link
89 FR 18435, March 13, 2024	<i>Fine Denier Polyester Staple Fiber; Institution of Investigation, Scheduling of Public Hearings, and Determination That the Investigation Is Extraordinarily Complicated</i>	https://www.govinfo.gov/content/pkg/FR-2024-03-13/pdf/2024-05338.pdf

APPENDIX B

LIST OF HEARING WITNESSES

List of injury hearing witnesses.....	B-3
List of remedy hearing witnesses	B-6

CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing via videoconference:

Subject: Fine Denier Polyester Staple Fiber

Inv. No.: TA-201-78 (Injury)

Date and Time: June 4, 2024 – 9:30 a.m.

Sessions were held in connection with this Safeguard investigation in the Main Hearing Room (Room 101), 500 E Street, SW., Washington, DC.

FOREIGN GOVERNMENT APPEARANCE:

**The Government of the Republic of Türkiye
Ministry of Economy of the Government of Turkey**

Atila Uğur BAŞIBUĞ (remote witness), Head of Department, Directorate General for Imports

OPENING REMARKS

In Support of Safeguard (**Paul C. Rosenthal**, Kelley Drye & Warren LLP)

In Opposition to Safeguard (**Jason Waite**, Alston & Bird LLP)

IN SUPPORT OF SAFEGUARD:

Kelley Drye & Warren LLP
Washington, DC
on behalf of

Fiber Industries d/b/a Darling Fibers
Nan Ya Plastics Corporation, America
Sun Fiber LLC

Michael Sparkman, Senior Business Manager, Nan Ya Plastics Corporation, America

Don Bockoven, President and Chief Executive Officer,
Fiber Industries LLC d/b/a Darling Fibers

IN SUPPORT OF SAFEGUARD (continued):

Catherine Fang, Vice President of Sales, Sun Fiber LLC

Gina E. Beck, Senior Economist, Georgetown Economic Services LLC

Michael T. Kerwin, Assistant Director, Georgetown Economic Services LLC

Paul C. Rosenthal)
Brooke M. Ringel) – OF COUNSEL
Elizabeth C. Johnson)

IN OPPOSITION TO SAFEGUARD:

Alston & Bird LLP
Washington, DC
on behalf of

Gildan Yarns LLC (“Gildan Yarns”)
Frontier Yarns, Inc. (“Frontier”)

Peter Iliopoulos, Senior Vice President of Taxation, Sustainability
and Governmental Affairs, Gildan Activewear

Marc Doyon, Vice President of Commodities, Gildan Activewear

John Maness, Senior Vice President of Yarn Spinning, Gildan Yarns

Jeffrey Klenk, Managing Director, BRG

Jason Waite)
Lian Yang) – OF COUNSEL
BJ Shannon)

Fox Rothschild LLP
Washington, DC
on behalf of

Polyester Industries Public Company Limited (“IPI”)
PT. Indo-Rama Synthetics Tbk (“IRS”)

Lizbeth Levinson) – OF COUNSEL
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IN OPPOSITION TO SAFEGUARD (continued):

Craven Trade Law LLC
Chicago, IL.
on behalf of

Reliance Industries Ltd.
Reliance Polyester Limited
Alok Industries Limited
Recron (Malaysia) Sdn Bhd
(collectively “RIL”)

Puneet Goyal, Chief Representative America, RIL USA Inc.

Tarun Jagga (remote witness), Head – Staple Businesses, Polyester, RIL

David Craven) – OF COUNSEL

The European Man-made Fibres Association (“CIRFS”)
Brussels, Belgium

Frédéric Van Houte (remote witness), Director General, CIRFS

Brian Petter (remote witness), Head of the Economics and Trade Department, CIRFS

SASA Polyester Sanayi AŞ and SASA Dış Ticaret AŞ
Seyhan/Adana/Türkiye

Ömer Çetin (remote witness), Sales & Marketing Manager, SASA

REBUTTAL/CLOSING REMARKS:

In Support of Safeguard (**Paul C. Rosenthal**, Kelley Drye & Warren LLP)
In Opposition to Safeguard (**Jason Waite**, Alston & Bird LLP
and **Jeffrey Klenk**, Managing Director, BRG)

CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing:

Subject: Fine Denier Polyester Staple Fiber

Inv. No.: TA-201-78 (Remedy)

Date and Time: July 23, 2024 – 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.

FOREIGN APPEARANCE:

European Union
Delegation to the United States of America

Peter Young, Minister-Counsellor, Deputy Head of Section – Trade & Agriculture

OPENING REMARKS:

In Support of Safeguard (**Paul C. Rosenthal**, Kelley Drye & Warren LLP)

In Opposition to Safeguard (**Jason Waite**, Alston & Bird LLP)

IN SUPPORT OF SAFEGUARD:

Kelley Drye & Warren LLP
Washington, DC
on behalf of

Fiber Industries d/b/a Darling Fibers
Nan Ya Plastics Corporation, America
Sun Fiber LLC

Michael Sparkman, Senior Business Manager, Nan Ya Plastics Corporation, America

Don Bockoven, President and Chief Executive Officer,
Fiber Industries LLC d/b/a Darling Fibers

Catherine Fang, Vice President of Sales, Sun Fiber LLC

Gina E. Beck, Senior Economist, Georgetown Economic Services LLC

IN SUPPORT OF SAFEGUARD (continued):

Michael T. Kerwin, Assistant Director, Georgetown Economic Services LLC

Nereus A. Joubert, Trade Analyst, Georgetown Economic Services LLC

Paul C. Rosenthal)
Kathleen W. Cannon)
) – OF COUNSEL
Brooke M. Ringel)
Elizabeth C. Johnson)

IN OPPOSITION TO SAFEGUARD:

Alston & Bird LLP
Washington, DC
on behalf of

Gildan Yarns LLC (“Gildan Yarns”)
Frontier Yarns, Inc. (“Frontier”)

John Maness, Senior Vice President of Yarn Spinning, Gildan Yarns

Marc Doyon, Vice President of Commodities, Gildan Activewear

Peter Iliopoulos, Senior Vice President of Taxation, Sustainability
and Governmental Affairs, Gildan Activewear

Jeffrey Klenk, Managing Director, BRG

Jason Waite)
Lian Yang) – OF COUNSEL
BJ Shannon)

IN OPPOSITION TO SAFEGUARD (continued):

Craven Trade Law LLC
Chicago, IL
on behalf of

Reliance Industries Ltd.
Reliance Polyester Limited
Alok Industries Limited
Recron (Malaysia) Sdn Bhd
(collectively “RIL”)

Puneet Goyal, Chief Representative America, RIL USA Inc.

Rajnish Jayaswal, Vice President, RIL

Suhani Chanchalani (remote witness), Associate, TPM Consultants

Tarun Jagga, Head – Staple Businesses, Polyester, RIL

David Craven remote witness) – OF COUNSEL

The European Man-made Fibres Association (“CIRFS”)
Brussels, Belgium

Brian Petter (remote witness), Head of the Economics and Trade Department,
CIRFS

SASA Dış Ticaret AŞ
Seyhan/Adana/Türkiye

Ömer Çetin (remote witness), Sales & Marketing Manager, SASA

BMT Fibers
New York, NY

John F. Price, President & Chief Operating Officer, BMT Fibers

Fibertex Nonwovens Inc.
Gray Court, SC

Alex Brent, Supply Chain Manager, Fibertex Nonwovens N.A.

REBUTTAL/CLOSING REMARKS:

In Support of Safeguard (**Paul C. Rosenthal**, Kelley Drye & Warren LLP)

In Opposition to Safeguard (**Jason Waite**, Alston & Bird LLP)

- END -

APPENDIX C
SUMMARY DATA

Table C-1

Fine denier PSF: Summary data concerning the U.S. market, by item and period

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

Item	Reported data					Period changes				
	2019	2020	Calendar year 2021	2022	2023	2019-23	2019-20	Comparison years 2020-21	2021-22	2022-23
U.S. consumption quantity:										
Amount.....	***	438,410	571,289	545,069	396,358	▼***	▼***	▲30.3	▼(4.6)	▼(27.3)
Producers' share (fn1).....	***	***	***	***	***	▼***	▲***	▲***	▼***	▼***
Continuous producers.....	***	***	***	***	***	▼***	▲***	▼***	▼***	▼***
Non-continuous producers.....	***	***	***	***	***	▼***	▲***	▼***	▼***	▼***
All U.S. producers.....	***	71.0	63.0	51.9	28.8	▼***	▲***	▼(8.0)	▼(11.1)	▼(23.1)
Importers' share (fn1):										
Thailand.....	***	8.2	11.0	16.0	27.0	▲***	▼***	▲2.8	▲5.0	▲11.0
India.....	***	0.9	7.3	11.5	16.3	▲***	▲***	▲6.5	▲4.2	▲4.8
Taiwan.....	***	2.9	2.2	1.4	7.5	▲***	▲***	▼(0.7)	▼(0.8)	▲6.1
Indonesia.....	***	5.4	6.9	8.2	5.5	▼***	▼***	▲1.4	▲1.4	▼(2.7)
Vietnam.....	***	3.1	2.6	2.6	3.1	▲***	▲***	▼(0.5)	▼(0.1)	▲0.5
Mexico.....	***	1.0	0.7	0.9	3.1	▲***	▲***	▼(0.4)	▲0.2	▲2.2
Turkey.....	***	1.8	1.2	2.9	2.9	▲***	▲***	▼(0.6)	▲1.7	▼(0.0)
South Korea.....	***	1.3	1.0	1.1	2.4	▲***	▼***	▼(0.3)	▲0.1	▲1.3
Honduras.....	***	2.0	1.1	1.0	1.4	▼***	▲***	▼(0.9)	▼(0.1)	▲0.4
Germany.....	***	1.0	0.8	0.9	1.0	▼***	▼***	▼(0.2)	▲0.1	▲0.1
All other sources.....	***	1.3	2.2	1.5	1.1	▼***	▼***	▲0.9	▼(0.7)	▼(0.4)
All import sources.....	***	29.0	37.0	48.1	71.2	▲***	▼***	▲8.0	▲11.1	▲23.1
U.S. consumption value:										
Amount.....	***	269,671	403,969	498,105	309,054	▼***	▼***	▲49.8	▲23.3	▼(38.0)
Producers' share (fn1).....	***	***	***	***	***	▲***	▲***	▲***	▲***	▼***
Continuous producers.....	***	***	***	***	***	▼***	▲***	▼***	▼***	▼***
Non-continuous producers.....	***	***	***	***	***	▼***	▲***	▼***	▼***	▼***
All U.S. producers.....	***	72.8	66.2	58.1	36.3	▼***	▲***	▼(6.6)	▼(8.1)	▼(21.8)
Importers' share (fn1):										
Thailand.....	***	7.1	9.3	13.1	22.9	▲***	▼***	▲2.2	▲3.8	▲9.8
India.....	***	0.7	6.2	9.0	13.5	▲***	▲***	▲5.5	▲2.7	▲4.5
Taiwan.....	***	2.7	1.9	1.3	7.7	▲***	▲***	▼(0.8)	▼(0.6)	▲6.4
Indonesia.....	***	4.9	6.6	7.9	5.0	▼***	▼***	▲1.7	▲1.2	▼(2.8)
Vietnam.....	***	2.3	1.8	1.6	2.0	▲***	▲***	▼(0.5)	▼(0.2)	▲0.4
Mexico.....	***	1.1	0.7	1.2	3.5	▲***	▲***	▼(0.4)	▲0.5	▲2.3
Turkey.....	***	1.5	1.4	3.0	2.9	▲***	▲***	▼(0.1)	▲1.7	▼(0.1)
South Korea.....	***	1.8	1.2	0.9	2.2	▲***	▲***	▼(0.6)	▼(0.3)	▲1.3
Honduras.....	***	1.8	0.9	0.8	1.0	▼***	▲***	▼(0.8)	▼(0.1)	▲0.2
Germany.....	***	1.9	1.5	1.7	1.9	▼***	▼***	▼(0.4)	▲0.2	▲0.2
All other sources.....	***	1.5	2.3	1.5	1.1	▼***	▼***	▲0.8	▼(0.8)	▼(0.4)
All import sources.....	***	27.2	33.8	41.9	63.7	▲***	▼***	▲6.6	▲8.1	▲21.8
U.S. imports from:										
Thailand:										
Quantity.....	80,609	35,949	62,681	87,127	106,922	▲32.6	▼(55.4)	▲74.4	▲39.0	▲22.7
Value.....	55,850	19,102	37,612	65,468	70,836	▲26.8	▼(65.8)	▲96.9	▲74.1	▲8.2
Unit value.....	\$0.69	\$0.53	\$0.60	\$0.75	\$0.66	▼(4.4)	▼(23.3)	▲12.9	▲25.2	▼(11.8)
India:										
Quantity.....	1,967	3,776	41,928	62,755	64,655	▲3,187.1	▲92.0	▲1,010.5	▲49.7	▲3.0
Value.....	1,407	1,968	25,130	44,658	41,606	▲2,856.8	▲39.9	▲1,176.6	▲77.7	▼(6.8)
Unit value.....	\$0.72	\$0.52	\$0.60	\$0.71	\$0.64	▼(10.1)	▼(27.1)	▲15.0	▲18.7	▼(9.6)
Taiwan:										
Quantity.....	7,298	12,714	12,479	7,646	29,792	▲308.2	▲74.2	▼(1.8)	▼(38.7)	▲289.7
Value.....	5,100	7,241	7,750	6,321	23,845	▲367.6	▲42.0	▲7.0	▼(18.4)	▲277.2
Unit value.....	\$0.70	\$0.57	\$0.62	\$0.83	\$0.80	▲14.5	▼(18.5)	▲9.0	▲33.1	▼(3.2)
Indonesia:										
Quantity.....	57,975	23,878	39,170	44,839	21,714	▼(62.5)	▼(58.8)	▲64.0	▲14.5	▼(51.6)
Value.....	43,147	13,303	26,770	39,117	15,477	▼(64.1)	▼(69.2)	▲101.2	▲46.1	▼(60.4)
Unit value.....	\$0.74	\$0.56	\$0.68	\$0.87	\$0.71	▼(4.2)	▼(25.1)	▲22.7	▲27.6	▼(18.3)
Vietnam:										
Quantity.....	7,067	13,773	15,026	13,947	12,245	▲73.3	▲94.9	▲9.1	▼(7.2)	▼(12.2)
Value.....	3,702	6,169	7,273	7,851	6,086	▲64.4	▲66.6	▲17.9	▲8.0	▼(22.5)
Unit value.....	\$0.52	\$0.45	\$0.48	\$0.56	\$0.50	▼(5.1)	▼(14.5)	▲8.1	▲16.3	▼(11.7)
Mexico:										
Quantity.....	3,593	4,579	3,929	4,817	12,092	▲236.5	▲27.4	▼(14.2)	▲22.6	▲151.0
Value.....	2,616	2,861	2,713	5,846	10,757	▲311.3	▲9.4	▼(5.2)	▲115.5	▲84.0
Unit value.....	\$0.73	\$0.62	\$0.69	\$1.21	\$0.89	▲22.2	▼(14.2)	▲10.5	▲75.8	▼(26.7)
Turkey:										
Quantity.....	1,883	7,775	6,880	15,825	11,380	▲504.3	▲312.8	▼(11.5)	▲130.0	▼(28.1)
Value.....	1,229	4,061	5,528	15,121	9,047	▲635.9	▲230.4	▲36.1	▲173.5	▼(40.2)
Unit value.....	\$0.65	\$0.52	\$0.80	\$0.96	\$0.79	▲21.8	▼(20.0)	▲53.8	▲18.9	▼(16.8)

Table continued.

Table C-1 Continued

Fine denier PSF: Summary data concerning the U.S. market, by item and period

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

Item	Reported data					Period changes				
	2019	2020	2021	2022	2023	2019-23	2019-20	2020-21	2021-22	2022-23
U.S. imports from:--Continued										
South Korea:										
Quantity.....	8,545	5,760	5,977	5,999	9,545	▲11.7	▼(32.6)	▲3.8	▲0.4	▲59.1
Value.....	7,306	4,785	4,803	4,645	6,791	▼(7.1)	▼(34.5)	▲0.4	▼(3.3)	▲46.2
Unit value.....	\$0.85	\$0.83	\$0.80	\$0.77	\$0.71	▼(16.8)	▼(2.8)	▼(3.3)	▼(3.6)	▼(8.1)
Honduras:										
Quantity.....	8,502	8,736	6,199	5,583	5,524	▼(35.0)	▲2.8	▼(29.0)	▼(9.9)	▼(1.1)
Value.....	5,556	4,771	3,770	4,060	3,176	▼(42.8)	▼(14.1)	▼(21.0)	▲7.7	▼(21.8)
Unit value.....	\$0.65	\$0.55	\$0.61	\$0.73	\$0.57	▼(12.0)	▼(16.4)	▲11.4	▲19.6	▼(20.9)
Germany:										
Quantity.....	8,475	4,394	4,586	5,078	4,019	▼(52.6)	▼(48.2)	▲4.4	▲10.7	▼(20.8)
Value.....	11,113	5,013	5,923	8,276	5,820	▼(47.6)	▼(54.9)	▲18.2	▲39.7	▼(29.7)
Unit value.....	\$1.31	\$1.14	\$1.29	\$1.63	\$1.45	▲10.4	▼(13.0)	▲13.2	▲26.2	▼(11.2)
All other sources:										
Quantity.....	9,289	5,727	12,641	8,441	4,372	▼(52.9)	▼(38.3)	▲120.7	▼(33.2)	▼(48.2)
Value.....	7,968	3,970	9,281	7,454	3,486	▼(56.2)	▼(50.2)	▲133.8	▼(19.7)	▼(53.2)
Unit value.....	\$0.86	\$0.69	\$0.73	\$0.88	\$0.80	▼(7.0)	▼(19.2)	▲5.9	▲20.3	▼(9.7)
All import sources:										
Quantity.....	195,204	127,061	211,497	262,056	282,261	▲44.6	▼(34.9)	▲66.5	▲23.9	▲7.7
Value.....	144,994	73,247	136,553	208,819	196,926	▲35.8	▼(49.5)	▲86.4	▲52.9	▼(5.7)
Unit value.....	\$0.74	\$0.58	\$0.65	\$0.80	\$0.70	▼(6.1)	▼(22.4)	▲12.0	▲23.4	▼(12.4)
All U.S. producers:										
Practical capacity quantity.....	***	609,529	714,062	485,832	301,740	▼***	▲***	▲17.1	▼(32.0)	▼(37.9)
Production quantity.....	***	320,913	374,676	299,401	119,271	▼***	▼***	▲16.8	▼(20.1)	▼(60.2)
Capacity utilization (fn1).....	***	52.6	52.5	61.6	39.5	▼***	▼***	▼(0.2)	▲9.2	▼(22.1)
U.S. shipments:										
Quantity.....	***	311,349	359,792	283,013	114,097	▼***	▼***	▲15.6	▼(21.3)	▼(59.7)
Value.....	***	196,424	267,416	289,286	112,128	▼***	▼***	▲36.1	▲8.2	▼(61.2)
Unit value.....	***	\$0.63	\$0.74	\$1.02	\$0.98	▲***	▼***	▲17.8	▲37.5	▼(3.9)
Export shipments:										
Quantity.....	***	***	***	***	***	▼***	▼***	▼***	▲***	▼***
Value.....	***	***	***	***	***	▼***	▼***	▼***	▲***	▼***
Unit value.....	***	***	***	***	***	▲***	▼***	▲***	▲***	▲***
Ending inventory quantity.....	35,561	26,742	26,769	25,012	20,037	▼(43.7)	▼(24.8)	▲0.1	▼(6.6)	▼(19.9)
Inventories/total shipments (fn1).....	***	***	***	***	***	▲***	▼***	▼***	▲***	▲***
Production workers.....	715	768	839	640	412	▼(42.4)	▲7.4	▲9.2	▼(23.7)	▼(35.6)
Hours worked (1,000s).....	1,323	1,460	1,593	1,209	567	▼(57.1)	▲10.4	▲9.1	▼(24.1)	▼(53.1)
Wages paid (\$1,000).....	37,377	39,513	46,500	37,506	19,473	▼(47.9)	▲5.7	▲17.7	▼(19.3)	▼(48.1)
Hourly wages (dollars per hour).....	\$28.25	\$27.06	\$29.19	\$31.02	\$34.34	▲21.6	▼(4.2)	▲7.9	▲6.3	▲10.7
Productivity (pounds per hour).....	***	219.8	235.2	247.6	210.4	▼***	▼***	▲7.0	▲5.3	▼(15.1)
Unit labor costs.....	***	\$0.12	\$0.12	\$0.13	\$0.16	▲***	▲***	▲0.8	▲0.9	▲30.3
Net sales:										
Quantity.....	***	329,535	374,721	301,171	124,364	▼***	▼***	▲13.7	▼(19.6)	▼(58.7)
Value.....	***	203,129	273,302	298,327	117,266	▼***	▼***	▲34.5	▲9.2	▼(60.7)
Unit value.....	***	\$0.62	\$0.73	\$0.99	\$0.94	▲***	▼***	▲18.3	▲35.8	▼(4.8)
Cost of goods sold (COGS).....	***	211,449	292,319	309,270	118,635	▼***	▼***	▲38.2	▲5.8	▼(61.6)
Gross profit or (loss) (fn2).....	***	(8,320)	(19,017)	(10,943)	(1,369)	▼***	▼***	▼---	▲---	▲---
SG&A expenses.....	***	***	15,177	10,059	4,593	▼***	▲***	▲3.9	▼(33.7)	▼(54.3)
Operating income or (loss) (fn2).....	***	***	(34,194)	(21,002)	(5,962)	▼***	▼***	▼***	▲---	▲---
Net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▲---	▲---
Unit COGS.....	***	\$0.64	\$0.78	\$1.03	\$0.95	▲***	▼***	▲21.6	▲31.6	▼(7.1)
Unit SG&A expenses.....	***	***	\$0.04	\$0.03	\$0.04	▲***	▲***	▼(8.6)	▼(17.5)	▲10.6
Unit operating income or (loss) (fn2).....	***	***	▼(0.09)	▼(0.07)	▼(0.05)	▼***	▼***	▼***	▲---	▲---
Unit net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▲---	▲---
COGS/sales (fn1).....	***	104.1	107.0	103.7	101.2	▲***	▲***	▲2.9	▼(3.3)	▼(2.5)
Operating income or (loss)/sales (fn1).....	***	***	(12.5)	(7.0)	(5.1)	▼***	▼***	▼***	▲5.5	▲2.0
Net income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▲---	▲---
Capital expenditures.....	***	***	***	***	***	▼***	▲***	▲***	▲***	▼***
Research and development expenses.....	***	***	***	***	***	▲***	▲***	▼***	▲***	▲***
Total assets.....	***	***	***	***	***	▲***	▲***	▼***	▼***	▼***

Table continued.

Table C-1 Continued

Fine denier PSF: Summary data concerning the U.S. market, by item and period

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

Item	Reported data					Period changes				
	2019	2020	Calendar year 2021	2022	2023	2019-23	2019-20	2020-21	2021-22	2022-23
Continuous U.S. producers:										
Net sales:										
Quantity.....	***	***	***	***	***	▼***	▼***	▲***	▼***	▼***
Value.....	***	***	***	***	***	▼***	▼***	▲***	▲***	▼***
Unit value.....	***	***	***	***	***	▲***	▼***	▲***	▲***	▼***
Cost of goods sold (COGS).....	***	***	***	***	***	▼***	▼***	▲***	▲***	▼***
Gross profit or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▲***	▼***	▼***
SG&A expenses.....	***	***	***	***	***	▼***	▼***	▲***	▲***	▼***
Operating income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▲***	▼***	▼***
Net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▲***	▼***	▼***
Unit COGS.....	***	***	***	***	***	▲***	▼***	▲***	▲***	▼***
Unit SG&A expenses.....	***	***	***	***	***	▲***	▼***	▼***	▲***	▲***
Unit operating income or (loss) (fn2).....	***	***	***	***	***	▲***	▼***	▲***	▼***	▼***
Unit net income or (loss) (fn2).....	***	***	***	***	***	▲***	▼***	▲***	▼***	▼***
COGS/sales (fn1).....	***	***	***	***	***	▲***	▲***	▼***	▲***	▲***
Operating income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▲***	▼***	▼***
Net income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▲***	▼***	▼***
Capital expenditures.....	***	***	***	***	***	▲***	▲***	▲***	▼***	▼***
Research and development expenses.....	***	***	***	***	***	▲***	▼***	▲***	▲***	▼***
Total assets.....	***	***	***	***	***	▼***	▼***	▲***	▲***	▼***
Non-continuous U.S. producers:										
Net sales:										
Quantity.....	***	***	***	***	***	▼***	▼***	▲***	▼***	▼***
Value.....	***	***	***	***	***	▼***	▼***	▲***	▼***	▼***
Unit value.....	***	***	***	***	***	▲***	▼***	▲***	▲***	▲***
Cost of goods sold (COGS).....	***	***	***	***	***	▼***	▼***	▲***	▼***	▼***
Gross profit or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▲***	▲***	▲***
SG&A expenses.....	***	***	***	***	***	▼***	▲***	▲***	▼***	▼***
Operating income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▲***	▲***
Net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▲***	▲***
Unit COGS.....	***	***	***	***	***	▲***	▼***	▲***	▲***	▲***
Unit SG&A expenses.....	***	***	***	***	***	▲***	▲***	▲***	▼***	▲***
Unit operating income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▼***	▼***
Unit net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▲***	▼***
COGS/sales (fn1).....	***	***	***	***	***	▲***	▲***	▲***	▼***	▲***
Operating income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▲***	▼***
Net income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▲***	▼***
Capital expenditures.....	***	***	***	***	***	▼***	▲***	▼***	▲***	▼***
Research and development expenses.....	***	***	***	***	***	▲***	▲***	▼***	▲***	▲***
Total assets.....	***	***	***	***	***	▲***	▲***	▼***	▼***	▼***

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series. Import value data reflect landed (normal) duty-paid values. 508-compliant tables containing these data are contained in the body of the 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.

APPENDIX D

COMPETITIVE EFFORTS AND PROPOSED ADJUSTMENTS

Table D-1**Fine denier PSF: Efforts to compete**

Firm	No	Yes	Narrative response on efforts to compete
Alpek USA	***	***	***
Auriga	***	***	***
Darling	***	***	***
Nan Ya	***	***	***
Palmetto	***	***	***
Sun Fiber	***	***	***

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

Table D-2**Fine denier PSF: Anticipated efforts to compete under a safeguard**

Firm	Anticipated action	Narrative response on anticipated effort to complete
Alpek USA	***	***
Auriga	***	***
Darling	***	***
Darling	***	***
Darling	***	***
Nan Ya	***	***
Nan Ya	***	***
Nan Ya	***	***
Nan Ya	***	***
Nan Ya	***	***
Nan Ya	***	***

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

Firm	Anticipated action	Narrative response on anticipated effort to complete
Palmetto	***	***
Palmetto	***	***
Palmetto	***	***
Sun Fiber	***	***
Sun Fiber	***	***
Sun Fiber	***	***

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

APPENDIX E

EFFECTS OF IMPORTS ON U.S. PRODUCERS

Table E-1**Fine denier PSF: U.S. producers' responses regarding the impact of imports**

Firm	No	Yes	Narrative response on impact of imports
Alpek USA	***	***	***
Auriga	***	***	***
Darling	***	***	***
Nan Ya	***	***	***
Palmetto	***	***	***
Sun Fiber	***	***	***

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

Table E-2**Fine denier PSF: Importance of factors on U.S. producers' ability to compete**

Factor	Average rating of importance (1 to 5)	Number of firms responding
Import competition	5.00	6
Exchange rates	1.40	5
Competition from other U.S. producers	1.50	4
U.S. demand for fine denier PSF	1.83	6
Inability to obtain adequate financing	1.75	4
Change in raw material costs	1.67	6
Labor problems or shortages	1.33	6
Production problems	1.50	4
Change in composition in U.S. industry	1.40	5
Change in Federal regulations for fine denier PSF	1.50	4
Other factors	2.50	2

Source: Compiled from data submitted in response to Commission questionnaires. A rating of 1 was the lowest rating (least importance), while a rating of 5 was the highest rating (most importance).

APPENDIX F

EFFECTS OF EXISTING U.S. ORDERS ON THE MARKET

Table F-1

Fine denier PSF: U.S. producers' responses to the impact of the existing AD/CVD orders on the market

Firm	Narrative response on impact of existing AD/CVD orders
Alpek USA	***
Auriga	***
Darling	***
Nan Ya	***
Palmetto	***
Sun Fiber	***

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

Table F-2**Fine denier PSF: U.S. importers' responses to the impact of the existing AD/CVD orders on the market**

Firm	Narrative response on impact of existing AD/CVD orders
Advansa	***
Alpek USA	***
American Textile	***
Auriga	***
Barnet	***
Bernet	***

Firm	Narrative response on impact of existing AD/CVD orders
BMT Fibers	***
DECA	***

Firm	Narrative response on impact of existing AD/CVD orders
Fibertex	***
Gildan	***
Green Bay	***
Inman Mills	***
Jeffco	***
Keeco	***
Mativ	***

Firm	Narrative response on impact of existing AD/CVD orders
Milliken	***
Newell	***
Parkdale	***
Poole	***
RSM	***
Sandler	***
Spuntech	***
Stein Fibers	***
Teijin USA	***
Unifi	***

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

APPENDIX G

U.S. IMPORTS UNDER THE TEMPORARY IMPORTATION UNDER BOND (TIB) PROGRAM

Table G-1

Fine denier PSF: U.S. imports entered free as articles to be processed under bond for export, including resulting U.S. produced items reported under HTS 9813.00.0520 in addition to the product specific statistical reporting number noted in the source note, by source and period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per pound

Source	Measure	2019	2020	2021	2022	2023
India	Quantity	---	---	31,141	52,730	59,771
Indonesia	Quantity	---	---	---	---	13,328
Taiwan	Quantity	---	---	1,450	311	14,459
Thailand	Quantity	---	---	---	---	2,610
Vietnam	Quantity	---	---	---	---	167
All import sources	Quantity	---	---	32,591	53,041	90,336
India	Value	---	---	17,334	34,302	36,354
Indonesia	Value	---	---	---	---	8,066
Taiwan	Value	---	---	793	270	11,297
Thailand	Value	---	---	---	---	1,423
Vietnam	Value	---	---	---	---	106
All import sources	Value	---	---	18,127	34,572	57,247
India	Unit value	---	---	0.56	0.65	0.61
Indonesia	Unit value	---	---	---	---	0.61
Taiwan	Unit value	---	---	0.55	0.87	0.78
Thailand	Unit value	---	---	---	---	0.55
Vietnam	Unit value	---	---	---	---	0.64
All import sources	Unit value	---	---	0.56	0.65	0.63

Table continued.

Table G-1 Continued

Fine denier PSF: U.S. imports entered free as articles to be processed under bond for export, including resulting U.S. produced items reported under HTS 9813.00.0520 in addition to the product specific statistical reporting number noted in the source note, by source and period

Ratios and shares in percent

Source	Measure	2019	2020	2021	2022	2023
India	Share of quantity	---	---	95.6	99.4	66.2
Indonesia	Share of quantity	---	---	---	---	14.8
Taiwan	Share of quantity	---	---	4.4	0.6	16.0
Thailand	Share of quantity	---	---	---	---	2.9
Vietnam	Share of quantity	---	---	---	---	0.2
All import sources	Share of quantity	---	---	100.0	100.0	100.0
India	Share of value	---	---	95.6	99.2	63.5
Indonesia	Share of value	---	---	---	---	14.1
Taiwan	Share of value	---	---	4.4	0.8	19.7
Thailand	Share of value	---	---	---	---	2.5
Vietnam	Share of value	---	---	---	---	0.2
All import sources	Share of value	---	---	100.0	100.0	100.0
India	Ratio of quantity	---	---	74.3	84.0	92.4
Indonesia	Ratio of quantity	---	---	---	---	61.4
Taiwan	Ratio of quantity	---	---	11.6	4.1	48.5
Thailand	Ratio of quantity	---	---	---	---	2.4
Vietnam	Ratio of quantity	---	---	---	---	1.4
All import sources	Ratio of quantity	---	---	15.4	20.2	32.0
India	Ratio of value	---	---	69.0	76.8	87.4
Indonesia	Ratio of value	---	---	---	---	52.1
Taiwan	Ratio of value	---	---	10.2	4.3	47.4
Thailand	Ratio of value	---	---	---	---	2.0
Vietnam	Ratio of value	---	---	---	---	1.7
All import sources	Ratio of value	---	---	13.3	16.6	29.1

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 5503.20.0025, accessed on April 15, 2024. Imports are based on the imports for consumption data series. Data are based on entries coded as rate provision (RP) code 13, relating to TIB entries processed into downstream articles in the United States.

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 "---". Ratios represent share out of overall fine denier PSF imports from the specified source that was entered under the TIB provisions.

APPENDIX H

IMPORT PURCHASE COST DATA BY SOURCE

Table H-1

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 1, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	India purchase cost	India quantity	India price/cost differential	Indonesia purchase cost	Indonesia quantity	Indonesia price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-1 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 1, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	South Korea purchase cost	South Korea quantity	South Korea price/cost differential	Taiwan purchase cost	Taiwan quantity	Taiwan price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-1 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 1, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Thailand purchase cost	Thailand quantity	Thailand price/cost differential	Vietnam purchase cost	Vietnam quantity	Vietnam price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-1 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 1, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	All other sources combined purchase cost	All other sources combined quantity	All other sources price/cost differential	Import purchase cost	Import quantity	Import price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

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 "---". Data for "all other sources" combined for product 1 relates to imported product from ***.

Table H-2

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 2, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	India purchase cost	India quantity	India price/cost differential	Indonesia purchase cost	Indonesia quantity	Indonesia price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-2 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 2, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Mexico purchase cost	Mexico quantity	Mexico price/cost differential	South Korea purchase cost	South Korea quantity	South Korea price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-2 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 2, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Taiwan purchase cost	Taiwan quantity	Taiwan price/cost differential	Thailand purchase cost	Thailand quantity	Thailand price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-2 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 2, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Turkey purchase cost	Turkey quantity	Turkey price/cost differential	Vietnam purchase cost	Vietnam quantity	Vietnam price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-2 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 2, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Other FTA partners purchase cost	Other FTA partners quantity	Other FTA partners price/cost differential	All other sources combined purchase cost	All other sources combined quantity	All other sources combined price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-2 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 2, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Import purchase cost	Import quantity	Import price/cost differential
2019 Q1	***	***	***	***	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	***	***	***
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***
2023 Q4	***	***	***	***	***

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 "---". Data for "other FTA partners" for product 2 relates to imported product from ***, while for "all other sources" combined for product 2 relates to imported product from ***.

Table H-3

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 3, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Thailand purchase cost	Thailand quantity	Thailand price/cost differential	Vietnam purchase cost	Vietnam quantity	Vietnam price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-3 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 3, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Import purchase cost	Import quantity	Import price/cost differential
2019 Q1	***	***	***	***	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	***	***	***
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***
2021 Q4	***	***	***	***	***
2022 Q1	***	***	***	***	***
2022 Q2	***	***	***	***	***
2022 Q3	***	***	***	***	***
2022 Q4	***	***	***	***	***
2023 Q1	***	***	***	***	***
2023 Q2	***	***	***	***	***
2023 Q3	***	***	***	***	***
2023 Q4	***	***	***	***	***

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 H-4

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 4, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	India purchase cost	India quantity	India price/cost differential	Indonesia purchase cost	Indonesia quantity	Indonesia price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-4 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 4, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Mexico purchase cost	Mexico quantity	Mexico price/cost differential	Taiwan purchase cost	Taiwan quantity	Taiwan price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-4 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 4, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Thailand purchase cost	Thailand quantity	Thailand price/cost differential	Vietnam purchase cost	Vietnam quantity	Vietnam price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

Table continued.

Table H-4 Continued

Fine denier PSF: Weighted-average f.o.b. prices and quantities of domestic and weighted-average LDP unit values and quantities imported product 4, and price/cost differentials, by source and quarter

Quantity in pounds; Prices and per unit LDP values in dollars per pound; Differentials in percent

Period	U.S. price	U.S. quantity	Other FTA partners purchase cost	Other FTA partners quantity	Other FTA partners price/cost differential	Import purchase cost	Import quantity	Import price/cost differential
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***
2022 Q2	***	***	***	***	***	***	***	***
2022 Q3	***	***	***	***	***	***	***	***
2022 Q4	***	***	***	***	***	***	***	***
2023 Q1	***	***	***	***	***	***	***	***
2023 Q2	***	***	***	***	***	***	***	***
2023 Q3	***	***	***	***	***	***	***	***
2023 Q4	***	***	***	***	***	***	***	***

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 "---". Data for "other FTA partners" for product 4 relates to imported product from ***.

Table H-5

Fine denier PSF: Instances and quantities of lower/(higher) average unit purchase costs compared to U.S. prices and the range and average of price/cost differentials, by product

Quantity in 1,000 pounds; Differentials in percent

Source	Type	Number of instances	Quantity	Average import price/cost differential	Minimum import price/cost differential	Maximum import price/cost differential
India	Lower than US	19	***	***	***	***
Indonesia	Lower than US	25	***	***	***	***
Mexico	Lower than US	13	***	***	***	***
South Korea	Lower than US	18	***	***	***	***
Taiwan	Lower than US	27	***	***	***	***
Thailand	Lower than US	53	***	***	***	***
Turkey	Lower than US	16	***	***	***	***
Vietnam	Lower than US	33	***	***	***	***
Other FTA partners	Lower than US	22	***	***	***	***
All other sources	Lower than US	12	***	***	***	***
All sources	Lower than US	238	711,994	23.4	0.5	64.8
India	Higher than US	24	***	***	***	***
Indonesia	Higher than US	2	***	***	***	***
Mexico	Higher than US	6	***	***	***	***
South Korea	Higher than US	15	***	***	***	***
Taiwan	Higher than US	5	***	***	***	***
Thailand	Higher than US	2	***	***	***	***
Turkey	Higher than US	1	***	***	***	***
Vietnam	Higher than US	---	***	***	***	***
Other FTA partners	Higher than US	1	***	***	***	***

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 "---".

